

**VILLAGE OF NATCHEZ**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2025**



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October 19, 2025

Independent Auditors' Report

To the Mayor and Board of Aldermen  
Village of Natchez, Louisiana

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Natchez, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Village of Natchez, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Natchez 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.

**Emphasis-of-Matter**

As discussed in Note 9 to the financial statements, the Village has suffered recurring losses from operations. Management's evaluation of the events and conditions and management's plans to mitigate these matters are also described in Note 9. Our opinion is not modified with respect to this matter.

**Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Natchez'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.



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# ***Village of Natchez***

## ***October 19, 2025***

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### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Natchez's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Natchez'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 and budgetary comparison information described in the accompanying table of contents 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 the Village of Natchez's basic financial statements. The other supplemental information listed below is presented for purposes of additional analysis and is not a required part of the basic financial statements:

- The Schedule of Compensation, Benefits and Other Payments to the Agency Head or Chief Executive Officer,
- Schedule of Per Diem Paid to Board Members,
- the Justice System Funding Schedule

***Village of Natchez***  
***October 19, 2025***

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The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The additional information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 additional information is fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2025 on our consideration of the Village of Natchez'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 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 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 Village of Natchez's internal control over financial reporting and compliance.



Rozier, McKay & Willis  
Certified Public Accountants  
Alexandria, Louisiana

# **Village of Natchez**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2025**

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This section of the annual financial report presents our discussion and analysis of the Village's financial performance during the fiscal year ended June 30, 2025.

### **OVERVIEW OF FINANCIAL STATEMENTS**

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Village's financial position and results of operations from differing perspectives which are described as follows:

#### **Government-Wide Financial Statements**

The government-wide financial statements report information about the Village as a whole using accounting methods similar to those used by private-sector companies. These financial statements report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Village's assets and all of the Village's liabilities.

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including police protection and general governmental operations are reported as governmental activities. The governmental activities are financed by taxes, license fees, fines, court cost, interest, grants and contributions.
- **Business-Type Activities** – Expenses associated with providing sewer services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with sewer services are reported as business type activities.

#### **Fund Financial Statements**

Fund financial statements provide detailed information regarding the Village's most significant activities and are not intended to provide information for the Village as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Village has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Village's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.
- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Village's sewer services. Proprietary fund financial statements typically provide a more

# **Village of Natchez**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2025**

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detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

### **FINANCIAL ANALYSIS OF THE VILLAGE**

A comparative analysis of the government-wide data for the current and previous year is presented as follows:

#### **Net Position**

A condensed version of the government-wide Statement of Net Assets is presented as follows:

	<b>June 30, 2025</b>			<b>June 30, 2024</b>
	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>	
<b><u>Assets:</u></b>				
Current and Other Assets	\$ 59,207	\$ 101,286	\$ 160,493	\$ 714,733
Capital Assets	276,717	3,002,798	3,279,515	2,339,416
Total Assets	<u>335,924</u>	<u>3,104,084</u>	<u>3,440,008</u>	<u>3,054,149</u>
<b><u>Liabilities:</u></b>				
Current and Other Liabilities	18,088	69,735	87,823	621,848
Deferred Revenues	----	----	----	88,530
Long-term Liabilities	----	----	----	----
Total Liabilities	<u>18,088</u>	<u>69,735</u>	<u>87,823</u>	<u>710,378</u>
<b><u>Net Position:</u></b>				
Invested in Capital Assets (Net)	276,717	3,002,798	3,279,515	2,339,416
Unrestricted	41,119	31,551	72,670	4,355
Total Net Position	<u>\$ 317,836</u>	<u>\$ 3,034,349</u>	<u>\$ 3,352,185</u>	<u>\$ 2,343,771</u>

As the presentation appearing above demonstrates, the largest portion of the Village's net position is invested in capital assets. Net position invested in capital assets consists of land, buildings, equipment, and sewer system improvements. The Village uses these capital assets to provide services to its residents; consequently, these amounts are not available for future spending.

Remaining resources are unrestricted, and available to be utilized by the Village to meet its ongoing obligations for the foreseeable future.

#### **Changes in Net Position**

A condensed version of the government-wide Statement of Changes in Net Assets is presented as follows:

# **Village of Natchez**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2025**

	For the Year Ended June 30, 2025			For the Year Ended June 30, 2024
	Govern- mental Activities	Business- Type Activities	Total	
<b><u>Revenues:</u></b>				
Program Revenue:				
Charges for Services	\$ 4,482	\$ 69,394	\$ 73,876	\$ 92,796
Operating Grants and Contributions	88,530	----	88,530	12,172
Capital Grant and Contributions	20,145	984,885	1,005,030	482,320
General Revenue:				
Property Taxes	11,612	----	11,612	10,991
Sales Taxes	63,732	----	63,732	34,588
Franchise Taxes	26,227	----	26,227	26,230
Occupational Licenses	4,125	----	4,125	5,901
Other Revenues	62,202	101	62,303	468
Total Revenue	<u>281,055</u>	<u>1,054,380</u>	<u>1,335,435</u>	<u>665,466</u>
<b><u>Program Expenses:</u></b>				
General Government	179,469	----	179,469	116,424
Public Safety				
Police Department	2,657	----	2,657	3,132
Sewer	----	144,895	144,895	138,946
Total Expenses	<u>182,126</u>	<u>144,895</u>	<u>327,021</u>	<u>258,502</u>
Increase in Net Position Before				
Transfers	98,929	909,485	1,008,414	673,215
Transfers	(15,462)	15,462	----	----
Change in Net Position	83,467	924,947	1,008,414	673,215
Net Position Beginning	<u>234,369</u>	<u>2,109,402</u>	<u>2,343,771</u>	<u>1,670,556</u>
Net Position Ending	<u>\$ 317,836</u>	<u>\$ 3,034,349</u>	<u>\$ 3,352,185</u>	<u>\$ 2,343,771</u>

Governmental activities increased the Village's net position before transfers by \$98,929. This increase is attributable to the receipt of grant revenues during the year for the construction of the new Town Hall.

Business-type activities increased the Village's net position, before transfers, by \$909,485. This increase is attributable to the Village receiving funds for sewer improvement projects in the current year.

