

TOWN OF ST. FRANCISVILLE, LOUISIANA

FINANCIAL REPORT

JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Board of Aldermen
Town of St. Francisville, 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 St. Francisville (the "Town"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, 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 the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 *Governmental 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 judgement made by a reasonable user based on the financial statements.

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

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

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 management's discussion and analysis, budgetary comparison schedules, schedule of the Town's proportionate share of the net pension liability, schedule of the Town's contributions, and notes to required supplementary information 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.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the Town's basic financial statements. The accompanying schedule of principal officials and salaries, schedule of compensation, benefits, other payments to agency head, justice system funding schedule – collecting/disbursing entity, justice system, funding schedule – receiving entity, and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of principal officials and salaries, the schedule of compensation, benefits, other payments to agency head, the justice system funding schedules, and the schedule of expenditures of federal awards and accompanying notes are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included with the financial statements. The other information comprises the Schedule of Insurance-in-force (unaudited) and the Schedule of Gas and Water Rates (Unaudited) but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
March 27, 2025



EisnerAmper LLP
www.eisneramper.com

REQUIRED SUPPLEMENTARY INFORMATION – PART I

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

This section of the Town of St. Francisville's (the "Town") annual financial report presents our discussion and analysis of the Town's financial performance during the year ended on June 30, 2024. Please read it in conjunction with the Town's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Town's combined total net position, increased by approximately \$2.5 million or 26.9 percent over the course of this year's operations. Net position of our governmental activities increased approximately \$2.1 million or 32.0 percent while net position of our business-type activities increased approximately \$325,000 or 13.2 percent.
- The general fund reported approximately \$697,000 in fund balance at year end.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Town:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Town's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements.
 - The governmental fund statements tell how general government services were financed in the short term as well as what remains for future spending.
 - Proprietary fund statements offer *short* and *long-term* financial information about the activities the government operates *like businesses*.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Town's financial statements, including the portion of the Town's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Figure A-1
Major Features of the Town's Government and Fund Financial Statements

	Fund Statements		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire Town government (except fiduciary funds)	The activities of the Town that are not proprietary or fiduciary, such as police, fire, and streets	Activities the Town operates similar to private businesses: the water and gas system
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses, and changes in net position • Statement of cash flows
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term debt included	All assets and liabilities, both financial and capital, and short-term and long-term debt
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Government-wide Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how they have changed. Net position - the difference between the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources - is one way to measure the Town's financial health or position.

- Over time, increases or decreases in the Town's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Town you need to consider additional nonfinancial factors such as changes in the Town's property tax base and the condition of the Town's roads.

The government-wide financial statements of the Town are divided into two categories:

- Governmental activities - most of the Town's basic services are included here, such as police, fire, public works, and general administration. Property taxes, sales taxes, franchise fees, and interest finance most of these activities.
- Business-type activities - The Town charges fees to customers to help it cover the costs of certain services it provides. The Town's water and gas systems are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's most significant funds - not the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by State law, while others may be required by bond covenants. The Town has two kinds of funds:

- Governmental funds - Most of the Town's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The Town maintains five major governmental funds. The General Fund, Sales and Use Tax Fund, Economic Development Fund, Capital Projects Fund, and Debt Service Fund. Information is presented separately in the fund financial statements.
- Proprietary funds - Services for which the Town charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. In fact, the Town's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows. The Town maintains two major proprietary funds. The Gas Utility Fund and the Water Utility Fund. Information is presented separately in the fund financial statements.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

	Table A-1 Town's Net Position			
	Governmental Activities		Business-Type Activities	
	2024	2023	2024	2023
ASSETS				
Current and other assets	\$ 5,851,765	\$ 8,748,781	\$ 1,372,807	\$ 889,660
Capital assets	9,817,629	4,477,907	2,416,700	2,512,757
TOTAL ASSETS	<u>15,669,394</u>	<u>13,226,688</u>	<u>3,789,507</u>	<u>3,402,417</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related	290,654	356,038	110,102	133,266
LIABILITIES				
Current liabilities	1,853,102	1,186,459	372,348	256,227
Long-term liabilities	5,220,267	5,663,965	726,474	801,324
TOTAL LIABILITIES	<u>7,073,369</u>	<u>6,850,424</u>	<u>1,098,822</u>	<u>1,057,551</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related	59,071	44,245	7,888	10,340
NET POSITION				
Net investment in capital assets	5,669,657	4,509,800	1,982,026	2,081,316
Restricted	2,131,423	1,691,556	3,061	13,523
Unrestricted	1,026,528	486,701	807,812	372,953
TOTAL NET POSITION	<u>\$ 8,827,608</u>	<u>\$6,688,057</u>	<u>\$ 2,792,899</u>	<u>\$ 2,467,792</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Change in net position. The Town's total net position increased approximately \$2.5 million (See Table A-2).

Approximately 59.3 percent of the Town's revenue comes from charges for services and 20.7 percent comes from tax collections.

The total cost of all programs and services decreased by approximately \$3.5 million or 29.0 percent.

	Table A-2			
	Changes in Town's Net Position			
	Governmental Activities		Business-Type Activities	
	2024	2023	2024	2023
Revenues				
Program revenues				
Charges for services	\$ 221,680	\$ 210,241	\$ 5,173,241	\$ 8,743,718
Operating grants and contributions	8,426	195,868	-	-
Capital grants and contributions	2,244,880	2,994	69,722	-
General revenues				
Taxes	2,262,523	2,262,799	-	-
Licenses and permits	127,752	118,883	-	-
Intergovernmental	54,976	59,395	-	-
Fines	82,884	135,252	-	-
Interest and dividend income	290,152	238,083	529	407
Miscellaneous	400,137	537,147	12,941	-
Total revenues	5,693,410	3,760,662	5,256,433	8,744,125
Expenses				
General government	968,826	1,055,026	-	-
Public safety	856,033	831,078	-	-
Streets	510,416	451,505	-	-
Sewer operations	386,739	449,214	-	-
Economic development	276,210	354,529	-	-
Business-type expenses	-	-	5,325,646	8,631,880
Debt service expenses:				
Interest and fiscal charges	161,315	178,765	-	-
Total expenses	3,159,539	3,320,117	5,325,646	8,631,880
Increase (decrease) in net position before transfers	2,533,871	440,545	(69,213)	112,245
Transfers (to) from	(394,320)	141,370	394,320	(141,370)
Increase (decrease) in net position	2,139,551	581,915	325,107	(29,125)
Beginning net position	6,688,057	6,106,142	2,467,792	2,496,917
Net position	\$ 8,827,608	\$ 6,688,057	\$ 2,792,899	\$ 2,467,792

Governmental Activities

Revenues for the Town's governmental activities increased approximately \$1.9 million or 51.4 percent, while total expenses decreased approximately \$161,000 or 4.8 percent. Operating grants and contributions decreased by approximately \$187,000 which is due to the Town not recognizing any of American Rescue Plan Act Coronavirus State and Local Fiscal Recovery funds in the current year. Capital grants and contributions increased approximately \$2.2 million which is due to water sector grant reimbursements received in the current year.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Business-Type Activities

Revenues for the Town's business-type activities decreased approximately \$3.5 million or 39.9 percent and costs of services decreased approximately \$3.3 million or 38.3 percent. Both the decrease in revenue and costs of service relate to a decrease in consumption related to Hood agreement compared to the prior year.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

For the year ended June 30, 2024, its governmental funds reported a combined fund balance of approximately \$4.4 million which was a 44.7 percent decrease over the prior year while the enterprise funds reported combined net position of approximately \$2.8 million which was a 13.2 increase from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Town Council revised the Town's General Fund budget to adjust various revenues and expenditures. The amended budget reflected primarily changes in revenues related to fines and forfeitures with a decrease of approximately \$137,000. The Amended budget also reflected an increase in expenses related to general government and streets of approximately \$88,000 and \$126,000, respectively. With the final budget, actual revenues were approximately \$509,000 greater than final budgeted revenues in total.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At June 30, 2024, the Town had invested approximately \$12.2 million in a broad range of capital assets, including police and fire department equipment, buildings, vehicles, and gas and water systems (See Table A-3). This amount represents a net increase (including additions and deductions) of approximately \$5.3 million over last year.

Table A-3
Town's Capital Assets

	Governmental Activities		Business-Type Activities	
	2024	2023	2024	2023
Improvements other than buildings	\$ 4,060,183	\$ 4,055,183	\$ 1,346,090	\$ 1,278,046
Buildings	1,143,445	1,131,885	497,005	497,005
Equipment	3,504,465	3,379,325	4,918,689	4,896,574
Land	715,886	715,886	6,523	6,523
Infrastructure	1,275,968	868,034	-	-
Construction in progress	6,006,068	797,649	-	-
Accumulated depreciation	(6,888,386)	(6,470,055)	(4,351,607)	(4,165,391)
Total	\$ 9,817,629	\$ 4,477,907	\$ 2,416,700	\$ 2,512,757

This year's major capital asset additions include:

- Construction in progress related to the Wastewater Treatment Plant in the amount of \$5,208,419.
- Infrastructure additions of street and drainage improvements totaling approximately \$408,000 and a police vehicle totaling approximately \$60,000

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Long-term liabilities. At the end of the current fiscal year, the Town had long-term liabilities outstanding of approximately \$5.3 million, as compared to approximately \$5.7 million in the prior year, a decrease of \$396,000 or 7.0 percent (See Table A-4). More information about the Town's long-term liabilities is presented in Note 8 to the financial statements.

Table A-4				
Town's Outstanding Liabilities				
	Governmental Activities		Business-Type Activities	
	2024	2023	2024	2023
Utility Revenue Bond	\$ -	\$ -	\$ 437,613	\$ 483,679
Revenue Bond	4,625,000	4,935,000	-	-
Asset Purchase Financing	139,084	169,927	-	-
Compensated Absences	38,643	48,729	14,638	13,634
Total	\$ 4,802,727	\$ 5,153,656	\$ 452,251	\$ 497,313

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town's major sources of revenue for the general and sales tax funds are comprised from sales tax, licenses and permits, and charges for services.

The Town is currently constructing a new Wastewater Treatment Plant. The current cost incurred and included in CIP at June 30, 2024 is \$5,994,108. See Note 7 for information regarding total construction commitment at year end. A one-half of one percent (1/2%) sales and use tax for a period of fifteen (15) years was levied, beginning April 1, 2021 for the purpose of repaying the \$5.25 million bond issued May 25, 2022. This bond will be used for constructing, acquiring, extending, improving, maintaining, operating, and decommissioning of the sewerage facilities when that decision is made and approved by the Louisiana Department of Environmental Quality.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mrs. Stacy Orr, Town Clerk, PO Box 400, St. Francisville, LA 70775.

BASIC FINANCIAL STATEMENTS

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 2,441,120	\$ 141,300	\$ 2,582,420
Investments	1,318,979	2,314	1,321,293
Accounts receivable, net	17,865	236,426	254,291
Due from other governmental units	161,575	-	161,575
Other receivables	539,469	-	539,469
Prepaid insurance	66,881	61,736	128,617
Internal balances	(805,381)	805,381	-
Restricted assets:			
Cash and cash equivalents	1,238,601	125,650	1,364,251
Investments	872,656	-	872,656
Capital assets:			
Nondepreciable	6,721,954	6,523	6,728,477
Depreciable, net	3,095,675	2,410,177	5,505,852
Total assets	<u>15,669,394</u>	<u>3,789,507</u>	<u>19,458,901</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related	290,654	110,102	400,756
Total outflows of resources	<u>290,654</u>	<u>110,102</u>	<u>400,756</u>
<u>LIABILITIES</u>			
Accounts payable	680,176	157,192	837,368
Accrued payables	64,834	20,919	85,753
Accrued interest payable	25,052	1,027	26,079
Customer deposits	-	122,589	122,589
Compensated absences	38,643	14,638	53,281
Retainage payable	256,544	-	256,544
Unearned revenue	436,629	-	436,629
Long-term liabilities:			
Net pension liability	807,407	344,844	1,152,251
Bond and notes payable:			
Due within one year	351,224	55,983	407,207
Due in more than one year	4,412,860	381,630	4,794,490
Total liabilities	<u>7,073,369</u>	<u>1,098,822</u>	<u>8,172,191</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related	59,071	7,888	66,959
Total deferred inflows of resources	<u>59,071</u>	<u>7,888</u>	<u>66,959</u>
<u>NET POSITION</u>			
Net investment in capital assets	5,669,657	1,982,026	7,651,683
Restricted	3,078,751	-	3,078,751
Unrestricted	79,200	810,873	890,073
Total net position	<u>\$ 8,827,608</u>	<u>\$ 2,792,899</u>	<u>\$ 11,620,507</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Revenues				Net Program (Expense)/Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Functions/Programs							
Governmental activities:							
General government	\$ 968,826	\$ -	\$ -	\$ 336,516	\$ (632,310)	\$ -	\$ (632,310)
Public safety	856,033	-	-	3,062	(852,971)	-	(852,971)
Streets	510,416	-	-	-	(510,416)	-	(510,416)
Sewer operations	386,739	221,680	-	1,905,302	1,740,243	-	1,740,243
Economic development	276,210	-	8,426	-	(267,784)	-	(267,784)
Debt service:							
Interest and fiscal charges	161,315	-	-	-	(161,315)	-	(161,315)
Total governmental activities	3,159,539	221,680	8,426	2,244,880	(684,553)	-	(684,553)
Business-type activities:							
Gas services	4,474,528	4,652,621	-	-	-	178,093	178,093
Water services	851,118	520,620	-	69,722	-	(260,776)	(260,776)
Total business-type activities	5,325,646	5,173,241	-	69,722	-	(82,683)	(82,683)
Total primary government	\$ 8,485,185	\$ 5,394,921	\$ 8,426	\$ 2,314,602	(684,553)	(82,683)	(767,236)
General revenues:							
Ad valorem taxes					173,497	-	173,497
Sales and use taxes					2,089,026	-	2,089,026
Licenses and permits					127,752	-	127,752
Intergovernmental revenue					54,976	-	54,976
Interest and dividend income					290,152	529	290,681
Fines					82,884	-	82,884
Other					400,137	12,941	413,078
Transfers (to) from other funds					(394,320)	394,320	-
Total general revenues					2,824,104	407,790	3,231,894
Change in net position					2,139,551	325,107	2,464,658
Net Position - June 30, 2023					6,688,057	2,467,792	9,155,849
Net Position - June 30, 2024					\$ 8,827,608	\$ 2,792,899	\$ 11,620,507

