

VILLAGE OF HEFLIN, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2017

# VILLAGE OF HEFLIN, LOUISIANA

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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Members of the Board of Aldermen  
Village of Heflin, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and the business-type activities of the Village of Heflin, as of and for the year ended December 31, 2017, which collectively comprise the Village's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statement on Standards for Accounting and Review Services promulgated by the Accounting and Review Service Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

Accounting principles generally accepted in the United States of America require that the management's budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have compiled the supplementary information from information that is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the required supplemental information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

The Schedule of Per Diem Paid to Board Members, Schedule of Compensation, Benefits and Other Payments to Agency Head or Executive Officer, Summary Schedule of Prior Year Findings, and Corrective Action Plan for Current Year Findings are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the

representation of management. The information was subject to my compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

*Wine M & Cole*

Minden, Louisiana  
June 27, 2018

## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF HEFLIN, LOUISIANA**  
**Statement of Net Position**  
**December 31, 2017**

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>ASSETS</b>			
Cash and cash equivalents	\$ 58,354	\$ 89,875	\$ 148,229
Receivables (net of allowances for uncollectibles)	-	6,546	6,546
Restricted assets	-	6,030	6,030
Capital assets (net)	<u>296,539</u>	<u>507,725</u>	<u>804,264</u>
 TOTAL ASSETS	 <u>\$ 354,893</u>	 <u>\$ 610,176</u>	 <u>\$ 965,069</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts, salaries, and other payables	\$ 1,140	\$ 420	\$ 1,560
Noncurrent Liabilities			
Meter Deposits	<u>-</u>	<u>6,030</u>	<u>6,030</u>
 TOTAL LIABILITIES	 <u>1,140</u>	 <u>6,450</u>	 <u>7,590</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	296,539	507,725	804,264
Unrestricted	<u>57,214</u>	<u>96,001</u>	<u>153,215</u>
 TOTAL NET POSITION	 <u>\$ 353,753</u>	 <u>\$ 603,726</u>	 <u>\$ 957,479</u>

See accountants' compilation report and accompanying notes

**VILLAGE OF HEFLIN, LOUISIANA**  
**Statement of Activities**  
**For the Year Ended December 31, 2017**

	Expenses	Program Revenues		Net (Expenses)/ Revenue	Net (Expenses) Revenues and Changes of Primary Government		
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Business-type Activities	Total
<b>Governmental Activities</b>							
General government	\$ 57,478	1,555	-	(55,923)	(55,923)	-	(55,923)
Public safety	20,462	18,008	6,000	3,546	3,546	-	3,546
Total Governmental Activities	<u>77,940</u>	<u>19,563</u>	<u>6,000</u>	<u>(52,377)</u>	<u>(52,377)</u>	<u>-</u>	<u>(52,377)</u>
<b>Business-type Activities</b>							
Water	93,810	60,282	-	(33,528)	-	(33,528)	(33,528)
Total Primary Government	<u>\$ 171,750</u>	<u>\$ 79,845</u>	<u>\$ 6,000</u>	<u>\$ (85,905)</u>	<u>\$ (52,377)</u>	<u>\$ (33,528)</u>	<u>\$ (85,905)</u>

## General Revenues:

Franchise taxes	33,624	-	33,624
Occupational licenses	-	-	-
Investment earnings	29	170	199
Other revenues	-	-	-
Proceeds from sale of assets	-	-	-
Transfers	-	-	-
Total general revenues and transfers	<u>33,653</u>	<u>170</u>	<u>33,823</u>
Change in Net Position	(18,724)	(33,358)	(52,082)
Net position-beginning	372,477	637,084	1,009,561
Net position-ending	<u>\$ 353,753</u>	<u>\$ 603,726</u>	<u>\$ 957,479</u>

See accountants' compilation report and accompanying notes

**VILLAGE OF HEFLIN, LOUISIANA**  
**Balance Sheet, Governmental Funds**  
**December 31, 2017**

	GENERAL FUND
<b>ASSETS</b>	
Cash and cash equivalents	\$ 58,354
Other assets	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 58,354</u></b>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
<b>TOTAL LIABILITIES</b>	<u>1,140</u>
<b>DEFERED INFLOWS OF RESOURCES</b>	<u>-</u>
Fund balances:	
Unassigned	<u>57,214</u>
<b>TOTAL FUND BALANCES</b>	<b><u>57,214</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 58,354</u></b>