### **FINANCIAL ANALYSIS OF THE VILLAGE'S FUND**

For the year ended June 30, 2025, activity in governmental funds was limited to the general fund. The only differences between amounts reported by the general fund and governmental activities

# **Village of Natchez**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2025**

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reported in the government-wide financial statements are attributable to including fixed assets and long-term liabilities in the government-wide presentation.

Amounts reported for business-type activities in the Village's individual fund are identical to the business-type activities reported in the government-wide presentation.

### **BUDGET HIGHLIGHTS**

The general fund is required to adopt a yearly budget. The Budget was amended to address actual experiences that deviated from expectations that existed when the original budget was adopted. Budget variances were not within limits set by State Law in the current year.

### **CAPITAL ASSET ADMINISTRATION**

For the year ended June 30, 2025, capital asset activity includes continued work on the Sewer System Improvements projects, construction of the new Town Hall and depreciating existing capital assets.

### **DEBT ADMINISTRATION**

For the year ended June 30, 2025, the Village did not have any debt issuances or activity.

### **FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS**

A significant percentage of the Village's revenue consisted of grants for the improvement of the Village's sewer system and construction of a new Town Hall. During the fiscal year, regular operating revenues such as tickets fines stayed consistent with prior years. Although conditions remained fairly stable; doubt is still created that the Village will be able to meet its obligations as they become due in the foreseeable future. The Village's unstable financial conditions could potentially discourage community investment, future economic development, or similar activities.

The Village's plan to alleviate this situation is based on plans to steadily increase sewer rates, decrease expenditures through completion of the aforementioned sewer project, and increase fines and forfeitures assessed to offenders. Management is confident that these plans will enable the Village to continue as a going concern for the foreseeable future.

# **VILLAGE OF NATCHEZ**

## **STATEMENT OF NET POSITION**

**June 30, 2025**

	Governmental Activities	Business-Type Activities	Total
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ 47,070	\$ 33,714	\$ 80,784
Receivables (net)	12,137	67,572	79,709
Land	1,600	9,196	10,796
Construction in Progress	-	-	-
Depreciable Capital Assets, Net	275,117	2,993,602	3,268,719
<b>Total assets</b>	<b>335,924</b>	<b>3,104,084</b>	<b>3,440,008</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	18,088	68,060	86,148
Meter Deposits	-	1,675	1,675
<b>Total liabilities</b>	<b>18,088</b>	<b>69,735</b>	<b>87,823</b>
<b><u>NET POSITION</u></b>			
Invested in Capital Assets, Net of Related Debt	276,717	3,002,798	3,279,515
Unrestricted	41,119	31,551	72,670
<b>Total net position (deficit)</b>	<b>\$ 317,836</b>	<b>\$ 3,034,349</b>	<b>\$ 3,352,185</b>

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

# **VILLAGE OF NATCHEZ**

## **STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2025**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business- Type Activities	Total
<b><u>Governmental Activities:</u></b>							
General Government	\$ 179,469	\$ -	\$ 88,530	\$ 20,145	\$ (70,794)	\$ -	\$ (70,794)
Public Safety							
Law Enforcement	2,657	4,482	-	-	1,825	-	1,825
Total Governmental Activities	182,126	4,482	88,530	20,145	(68,969)	-	(68,969)
<b><u>Business-Type Activities:</u></b>							
Sewer	144,895	69,394	-	984,885	-	909,384	909,384
Total Business-Type Activities	144,895	69,394	-	984,885	-	909,384	909,384
Total Primary Government	\$ 327,021	\$ 73,876	\$ 88,530	\$ 1,005,030	(68,969)	909,384	840,415
<b><u>General Revenues:</u></b>							
Taxes:							
Ad Valorem					11,612	-	11,612
Sales Tax					63,732	-	63,732
Franchise					26,227	-	26,227
Occupational Licenses					4,125	-	4,125
Other Revenues					62,202	101	62,303
Transfers					(15,462)	15,462	-
Total General Revenues and Transfers					152,436	15,563	167,999
Change in Net Position					83,467	924,947	1,008,414
Net Position - Beginning:					234,369	2,109,402	2,343,771
Net Position - Ending					\$ 317,836	\$ 3,034,349	\$ 3,352,185

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

# **VILLAGE OF NATCHEZ**

## **BALANCE SHEET**

### **GOVERNMENTAL FUNDS**

**June 30, 2025**

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	<u>Governmental Funds</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 47,070
Accounts Receivable	12,137
<b>Total Assets</b>	<b><u>\$ 59,207</u></b>
<b>Liabilities and Fund Balance</b>	
<b><u>Liabilities</u></b>	
Accounts Payable	\$ 18,088
<b>Total Liabilities</b>	<b><u>18,088</u></b>
<b><u>Fund Balance</u></b>	
Unassigned	41,119
<b>Total Fund Balances</b>	<b><u>41,119</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 59,207</u></b>

### **Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position**

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Total Fund Balances - Governmental Funds	\$ 41,119
Amounts reported for governmental activities in the statement of net position are different because:	
Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	-
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>276,717</u>
Net Position of Governmental Activities	<b><u>\$ 317,836</u></b>

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

# **VILLAGE OF NATCHEZ**

## **Statement of Revenue, Expenditures and Changes in Fund Balance Governmental Funds Year Ended June 30, 2025**

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	<u>Governmental Funds</u>
<b>Revenues:</b>	
Taxes:	
Ad Valorem	\$ 11,612
Sales Tax	63,732
Franchise	26,227
Fines and Court Cost	4,482
Occupational Licenses	4,125
Intergovernmental	
Grants and Contributions	108,675
Other Revenues	61,601
<b>Total Revenues</b>	<u>280,454</u>
<b>Expenditures:</b>	
Current	
General Government	166,810
Public Safety	
Law Enforcement	2,657
Capital Outlay	71,336
Debt Service	-
<b>Total Expenditures</b>	<u>240,803</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	39,651
<b>Other Financing Sources (Uses)</b>	
Debt Proceeds	-
Interest Income (Expense)	601
Operating Transfers In (Out)	(15,462)
<b>Total Other Financing Sources (Uses)</b>	<u>(14,861)</u>
<b>Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses</b>	24,790
<b>Fund Balance - Beginning of Year</b>	<u>16,329</u>
<b>Fund Balance - End of Year</b>	<u>\$ 41,119</u>

