

VILLAGE OF DODSON

FINANCIAL REPORT JUNE 30, 2026

**SHANNA JONES, CPA
WINNFIELD, LOUISIANA**

VILLAGE OF DODSON
FINANCIAL REPORT
JUNE 30, 2026

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Village of Dodson

P. O. Box 86
Dodson, LA 71422

MANAGEMENT'S DISCUSSION & ANALYSIS

The Management's Discussion and Analysis of the Village of Dodson's (the Village) financial performance presents a narrative overview and analysis of Village of Dodson's financial activities for the years ended June 30, 2026 and 2025. The Village's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

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 of Dodson's financial position and results of operations from differing perspectives which are described as follows:

GOVERNMENTAL-WIDE FINANCIAL STATEMENTS—This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. These statements tell how the services were financed in the short-term as well as what remains for future spending.

FUND FINANCIAL STATEMENTS—A fund is an accountability unit used to maintain control over resources segregated for specific activities. The Village uses funds to ensure and demonstrate compliance with finance related laws and regulations. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources at the end of the year.

As the Government-wide Financial Statements includes the long-term view, comparisons between these two views may provide insight into the long-term impact as short-term financing decreases. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the difference between these two views.

FUNCTIONS—The total functions of the Village include general governmental activities, public safety and public works. Governmental activities are primarily financed by Village residents and businesses and grants from the state or federal government. In the business-type activities water and sewer services are provided. Business-type activities are primarily financed in whole or in part with charges to customers.

Village of Dodson
MANAGEMENT'S DISCUSSION & ANALYSIS (continued)

FINANCIAL SUMMARY

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	<u>2026</u>		<u>2025</u>	
Assets:	Governmental	Business-type	Governmental	Business-type
Current	\$ 215,487	\$ 494,394	\$ 216,637	\$ 455,094
Non-Current:				
Restricted Cash	-	245,353	-	350,588
Restricted Receivable-Grant	-	529,423	25,000	617,227
RUA-Lease Receivable, net	36,015	-	37,169	-
Capital Assets (Net)	<u>711,148</u>	<u>3,737,624</u>	<u>766,601</u>	<u>3,001,902</u>
Total Assets	<u>962,650</u>	<u>5,006,794</u>	<u>1,045,407</u>	<u>4,424,811</u>
Deferred Outflows	<u>36,649</u>	<u>-</u>	<u>62,617</u>	<u>-</u>
Total Assets & Deferred Outflows	999,299	5,006,794	1,108,024	4,424,811
Liabilities:				
Current:				
Unrestricted	9,895	41,854	35,337	7,403
Restricted	-	613,636	-	695,169
Non-Current	<u>66,319</u>	<u>371,583</u>	<u>92,520</u>	<u>353,531</u>
Total Liabilities	<u>76,214</u>	<u>1,027,073</u>	<u>127,857</u>	<u>1,056,103</u>
Deferred Inflows	<u>50,625</u>	<u>108,026</u>	<u>41,566</u>	<u>241,194</u>
Net Position:				
Net Invested in Capital Assets	746,601	2,733,405	766,601	1,971,338
Restricted	-	52,452	25,000	52,452
Unrestricted	<u>125,859</u>	<u>1,085,838</u>	<u>147,000</u>	<u>1,103,724</u>
Total Net Position	<u>\$ 872,460</u>	<u>\$ 3,871,695</u>	<u>\$ 938,601</u>	<u>\$ 3,127,514</u>

Village of Dodson
MANAGEMENT'S DISCUSSION & ANALYSIS (continued)

Rather than present the Statement of Net Activities, this comparative data shows a Summary of Changes in of Net Position:

	<u>2026</u>		<u>2025</u>	
	Governmental	Business-type	Governmental	Business-type
Revenues:				
Program Revenues—				
Charges for Services,				
Fines, Commissions	\$ 218,034	\$ 238,199	\$ 249,204	\$ 211,201
Operating Grants &				
Contributions	37,500	-	16,145	17,237
Capital Grants &				
Contributions	-	820,973	369,971	1,085,375
General Revenues—				
Ad Valorem Taxes	11,997	-	10,197	-
Sales Taxes	103,951	-	77,766	-
Franchise Taxes	9,264	-	9,011	-
ROA Lease/Rental Income	2,207	-	2,107	-
Licenses & Fees	19,852	-	20,956	-
Interest & Miscellaneous	<u>4,754</u>	<u>1,266</u>	<u>9,482</u>	<u>5,173</u>
Total Revenues	407,559	1,060,438	764,839	1,318,986
Expenditures:				
General Government	295,513	-	264,744	-
Public Safety	136,795	-	153,472	-
Public Works	87,234	-	33,821	-
Culture & Recreation	6,354	-	-	-
Operating	<u>-</u>	<u>264,061</u>	<u>-</u>	<u>238,616</u>
Total Expenditures	525,896	264,061	452,037	238,616
Excess (Deficiency) of				
Revenues over (under)				
Expenditures	<u>(118,337)</u>	<u>796,377</u>	<u>312,802</u>	<u>1,080,370</u>
Other Financing Sources Uses:				
Sale of Asset	-	-	-	-
Transfers from Other Funds	52,196	-	-	75,817
Transfers to Other Funds	<u>-</u>	<u>(52,196)</u>	<u>(75,817)</u>	<u>-</u>
Total Other Financing Sources				
(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in Net Position	\$ (66,141)	\$ 744,181	\$ 236,985	\$ 1,156,187

Village of Dodson
MANAGEMENT'S DISCUSSION & ANALYSIS (continued)

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

The Village's Governmental Fund consist of a major fund: General and one Proprietary Fund: Utilities-Water and Sewer. In the current fiscal year, the General fund increased \$25,246 and Proprietary fund increased \$744,181. The increase in General was mainly the result of decreased expenses particularly capital outlay. The increase in Proprietary fund was mainly the result of EDA sewer grant. As of June 30, 2026, the fund balance and net position, respectively are as follows: General \$204,987 and Proprietary \$3,871,695.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Village as a whole.

The Village's combined net position on June 30, 2026 was \$4,744,155 and \$4,066,155 on June 30, 2025. The net position is made up largely of Capital Assets. The Village has \$4,448,772 in Net Capital Assets as of June 30, 2026 with \$308,000 in debt associated with it and additional liabilities over receivables of \$166,796. Assets related to the water and sewer improvement projects included in the above capital asset figure for construction in progress are: sewer EDA project \$1,909,071 and prior year water for pump \$9,435. These projects have related grants associated with them.

During fiscal year ended June 30, 2026 an increase of \$73,859 from prior year expenses was noted in Governmental Expenditures, the majority being in the general governmental functions. Personnel and Related Benefits continue to be the highest costs of the General Government. In the Business-type activities Operating Expenses increased from the prior year by \$25,445, primarily due to repairs and maintenance. Payments continue to be made on the DEQ Loan. The Village continues to budget transfers necessary to comply with the debt service coverage ratio going forward.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets additions for the fiscal year ended June 30, 2026 included a truck for the water department and additional construction in progress on the EDA Sewer Project. Both were in the Proprietary Fund. No disposals were noted for either fund during the fiscal year.

Long-term financing for the entity is provided by DEQ. This debt continues to be paid from a portion of sewer revenues in the Proprietary fund.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The Village has prepared its fiscal year ended June 30, 2026 budget for the General Fund on the assumptions that revenues and expenditures will remain fairly consistent next year. Revenues and expenditures for the Proprietary Fund should also remain consistent during the next fiscal year, with the exception of the following. Concluding the large capital project for wastewater/sewer renovation utilizing funds from the Economic Development Administration (EDA) related to the ARPA Disaster Economic Adjustment Assistance. Additional funds will be required to be transferred from Water to Sewer within the Proprietary Funds or from the General Fund to meet rate covenant of the DEQ loan.

Shanna Jones, CPA

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Winnfield, LA 71483
792-8544*

INDEPENDENT AUDITOR'S REPORT

To the Mayor & Aldermen
of the Village of Dodson
P.O. Box 86
Dodson, Louisiana

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of Village of Dodson, Louisiana (the "Village"), as of and for the year ended June 30, 2026, 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 my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Village of Dodson, Louisiana, as of June 30, 2026, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the U.S. require that Management's Discussion and Analysis, the Budgetary Comparison Schedules and related Notes to Budgetary Comparison Schedules, the Schedule of Village's Proportionate Share of the Net Pension Liability, and the Schedule of Village's Pension Contributions on pages M-1 through M-4, pages 39, 42, and 43, respectively, to 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the U.S., which consisted of inquiries of management about the methods of preparing the information and

comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Dodson's basic financial statements. The accompanying Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head, Political Subdivision Head or Chief Executive Officer (the "Schedule of Compensation") presented on page 45 and the Justice System Funding Schedule for Collecting/Disbursing Entity presented on page 46 while listed in the Table of Contents as Supplementary Information are presented for purposes of additional analysis and are not required parts of the basic financial statements but are required by Act 462 of 2015 which amends Act 706 of the Louisiana 2014 Legislative Session and by Act 87 of the Louisiana 2020 Legislative Session. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Note that the Justice System Funding Schedule is required to be and is prepared in accordance with cash basis, which is a basis other than auditing standards generally accepted in the U.S. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Schedule of Compensation, Benefits and Other Payments and the Justice System Funding Schedule for Collecting/Disbursing Entities are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

As allowed by Louisiana R.S. 24:513, the Louisiana Legislative Auditor has required governmental entities with public funds of \$500,000 or more to have certain agreed-upon procedures performed as included in the *Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures* (SAUPs). The Village's management is responsible for those control and compliance (C/C) areas identified in the SAUPs, see pages 63-66. The agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report presented on pages 52-62. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued the report dated September 14, 2026, on my consideration of the Village of Dodson's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an

audit performed in accordance with *Government Auditing Standards* in considering Village of Dodson's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Shanna Jones".