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE**St. Francisville, LA****GOVERNMENTAL FUNDS****BALANCE SHEET****JUNE 30, 2024**

	General	Sales and Use Tax	Economic Development	Capital Projects
<u>ASSETS</u>				
Cash and cash equivalents	\$ 1,064,591	\$ 1,330,513	\$ 46,016	\$ -
Investments	1,282,616	-	36,363	-
Accounts receivable, net	-	17,865	-	-
Due from other governmental units	-	161,575	-	-
Other receivables	98,829	-	-	440,640
Due from other funds	-	474,685	-	-
Prepaid insurance	45,016	21,865	-	-
Restricted assets - cash	-	-	-	1,238,601
Restricted assets - investments	-	-	-	778,263
Total assets	<u>\$ 2,491,052</u>	<u>\$ 2,006,503</u>	<u>\$ 82,379</u>	<u>\$ 2,457,504</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 37,538	\$ 3,651	\$ 1,467	\$ 637,520
Salaries, payroll deductions, and withholdings payable	39,965	23,648	1,221	-
Retainage payable	-	-	-	256,544
Due to other funds	1,280,066	-	-	-
Unearned revenue	436,629	-	-	-
Total liabilities	<u>1,794,198</u>	<u>27,299</u>	<u>2,688</u>	<u>894,064</u>
Fund balances:				
Nonspendable	45,016	21,865	-	-
Restricted				
Debt service	-	-	-	-
Sanitary sewer system operations	-	1,957,339	-	-
Economic development	-	-	79,691	-
Capital projects	-	-	-	1,563,440
Unassigned	651,838	-	-	-
Total fund balances	<u>696,854</u>	<u>1,979,204</u>	<u>79,691</u>	<u>1,563,440</u>
Total liabilities and fund balances	<u>\$ 2,491,052</u>	<u>\$ 2,006,503</u>	<u>\$ 82,379</u>	<u>\$ 2,457,504</u>

The accompanying notes are an integral part of this statement.

Debt Service		Total Governmental Funds
\$	-	\$ 2,441,120
	-	1,318,979
	-	17,865
	-	161,575
	-	539,469
	-	474,685
	-	66,881
	-	1,238,601
	94,393	872,656
\$	94,393	\$ 7,131,831
\$	-	\$ 680,176
	-	64,834
	-	256,544
	-	1,280,066
	-	436,629
	-	2,718,249
	-	66,881
	94,393	94,393
	-	1,957,339
	-	79,691
	-	1,563,440
	-	651,838
	94,393	4,413,582
\$	94,393	\$ 7,131,831

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total fund balances at June 30, 2024 - governmental funds		\$ 4,413,582
Cost of capital assets	16,706,015	
Less: accumulated depreciation	<u>(6,888,386)</u>	9,817,629
Long-term assets and deferred outflows		
Deferred outflows - pension related		290,654
Long-term liabilities and deferred inflows		
Bond payable	(4,625,000)	
Financed asset payable	(139,084)	
Accrued interest payable	(25,052)	
Compensated absences payable	(38,643)	
Net pension liability	(807,407)	
Deferred inflows - pension related	<u>(59,071)</u>	<u>(5,694,257)</u>
Total net position - governmental activities		<u>\$ 8,827,608</u>

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2024

	<u>General</u>	<u>Sales and Use Tax</u>	<u>Economic Development</u>	<u>Capital Projects</u>
<u>REVENUES</u>				
Taxes	\$ 173,497	\$ 1,910,602	\$ -	\$ -
Hotel/Motel tax	-	-	178,424	-
Intergovernmental:				
Federal	3,062	-	8,426	1,855,302
State	336,516	-	-	50,000
Local	30,716	-	-	-
Occupational licenses and permits	127,752	-	-	-
State supplemental pay	24,260	-	-	-
Charges for services	-	221,680	-	-
Other charges	167,871	-	-	-
Fines and forfeitures	82,884	-	-	-
Interest and dividends	90,543	11,377	2,545	176,048
Other	167,650	-	38,826	-
Total revenues	<u>1,204,751</u>	<u>2,143,659</u>	<u>228,221</u>	<u>2,081,350</u>
<u>EXPENDITURES</u>				
Current:				
General government	344,684	583,250	-	5,800
Public safety	756,271	-	-	-
Streets	357,604	-	-	-
Sewer operations	-	299,931	-	-
Culture, recreation, and economic development	-	-	230,833	-
Capital outlay	487,680	6,034	55,920	5,208,419
Debt service:				
Principal	-	30,843	-	-
Interest and fiscal charges	-	393	-	-
Total expenditures	<u>1,946,239</u>	<u>920,451</u>	<u>286,753</u>	<u>5,214,219</u>
Excess of revenues (under) over expenditures	<u>(741,488)</u>	<u>1,223,208</u>	<u>(58,532)</u>	<u>(3,132,869)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	103,782	20,000	6,574	-
Transfers out	(15,000)	(749,873)	(4,117)	(226,061)
Total other financing sources (uses)	<u>88,782</u>	<u>(729,873)</u>	<u>2,457</u>	<u>(226,061)</u>
Net Change in Fund Balance	<u>(652,706)</u>	<u>493,335</u>	<u>(56,075)</u>	<u>(3,358,930)</u>
<u>FUND BALANCE</u>				
Fund Balance at June 30, 2023	1,349,560	1,485,869	135,766	4,922,370
Fund Balance at June 30, 2024	<u>\$ 696,854</u>	<u>\$ 1,979,204</u>	<u>\$ 79,691</u>	<u>\$ 1,563,440</u>

The accompanying notes are an integral part of this statement.

Debt Service	Total
\$ -	\$ 2,084,099
-	178,424
-	1,866,790
-	386,516
-	30,716
-	127,752
-	24,260
-	221,680
-	167,871
-	82,884
9,639	290,152
-	206,476
<u>9,639</u>	<u>5,667,620</u>
-	933,734
-	756,271
-	357,604
-	299,931
-	230,833
-	5,758,053
310,000	340,843
<u>160,388</u>	<u>160,781</u>
<u>470,388</u>	<u>8,838,050</u>
<u>(460,749)</u>	<u>(3,170,430)</u>
470,475	600,831
<u>(100)</u>	<u>(995,151)</u>
<u>470,375</u>	<u>(394,320)</u>
9,626	(3,564,750)
84,767	7,978,332
<u>\$ 94,393</u>	<u>\$ 4,413,582</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Total net changes in fund balance - governmental funds		\$ (3,564,750)
Capital assets:		
Capital outlay and other expenditures capitalized	5,758,053	
Depreciation expense	<u>(418,331)</u>	5,339,722
Long-term debt:		
Principal portion of debt payments	340,843	
Change in accrued interest payable	1,679	
Excess of compensated absences earned over amounts used	<u>10,086</u>	352,608
Net change in pension liability and deferred inflows/outflows of resources		<u>11,971</u>
Change in net position - governmental activities		<u><u>\$ 2,139,551</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
ENTERPRISE FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2024

	Gas Utility Fund	Water Utility Fund	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 95,718	\$ 45,582	\$ 141,300
Investments	-	2,314	2,314
Accounts receivable, net for uncollectible accounts	191,436	44,990	236,426
Due from other funds	571,017	244,835	815,852
Prepaid insurance	30,868	30,868	61,736
Total current assets	889,039	368,589	1,257,628
Restricted assets:			
Restricted cash and cash equivalents:			
Meter deposit fund	85,144	40,506	125,650
Total restricted assets	85,144	40,506	125,650
Noncurrent assets:			
Capital assets, net	1,142,693	1,274,007	2,416,700
Total noncurrent assets	1,142,693	1,274,007	2,416,700
Total assets	2,116,876	1,683,102	3,799,978
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related	75,149	34,953	110,102
Total deferred outflow of resources	75,149	34,953	110,102
<u>LIABILITIES</u>			
Current liabilities:			
Payable from current assets:			
Accounts payable and accrued expenses	34,799	143,312	178,111
Due to other funds	10,471	-	10,471
Accrued interest payable	277	750	1,027
Compensated absences	6,719	7,919	14,638
Debt payable in one year	15,107	40,876	55,983
Payable from restricted assets:			
Customer deposits	85,099	37,490	122,589
Total current liabilities	152,472	230,347	382,819
Noncurrent liabilities:			
Debt payable after one year	102,984	278,646	381,630
Net pension liability	214,615	130,229	344,844
Total noncurrent liabilities	317,599	408,875	726,474
Total liabilities	470,071	639,222	1,109,293
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related	-	7,888	7,888
Total deferred inflows of resources	-	7,888	7,888
<u>NET POSITION</u>			
Net investment in capital assets	1,024,602	957,424	1,982,026
Restricted	-	-	-
Unrestricted	697,352	113,521	810,873
Total net position	\$ 1,721,954	\$ 1,070,945	\$ 2,792,899

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
ENTERPRISE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

	Gas Utility Fund	Water Utility Fund	Total
<u>OPERATING REVENUES</u>			
Charges for services	\$ 4,652,621	\$ 520,620	\$ 5,173,241
Miscellaneous	7,744	5,197	12,941
Total operating revenues	<u>4,660,365</u>	<u>525,817</u>	<u>5,186,182</u>
<u>OPERATING EXPENSES</u>			
Gas - purchases	3,896,066	-	3,896,066
Depreciation	84,658	101,558	186,216
Other	489,758	738,613	1,228,371
Total operating expenses	<u>4,470,482</u>	<u>840,171</u>	<u>5,310,653</u>
Operating income (loss)	<u>189,883</u>	<u>(314,354)</u>	<u>(124,471)</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>			
Intergovernmental:			
State	-	69,722	69,722
Interest income	405	124	529
Interest expense	(4,046)	(10,947)	(14,993)
Total non-operating expenses	<u>(3,641)</u>	<u>58,899</u>	<u>55,258</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	159,612	344,348	503,960
Transfers out	(74,296)	(35,344)	(109,640)
Total other financing sources	<u>85,316</u>	<u>309,004</u>	<u>394,320</u>
Change in net position	<u>271,558</u>	<u>53,549</u>	<u>325,107</u>
<u>NET POSITION</u>			
Fund Balance at June 30, 2023	<u>1,450,396</u>	<u>1,017,396</u>	<u>2,467,792</u>
Fund Balance at June 30, 2024	<u><u>\$ 1,721,954</u></u>	<u><u>\$ 1,070,945</u></u>	<u><u>\$ 2,792,899</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Gas Utility Fund	Water Utility Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 1,089,737	\$ 521,629	\$ 1,611,366
Cash payments to suppliers for goods and services	(598,151)	(360,353)	(958,504)
Cash payments to employees for services	(262,090)	(271,836)	(533,926)
Net cash provided by (used in) operating activities	<u>229,496</u>	<u>(110,560)</u>	<u>118,936</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from (to) other funds	(396,867)	78,571	(318,296)
Net cash provided by (used in) noncapital financing activities	<u>(396,867)</u>	<u>78,571</u>	<u>(318,296)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING:			
Principal paid on revenue bond maturities	(12,431)	(33,635)	(46,066)
Interest paid on revenue bonds and other debt	(4,046)	(10,947)	(14,993)
Proceeds from capital grants	-	69,722	69,722
Acquisition of capital assets	(45,625)	(44,534)	(90,159)
Net cash used in capital and related financing	<u>(62,102)</u>	<u>(19,394)</u>	<u>(81,496)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends on investments	405	4	409
Net cash provided by investing activities	<u>405</u>	<u>4</u>	<u>409</u>
NET DECREASE IN CASH	(229,068)	(51,379)	(280,447)
CASH AND CASH EQUIVALENTS AT JUNE 30, 2023	409,930	137,467	547,397
CASH AND CASH EQUIVALENTS AT JUNE 30, 2024	<u>\$ 180,862</u>	<u>\$ 86,088</u>	<u>\$ 266,950</u>

(continued)

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Gas Utility Fund	Water Utility Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ 189,883	\$ (314,354)	\$ (124,471)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	84,658	101,558	186,216
Change in assets and liabilities:			
Accounts receivable	34,088	21,589	55,677
Other receivables	(51,187)	(24,866)	(76,053)
Prepaid insurance	(15,241)	(15,241)	(30,482)
Deferred outflows of resources for pensions	13,055	10,109	23,164
Accounts payable	(2,981)	121,088	118,107
Accrued expenses	(11,171)	(2,920)	(14,091)
Accrued interest payable	(65)	(175)	(240)
Deferred inflows of resources for pensions	(660)	(1,792)	(2,452)
Meter deposits	7,055	4,286	11,341
Compensated absences	(713)	1,717	1,004
Net pension liability	(17,225)	(11,559)	(28,784)
Total adjustments	39,613	203,794	243,407
Net cash provided by (used in) operating activities	\$ 229,496	\$ (110,560)	\$ 118,936
Cash and cash equivalents for cash flow statement include:			
Cash and cash equivalents	\$ 95,718	\$ 45,582	\$ 141,300
Restricted cash and cash equivalents	85,144	40,506	125,650
TOTAL CASH AND CASH EQUIVALENTS	\$ 180,862	\$ 86,088	\$ 266,950

(concluded)

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies

The Town of St. Francisville, Louisiana (the “Town”) dates from 1785; the date the monastery was built in honor of St. Francis of Assisi.

The Town adopted the provisions of the Lawrason Act on January 23, 1956, and operates under a Mayor-Board of Aldermen form of government.