### **Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities**

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Net change in fund balances of Governmental Funds	\$ 24,790
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period	58,677
Repayment of capital lease obligations are an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.	-
Change in net assets of governmental activities	<u>\$ 83,467</u>

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

# **VILLAGE OF NATCHEZ**

## **Statement of Net Position**

### **Proprietary Funds**

**June 30, 2025**

	<u>Business-Type Activities</u>	<u>Enterprise Funds</u>
<b><u>ASSETS:</u></b>		
Current Assets:		
Cash and Cash Equivalents	\$	33,714
Receivables (Net)		<u>67,572</u>
Total Current Assets		<u>101,286</u>
Noncurrent Assets:		
Capital Assets:		
Land		9,196
Construction in Progress		-
Depreciable Capital Assets, Net		<u>2,993,602</u>
Total Noncurrent Assets		<u>3,002,798</u>
<b>Total Assets</b>		<u>3,104,084</u>
<b><u>LIABILITIES:</u></b>		
Current Liabilities:		
Accounts Payable		68,060
Meter Deposits		<u>1,675</u>
Total Current Liabilities		<u>69,735</u>
<b>Total Liabilities</b>		<u>69,735</u>
<b><u>NET POSITION:</u></b>		
Invested in Capital Assets, Net of Related Debt		3,002,798
Unrestricted		<u>31,551</u>
<b>Total Net Position (Deficit)</b>	<b>\$</b>	<b><u>3,034,349</u></b>

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

# **VILLAGE OF NATCHEZ**

## ***Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds Year Ended June 30, 2025***

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	Business-Type Activities
	<u>Enterprise Funds</u>
<b><u>Operating Revenues:</u></b>	
Charges For Services	\$ 66,847
Miscellaneous Income	<u>2,547</u>
<b>Total Operating Revenues</b>	<u>69,394</u>
 <b><u>Operating Expenses:</u></b>	
Salaries & Benefits	-
Office Operations	6,111
Professional Fees	9,537
Repairs and Maintenance	12,168
Utilities	21,896
Supplies	926
Bad Debt Expense	238
Depreciation	80,964
Miscellaneous	<u>13,055</u>
<b>Total Operating Expenses</b>	<u>144,895</u>
 <b>Operating Income (Loss)</b>	 (75,501)
 <b><u>Transfers and Contributions:</u></b>	
Interest Income (Expense)	101
Other Sources - Grant Proceeds	984,885
Other Sources (Uses) - Operating Transfers In (Out)	<u>15,462</u>
<b>Change in Net Position</b>	924,947
<b>Total Net Position - Beginning</b>	<u>2,109,402</u>
 <b>Total Net Position - Ending</b>	 <u>\$ 3,034,349</u>

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

# **VILLAGE OF NATCHEZ**

## **Statement of Cash Flows Proprietary Funds Year Ended June 30, 2025**

	Business-Type Activities
	<u>Enterprise Funds</u>
<b><u>Cash Flow From Operating Activities:</u></b>	
Cash Received From Customers	\$ 72,720
Cash Payments to Suppliers of Goods and Services	(62,972)
Cash Payments to Employees for Services	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>9,748</u>
<b><u>Cash Flows From Non-Capital Financing Activities:</u></b>	
Operating Transfers	15,462
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>15,462</u>
<b><u>Cash Flows From Capital and Related Financing Activities:</u></b>	
Capital Grants	984,885
Change in Grant Receivable	477,878
Change in Construction Payable	(500,257)
Capital Expenditures	(962,385)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>121</u>
<b><u>Cash Flows From Investing Activities:</u></b>	
Interest Income	101
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>101</u>
<b>Net Increase (Decrease) in Cash</b>	25,432
<b>Beginning Cash Balance</b>	8,282
<b>Ending Cash Balance</b>	<u>\$ 33,714</u>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash</u></b>	
Operating Income (Loss)	\$ (75,503)
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation	80,964
(Increase) Decrease in Accounts Receivable	3,326
(Decrease) Increase in Accounts Payable	961
(Decrease) Increase in Unearned Revenue	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 9,748</u>

### **Supplemental disclosures of cash flow information:**

For the year ended June 30, 2025, there were no operating, financing, or investing activities that did not result in cash receipts or payments.

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

# **Village of Natchez**

## **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2025**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Natchez was incorporated under the provisions of the Lawrason Act. The Village is governed by a Mayor and a Board of Aldermen consisting of three (3) members. Services provided by the Village include police protection and general administrative functions. The Village also operates a sewer system.

The accompanying policies conform to generally accepted accounting principles for governmental units.

#### **Financial Reporting Entity**

As the municipal governing authority, for reporting purposes, the Village is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the Village), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board establishes criteria for determining which component units should be considered part of the Village of Natchez for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Village to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Village.
2. Organizations for which the Village does not appoint a voting majority but are fiscally dependent on the Village.
3. Organizations for which the Village's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon application of these criteria, there were no potential component units and all of the Village's activities were included in the primary government reporting entity.

# **Village of Natchez**

## **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2025**

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### **Basic Financial Statements**

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises.

The government-wide and fund financial statements present the Village's financial position and results of operations from differing perspectives which are described as follows:

### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the Village as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with governmental service or business-type activity. Program revenues include any charges for services, fines, court cost, contributions associated with a particular function and most grants.

### **Fund Financial Statements**

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and proprietary funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Village's major funds are described as follows:

- Governmental Funds – The general fund is the Village's only active major governmental fund. The general fund is the primary operating fund and is used to account for all governmental activities except those required to be reported in another fund.
- Proprietary Funds – Are used to account for business type activities. The operations of the Village's Sewer System utilize a proprietary fund. Revenue earned in exchange for providing services is reported as operating income and revenue from other sources is reported as non-operating. Since proprietary funds operate in a manner similar to business enterprises, these funds follow certain pronouncements that are developed by the Financial Accounting Standards Board

**Village of Natchez**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025**

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(FASB) for business enterprises. However, the Village only applies those FASB pronouncements that were issued on or before November 30, 1989.