Shanna Jones, CPA
Winnfield, Louisiana
September 14, 2026

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

VILLAGE OF DODSON
STATEMENT OF NET POSITION
JUNE 30, 2026

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current Assets:			
Cash & Cash Equivalents	\$ 41,127	\$ 466,309	\$ 507,436
Receivables	172,723	28,085	200,808
RUA—Lease Receivables, current	1,154	-	1,154
Prepaid Expenses	483	-	483
Total Current Assets	<u>215,487</u>	<u>494,394</u>	<u>709,881</u>
Non-Current Assets:			
Restricted Assets—Cash	-	245,353	245,353
Restricted Receivable—Grant	-	529,423	529,423
RUA—Lease Receivables, long term	36,015	-	36,015
Capital Assets			
Non-Depreciable	5,500	1,918,505	1,924,005
Depreciable (Net)	<u>705,648</u>	<u>1,819,119</u>	<u>2,524,767</u>
Subtotal Capital Assets	<u>711,148</u>	<u>3,737,624</u>	<u>4,448,772</u>
Total Non-Current Assets	<u>747,163</u>	<u>4,512,400</u>	<u>5,259,563</u>
Total Assets	962,650	5,006,794	5,969,444
Deferred Outflows:			
Pension Related	<u>36,649</u>	-	<u>36,649</u>
Total Assets & Deferred Outflows	999,299	5,006,794	6,006,093
Liabilities:			
Current Liabilities:			
Accounts Payable	5,789	3,369	9,158
Payroll & Related Liabilities	4,106	-	4,106
Restricted Liabilities—Customers’			
Deposits	-	19,485	19,485
Current portion of DEQ Loan	<u>-</u>	<u>19,000</u>	<u>19,000</u>
Total Current Liabilities	<u>9,895</u>	<u>41,854</u>	<u>51,749</u>
Non-Current Liabilities:			
Restricted Accounts Payable	-	613,636	613,636
Retainage Payable	-	82,583	82,583
Net Pension Liability	66,319	-	66,319
DEQ Loan	<u>-</u>	<u>289,000</u>	<u>289,000</u>
Total Non-Current Liabilities	<u>66,319</u>	<u>985,219</u>	<u>1,051,538</u>
Total Liabilities	<u>76,214</u>	<u>1,027,073</u>	<u>1,103,287</u>

(Continued)

VILLAGE OF DODSON
STATEMENT OF NET POSITION (continued)
JUNE 30, 2026

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred Inflows:			
Pension Related	14,005	-	14,005
Right of Use Asset-Lease Related	36,620	-	36,620
Deferred Revenue-EDA Project	-	108,026	108,026
Total Deferred Inflows	50,625	108,026	158,651
Net Position:			
Net Investment in Capital Assets	746,601	2,733,405	3,480,006
Restricted	-	52,452	52,452
Unrestricted	125,859	1,085,838	1,211,697
Total Net Position	<u>\$ 872,460</u>	<u>\$ 3,871,695</u>	<u>\$ 4,744,155</u>

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

VILLAGE OF DODSON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Program Activities	Expenses	Program Revenue			Net (Expense) Revenue & Changes in Net Position		
		Fines, Fees, Commissions & Charges for Services	Grants & Contributions Operating	Capital	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General & Admin	\$ 295,513	\$ -			\$ (295,513)		\$(295,513)
Public Safety	136,795	212,534			75,739		75,739
Public Works	87,234	5,500	\$ 37,500		(44,234)		(44,234)
Culture & Recreation	6,354	-	-	-	(6,354)		(6,354)
Total Governmental	<u>525,896</u>	<u>218,034</u>	<u>37,500</u>	<u>-</u>	<u>(270,362)</u>		<u>(270,362)</u>
Business-type Activities:							
Water	150,186	139,979	-	820,973		\$ 810,766	810,766
Sewer	<u>113,875</u>	<u>98,220</u>	<u>-</u>	<u>-</u>	<u>(15,655)</u>	<u>(15,665)</u>	<u>(15,665)</u>
Total Business-type	<u>\$ 264,061</u>	<u>\$ 238,199</u>	<u>-</u>	<u>820,973</u>		<u>795,111</u>	<u>795,111</u>
General Revenues:							
Taxes:							
		Ad Valorem			11,997		11,997
		Sales			103,951		103,951
		Franchise			9,264		9,264
		Licenses & Permits			19,852		19,852
		ROA Lease Revenue			2,207		2,207
		Non-employer Pension Cont.			2,848		2,848
		Interest Earnings			365	1,266	1,631
		Miscellaneous			1,541	-	1,541
		Transfers In/(Out)			<u>52,196</u>	<u>(52,196)</u>	<u>-</u>
		Total General Revenues			<u>204,221</u>	<u>(50,930)</u>	<u>153,291</u>
		Change in Net Position			(66,141)	744,181	678,040
		Net Position July 1, 2025			<u>938,601</u>	<u>3,127,514</u>	<u>4,066,115</u>
		Net Position June 30, 2026			<u>\$ 872,460</u>	<u>\$ 3,871,695</u>	<u>\$ 4,744,155</u>

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

FUND FINANCIAL STATEMENTS

VILLAGE OF DODSON
BALANCE SHEET—GOVERNMENTAL FUNDS
JUNE 30, 2026

	<u>Major Fund General</u>
Assets:	
Current Assets:	
Cash & Cash Equivalents	\$ 41,127
Receivables, Net	172,723
RUA—Lease Receivables, current portion	1,154
Prepaid Expenses	<u>483</u>
Total Current Assets	215,487
Non-Current Assets:	
RUA—Lease Receivables, net of current portion	<u>36,015</u>
Total Non-Current Assets	36,015
 Total Assets	 <u><u>251,502</u></u>
Liabilities:	
Current Liabilities:	
Accounts Payable	5,789
Payroll & Related Liabilities	<u>4,106</u>
Total Liabilities	<u>9,895</u>
Deferred Inflows:	
Right of Use Asset-Lease Receivable	<u>36,620</u>
Total Deferred Inflows	36,620
Fund Balances:	
Nonspendable	483
Unassigned	<u>204,504</u>
Total Fund Balances	<u>204,987</u>
Total Liabilities & Fund Balances	<u><u>\$ 251,502</u></u>

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

VILLAGE OF DODSON
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Total Fund Balances for the Governmental Funds at June 30, 2026	\$ 204,987
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Total Net Position reported for Governmental Activities
in the Statement of Net Position is different because:

Deferred Outflows:

Pension Related	36,649
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Capital Assets used in Governmental Activities are not
financial resources and, therefore, are not reported
in the fund. Those assets consist of:

Non-Depreciable	5,500	
Depreciable	1,630,532	
Less: Accumulated Depreciation	<u>(924,884)</u>	711,148

Long-term liabilities are not due and payable in the current
period and, therefore, are not reported in the Governmental
Fund Balance Sheet:

Net Pension (Liability)/Asset	(66,319)
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Deferred Inflows:

Pension Related	(14,005)
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Total Net Position of Governmental Activities at June 30, 2026	<u>\$ 872,460</u>
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The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF DODSON
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	Major Fund General
Revenues:	
Taxes:	
Ad Valorem	\$ 11,997
Sales	103,951
Franchise	9,264
Licenses & Permits	19,852
Fines & Forfeitures	212,534
Charges for Services	5,500
Grant-State Appropriations	62,500
ROA Lease Revenue	2,207
Miscellaneous:	
Interest Earned	365
Other	1,541
Total Revenues	<u>429,711</u>
Expenditures:	
Current:	
General Government	292,196
Public Safety	114,342
Public Works	50,123
Capital Outlay	-
Total Expenditures	<u>456,661</u>
Excess (Deficiency) of Revenues over Expenditures	(26,950)
Other Financing Uses:	
Transfers In—from Proprietary Fund	<u>52,196</u>
Excess (Deficiency) of Revenues & Other Financing Sources over Expenditures & Other Financing Uses	25,246
Fund Balances—Beginning of Year	<u>179,741</u>
Fund Balances—End of Year	<u><u>\$ 204,987</u></u>

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

VILLAGE OF DODSON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Net Change in Fund Balances—Governmental Funds	\$	25,246
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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 these assets is allocated over their estimated useful lives as depreciation expense. The cost of Capital Assets recorded in the current period is

-

Governmental Funds report the entire amount received from the Sales of Assets as Revenues, but the undepreciated cost of the assets reduces the gain from the sale in the Statement of Activities.