The Town’s basic financial statements consist of the government-wide statements and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (“GASB”) *Codification of Governmental Accounting and Financial Reporting Standards*. The entity-wide financial statements follow the guidance included in GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Such accounting and reporting procedures conform to the requirements of Louisiana Revised Statute 24:517, and to the industry audit guide, *Audits of State and Local Governmental Units* published by the American Institute of Certified Public Accountants.

Financial Reporting Entity

GASB Codification, Section 2100, *Defining the Financial Reporting Entity*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since the Town is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments, it is considered a primary government under the provisions of this Statement. As used in GASB 2100, fiscally independent means that the Town may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Additionally, the Town does not have any component units, which are defined by GASB 2100 as other legally separate organizations for which the elected officials are financially accountable. There are no other primary governments with which the Town has a significant relationship.

Basis of Presentation, Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the Town. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between *the governmental and business-type activities* of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Basis of Presentation, Basis of Accounting (continued)

reversed for the statement of activities. Program revenues include (a) fees, fines, 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 fund financial statements provide information about the Town's funds. Separate statements for each fund category - *governmental and proprietary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Town reports the following major 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 – The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Sales Tax Fund – The Sales Tax Fund accounts for the receipt and use of proceeds of the Town's sales and use taxes. These taxes are restricted to operating expenditures of the sanitary sewer system. All remaining proceeds from the taxes may be used by the Town for any lawful purposes.

Economic Development Fund – This fund accounts for the Town's expenditures to promote economic development and tourism.

Debt Service Fund – This fund is used to account for the accumulation of resources that are committed, restricted, or assigned to the payment of general long-term debt principal, interest, and related costs on long-term obligations of governmental funds. Budgetary comparison information is not presented in the supplementary information for the Debt Service Fund.

Capital Project Fund – The Capital Project Fund is used to account for financial resources received and used for the acquisition, construction, or improvements of capital facilities not reported in other governmental funds. Bond proceeds to construct, acquire, extend, improve, maintain, operate, and decommission sewerage facilities serving the Town and paying all the issuance costs of the bond are being accounted for in the Capital Project Fund. Budgetary comparison information is not presented in the supplementary information for the Capital Project Fund.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Basis of Presentation, Basis of Accounting (continued)

The Town reports the following major enterprise funds:

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

Gas Utility Fund – The Gas Utility Fund accounts for the activities of providing natural gas.

Water Utility Fund – The Water Utility Fund accounts for the activities of providing water.

Measurement Focus, Basis of Accounting

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year for which they are levied. Sales taxes are recognized when the underlying sales transactions occur. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied. Grant proceeds received before the eligibility requirements are met (i.e. expended on the restricted purpose) are recorded as unearned revenue, a liability caption on the Statement of Net Position.

Governmental Fund Financial Statements. Governmental Funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, intergovernmental revenues, and interest are considered to be susceptible to accrual. Fines, licenses and permits are not susceptible to accrual because generally they are not measurable until received in cash. Grant proceeds received before the eligibility requirements are met (i.e. expended on the restricted purpose) are recorded as unearned revenue, a liability caption on the Governmental Funds Balance Sheet. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financing for asset purchases are reported as other financing sources.

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

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

Pension Plans

The Town of St. Francisville is a participating employer in two cost-sharing, multiple-employer defined benefit pension plans as described in Note 10. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

Budgets and Budgetary Accounting

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

1. A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year.
2. The proposed budget is published in the official journal and made available for public inspection. A public hearing is called to obtain taxpayer comments.
3. The budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
4. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Board of Aldermen.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the General, Special Revenue, Capital Project, Debt Service, and Proprietary Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
7. Louisiana R.S. 39:1310 requires budgets to be amended when revenue collections plus projected revenue collections for the remainder of a year, within a fund, are failing to meet estimated annual budgeted revenues by five percent or more or expenditures plus projected expenditures for the remainder of the year, within a fund, are exceeding estimated budgeted expenditures by five percent or more. Budgeted amounts are as originally adopted or as amended by the Board of Aldermen.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Budgets and Budgetary Accounting (continued)

The level of budgetary control is total appropriations. Budgeted amounts included in the financial statements include the original adopted budget and the final amended budget.

Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments, which include demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, and investments in the Louisiana Asset Management Pool, Inc. ("LAMP") are stated at market value.

Under Louisiana Revised Statutes 39:1271 and 33:2955, the Town may deposit funds in obligations of the U.S. Treasury and U.S. agencies, demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, and time certificates of deposit with state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the LAMP, a non-profit corporation formed by an initiative of the State Treasury and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Under state law, the Town may invest in United States bonds, treasury notes, or certificates of deposits. These are classified as cash equivalents if the original maturities are 90 days or less; however, if their original maturity exceeds 90 days, these are classified as investments. Investments are stated at cost and approximate fair value.

Restricted Assets

Certain customer meter deposits, debt service sinking funds, and ad valorem tax collections are legally restricted as to purpose. These assets have been classified as restricted assets on the Statement of Net Position since the use of these funds is limited by applicable deposit agreements, bond covenants, and tax millages. The Town also has restricted investments related to bond proceeds received but not yet expended which is invested in a money market fund.

Bad Debts

Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectability of the particular receivable.

Transfers In and Out; Due to and Due from Funds

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due to and due from accounts.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Compensated Absences

Employees earn vacation leave at various rates depending upon length of their employment. Amounts of vested or accumulated vacation leave of governmental funds are expected to be liquidated with expendable available resources of these funds and are recorded as an expense and liability on the government-wide financial statements at year end. Vested or accumulated sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. Employees earn sick leave at various rates depending on length of their employment. Employees can accrue an unlimited amount of both vacation and sick leave, however a maximum of 240 hours of vacation leave is payable to the employee at retirement or termination of employment. There is no accrual for sick leave.

Long Term Debt

In the government-wide Statement of Net Position and in the proprietary fund types' financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond issuance costs, excluding any prepaid bond insurance, are reported as an expense in the year of debt issuance. Bonded debt premiums, discounts, and gains (losses) on refundings are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable is reported net of the applicable bond premium or discount. Gains (losses) on refundings are reported as deferred outflows/inflows of resources.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and bond issuance costs during the current financial reporting period. The face amount of the debt issue is reported as "other financing sources." Premiums received on debt issuances are reported as "other financing sources" and discounts on debt are reported as "other financing uses."

Excess revenue contracts, loans, and notes are obligations of the general government and payment of these debts are normally provided by transfers from the General Fund to a debt service fund. However, if a debt is intended to be repaid by an enterprise fund it is recorded as a proprietary long-term debt.

Revenue bonds are secured by revenues from the Town's water and gas systems. For those issues not associated with enterprise fund operations, payment of the debt is provided by sales tax revenue recognized in the appropriate debt service fund. Ad valorem and sales tax revenue bond issues associated with enterprise funds are accounted for in the relevant enterprise fund.

Statement of Cash Flows

For purposes of the statement of cash flows, the Town considers all highly liquid investments (including restricted assets) with original maturity of three months or less to be cash equivalents.

Encumbrances

Encumbrance accounting, under which contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Financial Statements: In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Board of Aldermen, which is the highest level of decision-making authority.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes by the Board of Aldermen.
- e. Unassigned – all other spendable amounts.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Town reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, or unassigned amounts are available, the Town reduces committed amounts first, followed by assigned amounts, and finally unassigned amounts, as needed, unless the Town has provided otherwise in its committed or assignment actions.

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. The Town carries commercial insurance for all risks of loss. The Town has no claims payable as of June 30, 2024. See Note 11 to the financial statements.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The Town has elected not to report major general infrastructure assets retroactively. The Town began reporting infrastructure assets beginning September 1, 2005.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and Improvements	7-40 years
Sewer Improvements	20-25 years
Equipment	5-20 years
Infrastructure	20-40 years

The proprietary fund type operations are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and liabilities (whether current or non-current) associated with their activity are included on their balance sheets.

Depreciation of all exhaustible capital assets used is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Gas Plant	33 years
Utility-type Improvements	20-30 years
Buildings	20 years
Office Equipment	5-10 years
Automotive Equipment	5 years

All capital assets are stated at historical cost or acquisition value less accumulated depreciation.

Accounts Receivable

Uncollectible amounts due from customers for utility services are recognized through the establishment of an allowance for uncollectible accounts at the time information becomes available which indicates the uncollectibility of the particular receivable.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of Significant Accounting Policies (continued)

Deferred Outflows/Inflows of Resources

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Arbitrage Liability

Section 148 of the Internal Revenue Code of 1986, as amended, requires that issuers of tax-exempt debt make arbitrage calculations annually on bond issues issued after August 31, 1986, to determine whether an arbitrage rebate liability exists between the issuer and the U.S. Department of Treasury. Arbitrage is the difference (or profit) earned from borrowing funds at tax-exempt rates and investing the proceeds in higher yielding taxable securities. There are no arbitrage rebate liabilities outstanding to the U.S. Department of Treasury for Town issues at June 30, 2024.

Current Year Adoption of New Accounting Standards

The Town implemented GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment to GASB Statement No. 62*. This standard is intended to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The adoption of this standard had no impact on the Town.

2. Cash and Investments

A. Deposits

Under State law, federal deposit insurance or the pledge of securities owned by the fiscal agent bank must secure these deposits (or the resulting bank balances). 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.

The following is a reconciliation of the carrying amounts of deposits to restricted and unrestricted cash and cash equivalents on the Statement of Net Position.

Cash and cash equivalents:

Deposits	\$ 2,582,420
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Restricted Cash:

Deposits	1,364,251
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Total cash and cash equivalents

\$ 3,946,671

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. Cash and Investments (continued)

A. Deposits (continued)

Custodial Credit Risk

Custodial Credit Risk is the risk that in the event of a financial institution failure, the Town's deposits may not be returned to them. The Town does not have a deposit policy for custodial credit risk. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. At June 30, 2024, the Town's bank balances totaled \$4,108,315. The Town was not exposed to custodial credit risk by being uninsured and uncollateralized.

B. Investments

At June 30, 2024, the Town had the following investments:

INVESTMENT MATURITIES (IN YEARS)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1 year</u>
Investments measured at the net asset value ("NAV")		
LAMP	\$ 1,321,293	\$ 1,321,293
Money Market Account	872,656	872,656
Total investments	<u>\$ 2,193,949</u>	<u>\$ 2,193,949</u>

Included in the statement of net position at June 30, 2024 are the following:

Investments	\$ 1,321,293
Restricted investments	872,656
Total investments	<u>\$ 2,193,949</u>

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

LAMP is a governmental investment pool that reports fair value. The following facts are relevant for an investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. **Cash and Investments** (continued)

B. **Investments** (continued)

- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating / variable rate investments. The WAM of LAMP's total investments is 70 days as of June 30, 2024.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc. 650 Poydras St., Suite 2220, New Orleans, LA 70130.

The Goldman Sachs Financial Square Gov't Fund (the "fund") is a money market fund. At June 30, 2024, investments of \$872,656 are in the fund. The following facts are relevant for the fund:

- Credit Risk: The fund is rated AAAM by Standard & Poor's.
- Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment that are in the possession of an outside party. The \$872,656 of money market mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.
- Concentration of Credit Risk: The Town's investment policy does not limit the amount the Town may invest in any one issuer.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. Cash and Investments (continued)

B. Investments (continued)

- Interest Rate Risk: This risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Town's investment in the money market fund is not exposed to interest rate risk and the Town does not have a formal interest rate risk policy.
- Foreign Currency Risk: Not applicable

These funds are invested in U.S. Government Securities and repurchase agreements relating to such securities. These funds are used as a source of liquidity to meet capital commitments to construct, acquire, extend, improve, maintain, operate, and decommission sewerage facilities serving the Town and to fund debt service requirements. The fair value of the investments has been determined using the NAV per share (or equivalent) of the investments. Units are valued daily at \$1 per share, and redemption of units can be made on a same-day basis.

3. Restricted Assets

Under the terms of the bond indentures for the general obligation bonds, certain revenues are dedicated to the retirement of said bonds and are to be set aside into special accounts after provisions have been made for the payment of the reasonable and necessary expenses of operating and maintaining the utility systems.

At June 30, 2024, the Town has \$125,650 of cash restricted for the refunding of customer meter deposits.

At June 30, 2024, the Town has \$1,238,601 of cash restricted for capital improvements to the wastewater treatment plant.

At June 30, 2024, the Town has \$872,656 of bond proceeds being held as investments. These investments are restricted to construct, acquire, extend, improve, maintain, operate, and upgrade sewerage facilities serving the Town

4. Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of February 28 of each year. Taxes are levied and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year.

The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of West Feliciana Parish. For the year ended June 30, 2024, taxes of 5.66 mills were levied on property with total assessed taxable value of \$30,550,975 and were dedicated for general purposes.