**Measurement Focus and Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<b><u>Financial Statement Presentation</u></b>	<b><u>Basis of Accounting</u></b>	<b><u>Measurement Focus</u></b>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Proprietary Funds	Accrual Basis	Economic Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end. In addition, expenses are generally recorded when a liability has been incurred. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as another financing source and repayment of long-term debt is reported as an expenditure.

**Non-Exchange Transactions**

Revenue from certain non-exchange transactions cannot be properly measured prior to collection. Furthermore, it is not practical to determine the probability of collection resulting from certain non-exchange transactions such as traffic citations. Consequently, revenue from franchise taxes, fines and court cost is not recognized until it is collected.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Budget Practices**

The Mayor prepares annual budgets for the Village's general fund. The budget is submitted to the Board of Aldermen and the approved budget is adopted before the beginning of each fiscal year. Amended budgets are prepared prior to the conclusion of each fiscal year. The amended budgets are prepared and approved in the same manner as the original budget.

# **Village of Natchez**

## **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2025**

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The general fund budget presents revenue and expenditures on a basis which is consistent with generally accepted accounting principles. No annual budget is required for the Village's Sewer Fund.

### **Capital Assets**

Capital assets include significant acquisitions of equipment that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. Useful lives typically range from five to forty years.

### **Cash and Cash Equivalents**

Amounts reported as cash and cash equivalents include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law.

### **Internal Balances:**

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded.

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

### **NOTE 2-CASH AND CASH EQUIVALENTS**

Deposits are stated at cost, which approximates market value. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2025, the Village had \$80,783 in deposits (\$89,447 collected bank balance). These deposits are secured from risk entirely by federal deposit insurance.

**Village of Natchez**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025**

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**NOTE 3 - TAXES**

**Ad Valorem Taxes**

The Village bills and collects its own property taxes using the assessed property values determined by the Parish Tax Assessor. Property taxes are limited to an assessment for general alimony as permitted by State Law. Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. For the year ended June 30, 2025, the Village levied 3.68 mills. Revenues from ad valorem taxes are recognized as revenue in the year billed.

**Sales Taxes**

Sales and use taxes are collected on behalf of the Village by the Natchitoches Parish Tax Commission and remitted the month subsequent to collection. Revenues from sales taxes are reported on the accrual basis. For the year ended June 30, 2025, the Village sales tax rate is one percent. The sales tax rate has no expiration date.

**NOTE 4 - RECEIVABLES**

Receivables at June 30, 2025, are summarized as follows:

	<u>Governmental Activities</u>	<u>Business- Type</u>	<u>Total</u>
<u>Accounts Receivable</u>			
Charges for Services	\$ ----	\$ 55,330	\$ 55,330
Allowance	----	(54,500)	(54,500)
 <u>Due From Other Governmental Units</u>			
Sales Tax	9,711	----	9,711
Franchise Tax	2,426	----	2,426
Grants	----	66,742	66,742
Total Receivables	\$ 12,137	\$ 67,572	\$ 79,709

**NOTE 5 – CAPITAL ASSETS**

A summary of the Village’s capital assets is provided as follows:

	<u>Non-Depreciable Capital Assets</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b><u>Governmental Activities</u></b>				
Construction in Progress	\$ 179,855	\$ 71,336	\$ 251,191	\$ ----
Land	1,600	----	----	1,600
Total Governmental Activities	181,455	71,336	251,191	1,600

# **Village of Natchez**

## **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2025**

### **Business-Type Activities**

Construction in Progress	567,000	962,385	1,529,385	----
Land	9,196	----	----	9,196
Total Business-Type Activities	<u>576,196</u>	<u>962,385</u>	<u>1,529,385</u>	<u>9,196</u>
Total	<u>\$ 757,651</u>	<u>\$ 1,033,721</u>	<u>\$ 1,780,576</u>	<u>\$ 10,796</u>

### **Depreciable Capital Assets**

	<b><u>Beginning Balance</u></b>	<b><u>Additions</u></b>	<b><u>Disposals</u></b>	<b><u>Ending Balance</u></b>
<b><u>Governmental Activities</u></b>				
Equipment	\$ 83,182	\$ ----	\$ ----	\$ 83,182
Building	39,527	251,191	----	290,718
Furniture & Fixtures	----	----	----	----
Accumulated Depreciation	(86,124)	(12,659)	----	(98,783)
Total Governmental Activities	<u>36,585</u>	<u>238,532</u>	<u>----</u>	<u>275,117</u>

### **Business-Type Activities**

Sewer System	2,916,036	1,529,385	----	4,445,421
Equipment	52,647	----	----	52,647
Buildings & Improvements	68,626	----	----	68,626
Accumulated Depreciation	(1,492,128)	(80,964)	----	(1,573,092)
Total Business-Type Activities	<u>1,545,181</u>	<u>1,448,421</u>	<u>----</u>	<u>2,993,602</u>
Total	<u>\$ 1,581,766</u>	<u>\$ 1,686,953</u>	<u>\$ ----</u>	<u>\$ 3,268,719</u>

### **NOTE 6 – ACCOUNTS PAYABLE**

Accounts payable at June 30, 2025 consists of the following:

	<b><u>Governmental Activities</u></b>	<b><u>Business- Type</u></b>	<b><u>Total</u></b>
Payable to Vendors	\$ 734	\$ 1,317	\$ 2,051
Payroll Liabilities	7,098	----	7,098
DOJ Payable	10,256	----	10,256
Retainage Payable	----	66,743	66,743
Total Accounts Payable	<u>\$ 18,088</u>	<u>\$ 68,060</u>	<u>\$ 86,148</u>

### **NOTE 7 – INTERFUND TRANSFERS**

In the ordinary course of business, the Village routinely transfers resources between its funds to utilize resources where needed. These amounts are reported in the financial statements as operating transfers.

# **Village of Natchez**

## **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2025**

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### **NOTE 8 - RISK AND CONTINGENCIES**

The Village is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; and natural disasters.

The Village insures against these risks by participating in a public entity risk pool that operates as a common insurance program and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage.

The Village receives state and federal assistance through various grant programs. Management is confident that all significant grant conditions have been met; however, grantor agencies routinely review grant activity and could request reimbursement if a dispute occurs regarding compliance with grant conditions.