(-)

Depreciation expense on Capital Assets is reported in the Government-wide Financial Statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is

(55,453)

Long term liabilities do not require the use of current financial resources and therefore are not reported as expenditures in the Governmental Funds:

Non-employer Contributions to Cost-sharing Pension Plan		2,848
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Pension Expense	(	13,782)
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Government Funds report amounts available for use in the Current period or within 60 days of fiscal year end, while Government-wide Financial Statements are on Full Accrual Basis and report all known revenues regardless of when received. Revenue such as this for the current/(prior) year:

Appropriations Grant		(25,000)
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Net Change in Net Position of Governmental Activities per Statement of Activities	\$ (	<u>66,141</u>)
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The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF DODSON
STATEMENT OF NET POSITION—PROPRIETARY FUND
JUNE 30, 2026

Assets:

Current Assets:

Cash & Cash Equivalents	\$ 466,309
Receivables, Net	<u>28,085</u>
Total Current Assets	494,394

Non-Current Assets:

Restricted—Cash & Cash Equivalents	245,353
Restricted Grant Receivable	529,423
Capital Assets:	
Nondepreciable	1,918,505
Depreciable (Net of Depreciation)	<u>1,819,119</u>
Subtotal Capital Assets	<u>3,737,624</u>
Total Non-Current Assets	<u>4,512,400</u>

Total Assets	<u>5,006,794</u>
--------------	------------------

Liabilities:

Current Liabilities:

Accounts Payable	3,369
Restricted Liabilities—Customer Deposits	19,485
Current portion of DEQ Loan/Bond	<u>19,000</u>
Total Current Liabilities	41,854

Non-Current Liabilities:

Restricted Accounts Payable	613,636
Retainage Payable-EDA Project	82,583
DEQ Loan/Bond, net of current portion	<u>289,000</u>
Total Non-Current Liabilities	<u>985,219</u>

Total Liabilities	<u>1,027,073</u>
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Deferred Inflow:

EDA Project	108,026
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Net Position:

Net Investment in Capital Assets	2,733,405
Restricted	52,452
Unrestricted	<u>1,085,838</u>

Total Net Position	<u>\$ 3,871,695</u>
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The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF DODSON
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION—PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2026

Operating Revenues:

Charges for Services	
Water	\$ 139,979
Sewer	<u>98,220</u>
Total Operating Revenues	<u>238,199</u>

Operating Expenses:

Water	
Operating Supplies	44,431
Repairs & Maintenance	44,609
Telephone & Utilities	12,883
Depreciation	47,913
Travel & Training	350
Sewer	
Operating Supplies	9,033
Repairs & Maintenance	9,250
Telephone & Utilities	19,252
Depreciation	<u>73,313</u>
Total Operating Expenses	<u>261,034</u>
Net Operating Income/(Loss)	<u>(22,835)</u>

NonCapital Subsidies:

Transfers Out to General Fund	(52,196)
Transfers In—Sewer	58,997
Transfers Out—Water	<u>(58,997)</u>
Total NonCapital Subsidies	<u>(52,196)</u>
Operating Income/(Loss) and Noncapital Subsidies	<u>(75,031)</u>

Other NonOperating Revenues (Expenses):

Investment Interest	1,266
Interest Expense—Sewer Project	(3,027)
Capital Grants—Water State	38,514
Capital Grant—Water EDA Project	589,967
Contribution—Water Matching EDA Project	<u>192,492</u>
Total Non-Operating Revenues (Expenses)	<u>819,212</u>
Increase/(Decrease) in Fund Net Position	744,181
Fund Net Position—Beginning of Year	<u>3,127,514</u>
Fund Net Position—End of Year	<u>\$ 3,871,695</u>

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

VILLAGE OF DODSON
STATEMENT OF CASH FLOWS—PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2026

Cash Flows from Operating Activities:

Receipts from Customers	\$ 243,688
Payments to Suppliers	(64,465)
Payments, Netted for Interfund Borrowing, General Fund	3,081
Other Cash Received, EPA Project (Deferred Inflow change)	<u>(133,168)</u>
Net Cash Provided by Operating Activities	<u>49,136</u>

Cash Flows from Non-Capital & Related Financing Activities:

Transfers to Other Funds	<u>(52,196)</u>
Net Cash (Used) by Non-Capital & Related Financing Activities	<u>(52,196)</u>

Cash Flows from Capital & Related Financing Activities:

Grant Proceeds Restricted for Capital	628,481
Contributions Restricted for Capital	192,492
Interest Payments on Capital Debt	(3,027)
Principal Payments on Capital Debt	(21,000)
Purchase of Equipment/Improvements	(37,438)
(Increase) in Construction in Progress	<u>(819,510)</u>
Net Cash (Used) by Capital & Related Financing Activities	<u>(60,002)</u>

Cash Flows from Investing Activities:

Interest Earned on Operating Accounts	<u>1,266</u>
Net Cash Provided by Investing Activities	<u>1,266</u>

Net Increase (Decrease) in Cash & Cash Equivalents	(61,796)
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Cash & Cash Equivalents—Beginning of Year	<u>773,458</u>
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Cash & Cash Equivalents—End of Year	<u><u>\$ 711,662</u></u>
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Cash & Cash Equivalents—Beginning of Year	
Unrestricted	\$ 422,870
Restricted	<u>350,588</u>
Total Cash & Cash Equivalents—Beginning of Year	<u><u>\$ 773,458</u></u>

Cash & Cash Equivalents—End of Year	
Unrestricted	\$ 466,309
Restricted	<u>245,353</u>
Total Cash & Cash Equivalents—End of Year	<u><u>\$ 711,662</u></u>

(Continued)

VILLAGE OF DODSON
STATEMENT OF CASH FLOWS—PROPRIETARY FUND (continued)
FOR THE YEAR ENDED JUNE 30, 2026

Reconciliation of Operating Income to Net Cash Provided by Operating Activities:

Operating Activities:	
Operating Income/(Loss)	\$ (22,835)
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Depreciation	121,226
Changes in Assets & Liabilities:	
(Increase)/Decrease in Accounts Receivable, Net	4,139
(Increase)/Decrease in Due from General Fund	3,081
Increase/(Decrease) in Accounts & Other Payables	76,693
Increase/(Decrease) in Deferred Inflow	<u>(133,168)</u>
Net Cash Provided by Operating Activities	<u>\$ 49,136</u>

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

Concluded

NOTES TO FINANCIAL STATEMENTS

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 1—INTRODUCTION

The Village of Dodson, Louisiana, is incorporated under the Lawrason Act with a Mayor-Board of Aldermen form of government. The executive branch of government is headed by the Mayor and the legislative branch consists of three Aldermen.

This report includes all funds which are controlled by or dependent on the Village of Dodson, Louisiana's executive and legislative branches (the Mayor and Aldermen). Control by or dependence on the Village of Dodson, Louisiana was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of government body, and other general oversight responsibility.

The Village's operations include police protection, fire protection, and general and administrative services. In addition, the Village operates a Utility System which provides water and sewer services.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Village is the basic level of government which has financial accountability and control over all activities related to the Village operations and services provided. The Village is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since the Village Mayor and Board of Aldermen are elected by the public and have decision making authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement No. 61, which are included in the Village's reporting entity.

Basis of Presentation

Government-Wide Financial Statements (GWFS):

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

Fund Financial Statements (FFS):

The accounts of the Village are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The various funds of the Village are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria: a) total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and b) total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the Village are described as follows:

Governmental Funds:

General Fund—The General Fund, is the principal fund and is used to account for the operations of the Village's office. The Village's primary source of revenue is fines and forfeitures. Other major sources of revenue include ad valorem taxes levied by the Village, franchise taxes, licenses and state grants. General operating expenditures are paid from this fund. The Village voted to have a one percent sales tax collected beginning in January of 2020 to assist in the operations of the general fund. These monies would be collected by the parish sales tax collector, the Winn Parish School Board, for a fee. The tax is set to expire in 10 years.

Proprietary Fund:

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. GASB Statement No. 103 defines Nonoperating revenues and expenses as (a) subsidies received and provided, (b) contributions to permanent and term endowments, (c) revenues and expenses related to financing, (d) resources from the disposal of capital assets and inventory, and (e) investment income and expenses. Revenues or expenses that otherwise would be classified as nonoperating in most proprietary fund financial statements should be classified as operating revenues or operating expenses if those transactions constitute the proprietary fund's principal ongoing operations.

The Village reports the general fund and the proprietary fund as major.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

Eliminating Internal Activity—Interfund receivables and payables are eliminated in the Statements of Net Position and Balance Sheet except for the net residual amounts due between governmental and business-type activities where they are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the Statement of Activities. Allocated expenses are reported by the function to which they are allocated.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made.