Ad valorem tax revenue reported for the year ended June 30, 2024 totaled \$173,497.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

5. Due from Other Governmental Units

Amounts due from other governmental units at June 30, 2024 consisted of the following:

Governmental Activities:

	Sales & Use Tax Fund
West Feliciana Parish School Board	\$ 161,575
	<u>\$ 161,575</u>

6. Receivables

Receivables as of June 30, 2024 for the Town's governmental and business-type funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities:

	General	Sales & Use Tax	Capital Projects	Total
Accounts receivable:				
Charges for services	\$ -	\$ 26,205	\$ -	\$ 26,205
Less: allowance	-	(8,340)	-	(8,340)
Accounts receivable, net	-	17,865	-	17,865
Other receivables				
Franchise tax receivable	34,534	-	-	34,534
LAMATs and fire insurance rebate	62,403	-	-	62,403
Grants receivable	-	-	440,640	440,640
Ad valorem tax receivable	1,892	-	-	1,892
Total other receivables	98,829	-	440,640	539,469
Total receivables	<u>\$ 98,829</u>	<u>\$ 17,865</u>	<u>\$ 440,640</u>	<u>\$ 557,334</u>

Business-Type Activities:

	Gas	Water	Total
Accounts receivable:			
Due from customers	\$ 216,996	\$ 65,994	\$ 282,990
Less: allowance	(25,560)	(21,004)	(46,564)
Accounts receivable, net	<u>\$ 191,436</u>	<u>\$ 44,990</u>	<u>\$ 236,426</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024

7. Capital Assets

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

Governmental Activities:

	Balance 6/30/23	Additions	Deletions	Balance 6/30/24
Capital assets, not being depreciated				
Land	\$ 715,886	\$ -	\$ -	715,886
Construction in progress	797,649	5,208,419	-	6,006,068
Total capital assets, not being depreciated	1,513,535	5,208,419	-	6,721,954
Capital assets, being depreciated				
Improvements other than buildings	4,055,183	5,000	-	4,060,183
Buildings	1,131,885	11,560	-	1,143,445
Equipment	3,379,325	125,140	-	3,504,465
Infrastructure	868,034	407,934	-	1,275,968
	9,434,427	549,634	-	9,984,061
Less: Accumulated Depreciation	(6,470,055)	(418,331)	-	(6,888,386)
Total capital assets, being depreciated	2,964,372	131,303	-	3,095,675
Capital assets, net of depreciation	\$ 4,477,907	\$ 5,339,722	\$ -	\$ 9,817,629

Depreciation expense for the year ended June 30, 2024 totaled \$ 359,129 which are charged to the following functions:

General Government	\$ 31,031
Public Safety - Police	49,172
Public Safety - Fire	51,066
Streets	152,661
Sewer Operations	88,553
Economic Development	45,848
	<u>\$ 418,331</u>

Business-Type Activities:

	Balance 6/30/23	Additions	Deletions	Balance 6/30/24
Capital assets, not being depreciated				
Land	\$ 6,523	\$ -	\$ -	\$ 6,523
Total capital assets, not being depreciated	6,523	-	-	6,523
Capital assets, being depreciated				
Improvements other than buildings	1,278,046	68,044	-	1,346,090
Buildings	497,005	-	-	497,005
Equipment and system	4,896,574	22,115	-	4,918,689
	6,671,625	90,159	-	6,761,784
Less: Accumulated Depreciation	(4,165,391)	(186,216)	-	(4,351,607)
Total capital assets, being depreciated	2,506,234	(96,057)	-	2,410,177
Capital assets, net of depreciation	\$ 2,512,757	\$ (96,057)	\$ -	\$ 2,416,700

Depreciation expense for the year ended June 30, 2024 totaled \$186,216, of which \$84,658 and \$101,558 was allocated to gas services and water services, respectively.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

7. Capital Assets (continued)

Construction Commitments

The government has active construction contracts at June 30, 2024, totaling \$7,190,173. The remaining commitments on active construction projects at June 30, 2024, are as follows:

<u>Project</u>	<u>Contract Amount</u>	<u>Remaining Commitment</u>
Governmental Activities:		
New wastewater treatment facility	\$ 7,190,173	\$ 2,059,304
Total business-type funds	\$ 7,190,173	\$ 2,059,304

8. Long-Term Liabilities

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

	<u>Balance 6/30/23</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/24</u>	<u>Due within one year</u>
<u>Governmental Activities</u>					
Direct borrowing and placement of debt:					
Revenue bond, series 2022	\$ 4,935,000	\$ -	\$ 310,000	\$ 4,625,000	\$ 320,000
Financed asset	169,927	-	30,843	139,084	31,224
Other long-term liabilities:					
Compensated absences	48,729	52,732	62,818	38,643	38,643
	<u>\$ 5,153,656</u>	<u>\$ 52,732</u>	<u>\$ 403,661</u>	<u>\$ 4,802,727</u>	<u>\$ 389,867</u>
<u>Business-Type Activities</u>					
Direct borrowing and placement of debt:					
Utility revenue bond, series 2015	\$ 483,679	\$ -	\$ 46,066	\$ 437,613	\$ 55,983
Other long-term liabilities:					
Compensated absences	13,634	14,754	13,750	14,638	14,638
	<u>\$ 497,313</u>	<u>\$ 14,754</u>	<u>\$ 59,816</u>	<u>\$ 452,251</u>	<u>\$ 70,621</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

8. Long-Term Liabilities (continued)

Direct borrowings, placements and other debt at June 30, 2024 are comprised of the following individual issues:

Governmental Activities:

Direct borrowing and placement:

\$5,250,000 Sales Tax revenue bonds, Series 2022 – principal is due in 14 annual payments through May 2036, including interest which is payable every May 1 and November 1 at 3.25%. Payable and secured by ½% sales tax as described in Note 9. \$ 4,625,000

\$188,700 financed purchase of street sweeper - due in 72 monthly payments through September 2028, including interest at 2.515%. 139,084

\$ 4,764,084

Business-Type Activities:

Direct borrowing and placement:

\$800,000 Utilities revenue bonds, Series 2015 - due in 15 annual payments through December 2030, including interest at 3.25%. Payable solely from a dedication and pledge of the income and revenues of the Town's water and gas systems after reasonable and necessary expenses. \$ 437,613

Debt service requirements on long-term debt as of June 30, 2024 is as follows:

Year Ending June 30,	Governmental Activities	
	Bonds from Direct Borrowings and	
	Placements	
	Principal	Interest
2025	\$ 351,224	\$ 153,433
2026	362,019	142,238
2027	377,833	130,699
2028	388,669	118,650
2029	374,339	106,474
2030-2034	2,010,000	346,613
2035-2036	900,000	44,035
	<u>\$ 4,764,084</u>	<u>\$ 1,042,142</u>

Events of default for the Direct Borrowings and Placements are outlined in the respective obligating transcripts and include principal and interest payment delinquencies, bankruptcy, or covenant violations.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

8. Long-Term Liabilities (continued)

Year Ending June 30,	Business-Type Activities	
	Bonds from Direct Borrowings and	
	Placements	
	Principal	Interest
2025	\$ 55,983	\$ 13,894
2026	55,982	12,075
2027	61,074	10,255
2028	61,073	8,271
2029	61,073	6,285
2030	142,428	6,451
	<u>\$ 437,613</u>	<u>\$ 57,231</u>

Events of default for the Direct Borrowings and Placements are outlined in the respective obligating transcripts and include principal and interest payment delinquencies, bankruptcy, or covenant violations.

9. Dedicated Revenues and Restrictions

0.5% Sales Tax

Under ordinance 2021-01 which was adopted on January 26, 2021, one-half of one percent (1/2%) sales and use tax upon the sale at retail, the use, the lease or rental, the consumption and the storage for use or consumption, of tangible personal property and on sales of services in the Town of St. Francisville, State of Louisiana will be levied for a period of fifteen (15) years, beginning April 1, 2021.

As set forth in ordinance 2021-01, the net proceeds of the Tax are to be dedicated for the following public purposes: (i) construction, acquiring, extending, improving, maintaining, operating, and upgrading sewerage facilities (including but not being limited to sewerage treatment facilities) serving the Town, and acquiring immovable property, servitudes, and equipment related thereto; and shall the Town be further authorized to fund the proceeds of the Tax into bonds for any of said capital improvements, as permitted by the laws of Louisiana.

The Town has complied with the above provisions.

10. Pension and Retirement Plans

The Town is a participating employer in two cost-sharing defined benefit pension plans. These plans are administered by two public employee retirement systems, the Municipal Employees' Retirement System of Louisiana ("MERS") and the Municipal Police Employees' Retirement System ("MPERS"). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

MERS:
7937 Office Park Boulevard
Baton Rouge, Louisiana 70809
(225) 925-4810
www.mersla.com

MPERS:
7722 Office Park Boulevard, Suite 200
Baton Rouge, LA 70809
(225) 929-7411
www.lampers.org

The Town applies GASB Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68. These standards require the Town to record its proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

Plan Descriptions:

Municipal Employees' Retirement System of Louisiana ("MERS")

MERS is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement, disability, and survivor benefits to eligible state employees as defined in LRS 11:1732. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:1801.

Municipal Police Employees' Retirement System ("MPERS")

MPERS is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The plan provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211 – 11:2233.

Funding Policy

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 ("PRSAC").

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2024, for the Town and covered employees were as follows:

	<u>Town</u>	<u>Employees</u>
Municipal Employees' Retirement System Plan B		
Members hired prior to 01/01/2013	15.500%	5.000%
Members hired after 01/01/2013	15.500%	5.000%
Municipal Police Employees' Retirement System		
All employees hired prior to 01/01/2013 and all		
Hazardous Duty employees hired after 1/01/2013	33.925%	10.000%
Non-Hazardous Duty (hired after 01/01/2013)	33.925%	8.000%
Employees receiving compensation below poverty guidelines of U.S. Department of Health and Human Services	36.425%	7.500%

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>
Municipal Employees' Retirement System Plan B	\$ 122,748	\$ 125,878	\$ 117,202
Municipal Police Employees' Retirement System	\$ 59,211	\$ 39,433	\$ 40,204

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

The following schedule lists the Town's proportionate share of the Net Pension Liability allocated by each of the pension plans based on the June 30, 2023 measurement date. The Town uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2024 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2023 along with the change compared to the June 30, 2022 rate. The Town's proportion of the Net Pension Liability was based on the Town's contribution effort to the pension plan relative to the contribution effort of all participating employers.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

	Net Pension Liability at Measurement Date	Rate at Measurement Date	Increase on June 30, 2022 Rate
<u>Governmental Activities:</u>			
Municipal Employees' Retirement System Plan B	\$ 413,876	0.946199%	0.0057%
Municipal Police Employees' Retirement System	393,531	0.037249%	(0.0065%)
	<u>\$ 807,407</u>		
	Net Pension Liability at Measurement Date	Rate at Measurement Date	Increase on June 30, 2022 Rate
<u>Business-Type Activities:</u>			
Municipal Employees' Retirement System Plan B	<u>\$ 344,844</u>	0.946199%	0.0057%

The following schedule lists each pension plan's recognized pension expense of the Town for the year ended June 30, 2024.

	Pension Expense
<u>Governmental Activities:</u>	
Municipal Employees' Retirement System-Plan B	\$ 73,271
Municipal Police Employees' Retirement System	66,924
	<u>\$ 140,195</u>
	Pension Expense
<u>Business-Type Activities:</u>	
Municipal Employees' Retirement System Plan B	<u>\$ 61,049</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

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

At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Governmental Activities:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 33,942	\$ (317)
Changes of assumptions	6,567	-
Net difference between projected and actual earnings on pension plan investments	98,643	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	22,250	(58,754)
Employer contributions subsequent to the measurement date	129,252	-
Total	<u>\$ 290,654</u>	<u>\$ (59,071)</u>
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>Business-Type Activities:</u>		
Differences between expected and actual experience	\$ 4,682	\$ (115)
Net difference between projected and actual earnings on pension plan investments	42,262	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	10,450	(7,773)
Employer contributions subsequent to the measurement date	52,708	-
Total	<u>\$ 110,102</u>	<u>\$ (7,888)</u>

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

<u>Governmental Activities:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Municipal Employees' Retirement System Plan B	\$ 127,634	\$ 5,486
Municipal Police Employees' Retirement System	163,020	(64,557)
	<u>\$ 290,654</u>	<u>\$ (59,071)</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

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

Business-Type Activities:	Deferred Outflows of Resources	Deferred Inflows of Resources
Municipal Employees' Retirement System Plan B	\$ 110,102	\$ (7,888)

Support of Non-Employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Town recognized revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities.

The Town recognized revenue as a result of support received from non-employer contributing entities of:

Municipal Employees' Retirement System Plan B	\$ 30,140
Municipal Police Employees' Retirement System	8,591
	<u>\$ 38,731</u>

The Town reported a total of \$181,960 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2023 which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2025. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Municipal Employees' Retirement System Plan B	\$ 122,749
Municipal Police Employees' Retirement System	59,211
	<u>\$ 181,960</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

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

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

Year	MERS	MPERS	Total
2024	\$ 31,152	\$ 26,645	\$ 57,797
2025	53,585	(14,327)	39,258
2026	116,278	29,049	145,327
2027	(88,430)	(2,115)	(90,545)
	<u>\$ 112,585</u>	<u>\$ 39,252</u>	<u>\$ 151,837</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of June 30, 2023 are as follows:

	MERS	MPERS
Valuation Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal Cost
Actuarial Assumptions:		
Expected Remaining Service Lives	3 years	4 years
Investment Rate of Return	6.85%, net of pension plan investment expense, including inflation	6.75% net of investment expenses
Inflation Rate	2.50%	2.50%
Mortality	For annuitant and beneficiary mortality tables used were PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales. For employees, the PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales. For disabled annuitants, PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.	For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safely Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using MP2019 scale was used. 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 was used. 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 was used.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

Actuarial Assumptions (continued)

	MERS	MPERS						
Salary Increases	1-4 years of service -- 7.40% more than 4 years of service -- 4.90%	<table><tr><th><u>Years of Service</u></th><th><u>Salary Growth Rate</u></th></tr><tr><td>1-2</td><td>12.30%</td></tr><tr><td>Above 2</td><td>4.70%</td></tr></table>	<u>Years of Service</u>	<u>Salary Growth Rate</u>	1-2	12.30%	Above 2	4.70%
<u>Years of Service</u>	<u>Salary Growth Rate</u>							
1-2	12.30%							
Above 2	4.70%							
Cost of Living Adjustments	The System is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant additional cost of living increases to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.						