### **NOTE 9 –EMPHASIS-OF-MATTER**

A significant percentage of the Village's revenue consisted of grants for the improvement of the Village's sewer system and construction of a new Town Hall. During the fiscal year, regular operating revenues such as tickets fines stayed consistent with prior years. Although conditions remained stable; doubt is still created that the Village will be able to meet its obligations as they become due in the foreseeable future. The Village's unstable financial conditions could potentially discourage community investment, future economic development, or similar activities.

The Village's plan to alleviate this situation is based on plans to steadily increase sewer rates, decrease expenditures through completion of the aforementioned sewer project, and increase fines and forfeitures assessed to offenders. Management is confident that these plans will enable the Village to continue as a going concern for the foreseeable future.

# **VILLAGE OF NATCHEZ**

## ***Statement of Revenue, Expenditures and Changes in Fund Balance - General Fund Budget and Actual Year Ended June 30, 2025***

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b><u>Revenues:</u></b>				
Taxes:				
Ad Valorem	\$ 11,407	\$ 11,407	\$ 11,612	\$ 205
Sales Tax	60,000	60,000	63,732	3,732
Franchise	30,000	30,000	26,227	(3,773)
Fines and Court Cost	40,000	40,000	4,482	(35,518)
Occupational License	2,950	2,950	4,125	1,175
Miscellaneous	-	-	61,601	61,601
State Grants	-	-	108,675	108,675
<b>Total revenues</b>	<u>144,357</u>	<u>144,357</u>	<u>280,454</u>	<u>136,097</u>
<b><u>Expenditures:</u></b>				
Current				
General Government	142,540	142,540	166,810	(24,270)
Public Safety				
Law Enforcement	40,000	40,000	2,657	37,343
Capital Outlay	-	-	71,336	(71,336)
Debt Service	-	-	-	-
<b>Total Expenditures</b>	<u>182,540</u>	<u>182,540</u>	<u>240,803</u>	<u>(58,263)</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	(38,183)	(38,183)	39,651	77,834
<b>Other Sources (Uses)</b>				
Operating Transfers In (Out)	32,395	32,395	(15,462)	(47,857)
Interest Income (Expense)			601	
Proceeds from Debt	-	-	-	-
<b>Total Other Sources (Uses)</b>	<u>32,395</u>	<u>32,395</u>	<u>(14,861)</u>	<u>(47,857)</u>
<b>Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses</b>	(5,788)	(5,788)	24,790	29,977
<b>Fund Balance - Beginning of Year</b>	<u>16,329</u>	<u>16,329</u>	<u>16,329</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u>\$ 10,541</u>	<u>\$ 10,541</u>	<u>\$ 41,119</u>	<u>\$ 29,977</u>

# **VILLAGE OF NATCHEZ**

## ***Schedule of Per Diem Paid to Board Members For the Year ended June 30, 2025***

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Patsy Ward Hoover, Mayor	5,550
Monique Sarpy, Alderman	2,550
Shelia Johnson, Alderman	2,550
McKindley Hoover, Alderman	2,550

# **VILLAGE OF NATCHEZ**

## ***Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the Year ended June 30, 2025***

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### **Agency Head (Mayor) - Patsy Ward Hoover**

Compensation	\$	5,550
Benefits		-
Reimbursements		206

# **VILLAGE OF NATCHEZ**

***Justice System Funding Schedule - Collecting / Disbursing Entity  
As Required by Act 87 of the 2020 Regular Legislative Session -  
Cash Basis Presentation  
For the Year Ended June 30, 2025***

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	<b>First Six Month Period Ended December 31, 2024</b>	<b>Second Six Month Period Ended June 30, 2025</b>
<b>Beginning Balance of Amounts Collected</b>	\$ -	\$ -
Add: Collections		
Criminal/Costs/Fees	2,522	1,960
Subtotal Collections	<u>2,522</u>	<u>1,960</u>
Less: Disbursements to Governments & Nonprofits		
Department of Health & Hospital	-	-
CMIS Collections	-	-
Juvenile Detention Center	-	-
Louisiana Commission On Law Enforcement	-	-
Louisiana Supreme Court	-	1,921
North Louisiana Crime Laboratory	-	-
Less: Amounts Retained by the Village of Natchez		
Criminal Court Costs / Fees	2,522	39
Subtotal Disbursements / Retainage	<u>2,522</u>	<u>1,960</u>
<b>Ending Balance of Amounts Collected but not Disbursed</b>	<u>\$ -</u>	<u>\$ -</u>

# **Village of Natchez**

## **Schedule of Expenditures of Federal Awards For the year ended June 30, 2025**

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<b><u>Federal Grantor / Pass-through Grantor / Program Title</u></b>	<b>Assistance</b>	
	<b><u>Listing Number</u></b>	<b><u>Federal Expenditures</u></b>
<b>Department of the Treasury</b>		
<b>State of Louisiana, Division of Administration, Office of Community Development</b>		
"COVID-19" - Coronavirus State and Local Fiscal Recovery Funds	21.027	88,530
"COVID-19" - Coronavirus State and Local Fiscal Recovery Funds - Water Sector		
Passed through the Louisiana Division of Administration	21.027	<u>899,843</u>
Total Department of the Treasury		<u>988,373</u>
<b>Total Expenditure of Federal Awards</b>		<b><u>\$ 988,373</u></b>

### **Note**

The schedule of expenditures of federal awards was prepared in conformity with generally accepted accounting principles. See Note 1 of the accompanying financial statements for further details. Furthermore, the Village of Natchez has not used the 10% de minimus indirect cost rate.



May 25, 2025

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 Mayor and Board of Aldermen  
Village of Natchez, 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, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Village of Natchez's basic financial statements, and have issued our report thereon dated May 25, 2025.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered the Village of Natchez'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 Village of Natchez's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Natchez'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 item **Finding 2025-001** that we consider to be a material weakness.

**REPORT ON COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Village of Natchez'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 three instances of noncompliance 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 2025-002, 2025-003, and 2025-004.

***Village of Natchez***

***May 25, 2025***

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**THE VILLAGE OF NATCHEZ'S RESPONSE TO FINDINGS**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village of Natchez's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Village of Natchez'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.

A handwritten signature in blue ink, appearing to read "Rozier, McKay & Willis".