Accrual Basis—Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Village as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the exchange.

Modified Accrual Basis—Fund Financial Statements (FFS)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected 60 days after year end. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Assets Liabilities and Equity

Cash and Cash Equivalents—The Village's cash is considered to be the cash in demand deposits and interest-bearing deposits. Cash equivalents include all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates.

Cash restricted by grantors, lenders, or other requirements are listed as noncurrent assets on the balance sheets and statement of net position.

Capital Assets—The Village reports property and equipment in the governmental activities column in the GWFS. Capital assets are carried at historical or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of \$1,000 or more for capitalizing capital assets.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized. In the FFS, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund as acquired. Capital assets in the proprietary fund are accounted for in the same manner as in GWFS.

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

Equipment and Vehicles	5 - 20 years
Utility System and Improvements	40 years
Buildings and Improvements	25-40 years
New Infrastructure (Road Overlay, Asphalt)	20 years

Right of Use Asset—Leases—The Village has a building and a spot on the water tower which it leases out. These assets have not been broken out of capital assets as the leases do not affect their depreciation status.

Compensated Absences—Employees are not allowed to carry leave forward from year to year, therefore, there is no entry made for compensated absences. In addition, the Village does not provide employee benefits beyond employment.

Equity Classifications—In the Government-Wide Financial Statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Invested in Capital Assets—Capital assets including restricted capital assets, when applicable, net of accumulated depreciation and related debt.

Restricted Net Position—Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position—All other net position that does not meet the definition of “restricted” or “invested in capital assets.”

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first, unless a determination is made to use unrestricted net resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the Fund Financial Statements, governmental fund equity is classified as fund balance.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

The Village has implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

As of June 30, 2026, the General Fund, the Village’s only major governmental fund, has a nonspendable fund balance of \$483 which represents prepaid expenses. The remaining fund balance of \$204,504 is classified as unassigned. If applicable, the Village would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

Budget—Prior to the beginning of each fiscal year, the Village adopts a budget for the next fiscal year. The budget is open for public inspection. All budgeted appropriations lapse at the end of each fiscal year. The current year budget appears to be prepared on a cash basis of accounting.

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

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 3—AD VALOREM TAXES

The Village levies taxes on real and business personal property located within the boundaries of the Village. Property taxes are levied by the Village on property values assessed by the Winn Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Village levied the following ad valorem taxes for 2025:

	<u>Authorized</u>	<u>Levied</u>
General Corporate Purposes	6.33	6.33

The Village recognizes property tax revenues when levied. The property tax calendar is as follows:

Property Tax Calendar

Assessment Date	January 1
Levy Date	August 31
Tax Bills Mailed	October 15
Total Taxes Due	December 31
Penalties & Interest Added	January 31 of ensuing year
Lien Date	January 31 of ensuing year

NOTE 4—CASH AND CASH EQUIVALENTS

Custodial risk for deposits is the risk that in the event of failure of a depository financial institution, the Village's deposits may not be recovered; they may not be able to recover the collateral securities that are in the possession of an outside party. At June 30, 2026, the carrying amount of the Village's cash and cash equivalents of governmental and enterprise funds (collected bank balances) totaled approximately \$765,607, with \$499,111 in interest bearing accounts and \$266,496 noninterest bearing. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent banks. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agents. These securities are held in the name of the pledging fiscal agent banks in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2026, the Village's deposits were secured from risk by federal deposit insurance of \$250,000 for each type (interest verse noninterest bearing) and by securities pledged in the Village's name by the fiscal agent bank with a market value of \$611,964 leaving no deposits unsecured. The Village does not have a policy for custodial credit risk.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 5—REVENUES RECEIVABLE

The following is a summary of receivables as of June 30, 2026:

	<u>General Fund</u>	<u>Proprietary Fund</u>
Fines & Forfeitures (Net)	\$ 145,832	
Ad Valorem Taxes	445	
Sales Taxes (Net of related fees)	20,974	
Franchise Taxes	2,010	
Licenses & Permits	3,462	
Water Charges	-	\$ 16,698
Sewer Charges	-	11,387
Total	<u>\$ 172,723</u>	<u>\$ 28,085</u>

In accordance with GASB 87, the Village recorded two Right of Use Asset—Lease receivables in the General Fund and in Governmental Activities. The current portion of the RUA-Lease Receivables was \$1,154 and the remaining long-term portion was \$36,015 as of June 30, 2026, See Note 14.

The Fines and Forfeitures had an allowance for doubtful accounts in the amount of \$8,010, which has been netted against total receivable above. Historically, bad debts for other receivables have not been significant; therefore, no allowance for bad debts was recorded. The Village did write off old outstanding fines during the fiscal year ended June 30, 2026.

Revenues receivable in the general fund have increased by \$17,470 over the prior year receivables of \$155,253. While revenue receivables for the proprietary fund have decreased by \$4,139 over the prior year amount of \$32,224.

NOTE 6—CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2026 are as follows:

<u>Governmental Activities</u>	<u>Balance 07/01/25</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/26</u>
Capital Assets—NonDepreciable:				
Land	\$ 5,500	\$ -	\$ -	\$ 5,500
Capital Assets—Depreciable:				
Furniture and Equipment	479,609	-	-	479,609
Land Improvements	881,305	-	-	881,305
Buildings	<u>269,618</u>	<u>-</u>	<u>-</u>	<u>269,618</u>
Total Depreciable Assets	<u>1,630,532</u>	<u>-</u>	<u>-</u>	<u>1,630,532</u>
Total Capital Assets	<u>1,636,032</u>	<u>-</u>	<u>-</u>	<u>1,636,032</u>

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

Governmental Activities	Balance 07/01/25	Additions	Deletions	Balance 06/30/26
Less Accumulated Depreciation:				
Furniture and Equipment	453,210	8,763	-	461,973
Land Improvements	187,045	43,465	-	230,510
Buildings	229,176	3,225	-	232,401
Total Accum. Depreciation	869,431	55,453	-	924,884
Net Capital Assets	<u>\$ 766,601</u>			<u>\$ 711,148</u>

Depreciation expense for the year ended June 30, 2026 of \$55,453 is charged for Governmental activities. These charges went to the General Government function in the amount of \$3,317, Public Safety \$8,671, \$37,111 for Public Works, and \$6,354 for Culture and Recreation.

Business-type Activities	Balance 07/01/25	Additions	Deletions	Balance 06/30/26
Capital Assets—NonDepreciable:				
Construction in Progress-Water	\$ 9,435	\$ -	\$ -	\$ 9,435
Construction in Progress-Sewer	1,089,560	819,510	-	1,909,070
Total NonDepreciable Assets	1,098,995	819,510	-	1,918,505
Capital Assets—Depreciable:				
Water System Equipment	260,167	37,438	-	297,605
Water Plant & Improvements	1,306,028	-	-	1,306,028
Sewer System Equipment	97,703	-	-	97,703
Sewer Plant	2,391,833	-	-	2,391,833
Total Depreciable Assets	4,055,731	37,438	-	4,093,169
Total Capital Assets	5,154,726	856,948	-	6,011,674
Less Accumulated Depreciation:				
Water Equipment	200,650	5,644	-	206,294
Water Plant	416,679	42,269	-	458,948
Sewer System Equipment	91,214	1,622	-	92,836
Sewer Plant	1,444,281	71,691	-	1,515,972
Total Accum. Depreciation	2,152,824	121,226	-	2,274,050
Net Capital Assets	<u>\$3,001,902</u>			<u>\$ 3,737,624</u>

Depreciation expense for the year ended June 30, 2026 of \$121,226 for the Business-type Activities the Utility Fund had \$47,913 charged to the Water expenditures and \$73,313 charged to Sewer expenditures. Construction in progress for water had a generator install; sewer continues to be for the EDA project, see additional details on Note 15. Additions to the water included a truck utilizing grant funds, details on Note 15.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 7—PENSION PLANS

All employees of the Village of Dodson, Louisiana are covered by the Social Security System with the exception of the elected Chief of Police who is required by law to be included in Municipal Police Employees Retirement System (MPERS). Employees contribute 6.2 percent of their total salary to the System, while the Village also contributes 6.2 percent. For the year ended June 30, 2026, the Village's portion contributed was approximately \$11,500. Any future deficit in this System will be financed by the United States Government.

As noted above the Village was notified that the elected Chief of Police is required by law to be included in the Municipal Police Employees Retirement System (MPERS). The Village participates in the cost-sharing, multiple-employer, statewide retirement system which is administered by a board of trustees. The contributions of participating agencies are pooled within each system to pay the accrued benefits of their respective participants. The contribution rates are approved by the Louisiana Legislature.

Membership Commencing January 1, 2013:

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

Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are 3% (generally) and 2½%, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Louisiana Municipal Police Employees' Retirement System, 7722 Office Park Blvd, Ste. 200, Baton Rouge, Louisiana, 70809, or by calling (225) 929-7411 or in the web at www.lampers.org/general/page/gasb-68 or www.la.gov.