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

MERS	MPERS
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimated ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.50% and an adjustment for the effect of rebalancing /diversification. The resulting expected long-term rate of return is 6.85% for the year ended June 30, 2023.	The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.54% and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long-term rate of return is 7.90% for the year ended June 30, 2023.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

Actuarial Assumptions (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2023:

Asset class	Target Allocation		Long-Term Expected Real Rate of Return	
	MERS	MPERS	MERS	MPERS
Public equity	56.0%	-	2.44%	-
Equity	-	52.0%	-	3.29%
Public fixed income	29.0%	-	1.26%	-
Fixed Income	-	34.0%	-	1.12%
Alternatives	15.0%	14.0%	0.65%	0.95%
Total	100.0%	100.0%	4.35%	5.36%
Inflation			2.50%	2.54%
Expected arithmetic nominal return			6.85%	7.90%

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for MERS and MPERS was 6.850% and 6.750%, respectively for the measurement period ended June 30, 2023.

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

The following table presents the Town's proportionate share of the Net Pension Liability ("NPL") using the discount rate of each Retirement System as well as what the Town's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	1.0% Decrease	Current Discount Rate	1.0% Increase
MERS			
Rates	5.85%	6.85%	7.85%
Town of St. Francisville's Share of NPL	\$ 1,072,078	\$ 758,720	\$ 493,670
MPERS			
Rates	5.75%	6.75%	7.75%
Town of St. Francisville's Share of NPL	\$ 553,734	\$ 393,531	\$ 259,709

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Pension and Retirement Plans (continued)

Payables to the Pension Plan

The Town recorded accrued liabilities to each of the Retirement Systems for the year ended June 30, 2024 mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables. At June 30, 2024, \$12,251 and \$10,017 was owed to MERS and MPERS, respectively.

11. Contingencies

The Town is subject to various risks of loss related to theft of, damage to, and destruction of assets; error and omissions; injuries to employees; natural disasters; cyber liabilities; and worker's compensation claims. The Town has purchased commercial liability insurance to cover risks of loss related to torts or negligence by employees and board members. Commercial insurance has also been obtained to cover risk of damages to or theft of computer equipment, boilers and other machinery, employee's benefits liability, and general liability claims. Claims have not exceeded insurance coverage in any of the past three years. There are no estimated claims payable as of June 30, 2024.

The Town received its allocated portion of the federal Coronavirus State and Local Fiscal Recovery Funds ("CSLFRF") enacted under the American Rescue Plan Act totaling \$601,010. The Town did not incur any eligible expenditures in the current year. The remaining portion of the CSLFRF allocation received during fiscal year ends 2022 and 2023 was not spent. The total amount received and not spent as of June 30, 2024 is recorded as unearned revenue in the General Fund. The Town expects to spend these funds during 2025 and subsequent years on eligible expenditures. These funds are subject to repayment to the United States Treasury if not spent on eligible activities or programs.

12. Interfund Receivables, Payables and Transfers

Interfund receivables and payables are the result of transfers between funds or collections made on behalf of one fund for another which are expected to be paid within one year. The interfund receivables and payables as of June 30, 2024 are as follows:

	<u>Due from/(to)</u> <u>Other Funds</u>
<u>Governmental Activities:</u>	
General Fund	\$ (1,280,066)
Sales & Use Tax Fund	474,685
Total Governmental Activities	<u>\$ (805,381)</u>
<u>Business-Type Activities:</u>	
Gas Fund	\$ 560,546
Water Fund	244,835
Total Business-Type Activities	<u>\$ 805,381</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

12. Interfund Receivables, Payables and Transfers (continued)

Interfund transfers are made on a regular basis to supplement other funds' sources and to provide internal financing for capital outlay. The interfund operating transfers as for the year ended June 30, 2024 are as follows:

<u>Interfund Transfers:</u>	<u>Transfers Out</u>	<u>Transfers In</u>
Governmental Activities:		
General Fund	\$ 15,000	\$ 103,782
Sales and Use Tax Fund	749,873	20,000
Economic Development Fund	4,117	6,574
Capital Projects Fund	226,061	-
Debt Service Fund	100	470,475
Total governmental funds	<u>995,151</u>	<u>600,831</u>
Proprietary Fund/Enterprise Fund:		
Gas Utility Fund	74,296	159,612
Water Utility Fund	35,344	344,348
Total proprietary fund/enterprise fund	<u>109,640</u>	<u>503,960</u>
Total interfund transfers	<u>\$ 1,104,791</u>	<u>\$ 1,104,791</u>

13. Restricted Net Position

Restricted net position reported in the aggregate on the Statement of Net Position includes the following:

	<u>Restricted Net Position</u>
<u>Governmental Activities:</u>	
Sanitary sewer system operations	\$ 1,957,339
Economic development	79,691
Capital projects	1,041,721
Total Governmental Activities	<u>\$ 3,078,751</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

14. Commitments

The Town is currently constructing a new Wastewater Treatment Plant. In June 2023, the Town bid out and awarded two contracts for the construction of the new facility. The current cost incurred and included in CIP at June 30, 2024 is \$5,130,869. See Note 7 for information regarding total construction commitment at year end. A one-half of one percent (1/2%) sales and use tax for a period of fifteen (15) years was levied, beginning April 1, 2021, for the purpose of repaying the \$5.25 million bond issued May 25, 2022. This bond will be used for constructing, acquiring, extending, improving, maintaining, operating, and decommissioning of the sewerage facilities when that decision is made and approved by the Louisiana Department of Environmental Quality..

The Town has entered into a gas supply contract with Clarke-Mobile Counties Gas District ("CMC Gas") in an effort to secure long-term economical gas supplies. Gas received under these contracts is pursuant to Prepaid Natural Gas Purchase and Sale Agreements. The contracts commit the Town to maintain capacity to take specified daily volumes of gas. In addition, the Town has entered into a sale and purchase commitments for specified quantities of gas, whereby gas is purchased from CMC Gas and simultaneously selling the gas to a specified downstream customer.

In connection with these commitments, the Town has contracted to purchase the following volumes of gas through August 31, 2052, at a discount to spot market pricing on a pay as you go basis:

<u>Year Ending June 30,</u>	<u>Gas Volumes (in MMBtu)</u>
2025	1,642,500
2026	1,642,500
2027	1,642,500
2028	1,642,500
2029	1,642,500
Thereafter	38,052,000
Total	<u>46,264,500</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART II

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	Original	Final	Actual	Variance - Favorable (Unfavorable)
<u>REVENUES</u>				
Ad valorem taxes	\$ 175,000	\$ 171,199	\$ 173,497	\$ 2,298
Occupational licenses and permits	90,200	133,649	127,752	(5,897)
Intergovernmental:				
Federal	6,500	6,500	3,062	(3,438)
State	106,670	27,377	336,516	309,139
Local	121,000	98,439	30,716	(67,723)
State supplemental pay	30,000	23,400	24,260	860
Other charges	135,000	151,244	167,871	16,627
Fines and forfeitures	200,000	62,704	82,884	20,180
Interest and dividends	1,700	3,652	90,543	86,891
Miscellaneous	7,700	17,182	167,650	150,468
Total revenues	<u>873,770</u>	<u>695,346</u>	<u>1,204,751</u>	<u>509,405</u>
<u>EXPENDITURES</u>				
Current:				
General government	175,150	263,389	344,684	(81,295)
Public safety	841,049	777,081	756,271	20,810
Streets	218,991	344,809	357,604	(12,795)
Capital outlay	375,000	333,739	487,680	(153,941)
Total expenditures	<u>1,610,190</u>	<u>1,719,018</u>	<u>1,946,239</u>	<u>(227,221)</u>
Excess of revenues under expenditures	<u>(736,420)</u>	<u>(1,023,672)</u>	<u>(741,488)</u>	<u>282,184</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers in	335,000	281,342	103,782	(177,560)
Transfers out	-	(15,000)	(15,000)	-
Total other financing sources	<u>335,000</u>	<u>266,342</u>	<u>88,782</u>	<u>(177,560)</u>
Net Change in Fund Balance	(401,420)	(757,330)	(652,706)	104,624
<u>FUND BALANCE</u>				
Fund Balance at June 30, 2023	<u>1,220,960</u>	<u>1,712,245</u>	<u>1,349,560</u>	<u>(362,685)</u>
Fund Balance at June 30, 2024	<u>\$ 819,540</u>	<u>\$ 954,915</u>	<u>\$ 696,854</u>	<u>\$ (258,061)</u>

Note to schedule:

The budgetary comparish schedule has been presented on the modified accrual basis of accounting.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SALES AND USE TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	Original	Final	Actual	Variance - Favorable (Unfavorable)
<u>REVENUES</u>				
Sales tax revenues	\$ 1,500,000	\$ 1,892,790	\$ 1,910,602	\$ 17,812
Charges for services	200,000	109,016	221,680	112,664
Interest and dividends	250	7,712	11,377	3,665
Total revenues	<u>1,700,250</u>	<u>2,009,518</u>	<u>2,143,659</u>	<u>134,141</u>
<u>EXPENDITURES</u>				
Current:				
General government	532,427	588,027	583,250	4,777
Sewer operations	232,192	319,301	299,931	19,370
Capital outlay	90,000	20,066	6,034	14,032
Debt service:				
Principal	-	-	28,630	(28,630)
Interest and fiscal charges	-	-	2,606	(2,606)
Total expenditures	<u>854,619</u>	<u>927,394</u>	<u>920,451</u>	<u>6,943</u>
Excess of revenues over (under) expenditures	<u>845,631</u>	<u>1,082,124</u>	<u>1,223,208</u>	<u>141,084</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	52,000	-	20,000	20,000
Transfers out	<u>(909,224)</u>	<u>(872,990)</u>	<u>(749,873)</u>	<u>123,117</u>
Total other financing uses	<u>(857,224)</u>	<u>(872,990)</u>	<u>(729,873)</u>	<u>143,117</u>
Net Change in Fund Balance	(11,593)	209,134	493,335	284,201
<u>FUND BALANCE</u>				
Fund Balance at June 30, 2023	<u>1,619,433</u>	<u>1,598,164</u>	<u>1,485,869</u>	<u>(112,295)</u>
Fund Balance at June 30, 2024	<u>\$ 1,607,840</u>	<u>\$ 1,807,298</u>	<u>\$ 1,979,204</u>	<u>\$ 171,906</u>

Note to schedule:

The budgetary comparish schedule has been presented on the modified accrual basis of accounting.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
ECONOMIC DEVELOPMENT FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	Original	Final	Actual	Variance - Favorable (Unfavorable)
<u>REVENUES</u>				
Hotel/Motel tax revenues	\$ 170,000	\$ 178,424	\$ 178,424	\$ -
Grants	-	19,500	8,426	(11,074)
Interest and dividends	275	254	2,545	2,291
Other	1,000	31,538	38,826	7,288
Total revenues	<u>171,275</u>	<u>229,716</u>	<u>228,221</u>	<u>(1,495)</u>
<u>EXPENDITURES</u>				
Current:				
Culture, recreation, and economic development	270,508	246,878	230,833	16,045
Capital outlay	100,000	115,920	55,920	60,000
Total expenditures	<u>370,508</u>	<u>362,798</u>	<u>286,753</u>	<u>76,045</u>
Excess of revenues under expenditures	<u>(199,233)</u>	<u>(133,082)</u>	<u>(58,532)</u>	<u>74,550</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	25,000	5,000	6,574	1,574
Transfers out	-	-	(4,117)	(4,117)
Total other financing sources	<u>25,000</u>	<u>5,000</u>	<u>2,457</u>	<u>(2,543)</u>
Net Change in Fund Balance	(174,233)	(128,082)	(56,075)	72,007
<u>FUND BALANCE</u>				
Fund Balance at June 30, 2023	<u>109,242</u>	<u>109,242</u>	<u>135,766</u>	<u>26,524</u>
Fund Balance at June 30, 2024	<u>\$ (64,991)</u>	<u>\$ (18,840)</u>	<u>\$ 79,691</u>	<u>\$ 98,531</u>

Note to schedule:

The budgetary comparish schedule has been presented on the modified accrual basis of accounting.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SCHEDULE OF THE TOWN OF ST. FRANCISVILLE'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024 (*)

	Employer's Proportion of the Net Pension Liability (Assets)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Covered- Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Employees' Retirement System (Plan B)					
2023	0.9462%	\$ 758,720	\$ 812,119	93.4247%	73.2536%
2022	0.9405%	825,758	756,140	109.2070%	70.7991%
2021	0.9367%	542,650	722,729	75.0835%	77.8169%
2020	0.9144%	828,631	708,611	116.9374%	66.2607%
2019	0.9050%	791,749	691,880	114.4344%	66.1388%
2018	0.8795%	743,870	652,550	113.9943%	65.5981%
2017	0.8543%	739,136	634,082	116.5679%	63.4909%
2016	0.8379%	694,566	613,631	113.1896%	63.3376%
2015	0.9056%	615,493	616,371	99.8575%	68.7136%
Municipal Police Employees' Retirement System					
2023	0.0372%	\$ 393,531	\$ 126,185	311.8683%	71.3030%
2022	0.0438%	447,458	135,141	331.1046%	69.5556%
2021	0.0502%	267,386	149,353	179.0295%	84.0881%
2020	0.0375%	346,088	115,663	299.2210%	70.9450%
2019	0.0355%	322,844	111,018	290.8033%	71.0078%
2018	0.0460%	389,284	135,890	286.4699%	71.8871%
2017	0.0456%	398,404	129,015	308.8044%	70.0815%
2016	0.0186%	174,342	52,104	334.6039%	66.0422%
2015	0.0229%	179,484	61,128	293.6199%	70.7303%

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

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

See the accompanying notes to the Required Supplementary Information.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SCHEDULE OF THE TOWN OF ST. FRANCISVILLE'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2024

	Contractually Required Contribution ¹	Contributions in Relation to Contractually Required Contribution ²	Contribution Deficiency (Excess)	Covered Payroll ³	Contribution as a % of Covered Employee Payroll
Municipal Employees' Retirement System (Plan B)					
2024	\$ 122,748	\$ 122,748	\$ -	\$ 791,924	15.5000%
2023	125,878	125,878	-	812,119	15.4999%
2022	117,202	117,202	-	756,140	15.5000%
2021	112,023	112,023	-	722,729	15.5000%
2020	99,206	99,206	-	708,611	14.0001%
2019	96,863	96,863	-	691,880	14.0000%
2018	86,463	86,463	-	652,550	13.2500%
2017	69,749	69,749	-	634,082	11.0000%
2016**	68,763	68,763	-	613,631	11.2059%
2015**	58,555	58,555	-	616,371	9.4950%
Municipal Police Employees' Retirement System					
2024	\$ 59,211	\$ 59,211	\$ -	\$ 174,534	33.9252%
2023	39,433	39,433	-	126,185	31.2501%
2022	40,204	40,204	-	135,141	29.7497%
2021	50,407	50,407	-	149,353	33.7502%
2020	37,590	37,590	-	115,663	32.4996%
2019	35,803	35,803	-	111,018	32.2497%
2018	41,786	41,786	-	135,890	30.7499%
2017	40,962	40,962	-	129,015	31.7498%
2016**	18,050	18,050	-	52,104	34.6423%
2015**	21,627	21,627	-	61,128	35.3799%

For reference only:

¹ Employer contribution rate multiplied by employer's covered payroll

² Actual employer contributions remitted to Retirement Systems

³ Employer's covered payroll amount for the fiscal year ended June 30, 2023, June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019, June, 30, 2018, June 30, 2017, August 31, 2016 and August 31, 2015

** 12 months ending 8/31

See the accompanying notes to the Required Supplementary Information.