Rozier, McKay & Willis  
Certified Public Accountants  
Alexandria, Louisiana



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM

To the Honorable Mayor  
and the Board of Aldermen  
Village of Natchez, Louisiana

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM**

**Opinion on Each Major Federal Program**

We have audited Village of Natchez's 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 on each of Town's major federal programs for the year ended June 30, 2025. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Village of Natchez complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

**Basis for Opinion on Each 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Village of Natchez 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 Village of Natchez's federal programs.

**Auditor's 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 Village of Natchez'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



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Alexandria, Louisiana 71303  
Online: CenlaCPAs.com

***Village of Natchez***  
***October 19, 2025***

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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 Village of Natchez'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 Village of Natchez'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.

**Report on Internal Control over Compliance**

*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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.



Rozier, McKay & Willis  
Alexandria, Louisiana  
October 19, 2025

**VILLAGE OF NATCHEZ**  
**Summary of Findings and Questioned Costs**  
**June 30, 2025**

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**PART I - SUMMARY OF AUDITOR'S RESULTS:**

**Financial Statements**

- The Independent Auditors' Report on the financial statements of the Village of Natchez as of June 30, 2025 and for the year then ended expressed an unmodified opinion.
- No control deficiencies were disclosed during the audit of the financial statements
- The results of the audit did disclose three instances (2025-002, 2025-003, and 2025-004) of noncompliance that are considered to be material to the financial statements of the Village of Natchez.
- One material weakness in internal control over financial reporting was reported in connection with the audit (**2025-001**).

**Federal Awards**

- No deficiencies in internal control over major federal award programs were disclosed during the audit. Accordingly, there were no material weaknesses applicable to major federal award programs
- The Independent Auditor's Report on Compliance for each Major Program and on Internal Control over Compliance required by the Uniform Guidance expressed an unmodified opinion on compliance for major programs.
- The audit did not disclose any audit findings which are required to be reported as findings and questioned cost in connection with Federal Programs.
- Major Programs for the year ended June 30, 2025 are presented as follows:

Department of the Treasury

Assistance Listing No. 21.027 – "COVID-19" Coronavirus State and Local Fiscal Recovery Funds  
Passed through the Louisiana Office of Community Development

Assistance Listing No. 21.027 – "COVID-19" Coronavirus State and Local Fiscal Recovery Funds

- A threshold of \$750,000 was used for distinguishing between type A and Type B Programs for purposes of identifying major programs.
- The Village of Natchez was not considered a low-risk auditee as defined by the Uniform Guidance

**PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:**

**Finding 2025-001 – Inadequate Segregation of Accounting Functions**

- *Criteria:* Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable law and regulations.
- *Condition:* The Village did not have adequate segregation of functions within the accounting system.
- *Cause:* The Village does not have a sufficient number of staff performing administrative and financial duties so as to provided adequate segregation of accounting and financial duties.
- *Effect:* Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcation may occur and not be prevented and/or detected.
- *Recommendation:* The Village should ensure that duties are spread amongst town employees to enforce effective internal control procedures.

**Finding 2025-002– Accounting for Meter Deposits**

- *Criteria:* The Village should maintain adequate records to reconcile the underlying meter deposit liability to the individual account balances.
- *Condition:* The Village did not maintain sufficient records to be able to reconcile the underlying meter deposit liability to the individual account balances.

**VILLAGE OF NATCHEZ**  
**Summary of Findings and Questioned Costs**  
**June 30, 2025**

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- *Effect:* As this account is custodial in nature, the Village should be able to identify the individuals owed in order to properly apply the meter deposit to any outstanding amounts.
- *Cause:* The meter deposit balances have not been properly reconciled to the underlying accounting records.
- *Recommendation:* We recommend that the clerk periodically review the list of meter deposits outstanding and reconcile the list to the Towns accounting records.

**Finding 2025-003 – Budget Variances**

- *Criteria:* Louisiana Revised Statutes prohibit unfavorable budget variance that exceed 5% of the overall budget for revenue or expenditures.
- *Condition:* Villages expenses exceeded budgeted expense amounts.
- *Effect:* The Village was not in compliance with the Louisiana Government Budget Act.
- *Cause:* The Village did not make sufficient amendments to the budget once the Village realized that unfavorable variances exceeded 5% of budgeted amounts.
- *Recommendation:* The Village should implement policies and procedures to ensure that the budget is amended whenever variances exceed amounts allowed by the Louisiana Government Budget Act.

**Finding 2025-004 – Collections on Behalf of Other Entities**

- *Criteria:* The Village is required to remit certain fines, fees, and court costs to various entities monthly based on ticket collections.
- *Condition:* The Village is not properly remitting these amounts.
- *Cause:* Village's management was unaware of amounts that should be remitted.
- *Effect:* The Village may be in violation of Revised Statutes by not remitting these amounts.
- *Recommendation:* We recommend the Village's management receive training to determine which amounts to remit to the State

# **Village of Natchez**

## **Management's Corrective Action Plan**

### **For the Year Ended June 30, 2025**

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
<p><b><u>2025-001: Segregation of Duties</u></b> The Village lacks a proper internal control of segregation of duties.</p> <p><b><u>2025-002: Accounting for Meter Deposits</u></b> The Village did not maintain sufficient records to be able to reconcile the underlying meter deposit liability to the individual account balances. As this account is custodial in nature, the Village should be able to identify the individuals owed in order to properly apply the meter deposit to any outstanding amounts.</p> <p><b><u>2025-003: Local Government Budget Act</u></b> For the year ended June 30, 2025, the Village failed to amend the budget when the actual revenues failed to meet budgeted revenues.</p> <p><b><u>2025-004: Collections on Behalf of Other Entities</u></b> The Village did not properly remit fees, fines, and court costs collected on behalf of other entities to the required entities.</p>	<p><b><u>2025-001: Response</u></b> Due to our small staff size, it is not feasible to be able to separate duties.</p> <p><b><u>2025-002: Response</u></b> Our Clerk will start reconciling meter deposit liability with the underlying individual account balances.</p> <p><b><u>2025-003: Response</u></b> We will closely monitor our revenue and expenditures in the future and amend the budget as necessary.</p> <p><b><u>2025-004: Response</u></b> We will ensure that in the future, all amounts collected on behalf of other entities are submitted as required.</p>
SECTION II MANAGEMENT LETTER	
No Findings of this nature.	Response – N/A
SECTION III INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
No Findings of this nature.	Response – N/A