Funding—The Village began making the required contributions in October for September 2022. For the year ended June 30, 2026, the Village's required contributions were \$12,051 in employer and \$3,600 in employee contributions as the contribution rates were 10% for the employee and 33.48% for the employer. A settlement for past due contributions was reached by June 30, 2024 for \$33,941. This was included in long-term liabilities for the General Fund. Beginning August 10, 2024, monthly payments of \$1,044.11 began to be made. These payments have 6.75%

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

interest charged to the Village and were completed by the required date of June 30, 2026. For the year ended June 30, 2026, \$12,529 was paid by the Village on past due contributions, \$656 was charged to interest expense.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At June 30, 2026, the Village reported a liability of \$66,319 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025, the Village's proportion was 0.01%. For the year ended June 30, 2026, the Village recognized pension expense/(benefit) of \$13,782 representing its proportionate share of the System's net expense, including amortization of deferred amounts.

At June 30, 2026, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Flows of Resources</u>	<u>Outflows</u>	<u>Inflows</u>
Differences between expected and actual experience	\$ 3,216	\$ 1,755
Changes of assumptions	-	3,046
Net difference between projected and actual earnings on pension plan investments	-	5,224
Changes in proportion and differences between Employer contributions and proportionate share of contributions	21,382	3,980
Employer contributions subsequent to the measurement date	<u>12,051</u>	<u>-</u>
Totals	\$ 36,649	\$ 14,005

The Village reported a total of \$12,051 as deferred outflow of resources related to pension contributions made subsequent to the plan's measurement period of June 30, 2025 which will be recognized as a reduction in net pension liability in the Village's fiscal year ended June 30, 2027.

Other amounts reported as deferred outflows of resources and deferred inflows of resources, including remaining plan's amortization, related to pensions will be recognized in pension expense/(benefit) as follows:

Year	Amount
2026	\$ 25,145
2027	(6,614)
2028	(5,734)
2029	<u>(2,193)</u>
Total	<u>\$ 10,604</u>

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

Actuarial Methods and Assumptions—A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2026 are as follows:

Valuation Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.75% Net of Investment Expense
Inflation Rate	2.5%
Projected Salary Increases	12.0% 1-2 years service
(including Inflation & Merit)	4.75% above 2 years service
Mortality Rates	Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 125% for males and 125% for females for active members, each with full generational projection using the appropriate MP2021 scale. Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 125% for males and 125% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2021 scale. Pub-2016 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 125% for males and 125% for females each with full generational projection using the appropriate MP2021 scale, for disabled lives.
Expected Remaining Service Lives	2025-2020: 4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

Mortality Rate—The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2019 through June 30, 2024. A change was made full generational mortality which combines the use of a base mortality table with appropriate mortality improvement scales. In order to set the base mortality table, actual plan mortality experience was assigned a credibility weighting and combined with a standard table to produce current levels of mortality.

The forecasted long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long-term rate of return is 8.12% for the year ended June 30, 2025.

The best estimates of arithmetic rates of return for each major asset class included in the System's target asset allocation as of June 30, 2025, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity securities	51%	3.20%
Fixed Income	35%	1.21%
Alternative Investments	<u>14%</u>	<u>1.04%</u>
Totals	<u>100%</u>	<u>5.45%</u>
Inflation		<u>2.67%</u>
Expected Arithmetic Return		<u>8.12%</u>

Discount Rate—The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate—The following presents the Village's proportionate share of the net pension liability (NPL) using the discount rate of 6.75%, as well as what the Village's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of June 30, 2025:

<u>1.0% Decrease</u>	<u>Current Discount Rate</u>		<u>1.0% Increase</u>
Municipal Police Employees'			
Retirement System Rates	5.75%	6.75%	7.75%
Village of Dodson's Share	\$ 108,786	\$ 66,319	\$ 30,755

NOTE 8—OTHER POST EMPLOYEMENT BENEFITS

All employees of the Village of Dodson, Louisiana are covered by the Medicare System. Employees contribute 1.45 percent of their total salary to the System, while the Village also contributes 1.45 percent. For the year ended June 30, 2026, the Village's portion contributed was approximately \$3,200. Any future deficit in this System will be financed by the United States Government. No other health benefits are available to the Village at this time.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 9—PENDING LITIGATION

At June 30, 2026, there were no outstanding suits noted as seeking damages against the management of the Village of Dodson.

NOTE 10—RELATED PARTIES

The Village had one identified related party with transactions for the year ended June 30, 2026. During the fiscal year ended June 30, 2026, the Village paid one board member approximately \$18,400 for services as a part time employee.

NOTE 11—COOPERATIVE ENDEAVORS

The Village was party to a cooperative endeavor with the State of Louisiana Department of Transportation and Development to perform certain maintenance including mowing and litter pick up along the state roadways located within the Village of Dodson for the fiscal year ended June 30, 2026.

NOTE 12—COMPENSATION PAID TO THE MAYOR & BOARD OF ALDERMEN

For the fiscal year ended June 30, 2026 the following compensation was earned by the Village's management:

Richard Broomfield, Jr.—Mayor	\$ 75,000
Jimmy Deese	1,814
Linda Whitaker	1,810
Gary Robertson	3,900
Karla Shively	2,600
Waymon Payne	<u>487</u>
Total	<u>\$ 85,611</u>

NOTE 13—SEWER REVENUE BOND

During the fiscal year ended June 30, 2021, the Village authorized the issuance of Taxable Sewer Revenue Bond, Series 2020, in an amount not to exceed \$793,000; to sell said Bond to the Clean Water State Revolving Fund; authorizing execution of a Loan and Pledge Agreement and other loan documents with the Louisiana Department of Environmental Quality ("DEQ"). The proceeds of which were for the purpose of a wastewater treatment plant renovation.

According to the Agreements, Net Revenues as defined in the loan are pledged against the debt. Beginning on the Closing Date the bond shall bear interest (and administrative fees) only payable semi-annually on June 1 and December 1. Principal payments in annual installments are due. Interest rate is listed as .45% with an additional administrative fee of .5% over 20-year term.

The annual requirements to repay the LDEQ outstanding debt as of June 30, 2026 including principal and interest payments are as follows:

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

YEAR ENDING JUNE 30	PRINCIPLE	INTEREST	TOTAL PAYMENTS
2027	\$ 19,000	\$ 2,836	\$ 21,836
2028	20,000	2,651	22,651
2029	20,000	2,460	22,460
2030	20,000	2,270	22,270
2031	20,000	2,081	22,081
2032 – 2036	103,000	7,510	110,510
2037 – 2041	<u>106,000</u>	<u>2,508</u>	<u>108,508</u>
TOTALS	<u>\$ 308,000</u>	<u>\$ 22,316</u>	<u>\$ 330,316</u>

The balance 6/30/25 was \$329,000 and the principal payments decreased the liability by \$21,000 leaving the principal balance for 6/30/26 of \$308,000. Interest of \$3,027 was charged to sewer expense.

Separate accounts are required related to the Bond. A Debt Service Fund sufficient to pay promptly and fully the principal and interest of the Bond as it becomes due, which as of June 30, 2026, appeared to be a restriction of \$17,750, which is made up of the sum of monthly transfers less the principal and interest paid on the bond. Monthly transfers are required and have been made as budgeted. A Reserve Fund to commence with the month following delivery of the Bond equal to at least 25% of the amount to be paid to Debt Service Fund until up to one half of the highest annual payment is accumulated. While the highest annual payment is calculated to be \$22,670 and one-half would be \$11,335, the amount in the restricted account totaled \$22,073 as of June 30, 2026. A Depreciation and Contingencies Fund paid monthly, equal to 5% of the Net Revenues of the preceding month (provided funds are available after paying necessary expenses and to the previous 2 accounts), until \$100,000 is accumulated. Monies from this account may be utilized for principal and interest on the Bond or for emergency repairs as long as this account remains \$25,000 or more. Then monies will be redeposited until the hundred thousand dollars is accumulated. Otherwise, monies are restricted for Debt Service. As of June 30, 2026 the amount required to be restricted and in this account was \$14,330.

A Debt Service Coverage Ratio is also listed in the Bond Covenants. It states that the Village as Issuer covenants to fix, establish and maintain such rates and collect such charges for services necessary to provide revenues in each year sufficient to pay reasonable and necessary expenses of operating and maintaining the System, to pay principal and interest maturing on the bonds each year, and to make all payments required for the reserves and sinking funds mentioned above. The Net Revenues must be at least equal to 125% of the largest amount of principal and interest maturing on the bonds in any future bond year. In the event the revenues are insufficient the Village may take into account other available sources of funding provided they are budgeted for such purpose at the beginning of the fiscal year, including transfers from other accounts. The

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

Village chose to budget and transfer monthly amounts from Water to Sewer to assist in meeting this covenant. Based on the fiscal year ended June 30, 2026 figures of the audit report do appear to meet this covenant.