TOWN OF ST. FRANCISVILLE
St. Francisville, LA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

Changes of Benefit Terms include:

Municipal Employee's Retirement System (Plan B)

There was no changes of benefit terms for years ended June 30, 2024.

Municipal Police Employee's Retirement System

There was no changes of benefit terms for the years ended June 30, 2024.

Changes of Assumptions:

Municipal Employee's Retirement System (Plan B)

The following changes in actuarial assumptions for each year are as follows.

<i>Discount Rate</i>				<i>Merit:</i>			
Year End	Measurement date	Rate	Change	Year End	Measurement date	Rate	Change
6/30/2024	6/30/2023	6.850%	0.000%	6/30/2024	6/30/2023	2.125%	0.000%
6/30/2023	6/30/2022	6.850%	0.000%	6/30/2023	6/30/2022	2.125%	0.000%
6/30/2022	6/30/2021	6.850%	-0.100%	6/30/2022	6/30/2021	2.125%	0.000%
6/30/2021	6/30/2020	6.950%	-0.050%	6/30/2021	6/30/2020	2.125%	0.000%
6/30/2020	6/30/2019	7.000%	-0.275%	6/30/2020	6/30/2019	2.125%	0.000%
6/30/2019	6/30/2018	7.275%	-0.525%	6/30/2019	6/30/2018	2.125%	0.000%
6/30/2018	6/30/2017	7.800%	0.300%	6/30/2018	6/30/2017	2.125%	0.000%
6/30/2017	6/30/2016	7.500%	0.000%	6/30/2017	6/30/2016	2.125%	0.000%
8/31/2016	6/30/2016	7.500%	-0.250%	8/31/2016	6/30/2016	2.125%	-0.625%
8/31/2015	6/30/2014	7.750%		8/31/2015	6/30/2014	2.750%	
<i>Inflation Rate:</i>				<i>Investment rate of return</i>			
Year End	Measurement date	Rate	Change	Year End	Measurement date	Rate	Change
6/30/2024	6/30/2023	2.500%	0.000%	6/30/2024	6/30/2023	6.850%	0.000%
6/30/2023	6/30/2022	2.500%	0.000%	6/30/2023	6/30/2022	6.850%	0.000%
6/30/2022	6/30/2021	2.500%	0.000%	6/30/2022	6/30/2021	6.850%	-0.100%
6/30/2021	6/30/2020	2.500%	0.000%	6/30/2021	6/30/2020	6.950%	-0.050%
6/30/2020	6/30/2019	2.500%	-0.100%	6/30/2020	6/30/2019	7.000%	-0.275%
6/30/2019	6/30/2018	2.600%	-0.175%	6/30/2019	6/30/2018	7.275%	-0.125%
6/30/2018	6/30/2017	2.775%	-0.100%	6/30/2018	6/30/2017	7.400%	-0.100%
6/30/2017	6/30/2016	2.875%	0.000%	6/30/2017	6/30/2016	7.500%	0.000%
8/31/2016	6/30/2016	2.875%	-0.125%	8/31/2016	6/30/2016	7.500%	-0.250%
8/31/2015	6/30/2014	3.000%		8/31/2015	6/30/2014	7.750%	
<i>Salary Increases:</i>							
Year End	Measurement date	Rate	Change				
6/30/2024	6/30/2023	4.90% - 7.40%	0.000%				
6/30/2023	6/30/2022	4.90% - 7.40%	0.000%				
6/30/2022	6/30/2021	4.90% - 7.40%	0.000%				
6/30/2021	6/30/2020	4.90% - 7.40%	0.000%				
6/30/2020	6/30/2019	4.90% - 7.40%	4.90% - 7.40%				
6/30/2019	6/30/2018	5.000%	0.000%				
6/30/2018	6/30/2017	5.000%	0.000%				
6/30/2017	6/30/2016	5.000%	0.000%				
8/31/2016	6/30/2016	5.000%	-0.750%				
8/31/2015	6/30/2014	5.750%					

Municipal Police Employee's Retirement System

The following changes in actuarial assumptions for each year are as follows:

<i>Discount Rate</i>				<i>Merit:</i>			
Year End	Measurement date	Rate	Change	No changes for the year presented			
6/30/2024	6/30/2023	6.750%	0.000%				
6/30/2023	6/30/2022	6.750%	0.000%				
6/30/2022	6/30/2021	6.750%	-0.200%				
6/30/2021	6/30/2020	6.950%	-0.175%				
6/30/2020	6/30/2019	7.125%	-0.075%				
6/30/2019	6/30/2018	7.200%	-0.125%				
6/30/2018	6/30/2017	7.325%	-0.175%				
6/30/2017	6/30/2016	7.500%					
<i>Inflation Rate:</i>				<i>Investment rate of return:</i>			
Year End	Measurement date	Rate	Change	Year End	Measurement date	Rate	Change
6/30/2024	6/30/2023	2.500%	0.000%	6/30/2024	6/30/2023	7.900%	1.150%
6/30/2023	6/30/2022	2.500%	0.000%	6/30/2023	6/30/2022	6.750%	0.000%
6/30/2022	6/30/2021	2.500%	0.000%	6/30/2022	6/30/2021	6.750%	-0.200%
6/30/2021	6/30/2020	2.500%	0.000%	6/30/2021	6/30/2020	6.950%	-0.175%
6/30/2020	6/30/2019	2.500%	-0.100%	6/30/2020	6/30/2019	7.125%	-0.075%
6/30/2019	6/30/2018	2.600%	-0.100%	6/30/2019	6/30/2018	7.200%	-0.125%
6/30/2018	6/30/2017	2.700%	-0.175%	6/30/2018	6/30/2017	7.325%	-0.175%
6/30/2017	6/30/2016	2.875%	0.000%	6/30/2017	6/30/2016	7.500%	
8/31/2016	6/30/2016	2.875%	-0.125%				
8/31/2015	6/30/2014	3.000%					
<i>Salary Increases:</i>							
Year End	Measurement date	Rate	Change				
6/30/2024	6/30/2023	4.70% - 12.30%	0.000%				
6/30/2023	6/30/2022	4.70% - 12.30%	0.000%				
6/30/2022	6/30/2021	4.70% - 12.30%	0.000%				
6/30/2021	6/30/2020	4.70% - 12.30%	0.45% - 2.55%				
6/30/2020	6/30/2019	4.25% - 9.75%	0.000%				
6/30/2019	6/30/2018	4.25% - 9.75%	0.000%				
6/30/2018	6/30/2017	4.25% - 9.75%	0.000%				
6/30/2017	6/30/2016	4.25% - 9.75%	0.000%				
8/31/2016	6/30/2016	4.25% - 9.75%	+/- 0.25%				
8/31/2015	6/30/2014	4.00% - 10.00%					

- * Salary increase of 7.40% for 1 to 4 years of service and 4.90% for more than 4 years of service.
- ** Salary increase of 10.00% for 1 year of service, 6.00% for 2 years of service, 4.30% for 3-19 years of service, 5.50% for 20-29 years of service, and 4.00% for 30 or more years of service.
- *** Salary increase of 9.75% for 1-2 years of service, 4.75% for 3-23 years of service, and 4.25% for 23 or more years of service
- **** Salary increase of 12.30% for 1-2 years of service and 4.70% for 2 or more years of service

OTHER SUPPLEMENTARY INFORMATION

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SCHEDULE OF COMPENSATION PAID TO
TOWN COUNCIL MEMBERS
FOR THE YEAR ENDED JUNE 30, 2024

Council Members:

Abby Temple Cochran	\$	6,000
James R. Leake, Jr.		6,000
Gigi Robertson		6,000
Andrew D'Aquila		6,000
Al Lemoine		6,000
	\$	<u>30,000</u>

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2024

Agency Head Name/Title: Mayor Robert P. Leake

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 24,000
Benefits - insurance	9,726
Benefits - retirement	3,720
Registration fees	275
Conference travel	318
	<u>\$ 38,039</u>

TOWN OF ST. FRANCISVILLE
ST. FRANCISVILLE, LA
JUSTICE SYSTEM FUNDING SCHEDULE-COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED JUNE 30, 2024

	First Six Month Period Ended 12/31/23	Second Six Month Period Ended 6/30/24
Beginning Balance of Amounts Collected	\$ -	\$ -
Add Collections:		
<i>Criminal Court Costs/Fees</i>	5,640	5,310
<i>Criminal Fines - Other</i>	32,903	33,116
<i>Service/Collection Fees</i>	3,616	4,266
<i>Accident Reports</i>	390	490
Subtotal Collections	42,549	43,182
Less Disbursements To Governments and Nonprofits:		
<i>Feliciano Juvenile Justice District, Criminal Fines - Other</i>	1,115	1,055
<i>Louisiana Judicial College, Criminal Fines - Other</i>	108	106
<i>Louisiana Association of Chiefs of Police, Criminal Fines - Other</i>	454	422
<i>Crime Victims Reparation Fund, Criminal Fines - Other</i>	53	105
<i>LA Traumatic Head and Spinal Cord Injury, Criminal Fines - Other</i>	665	550
<i>CMIS, Criminal Fines - Other</i>	227	211
<i>Post Law Enforcement Training & Assistance Fund, Criminal Fines - Other</i>	432	422
Less Amounts Retained by Collecting Agency:		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection:		
<i>AMS Collections</i>	1,643	2,826
<i>Online Ticket Payments</i>	1,784	1,338
Amounts Self-Disbursed to Collecting Agency:		
<i>Criminal Fines</i>	35,490	35,547
<i>Credit Card Fee / CC Payments at Window</i>	189	102
<i>Admin Fee for LA Commission on Law Enforcement / Post Admin Fee Retained</i>	9	8
<i>Accident Reports</i>	380	490
Subtotal Disbursements/Retainage	42,549	43,182
Ending Balance of Amounts Collected but Not Disbursed	<u>\$ -</u>	<u>\$ -</u>

TOWN OF ST. FRANCISVILLE
ST. FRANCISVILLE, LA
JUSTICE SYSTEM FUNDING SCHEDULE-RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED JUNE 30, 2024

	<u>First Six Month Period Ended 12/31/23</u>	<u>Second Six Month Period Ended 6/30/24</u>
<u>Receipts from:</u>		
<i>LA Department of Public Safety and Corrections / Reinst Court Fees</i>	\$ 138	\$ 300
Total	<u>\$ 138</u>	<u>\$ 300</u>

OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

To the Honorable Mayor and Members
of the Board of Aldermen
Town of St. Francisville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of St. Francisville, Louisiana, (the "Town") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's, basic financial statements and have issued our report thereon dated March 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as items 2024-002, 2024-003, and 2024-004.

The Town's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



EISNERAMPER LLP
Baton Rouge, Louisiana
March 27, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the Honorable Mayor and Members
of the Board of Aldermen
Town of St. Francisville, Louisiana

Report on Compliance for The Major Federal Program

Opinion on The Major Federal Program

We have audited Town of St. Francisville's (the "Town") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect the Town's major federal program for the year ended June 30, 2024. The Town's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect its major federal program for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Town's federal programs.

"EisnerAmper" is the brand name under which EisnerAmper LLP and Eisner Advisory Group LLC and its subsidiary entities provide professional services. EisnerAmper LLP and Eisner Advisory Group LLC are independently owned firms that practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. EisnerAmper LLP is a licensed CPA firm that provides attest services, and Eisner Advisory Group LLC and its subsidiary entities provide tax and business consulting services. Eisner Advisory Group LLC and its subsidiary entities are not licensed CPA firms.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-005 and 2024-006. Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.



Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-005 and 2024-006 to be material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
March 27, 2025



TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/Passthrough Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's/Project Number	Total Current Year Expenditures
UNITED STATES DEPARTMENT OF THE TREASURY			
Passed through Louisiana Division of Administration, Office of Community Development			
COVID-19 - American Rescue Plan - Water Sector Program Grant	21.027	LAWSP10275	\$ 1,855,302
TOTAL UNITED STATES DEPARTMENT OF THE TREASURY			<u>1,855,302</u>
UNITED STATES DEPARTMENT OF THE INTERIOR			
Passed through Louisiana Department of Culture, Recreation, and Tourism - Division of Historic Preservation			
Historic District Enhancement Project	15.904	P23AF01462-00	8,426
TOTAL UNITED STATES DEPARTMENT OF THE INTERIOR			<u>8,426</u>
UNITED STATES DEPARTMENT OF JUSTICE			
Passed through Louisiana Commission on Law Enforcement			
Law Enforcement Program	16.738	2020-DJ-01-6542	3,062
TOTAL UNITED STATES DEPARTMENT OF JUSTICE			<u>3,062</u>
TOTAL FEDERAL ASSISTANCE EXPENDED			<u><u>\$ 1,866,790</u></u>

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town of St. Francisville, Louisiana and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operation of the Town of St. Francisville, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Town of St. Francisville.