**Village of Natchez**  
**Schedule of Prior Year Findings**  
**For the Year Ended June 30, 2025**

<b>SECTION I</b> <b>INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.</b>	
<p><b><u>2024-001: Inadequate Controls Over Recordkeeping</u></b>  The Village was unable to provide certain public records relating to minutes of public meetings and invoices for transactions to the Town Auditor upon request, as they were unable to be located. This situation resulted in the performance of alternative procedures locating records.</p> <p><b><u>2024-002: Collections on Behalf of Other Entities</u></b>  The Village did not properly remit fees, fines, and court costs collected on behalf of other entities to the required entities.</p> <p><b><u>2024-003: Late Submission of Report</u></b>  For the year ended June 30, 2024, the Village did not submit the annual audit within six months after the close of their fiscal year.</p> <p><b><u>2024-004: Segregation of Duties</u></b>  The Village lacks a proper internal control of segregation of duties.</p> <p><b><u>2024-005: Accounting for Meter Deposits</u></b>  The Village did not maintain sufficient records to be able to reconcile the underlying meter deposit liability to the individual account balances. As this account is custodial in nature, the Village should be able to identify the individuals owed in order to properly apply the meter deposit to any outstanding amounts.</p> <p><b><u>2024-006: Local Government Budget Act</u></b>  For the year ended June 30, 2024, the Village failed to amend the budget when the actual revenues failed to meet budgeted revenues.</p>	<p><b><u>Resolved</u></b></p> <p><b><u>Unresolved: See Finding 2025-004</u></b></p> <p><b><u>Resolved</u></b></p> <p><b><u>Unresolved: See Finding 2025-001</u></b></p> <p><b><u>Unresolved: See Finding 2025-002</u></b></p> <p><b><u>Unresolved: See Finding 2025-003</u></b></p>
<b>SECTION II</b> <b>MANAGEMENT LETTER</b>	
No Findings of this nature.	Response – N/A
<b>SECTION III</b> <b>INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
No Findings of this nature.	Response – N/A

**APPENDIX A**  
**Statewide Agreed-Upon Procedures**



Independent Accountant's Report  
On Applying Agreed-Upon Procedures

To the Village of Natchez and  
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Village of Natchez (the Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

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

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

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

Rozier, McKay & Willis  
Certified Public Accountants  
Alexandria, Louisiana  
October 19, 2025



Rozier, McKay & Willis  
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# **Village of Natchez**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Written Policies and Procedures</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
1 Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories. <ul style="list-style-type: none"><li>• Budgeting</li><li>• Purchasing</li><li>• Disbursements</li><li>• Receipts</li><li>• Payroll/Personnel</li><li>• Contracting</li><li>• Credit Cards</li><li>• Travel and expense reimbursements</li><li>• Ethics</li><li>• Debt Service</li><li>• Disaster Recovery / Business Continuity</li><li>• Sexual Harassment</li></ul>	The Village does not have any written procedures regarding the following functions: <ul style="list-style-type: none"><li>• Budgeting</li><li>• Purchasing</li><li>• Disbursements</li><li>• Receipts</li><li>• Payroll/Personnel</li><li>• Contracting</li><li>• Credit Cards</li><li>• Travel &amp; Expense reimbursement</li><li>• Ethics</li><li>• Debt Service</li><li>• Disaster Recover/Bus. Continuity</li><li>• Sexual Harassment</li></ul>	<b><i>Due to the Village's size and limited staff, job duties are clearly understood despite the absence of written details. We will consider whether adopting formal written procedures would be beneficial.</i></b>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Board (or Finance Committee)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>2 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:</p> <p>a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.</p> <p>b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. <i>Alternately, for those entities reporting on the non-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.</i></p> <p>c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal</p>	<p>Management represented that the Board met monthly.</p> <p>Minutes did not include references to budget to actual comparisons or similar financial information.</p> <p>No deficit balances in the general fund observed.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>We will make sure to include required financial information during monthly meetings in the future.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

**Village of Natchez**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.</p> <p>d) 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.</p>	<p>There was no evidence of discussion on resolution of the Village's previous audit findings.</p>	<p><b><i>We will begin to provide written updates on the progress of audit findings to the council at monthly meetings.</i></b></p>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Bank Reconciliations</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>3 Obtain a listing of client 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 selected each account, and observe that:</p> <p>a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);</p> <p>b) 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 or electronically logged); and</p> <p>c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.</p>	<p>Reconciliations were prepared within 2 months of closing date.</p> <p>Reconciliations are performed by an outside bookkeeper.</p> <p>During the year, there were 10 checks more than 12 months outstanding totaling \$4,080.44. No evidence of research on the reconciling items was observed</p>	<p><b><i>No findings or criticisms reported.</i></b></p> <p><b><i>No findings or criticisms reported.</i></b></p> <p><b><i>We will make sure to research outstanding checks and handle them appropriately.</i></b></p>

**Village of Natchez**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<p>4 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).</p> <p>5 For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:</p> <p>a) Employees that are responsible for cash collections do not share cash drawers/registers.</p>	<p>There is no cash register or drawer due to cash not being accepted.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections (excluding EFTs)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.	Cash is not accepted, which mitigates risk. An outside bookkeeping firm performs monthly reconciliations.	<b><i>No findings or criticism were reported.</i></b>
c) Each employee responsible for collecting cash is not 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.	Cash is not accepted, which mitigates risk. An outside bookkeeping firm performs monthly reconciliations.	<b><i>No findings or criticism were reported.</i></b>
d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.	Cash is not accepted, which mitigates risk. An outside bookkeeping firm performs monthly reconciliations.	<b><i>No findings or criticism were reported.</i></b>
6 Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.	Insurance coverage was maintained.	<b><i>No findings or criticism were reported.</i></b>
7 Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day) . Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as		