NOTE 14—RIGHT OF USE ASSETS—LEASES RECEIVABLE AND DEFERRED INFLOW

The Village analyzed the provisions of GASB Statement No. 87, Leases, and concluded that there were two leasing arrangements which qualify for disclosure under the statement with the Village being the lessor.

The first was Village's old fire station building. This lease was signed December 9, 2016 with an individual for 99 years at \$50 per month. The present value was calculated using the Village's interest and administrative fee rate from their Sewer Revenue Bond of .95%. The building right of use asset (RUA) lease receivable and related deferred inflow were recorded at present value of payments as of July 1, 2021.

The second was for Village to provide a spot for a communications antenna on the water tower. This lease was stated to be effective January 1, 2017, with business for 10 years at \$150 per month. The present value was calculated using the Village's interest and administrative fee rate from their Sewer Revenue Bond of .95%. The antenna's spot on the water tower right of use asset (RUA) lease receivable and related deferred inflow were recorded at present value of payments as of July 1, 2021.

The following is the activity for the current fiscal year end:

	<u>Old Fire Bldg</u>	<u>Antenna</u>	<u>Total</u>
RUA lease receivable, July 1, 2025	\$ 36,523	\$ 2,681	\$ 39,204
Principal Pymts Rec during fye	<u>(253)</u>	<u>(1,782)</u>	<u>(2,035)</u>
RUA lease receivable, June 30, 2026	<u>\$ 36,270</u>	<u>\$ 899</u>	<u>\$ 37,169</u>
Less Current portion	<u>255</u>	<u>899</u>	<u>1,154</u>
Long Term Portion RUA Lease Receivable	\$ 36,015	\$ -	\$ 36,015
Deferred Inflows, July 1, 2025	\$ 35,956	\$ 2,771	\$ 38,727
Amortized/Recognized Income during fye	<u>(389)</u>	<u>(1,718)</u>	<u>(2,107)</u>
Deferred Inflows, June 30, 2026	<u>\$ 35,567</u>	<u>\$ 1,053</u>	<u>\$ 36,620</u>

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

The principal and interest amounts for future payments receivable are as follows:

Old Fire Building Lease				Antenna Lease			Total		
Year	Principal	Interest	Payment	Principal	Interest	Payment	Principal	Interest	Payment
6/30/2027	\$ 255	\$ 345	\$ 600	\$ 899	\$ 1	\$ 900	\$ 1,154	\$ 346	\$ 1,500
6/30/2028	258	342	600				258	342	600
6/30/2029	260	340	600				260	340	600
6/30/2030	263	337	600				263	337	600
6/30/2031	265	335	600				265	335	600
6/30/2036	1,365	1,635	3,000				1,365	1,635	3,000
6/30/2041	1,431	1,569	3,000				1,431	1,569	3,000
6/30/2046	1,500	1,500	3,000				1,500	1,500	3,000
6/30/2051	1,573	1,427	3,000				1,573	1,427	3,000
6/30/2056	1,649	1,351	3,000				1,649	1,351	3,000
6/30/2061	1,729	1,271	3,000				1,729	1,271	3,000
6/30/2066	1,812	1,188	3,000				1,812	1,188	3,000
6/30/2071	1,900	1,100	3,000				1,900	1,100	3,000
6/30/2076	1,992	1,008	3,000				1,992	1,008	3,000
6/30/2081	2,088	912	3,000				2,088	912	3,000
6/30/2086	2,189	811	3,000				2,189	811	3,000
6/30/2091	2,295	705	3,000				2,295	705	3,000
6/30/2096	2,407	593	3,000				2,407	593	3,000
6/30/2101	2,523	477	3,000				2,523	477	3,000
6/30/2106	2,645	355	3,000				2,645	355	3,000
6/30/2111	2,773	227	3,000				2,773	227	3,000
6/30/2116	2,908	92	3,000				2,908	92	3,000
12/9/2116	190	60	250				190	60	250
	<u>\$ 36,270</u>	<u>\$ 17,980</u>	<u>\$ 54,250</u>	<u>\$ 899</u>	<u>\$ 1</u>	<u>\$ 900</u>	<u>\$ 37,169</u>	<u>\$ 17,981</u>	<u>\$ 55,150</u>

NOTE 15—GRANTS AND APPROPRIATIONS

The Division of Administration awarded the Village additional LCDBG funding for street improvements under ALN 14.228. During the fiscal year ended June 30, 2025, the Village paid the retainage to the contractor in the amount of \$28,573. Of that amount, \$28,145 was reimbursed by Act 776 Appropriation funds, \$25,000 of which was received during the fiscal year end June 30, 2026. During the prior fiscal year the \$25,000 was recorded as receivable for both fund and government wide financial statements; however the timing required fund financials to record this as deferred inflow while government wide financials reported as revenue until the current fiscal year end.

Louisiana Act 461 appropriated additional funds to the Village of Dodson's General Fund for street repairs. During the fiscal year ended June 30, 2026 the Village received \$37,600 and expended more than that amount on repairs to the Village's streets.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

The Louisiana Office of Community Development, under the Louisiana Division of Administration, awarded the Village two Local Government Assistance Program (LGAP) grants in the amounts of \$25,000 and \$13,514 for the purchase of a truck for the Village's water system. During the fiscal year ended June 30, 2026, the Village expended these funds and recorded the related fixed asset and grant receivable in the Proprietary fund. The funds were received subsequent to the fiscal year end.

The US Department of Commerce's Economic Development Administration (EDA) awarded the Village funding for improvements to their wastewater treatment plant, EDA number 08-79-05662, ALN 11.307 (Economic Adjustment Assistant, Disaster-ARPA, Econ adjust) for \$1.6 million. During the fiscal years ended June 30, 2024 through June 30, 2026, Weyerhaeuser contributed \$509,323 related to the project. \$50,000 was to pay a management group to assist in complying with grant restrictions and timing and during the fiscal year ended June 30, 2026 \$45,000 was paid. \$400,000 of the remaining Weyerhaeuser funds were approved as the matching portion of the grant. The final \$59,323 contributed was for additional work outside the scope of the original approved project. Each year of the project Weyerhaeuser funds have been utilized to cover the 20% local match.

On the EDA Project, during the fiscal years ended June 30, 2024 and 2025, the Village incurred \$1,089,561 for engineering and construction fees related to the project. During the fiscal year ended June 30, 2026, an additional \$819,510 in contract and engineering fees were incurred and added to construction in progress. Of this amount \$37,051 was added to retainage payable causing the year-end total retainage payable to become \$82,583. As of June 30, 2026, \$613,636 of these fees were still payable and recorded as such. As previously stated, 80% of these expenditures are considered federal.

During the fiscal year ended June 30, 2026, the Village received \$716,285 of which \$617,227 was recorded as receivable in the prior year. For the fiscal year ended June 30, 2026 \$490,909 was recorded as receivable. The Village has received some of this funding subsequent to the fiscal year end and anticipates receiving the remainder. The amount of EDA grant revenue for the fiscal year ended June 30, 2026 was \$589,967.

NOTE 16—CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year ended June 30, 2026, the Village implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, which resulted in changes to the presentation and classification of revenues and expenses in the Proprietary Funds Statement of Revenues, Expenses, and Changes in Fund Net Position. Financial statement line items affected by this implementation could include: lease revenue, items reported as noncapital subsidies (property taxes, intergovernmental revenue, transfers in and transfers out), some items reported as other nonoperating revenues/expenses (capital contributions and transfers in), and the infrequent items (grant revenues and emergency response and clean up). The implementation did not result in a restatement of beginning net position.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 17—CONTINGENCIES AND GOING CONCERN

Management has evaluated events through September 14, 2026, and though there are economic uncertainties in the world, does not believe that they have a going concern or contingency that requires disclosures in the financial statements.

NOTE 18—SUBSEQUENT EVENTS

Management has evaluated events through September 14, 2026, the date which the financial statements were available for issue. There were no items to be reported as subsequent events, other than the following grant projects being in progress: the EDA grant for Wastewater Treatment/Sewer Plant Renovation Project; and additional Appropriation funds were received.

OTHER REQUIRED
SUPPLEMENTARY INFORMATION

VILLAGE OF DODSON
BUDGETARY COMPARISON SCHEDULE—GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budget Amended	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Ad Valorem	\$ 11,500	\$ 11,997	\$ 497
Sales	93,000	103,951	10,951
Franchise	13,208	9,264	(3,944)
Licenses & Permits	16,500	19,852	3,352
Grant Income	62,500	62,500	-
Fines & Forfeitures	196,000	212,534	16,534
Charges for Services	5,500	5,500	-
Rent/RUA Lease Revenue	2,650	2,207	(443)
Miscellaneous:			
Interest & Other	1,500	1,906	406
Total Revenues	<u>402,358</u>	<u>429,711</u>	<u>27,353</u>
Expenditures:			
General Government	313,860	292,196	21,664
Public Safety	138,800	114,342	24,458
Public Works	24,600	50,123	(25,523)
Capital Outlay	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Total Expenditures	<u>512,260</u>	<u>456,661</u>	<u>55,599</u>
Excess (Deficiency) of Revenues Over Expenditures	(109,902)	(26,950)	82,952
Other Financing Uses			
Transfers Out	<u>51,800</u>	<u>52,196</u>	<u>396</u>
Excess (Deficiency) of Revenues & Other Financing Sources over Expenditures & Other Financing Uses	(58,102)	25,246	83,348
Fund Balance—Beginning of Year	<u>179,741</u>	<u>179,741</u>	<u>-</u>
Fund Balance—End of Year	<u>\$ 121,639</u>	<u>\$ 204,987</u>	<u>\$ 83,348</u>

See Independent Auditor's Report.