NOTE B - RECONCILIATION OF FEDERAL REVENUES TO FEDERAL EXPENDITURES

The federal revenues are recognized in the financial statements as follows:

Intergovernmental: Federal	\$ 1,866,790
Federal expenditures per Schedule of Expenditures of Federal Awards	<u><u>\$ 1,866,790</u></u>

NOTE C - INDIRECT COST RATE

The Town of St. Francisville has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

TOWN OF ST. FRANCISVILLE, LOUISIANA
St. Francisville, LA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION I. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal Control over Financial Reporting:

- Material weakness(es) identified? X yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? X yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? X yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? X yes no

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>Federal Assistance Listing Number</u>
---	--

COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027
--	--------

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes X no

TOWN OF ST. FRANCISVILLE, LOUISIANA
St. Francisville, LA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION II. FINANCIAL STATEMENT FINDINGS

2024-001 Procedures over Financial Statement Closing Process and Accounting Balances Presented in Accordance with Accounting Guidelines

Criteria: The system of accounting should include procedures and steps necessary to close the accounting period for all funds and accurately prepare the documentation necessary to support the financial statements. The Town's management is responsible for the preparation, accuracy, and completeness of the financial statements. This includes timely gathering of system reports, schedules, external statements, or preparation of reconciliations and recording necessary adjustments to evidence the timely and accurate closing of the accounting period and financial reporting. In addition, all transactions should be recorded in accordance with applicable accounting standards. Month-end and year-end close out procedures and internal controls should ensure financial data and transactions are initiated, processed, recorded, closed out, and reported timely.

Condition: During the audit, it was noted numerous accounts required adjustment to properly reflect end of year balances, and activity for various accounts. Further, deficiencies in the design or implementation of controls and the reconciliation process that should be designed to identify these errors timely were observed. The Town's financial close did not include the following:

- The accurate and complete timely reconciliation of bank account balances to the general ledger.
- The recording of period end receivables and updating of the aging receivables report and the reconciliation to the general ledger.
- The recording of period end operating accounts payable and updating the accounts payable listing and reconciliation to the general ledger.
- The recording of all payroll expense, payroll tax expense, pension contribution expense, associated accruals and reconciling third party payroll reports to the general ledger.
- The timely transfers of utility payment and reconciliation of the general ledger to utility billing reports.
- Grant proceeds and other funds totaling approximately \$1.2 million were received and deposited in a new bank account. Adjustments were required to recognize the revenue and the new bank account in the general ledger.

Cause: Turnover and the lack of training resulted in incomplete month-end and year-end period close out procedures.

Effect: Material audit adjustments were proposed and recorded. Material misstatements could occur because of incomplete financial data and internal control procedures were inadequate to detect and correct misstatements timely.

Recommendation: Additional resources should be employed, and staff duties should be reorganized to ensure proper closeout procedures and internal controls should be implemented to ensure incomplete financial data or other errors are prevented or detected and corrected timely.

View of Responsible Official: Management concurs with the finding.

TOWN OF ST. FRANCISVILLE, LOUISIANA
St. Francisville, LA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION II. FINANCIAL STATEMENT FINDINGS (continued)

2024-002 Local Government Budget Act

Criteria: Louisiana Revised Statutes 39:1301-1315 direct political subdivisions of the State as to the manner in which the budget shall be adopted, implemented, and amended.

Condition: The budget does not include a budget message, signed by the budget preparer with a summary of proposed budget plan, explaining the most important features and that estimates are required by R.S. 39:1305. There were also numerous calculation errors, including a beginning fund balance error. In addition, actual expenditures and other uses in the General Fund exceeded budgeted expenditures and other uses by more than five percent and ending fund balance decreased by 5% or more in the General Fund. Also, a revised budget for a major special revenue fund in the financial statements was approved with a deficit fund balance.

Cause: The Town failed to take the necessary steps to ensure compliance with the requirements of Louisiana Revised Statutes 39:1301-1315.

Effect: The Town is not in compliance with the requirements of Louisiana Revised Statutes 39:1301-1315.

Recommendation: Additional resources should be employed, and the Town should take the necessary steps to comply with all requirements of the Local Government Budget Act.

View of Responsible Official: Management concurs with the finding.

2024-003 Timely Filing of Report with Louisiana Legislative Auditor

Criteria: In accordance with R.S. 24:513, any local auditee that receives public assistance of \$500,000 or more in revenues and other sources in any one fiscal year must be audited annually and submitted to the Louisiana Legislative Auditor. The due date for the audit report is six months after the organization's fiscal year end.

Condition: The Town was required to have an audit completed by the filing deadline of December 31, 2024. The Town requested a non-emergency extension through March 31, 2024. However, despite the approval of this extension, the Town did not comply with the timeline established by regulation and therefore a finding is required by the Louisiana Legislative Auditor.

Cause: Turnover and the lack of training over the past two years, delayed the completion of bank account statement reconciliations and the ability to provide audit documentation and information necessary for the timely filing of the audit report with the Louisiana Legislative Auditor.

Effect: If the Town is non-compliant in the future it may result in them being placed on the non-compliance list maintained by the Louisiana Legislative Auditor. In addition, R.S. 39:72.1 prohibits the payment of funds appropriated to an agency that is not in compliance with the State Audit Law. The district attorney is also notified, and agency officials may be required to explain to the Legislative Audit Advisory Council why they are not in compliance with the audit law.

TOWN OF ST. FRANCISVILLE, LOUISIANA
St. Francisville, LA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION II. FINANCIAL STATEMENT FINDINGS (continued)

2024-003 Timely Filing of Report with Louisiana Legislative Auditor (continued)

Recommendation: The Town should employ additional resources and ensure proper staffing is maintained to complete year-end close out procedures on a timely basis to allow sufficient time for the auditor to complete their procedures and meet future deadlines.

View of Responsible Official: Management concurs with the finding.

2024-004 Use of Public Funds

Criteria: Article VII, Section 14 of the Louisiana Constitution (1974) States:

Except as otherwise proved by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private.

Travel and other expenses associated with professional conferences is generally considered appropriate given that professional conferences provide an environment that fosters productive networking and learning opportunities for government employees. This generally provides government employees with skills and knowledge to fulfill their stewardship role and fosters the furtherance of the government employer's public purpose. The costs should be reasonable, and documentation should describe the business purpose and for meal charges, the documentation should include the names of individuals participating.

Condition: Town employees and aldermen attended the 2023 Louisiana Municipal Association Convention (LMA). Dinner was charged to the Town's credit card in the amount of \$1,311.31. There appeared to be a total of 7 town representatives in attendance at the convention. This meal results in an average cost per town representative of approximately \$187. In accordance with the Town's Travel and Expense Reimbursement Policy, the business meal allowance for overnight travel is \$50 per day. The total charge of \$1,311.31 included the cost of meals, drinks and taxes of \$961.51 and gratuity of \$349.80, or 36% of the meals, drinks and taxes. The receipt appeared to reflect a charge for 10 entrees while there were 7 town representatives in attendance. The receipt also appeared to include approximately \$170 of alcoholic drinks. Furthermore, the Town employees and aldermen in attendance were also paid per diem for meals.

Cause: There was a lack of oversight and review of travel expenditures.

Effect: The Town's Travel and Expense Reimbursement Policy does allow for the mayor's authority to approve actual costs as opposed to per diem meal allowances. Further, it should be acknowledged that meal options may be limited when staying overnight at a conference. Further, the cost of meals could reasonably be higher than what the standard per diem allowance would support. However, the total charge of \$1,311.31, which was paid with public funds, includes charges for alcoholic drinks, and appears to be excessive.

Recommendation: The Town should emphasize the need to comply with the Louisiana Constitution and best practices for documentation of travel costs. Further, the Town should seek reimbursement from Town representatives for any excess charges.

View of Responsible Official: Management concurs with the finding.

TOWN OF ST. FRANCISVILLE, LOUISIANA
St. Francisville, LA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2024-005 Schedule of Expenditures of Federal Awards (“SEFA”)

Criteria: Internal controls should be designed to capture the Town’s federal expenditures in order to ensure that an accurate Schedule of Expenditures of Federal Awards (“SEFA”) can be prepared.

Condition: Uniform Guidance section 200.510 requires the auditee to prepare a SEFA. A complete and accurate SEFA was not provided to us.

Cause: The records were not maintained in a manner which allowed the SEFA to be prepared in an efficient manner to ensure accuracy and completeness.

Questioned Costs: None.

Effect: The SEFA is used by the auditor to determine which federal programs are to be audited as major programs and to accurately report expenditures to the federal government and granting agencies. Major programs may not be properly identified in accordance with the Uniform Guidance.

Recommendation: Additional resources should be employed to ensure timely and accurate completion of the SEFA, and all information should be included on the SEFA by employees familiar with the grant awards. The general ledger should be categorized by federal programs/program year in order to capture the correct expenditures by programs. A review should be performed by someone other than the preparer for accuracy and completeness.

Identification of a repeat finding: N/A

View of Responsible Official: Management concurs with the finding.

2024-006 Enhancement of Policies and Procedures for Federal Awards

Criteria: The Uniform Guidance administrative requirements and cost principles apply to federal funding awards on or after December 26, 2014. 2 CFR 200, Subpart D – Post Federal Award Requirements and Subpart E – Cost Principles of the Uniform Guidance require specific written policies and internal controls relative to federal awards. Written policies should be in place to establish operational parameters to ensure compliance with regulations.

Condition: The written policies and procedures of the Town do not directly address all the requirements under the Uniform Guidance for federal programs as it relates to procurement, suspension and debarment.

Cause: The Town has not taken appropriate steps to formalize policies and procedures relating to the requirements established under Uniform Guidance for compliance with and procurement, suspension and debarment.

Questioned Costs: None.

Effect: The Town is susceptible to a higher risk of non-compliance with federal awarding requirements as they relate to procurement, suspension and debarment.

TOWN OF ST. FRANCISVILLE, LOUISIANA
St. Francisville, LA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

2024-006 Enhancement of Policies and Procedures for Federal Awards (continued)

Recommendation: The Town must establish written policies and procedures to ensure compliance with Uniform Guidance relating to procurement and suspension and debarment.

Identification of a repeat finding: N/A

View of Responsible Official: Management concurs with the finding.

TOWN OF ST. FRANCISVILLE, LOUISIANA
St. Francisville, LA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2024

A. FINANCIAL STATEMENT FINDING

2023-001 Procedures over Financial Statement Closing Process and Accounting Balances Presented in Accordance with Accounting Guidelines

Condition: During the audit, we noted several accounts which required adjustment to properly reflect end of year balances. Further, we observed deficiencies in the design or implementation of controls and the reconciliation process that should be designed to identify these errors timely. The Town's financial close did not include the following:

- The accurate reconciliation of bank account balances to the general ledger.
- The recording of period end receivables and updating the aging receivables report and the reconciliation to the general ledger.
- The recording of period end operating accounts payable and updating the accounts payable listing and reconciliation to the general ledger.
- The recording and accrual of payroll expense, payroll taxes withheld and paid, and pension contributions withheld and paid and reconciling third party payroll reports to the general ledger.

Current Status: A similar finding is noted as 2024-001.

B. FINDINGS – COMPLIANCE WITH LAWS AND REGULATIONS

None.

OTHER INFORMATION

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SCHEDULE OF INSURANCE-IN-FORCE (UNAUDITED)
June 30, 2024

<u>Coverage</u>	<u>Insurance Company</u>	<u>Expiration Date</u>	<u>Liability Limits</u>
Commercial property & equipment	Markel American Insurance Company	3/7/2025	\$3,972,279 Building & Business Personal Property
Business Auto	Travelers Casualty & Surety Co of America	3/7/2025	\$1,000,000 Combined Single Limit Liability
General Liability	Charter Oak Fire Insurance	3/7/2025	\$1,000,000 each loss; \$2,000,000 aggregate
Crime Bond	Travelers Casualty & Surety Co of America	3/7/2025	Employee Theft: \$100,000
Public Officials Employment Practices	Charter Oak Fire Insurance	3/7/2025	\$1,000,000 each loss; \$2,000,000 aggregate
Law Enforcement Liability	Charter Oak Fire Insurance	3/7/2025	\$1,000,000 each loss; \$2,000,000 aggregate
Public Officials Errors & Omissions	Charter Oak Fire Insurance	3/7/2025	\$1,000,000 each loss; \$2,000,000 aggregate
Public Officials Employee Benefits	Charter Oak Fire Insurance	3/7/2025	\$1,000,000 each loss; \$2,000,000 aggregate
Workers' Compensation	La. Municipal Risk Management Agency	10/12/2024	Bodily Injury by Accident: \$100,000 each accident Bodily Injury by Disease: \$500,000 policy limit Bodily Injury by Disease: \$100,000 each employee
Surety Bonds	Record Insurance	10/1/2024	\$100,000 town clerk and tax collector; \$10,000 other officials and employees
Position Scheduled Bond	Record Insurance	6/9/2025	\$50,000 each for mayor, town clerk, bookkeeper, plant controller
Boiler & Machinery	Hartford Steam Boiler Inspection & Ins. Co.	3/7/2025	Equipment Breakdown limit: \$50,000,000
Cyber Liability	Underwriters at Lloyd's London	3/7/2025	\$1,000,000 Combined Single Limit Liability

TOWN OF ST. FRANCISVILLE
St. Francisville, LA
SCHEDULE OF GAS AND WATER RATES (UNAUDITED)
JUNE 30, 2024

RESIDENTIAL CUSTOMERS – GAS

In Town Limits: \$13.00 base monthly service charge plus weighted average cost of gas per MCF + \$7.65 for each unit of MCF.

Out of Town Limits: \$14.00 base monthly service charge plus weighted average cost of gas per MCF + \$7.65 for each unit of MCF.