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections (excluding EFTs)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:</p> <p>a. Observe that receipts are sequentially pre-numbered.</p> <p>b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.</p> <p>c. Trace the deposit slip total to the actual deposit per the bank statement.</p> <p>d. 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).</p> <p>e. Trace the actual deposit per the bank statement to the general ledger.</p>	<p>Receipts were issued when required by policy.</p> <p>Collection documentation agreed to the deposit slip.</p> <p>Deposits on the bank statement agreed with the deposit slip or remote-capture details for direct deposit.</p> <p>Deposits were remitted within a single business day.</p> <p>Deposits appearing on the bank statement agree with the general ledger.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

# **Village of Natchez**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
8 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).	All transactions are processed at the Town Hall.	<b><i>No findings or criticisms were reported.</i></b>
9 For each location selected under #8 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, inquire of employees about their job duties), and observe that job duties are properly segregated such that:		
a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.	At least two employees are involved.	<b><i>No findings or criticisms were reported.</i></b>
b) At least two employees are involved in processing and approving payments to vendors.	At least two employees are involved.	<b><i>No findings or criticisms were reported.</i></b>
c) 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.	Due to the size of staff, the clerk both process payments and maintains vendors files.	<b><i>We will examine our procedures, and make sure we have appropriate segregation of duties given the size of our staff.</i></b>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>d) 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.</p> <p>10 For each location selected under #8 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:</p> <p>a. Observe that the disbursement matched the related original invoice/billing statement.</p> <p>b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.</p> <p>11 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)</p>	<p>The Clerk/Mayor mails the payments; however, due to the limited number of staff, it is not practical for another employee to mail the payments.</p> <p>Disbursement matched the related invoices.</p> <p>Evidence of segregation of duties was present.</p> <p>There were no electronic disbursements during the year.</p>	<p><b><i>Due to the limited size of staff, it is not practical to limit mailing duties.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

**Village of Natchez**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</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.		

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>12 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.</p>	<p>The Village utilizes a travel credit card.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p>
<p>13 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:</p> <p>a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.</p> <p>b. Observe that finance charges and late fees were not assessed on the selected statements.</p>	<p>Based on observance of statements, the card was not utilized during the year.</p> <p>No finance charges or late fees were assessed.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
14 Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). 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).	During the year, there was no activity for the card.	<b><i>No findings or criticisms were reported.</i></b>

# **Village of Natchez**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Travel and Expense Reimbursement</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>15 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, 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:</p> <p>a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (<a href="http://www.gsa.gov">www.gsa.gov</a>).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).</p>	<p>Reimbursements agreed to per diem rates established.</p> <p>Reimbursements were supported by original itemized receipts.</p> <p>Reimbursements include purpose on documentation.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

**Village of Natchez**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.	Checks were signed by the Mayor and a council member.	<b><i>No findings or criticisms were reported.</i></b>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Contracts</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>16 Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:</p> <p>a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.</p> <p>b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).</p> <p>c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.</p> <p>d. 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.</p>	<p>Management provided a list of contracts, and represented to its completeness.</p> <p>Contracts subject to the Public Bid Law were properly bid.</p> <p>Documentation was sufficient.</p> <p>No contracts were amended in the current year.</p> <p>Selected payments agreed to contract terms.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
17 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.	RMW obtained a listing from management.	<b><i>No findings or criticisms were reported.</i></b>
18 Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:		
a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).	Daily attendance was documented.	<b><i>No findings or criticisms were reported.</i></b>
b. Observe that supervisors approved the attendance and leave of the selected employees/officials.	The Mayor signs off on all time-sheets for Village employees.	<b><i>No findings or criticisms were reported.</i></b>
c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.	The Village does not utilize leave or sick time.	<b><i>No findings or criticisms were reported.</i></b>
19 Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination	No employees were terminated during the year.	<b><i>No findings or criticisms were reported.</i></b>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.		
20 Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.	All employee portion of payroll expenses and necessary report were paid and filed.	<b><i>No findings or criticisms were reported.</i></b>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Ethics</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>21 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:</p> <p>a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.</p> <p>b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.</p>	<p>No documentation was available.</p> <p>No documentation was available.</p>	<p><b><i>We will review files to ensure that all employees complete the ethics training during the fiscal year.</i></b></p> <p><b><i>We will review files to ensure that all employees complete the ethics training during the fiscal year.</i></b></p>
<p>22 Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.</p>	<p>Although no ethics policies are available, the Mayor and available clerk serve as ethics designees.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Debt Service</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
23 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.	The Village does not have any bonds or notes payable.	<b><i>No findings or criticisms were reported.</i></b>
25 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.	The Village does not have any bonds or notes payable.	<b><i>No findings or criticisms were reported.</i></b>

**Village of Natchez**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Fraud Notice</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
23 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.	No misappropriations were reported.	<b><i>No findings or criticisms were reported.</i></b>
26 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.	The necessary postings were not present.	<b><i>We will be sure to post the required postings.</i></b>

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Information Technology Disaster Recovery /Business Continuity</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>27 Perform the following procedures, <b>verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."</b></p> <p>a. 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.</p> <p>b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.</p> <p>c. 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.</p>	<p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>
<p>28 Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in</p>	<p>We performed the procedure and discussed the results with management.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p>

# **Village of Natchez**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Information Technology Disaster Recovery /Business Continuity</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.</p> <p>29 Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267.<sup>1</sup>. The requirements are as follows:</p> <ol style="list-style-type: none"> <li>1. Hired before June 9, 2020 - completed the training; and</li> <li>2. Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.</li> </ol>	<p>No documentation was available.</p>	<p><b><i>We will review files to ensure that all employees complete the cyber security training during the fiscal year.</i></b></p>

<sup>1</sup> 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.

## **Village of Natchez**

### **Statewide Agreed-Upon Procedures**

#### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Sexual Harassment</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
30 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.	Sexual harassment training documentation was not available.	<b><i>We will review files to ensure that all employees complete the sexual harassment training during the fiscal year.</i></b>
31 Observe 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).	Sexual harassment policy was not posted.	<b><i>We will work towards developing and posting a sexual harassment policy at our Municipal Complex.</i></b>
32 Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:  a. Number and percentage of public servants in the agency who have completed the training requirements; b. Number of sexual harassment complaints received by the agency; c. Number of complaints which resulted in a finding that sexual harassment occurred; d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and e. Amount of time it took to resolve each complaint.	A report was not completed during the fiscal year.	<b><i>We will work towards completing an annual sexual harassment report in the future.</i></b>