VILLAGE OF DODSON
BUDGETARY COMPARISON SCHEDULE—GENERAL FUND (continued)
FOR THE YEAR ENDED JUNE 30, 2026

	Budget		Variance
	Original	Amended	
Revenues:			
Taxes:			
Ad Valorem	\$ 10,000	\$ 11,500	\$ 1,500
Sales	79,000	93,000	14,000
Franchise	11,000	13,208	2,208
Licenses & Permits	13,000	16,500	3,500
Grant Income	-	62,500	62,500
Fines & Forfeitures	175,000	196,000	2,610
Charges for Services	2,890	5,500	21,000
Rent/RUA Lease Revenue	2,900	2,650	(250)
Miscellaneous:			
Interest & Other	<u>2,500</u>	<u>1,500</u>	<u>(1,000)</u>
Total Revenues	<u>296,290</u>	<u>402,358</u>	<u>106,068</u>
Expenditures:			
General Government	251,560	313,860	(62,300)
Public Safety	140,000	138,800	1,200
Public Works	1,500	24,600	(23,100)
Capital Outlay	<u>-</u>	<u>35,000</u>	<u>(35,000)</u>
Total Expenditures	<u>393,060</u>	<u>512,260</u>	<u>(119,200)</u>
Excess (Deficiency) of Revenues Over Expenditures	(96,770)	(109,902)	(13,132)
Other Financing Uses			
Transfers Out	<u>30,000</u>	<u>51,800</u>	<u>21,800</u>
Excess (Deficiency) of Revenues & Other Financing Sources over Expenditures & Other Financing Uses	(66,770)	(58,102)	8,668
Fund Balance—Beginning of Year	<u>179,741</u>	<u>179,741</u>	<u>-</u>
Fund Balance—End of Year	<u>\$ 112,971</u>	<u>\$ 121,639</u>	<u>\$ 8,668</u>

See Independent Auditor's Report.

VILLAGE OF DODSON
NOTES TO BUDGETARY COMPARISON
SCHEDULE—GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

For the year ended June 30, 2026, total revenues and total expenditures were within the favorable variance allowed by state law. Actual Revenues and Other Financing Sources exceeded Budgeted Revenues and Other Financing Sources by \$27,353 causing a favorable variance. Budgeted Expenditures exceeded Actual Expenditures by \$55,995 causing a favorable variance.

Budgetary Revenues

Differences in Final Budget to Actual

The Village received a few larger than expected sales tax payments, specifically the accrual. In addition fines are hard to predict.

Differences in Original to Final Budget

When the Village was awarded grants, they were included in the amended budget. See above for differences in Sales Taxes and Fines.

Budgetary Expenditures

Differences in Final Budget to Actual

The Village did not purchase additional assets, but did spend monies on street repairs. While costs increased, the Proprietary fund began paying an allocated portion and the Village worked to reduce their expenses.

Differences in Original to Final Budget

Appears that the Village increased budget for expenditures as costs increased.

See Independent Auditor's Report.

VILLAGE OF DODSON
SCHEDULE OF VILLAGE'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2026

Actuarial Valuation <u>Date</u>	Employer Portion of the Net Pension Liability/ (Asset)	Employer Proportionate Share of the Net Pension Liability/ (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability/ (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/25	0.01%	\$ 66,319	\$36,000	184.219%	81.941%
06/30/24	0.01%	\$ 92,520	\$36,000	257.000%	75.840%
06/30/23	0.01%	\$105,185	\$33,728	311.863%	71.303%

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

VILLAGE OF DODSON
SCHEDULE OF PENSION CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2026

Actuarial Valuation <u>Date</u>	Contractually Required <u>Contribution</u>	Contributions in relation to Contractually Required <u>Contributions</u>	Contribution Deficiency <u>(Excess)</u>	Employer's Covered <u>Payroll</u>	Contributions as a Percentage of Covered Employee <u>Payroll</u>
06/30/25	\$12,838	\$12,816	\$ 22	\$36,000	35.661%
06/30/24	\$12,233	\$12,213	\$ 20	\$36,000	33.925%
06/30/23	\$10,558	\$10,540	\$ 18	\$33,728	31.250%

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

OTHER
SUPPLEMENTARY INFORMATION

VILLAGE OF DODSON
SCHEDULE OF COMPENSATION FOR AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2026

In accordance with Act 706 of 2014 as amended by Act 462 of the 2015 Legislative Session the following Schedule of Compensation, Reimbursements, Benefits and Other Payment to the Political Subdivision Head or Chief Executive Officers is presented.

The Village of Dodson is governed by a Mayor and Board of Aldermen. Their compensation as such is noted in the Note Disclosures. The additional payments noted to each of these as required per Act 706 for the fiscal year ended June 30, 2026, are as follows.

Payee	Purpose	Amount
Richard Broomfield, Jr.	None Additional Noted	N/A
Gary Robertson	None Additional Noted	N/A
Jimmy Deese	None Additional Noted	N/A
Waymon Payne	None Additional Noted	N/A
Karla Shively	None Additional Noted	N/A
Linda Whitaker	None Additional Noted	N/A

See Independent Auditor's Report.

Justice System Funding Schedule - Collecting/Disbursing Entity		
As Required by Act 87 of the 2020 Regular Legislative Session		
Identifying Information		
Entity Name	Village of Dodson	
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	2363	
Date that reporting period ended (mm/dd/yyyy)	Tuesday, June 30, 2026	
	First Six Month Period Ended 12/31/25	Second Six Month Period Ended 6/30/26
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	2,780	2,922
Add: Collections		
Criminal Court Costs/Fees	17,167	25,525
Criminal Fines - Other	18,270	70,771
Civil Fees (including refundable amounts such as garnishments or advance deposits)	37,681	807
Service/Collection Fees (e.g. credit card fees , report fees, 3rd party service fees)	31,005	3,744
Subtotal Collections	104,123	100,847
Less: Disbursements To Governments & Nonprofits:		
8th JDC Office of Public Defender-Court Costs	2,430	3,640
Dept of Treasury, CMIS-Court Costs	243	369
North LA Criminalistics Lab-Court Costs	6,160	9,560
LA Supreme Court-Court Costs	120	603
LA Commission on Law Enforcement-Court Costs	2,315	3,413
Central LA Juvenile Detention Center-Court Costs	1,823	2,760
DHH-TH/SCITF-Court Costs	1,025	1,505
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	10	14
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount-Court Costs	2,460	3,445
Self-Disbursed-Criminal Fines-Other	18,261	70,771
Self-Disbursed-Civil Fines	37,681	807
Self-Disbursed-Court Costs	448	650
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Payments to 3rd Party Collection/Processing Agencies (credit card fees)	31,005	3,744
Subtotal Disbursements/Retainage	103,981	101,281
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	2,922	2,488
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
Other Information:	as of 12/31/25	as of 6/30/26
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. <i>receivable balance</i>)	511,165	152,346
Total Waivers During the Fiscal Period (i.e. <i>non-cash reduction of receivable balances, such as time served or community service</i>)	-	391,001

See Independent Auditor's Report.

COMPLIANCE AND OTHER MATTERS

Shanna Jones, CPA

*795 Big Creek Rd
Winnfield, LA 71483
792-8544*

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

Mayor & Board of Aldermen
Village of Dodson
P.O. Box 86
Dodson, Louisiana

I have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Village of Dodson, Louisiana, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued my report thereon dated September 14, 2026. I conducted my 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 U.S. and the *Louisiana Governmental Audit Guide*.

Report on Internal Control Over Financial Reporting

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I considered to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Dodson's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. This report is intended for the information and use of the Louisiana Legislative Auditor, management of the Village of Dodson and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana R. S. 24:513 this report is a matter of public record and its distribution is not limited.



Shanna Jones, CPA
Winnfield, Louisiana
September 14, 2026

Concluded

VILLAGE OF DODSON
SCHEDULE OF AUDIT FINDINGS
YEAR ENDED JUNE 30, 2026

A. SUMMARY OF AUDIT RESULTS

1. The Independent Auditor's Report expresses an unmodified opinion on the financial statements of the Village of Dodson as of and for the year ended June 30, 2026.
2. There were no material weaknesses noted during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Village of Dodson were disclosed during the audit.