SMALL BUSINESS CUSTOMERS – GAS

In Town Limits: \$17.00 base monthly service charge plus weighted average cost of gas per MCF + \$7.65 for each unit of MCF.

Out of Town Limits: \$18.00 base monthly service charge plus weighted average cost of gas per MCF + \$7.65 for each unit of MCF.

LARGE BUSINESS CUSTOMERS – GAS

In Town Limits: \$35.00 base monthly service charge plus weighted average cost of gas per MCF + \$7.40 for each unit of MCF.

Out of Town Limits: \$36.00 base monthly service charge plus weighted average cost of gas per MCF + \$7.40 for each unit of MCF.

HOSPITAL SERVICE DISTRICT HIGH USAGE RATE

\$35.00 base monthly service charge plus weighted average cost of gas per MCF + \$6.25 for each unit when total monthly usage per meter exceeds 500 MCF.

RESIDENTIAL CUSTOMERS, IN TOWN LIMITS - WATER

\$22 minimum bill for the first 2,000 gallons

\$3.75 per 1,000 gallons all excess

SENIOR CITIZENS RESIDENTIAL CUSTOMERS, IN TOWN LIMITS - WATER

\$18 minimum bill for the first 2,000 gallons

\$2.93 per 1,000 gallons all excess

RESIDENTIAL CUSTOMERS, OUTSIDE OF TOWN LIMITS - WATER

\$22 minimum bill for the first 2,000 gallons

\$4.00 per 1,000 gallons all excess

SMALL BUSINESS CUSTOMERS - WATER

\$27 minimum bill for the first 2,000 gallons

\$3.75 per 1,000 gallons all excess

LARGE BUSINESS CUSTOMERS - WATER

\$62 minimum bill for the first 2,000 gallons

\$3.75 per 1,000 gallons all excess



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Phone 225.635.3688 • Fax 225.635.6984 • email: townhall@townofstf.com

MANAGEMENT'S RESPONSES TO FINANCIAL STATEMENT FINDINGS (2024)

2024-001 Procedures over Financial Statement Closing Process and Accounting Balances Presented in Accordance with Accounting Guidelines

Management acknowledges that there have been deficiencies in processes with the turnover of staff and the lack of training. These deficiencies and processes will be addressed through additional training of staff, reorganization of staff duties, implementing a new accounting software program, contracting with a consultant to assist staff with reviewing financial data on a monthly, quarterly, and annual basis, and to ensure the accuracy of accounts, assist in performing closing procedures, and ensure the financial data is complete and reported in a timely manner in accordance with accounting guidelines.

2024-002 Local Government Budget Act

The Town acknowledges that it is not in compliance with the requirements of the Local Government Budget Act. The Mayor, with the assistance of the Town Clerk, will comply with the Louisiana Budget Act, and ensure budgets are submitted and revised accurately, and all revenues and expenses are accounted for accurately. Further the Town has contracted with a consultant that will assist the Town with complying with all requirements of the Local Government Budget Act.

2024-003 Timely Filing of Report with Louisiana Legislative Auditor

The Town acknowledges the filing of reports with the Louisiana Legislative Auditor was not done timely. The Town will employ additional resources by utilizing a new accounting software program, and an accounting consultant to ensure reports are reported timely in the future. Year-end close-out procedures will be done on a timely basis to allow sufficient time for the auditor to complete their procedures and meet deadlines.



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Page 2 of 2
Town of St. Francisville Responses

2024-004 Use of Public Funds

The Town acknowledges the lack of oversight and review of travel expenditures. The Town shall comply with the Louisiana Constitution and best practices for documentation of travel costs. The Town will review its policy on Travel reimbursement, and make any adjustments deemed necessary. Further, the Town will monitor all travel reimbursements to ensure inappropriate reimbursements are not made. The Town will also seek reimbursement from Town representatives for any excess charges.

MANAGEMENT'S RESPONSES TO FEDERAL AWARD FINDINGS AND QUESTIONED COST (2024)

2024-005 Schedule of Expenditures of Federal Awards ("SEFA")

To ensure financial accuracy, procedural changes to the preparation of the SEFA will be made immediately. The City Clerk, Stacy Orr, will prepare the SEFA, and it will be reviewed for accuracy and completeness by the Mayor, Andrew J. D'Aquila. This procedure update has been agreed upon and will be implemented immediately in preparation of the fiscal close.

2024-006 Enhancement of Policies and Procedures for Federal Awards

To ensure the Town directly addresses all of the requirements under the Uniform Guidance for federal programs as it relates to procurement and suspension and debarment, the Town will establish written policies and procedures relating to compliance with the uniform Guidance relating to procurement and suspension and debarment.

Corrective action shall be performed by Mayor, Andrew J. D'Aquila immediately.

Sincerely,



Stacy Orr, Clerk


Andrew J. D'Aquila, Mayor



TOWN OF ST. FRANCISVILLE

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES on
COMPLIANCE and CONTROL AREAS

FOR THE YEAR ENDED JUNE 30, 2024



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INDEPENDENT ACCOUNTANT REPORT
ON APPLYING AGREED-UPON PROCEDURES

To: To the Honorable Mayor and Members of the Board of Aldermen of the Town of St. Francisville (Town) and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of the Town of St. Francisville for the fiscal period July 1, 2023 through June 30, 2024. The Town's management is responsible for those C/C areas identified in the SAUPs.

The Town has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, the 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 we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Town for the fiscal period July 1, 2023 through June 30, 2024. 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of 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.



EISNERAMPER LLP
Baton Rouge, Louisiana
March 27, 2025

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TOWN OF ST. FRANCISVILLE
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2024

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *"no exception noted"* or for step 13 *"we performed the procedure and discussed the results with management"*. If not, then a description of the exception ensues.

1) Written Policies and Procedures

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

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

No exception noted.

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.

No exception noted.

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

No exception noted.

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).

No exception noted.

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.

No exception noted.

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 does have a contracting policy, but the policy does not include any of the specified subcategories. This is considered an exception.

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

No exception noted.

TOWN OF ST. FRANCISVILLE
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2024

Schedule A

- 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).

No exception noted.

- 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.

No exception noted.

- 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 does have a debt service policy, but the policy does not include any of the subcategories.

- 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.

No exception noted.

- 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 sexual harassment policies including attribute (1) agency responsibilities and prohibitions and (2) annual employee training; however, the policy does not include attribute (3) annual reporting.

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 whether 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.

No exception noted.

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- 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 comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit 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.*

There was no mention of budget-to-actual comparison statements in the minutes of the Town for ten of the twelve months. This is considered an exception. Budget to actual comparisons were addressed in the remaining two months.

- 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.

No exception noted.

- 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 was no indication of the Board receiving written updates of the progress of resolving audit findings at each meeting until the findings are considered fully resolved. This is considered an exception

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:

A listing of bank accounts was provided and included a total of 22 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 6 bank accounts (2 main operating and 4 randomly) and obtained the bank reconciliations for the month ending October 31, 2023, resulting in 6 bank reconciliations obtained and subjected to the below procedures.

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

None of the six bank reconciliations were prepared within 2 months of the related statement closing date. This is considered an exception.

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- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

None of the six bank reconciliations had written evidence that a member of management who does not handle cash, post ledger, or issue checks has reviewed the bank reconciliations within one month of the reconciliation completion date. This is considered an exception.

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

Two of the six bank reconciliations tested had reconciling items that have been outstanding for more than 12 months. There was no documentation evidencing that these reconciling items were researched for proper disposition. This is considered an exception. For four of the six bank reconciliations tested no reconciling items older than 12 months were noted.

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).

A listing of deposit sites was provided and included a total of 1 deposit site. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the 1 deposit site and performed the procedures below.

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

A listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of 1 collection location. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for the deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

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- 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;

For the one collection location selected for testing, the employee responsible for collecting cash was also responsible for preparing/making bank deposits.

- 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

No exception noted.

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

No exception noted.

- 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.

No exception noted.

- D. Randomly select two deposit dates for each of the 6 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 12 deposits and:

The procedure was performed.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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- 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).

For one of the deposit tested, the deposit was not made within one business day of receipt. This is considered an exception.

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

No exception 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).

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 1 location and performed the procedures below.

- 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:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

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

No exception noted.

- 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;

No exception noted.

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- 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

No exception noted.

- 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.

No exception noted.

- 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

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exceptions noted.

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

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

No exception noted.

**TOWN OF ST. FRANCISVILLE
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
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Schedule A

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.

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

- 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

From the listing provided, we randomly selected 3 fuel cards and 2 credit cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

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

No exception noted.

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

For one of the five cards selected, there was a finance charge assessed on the statement. This is considered an exception. There were no finance charges included in the statements of the other credit cards selected.

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

We randomly selected 10 transactions, or all transactions if less than 10 from each statement and obtained supporting documentation for the transactions. For one of the 17 transactions tested, there was no documentation of the individuals participating in the meal charge. This is considered an exception. No other exceptions noted.

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Schedule A

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:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

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

No exception 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 exception 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 Policies and Procedures", procedure #1A(vii); and

One of the five reimbursements was for multiple expenditures related to a conference. There was no documentation of the individuals who participated in meals during the conference. There was also one expenditure which lacked documentation of business/public purpose.

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

No exception 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. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

TOWN OF ST. FRANCISVILLE
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A listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities initiated or renewed during the fiscal period was provided. No exceptions were noted as a result of performing this procedures.

From the listing provided, we selected all 4 contracts and performed the procedures below.

- 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 exception 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 exception noted.

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

No exception noted.

- 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 exception noted.

9) Payroll and Personnel

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

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures.

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

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #9A.

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

No exception noted.

**TOWN OF ST. FRANCISVILLE
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2024**

Schedule A

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

No exception noted.

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

No exception noted.

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

No exception 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.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures.

- 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.

The town did not remit Health Insurance Premiums timely for the entire year. Additionally, the Town did not remit retirement contributions timely for 11 out of 12 months. This is considered an exception.

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above 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

For one of the five employees tested, there was no documentation of the employee completing one hour of ethics training during the calendar year. This is considered an exception. There were no exceptions for the remaining four employees selected.

**TOWN OF ST. FRANCISVILLE
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2024**

Schedule A

- 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 exception noted.

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

No exception noted.

11) Debt Service

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

No exception noted.

- 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).

A listing of bonds/notes outstanding at the end of the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 1 bond/note and performed the specified procedures. No exceptions noted.

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.

No exception noted.

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

No exception noted.

13) Information Technology Disaster Recovery/Business Continuity

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

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:12671. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

¹ While it appears to be a good practice for charter schools to ensure its employees are trained to keep their information technology assets safe from cyberattack, charter schools do not appear required to comply with 42:1267. An individual charter school, though, through specific provisions of its charter, may mandate that all employees/officials receive cybersecurity training.

14) Prevention of Sexual Harassment

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

No exceptions noted.

- 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).

No exception noted.

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

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

No exception noted.

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

No exception noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

**TOWN OF ST. FRANCISVILLE
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLANNED
JUNE 30, 2024**

Schedule B

Management has reviewed and will address the exceptions noted above.

To the Honorable Mayor and Members
of the Board of Aldermen
Town of St. Francisville
St. Francisville, Louisiana

We have audited the basic financial statements of the Town of St. Francisville (the "Town") for the year ended June 30, 2024, and have issued our report thereon dated March 27, 2025. As part of our audit, we made a study and evaluation of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America. Under these standards, the purposes of such evaluation are to establish a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.

The objective of internal control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of the financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

No matter how good a system, there are inherent limitations that should be recognized in considering the potential effectiveness of internal accounting. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the degree of compliance with the procedures may deteriorate. We say this simply to suggest that any system needs to be constantly reviewed and improved where necessary.

However, during the course of our audit, we became aware of several matters that are opportunities for strengthening internal controls or operating efficiency. Our comments and suggestions regarding those matters are set forth below. This letter does not affect our reports dated March 27, 2025, on the financial statements of the Town of St. Francisville or the Town's internal control over financial reporting.

ML 24-001 Untimely Payments

Condition: The employer contributions for the Municipal Police Employees' Retirement System were not submitted timely resulting in late payments and additional interest expense. Health insurance premiums were also not submitted timely throughout the year. In addition, a finance charge was noted on one credit card tested.

Recommendation: We recommend management remit all payments and submit all reports timely to avoid late penalty assessments

This information is intended solely for the use of the members of the Board and management of the Town of St. Francisville and should not be used for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
March 27, 2025

EISNERAMPER
LLP



Status of Prior Year Management Letter Comments

ML 23-001

Budget Message

Condition: Louisiana Revised Statute 39:1305 requires a budget message signed by the budget preparer that contains: a summary description of the proposed financial plan, policies, and objectives, assumptions, budgetary basis, and a discussion of the most important features be included with the budget. A signed budget message was not included with the budget for fiscal year 2022-2023.

Current Status: A similar finding has been noted and reported in the schedule of findings and questioned costs as item 2024-002 in the financial report.

ML 23-002

Untimely Payments

Condition: Payroll taxes and associated reports for the month of April 2023, retirement contributions for the month of May 2023, and in one instance, a credit card payment were remitted after the due date. There was a late fee assessed on the late credit card payment.

Current Status: A similar issue has been noted and included in the at **ML 24-001**.



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Phone 225.635.3688 • Fax 225.635.6984 • email: townhall@townofstf.com

ML 24-001 Untimely Payments

Condition: The employer contributions for the Municipal Police Employee's Retirement System were not submitted timely resulting in late payments and additional interest expense. Health Insurance premiums were also not submitted timely throughout the year. In addition, a finance charge was noted on one credit card tested.

Recommendation: We recommend management remit all payments and submit all reports timely to avoid late penalty assessments.

Management response: New employee(s) will be hired and trained to assist with payment of bills in a timely manner along with policy and procedure updates to ensure payments are timely made with safeguards and checks and balances to ensure such occurrences do not happen again.

Stacy Orr, Clerk

Andrew J. D'Aquila, Mayor