B. FINDINGS IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*
FINANCIAL STATEMENTS AUDIT

None.

C. PRIOR YEAR FINDINGS

None.

Concluded

STATEWIDE AGREED-UPON PROCEDURES

Shanna Jones, CPA

*795 Big Creek Rd
Winnfield, LA 71483
792-8544*

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING LOUISIANA LEGISLATIVE AUDITOR'S STATEWIDE AGREED-UPON PROCEDURES

To the Mayor & Aldermen
of the Village of Dodson
and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2025 through June 30, 2026. Village of Dodson's management is responsible for those C/C areas identified in the SAUPs.

Village of Dodson has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2025 through June 30, 2026. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

WRITTEN POLICIES AND PROCEDURES

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked 3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

In examining written procedures noted the following exceptions. No written policy noted for credit card or debt service; however, entity has no true credit cards only store credit and debt service requirements and reserves are listed in the bond closing documentation.

BOARD OR FINANCE COMMITTEE, if applicable

- 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:
 - 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.

Based on minutes provided, appears board met with a quorum at least monthly.

 - b) For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or

included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

Noted no documentation showing periodic budget to actual comparisons other than adopting of amended budget, although client stated given quarterly.

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

N/A

- 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.

No exception noted.

BANK RECONCILIATIONS

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

No exception noted.

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

No exception noted, other than signor is reviewer and low activity accounts do not appear to have monthly financial statements prepared for board.

- 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.

No exception noted.

COLLECTIONS

- 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).

Management provided listing and representation.

- 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:

- a. Employees that are responsible for cash collections do not share cash drawers/registers.

Village assistant clerk and clerk accept collections. Due to size, Village stated it is not cost effective to hire enough employees to segregate responsibilities including those related to cash depositing, recording and reconciling. To mitigate such risk the Village has the Mayor review the bank reconciliation, a board member to review monthly financials, and a CPA firm review monthly bank statements and related accounting. In addition, the Village has implemented a policy to not accept cash, although money orders are still accepted.

- 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.

Village has reconciliation worksheets to reconcile deposits of checks, money orders and credit card payments to revenue source subsidiary ledgers; although worksheet and deposit prepared by clerk. CPA firm also monitors cash deposits to bank and system.

- 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.

Village clerk and assistant clerk collect checks or money orders and post collection entries to general ledger and subsidiary ledgers as well as reconciling ledger postings. To mitigate risk the Village utilizes a CPA firm and keeps supporting records.

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

Village has reconciliation worksheets to reconcile deposits of money orders, checks or credit cards to revenue source subsidiary ledgers; although prepared by clerk. Mayor verifies bank reconciliation.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

No exception noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3a 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 a cash*

collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

Tickets prenumbered, water and sewer system generate bills, ad valorem taxes prepared by Assessor, receipt booklet prenumbered and utilized for other receipts.

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

Noted some automatic credit card deposits did not tie to the system receipts without notes and inquiry.

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

Deposit slips did not always tie to credit card posting on bank statement due to timing of funds received.

- 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 and the cash is stored securely in a locked safe or drawer).

Checks written could have been mailed. Appears selection was weekly deposited.

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

Weekly deposits to the bank which were selected were traced from reconciling worksheets of collections and to the general ledger.

NON-PAYROLL DISBURSEMENTS

(excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- 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).

Obtained listing and representation letter.

- 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.

No exception noted.

- b) At least two employees are involved in processing and approving payments to vendors.

No exception noted.

- 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.

It does not appear that the person responsible for processing payments is prohibited from adding vendors. However, supporting invoice was noted for each payment.

- 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.

Mayor has clerk mail checks. Again, supporting documentation was noted for purchases.

- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exception noted.

- 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:

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

No documentation stating received, implied by paying invoice, but original invoice was noted.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Appears that mayor, one board member and the clerk have signing authority. Clerk has responsibility for recording purchases while mayor has responsibility for initiating. Noted signature evidence and invoice support. Due to size, Village stated not cost effective to hire enough employees to segregate responsibilities including those related to disbursements. To mitigate such risk the Village has a CPA firm review monthly bank statements and related accounting as well as having a board member review monthly financials.

- 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) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No exception noted.

TRAVEL AND EXPENSE REIMBURSEMENT (excluding card transactions)

- 12. 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:

Obtained management's representation.

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov).

N/A.

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

No exception noted.

- 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 #1g).

No exception noted.

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

No exception noted.

CONTRACTS

- 13. 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:

Obtained management representation and listing.

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

No exceptions noted.

- 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).

No exceptions noted.

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

No exceptions noted.

- 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.

No exceptions noted.

PAYROLL AND PERSONNEL

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

Obtained listing and representation.

No exception noted.

15. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #14 above, obtain attendance records and leave documentation for the pay period, and:

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

No exception noted.

- b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

No exception noted.

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

No exception noted.

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

No exception noted.

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

Obtained listing and representation.

No exception noted.

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

Obtained management's representation.

ETHICS

18. Using the 5 randomly selected employees/officials from procedure #14 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
No exception noted.
- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
No exception noted.
- c. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
No exception noted.

DEBT SERVICE

19. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the LA Constitution.
Obtained management's representation.
No new noted.
20. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
Obtained management's representation.
No exceptions noted.

FRAUD NOTICE

21. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
Obtained management's representation that no misappropriations of public funds or assets noted.
22. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
No exception noted.

INFORMATION TECHNOLOGY DISASTER RECOVER/BUSINESS CONTINUITY

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (1) occurred within the past week, (2) was not stored on the government's local server or network, and (c) was encrypted.
- 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.
- 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.
- d) Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #16. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- e) Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #14, obtain cyber security 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. The requirements are as follows:
 - i. Hired before June 9, 2020—completed the training and
 - ii. Hired on or after June 9, 2020—completed the training within 30 days of the initial service or employment.

I performed the procedures and discussed the results with management.

PREVENTION OF SEXUAL HARASSMENT

- 24. Using the 5 randomly selected employees/officials from procedure #14 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

No exception noted.

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

No exception noted.

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

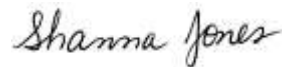
- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding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

No exception noted.

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

I am required to be independent of the Village of Dodson and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to the 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.



Shanna Jones, CPA
Winnfield, Louisiana
September 14, 2026

VILLAGE OF DODSON

P.O. BOX 86
DODSON, LA 71422

September 14, 2026

Shanna Jones, CPA
795 Big Creek Rd
Winnfield, LA 71483

The Louisiana Legislative Auditor (LLA) is considered to be a specified party to the Statewide Agreed-Upon Procedures (AUPs) and acknowledges that the procedures performed are appropriate for their purposes by their acceptance of the standard audit engagement approval forms. In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the LLA's statewide agreed-upon procedures (AUPs), for the fiscal period July 1, 2025 through June 30, 2026, we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; travel and travel-related expense reimbursement; contracts; payroll and personnel; ethics; debt service; fraud notice; information technology disaster recovery/business continuity; prevention of sexual harassment; and other areas.

Yes ☒ No ☐
2. We acknowledge that we are responsible for establishing and maintaining effective internal control over compliance.

Yes ☒ No ☐
3. For the fiscal period July 1, 2025 through June 30, 2026, we have performed an evaluation of our compliance with the best practices criteria presented in the statewide AUPs.

Yes ☒ No ☐
4. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes ☒ No ☐
5. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.

Yes ☒ No ☐

6. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.
- Yes ☒ No ☐
7. We have disclosed to you any known noncompliance with laws or regulations affecting the statewide AUPs occurring during the period of July 1, 2025 through June 30, 2026 and between June 30, 2026, and September 14, 2026, including any actual, suspected, or alleged fraud.
- Yes ☒ No ☐
8. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between June 30, 2026, and September 14, 2026.
- Yes ☒ No ☐
9. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.
- Yes ☒ No ☐
10. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes ☒ No ☐
11. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes ☒ No ☐
12. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes ☒ No ☐
13. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes ☒ No ☐
14. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes ☐ No ☐

15. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
Yes ☒ No ☐
16. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
Yes ☒ No ☐
17. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
Yes ☒ No ☐
18. We represent that the 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 during the fiscal period.
Yes ☒ No ☐
19. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
Yes ☒ No ☐
20. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
Yes ☒ No ☐
21. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.
Yes ☒ No ☐
22. We represent that the listing of computers currently in use and their related locations that we provided to you is complete.
Yes ☒ No ☐
23. We are not aware of any material misstatements in the C/C areas identified in the statewide AUPs.
Yes ☒ No ☐
24. We have responded fully to all inquiries made by you during the engagement.
Yes ☒ No ☐

25. We have disclosed to you all known events that have occurred subsequent to June 30, 2026, that would have a material effect on the C/C areas identified in the SAUPs, or would require adjustment to or modification of the results of the agreed-upon procedures.

Yes ☒ No ☐

The previous responses have been made to the best of our belief and knowledge.

Signature  Date 09/14/26

Title Mayor

Signature  Date 09/14/26

Title Clerk