See accountants' compilation report and accompanying notes

**VILLAGE OF HEFLIN, LOUISIANA**  
**Reconciliation of The Governmental Funds Balance Sheet**  
**to The Government-Wide Financial Statement of Net Position**  
**December 31, 2017**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balances, Total Governmental Funds (Statement C)	\$ 57,214
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>296,539</u>
Net Position of Governmental Activities (Statement A)	<u>\$ 353,753</u>

See accountants' compilation report and accompanying notes

**VILLAGE OF HEFLIN, LOUISIANA**  
**Statement of Revenues, Expenditures and**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2017**

	TOTAL GENERAL FUND
	<hr/>
<b>REVENUES</b>	
Occupational licenses	\$ -
Utility and franchise taxes	33,624
Intergovernmental revenues	
State & parish funds	6,000
Fines and forfeitures	18,008
Investment earnings	29
Other revenues	4,570
	<hr/>
Total Revenues	62,231
	<hr/>
<b>EXPENDITURES</b>	
<b>General government</b>	
Utilities	24,438
Payroll tax expense	1,561
Secretarial & bookkeeping	4,800
Office supplies	1,497
Advertising	1,941
Insurance	5,210
Supplies	295
Repairs and maintenance	5,308
Accounting	4,480
Dues and subscriptions	384
Miscellaneous	3,534
<b>Public safety</b>	
Police salary	9,600
Police expense	6,492
Capital Outlay	-
	<hr/>
Total Expenditures	69,540
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,309)
Other financing sources, including transfers	-
	<hr/>
Net change in fund balances	(7,309)
Fund balances -- beginning	64,523
Fund balances -- ending	<u>\$ 57,214</u>

See accountants' compilation report and accompanying notes

**VILLAGE OF HEFLIN, LOUISIANA**  
**Reconciliation of The Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended December 31, 2017**

Amounts reported for governmental activities in the Statement  
of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds, (Statement E)	\$ (7,309)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(11,415)
Some revenues reported in the statement of activities are not available as current financial resources and, therefore, are not reported as revenues in governmental fund.	-
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	-
Change in Net Position of Governmental Activities, (Statement B)	<u>\$ (18,724)</u>

See accountants' compilation report and accompanying notes

**STATEMENT G**

**VILLAGE OF HEFLIN, LOUISIANA**  
**Statement of Net Position, Proprietary Funds**  
**December 31, 2017**

	BUSINESS-TYPE ACTIVITY
	WATER FUND
<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 89,875
Receivables (net of allowances for uncollectibles)	6,546
Restricted assets	6,030
Total Current Assets	102,451
Non-Current Assets:	
Capital assets (net of accumulated depreciation)	507,725
Total Non-Current Assets	507,725
TOTAL ASSETS	\$ 610,176
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts, salaries, and other payables	\$ 420
Other liabilities	6,030
Total Current Liabilities	6,450
TOTAL LIABILITIES	6,450
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	507,725
Unrestricted	96,001
TOTAL NET POSITION	\$ 603,726

See accountants' compilation report and accompanying notes

**STATEMENT H**

**VILLAGE OF HEFLIN, LOUISIANA**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2017**

	BUSINESS-TYPE ACTIVITY
	WATER FUND
<b>Operating Revenues</b>	
Charges for services:	
Water sales	\$ 60,282
Total Operating Revenues	60,282
<b>Operating Expenses</b>	
Salaries	12,900
Meter Reader and Billing	577
Electricity	5,024
Office supplies	1,377
Accounting	1,675
Depreciation	24,968
Equipment repairs & maintenance	33,613
Taxes	1,344
Insurance	6,700
Other	5,631
Total Operating Expenses	93,809
<b>Operating Income (loss)</b>	<b>(33,527)</b>
<b>Nonoperating Revenues (Expenses)</b>	
Grant Revenue	-
Interest income	170
Total Nonoperating Revenues (Expenses)	170
<b>Income (loss) Before Contributions and Transfers</b>	<b>(33,357)</b>
Transfer out	-
<b>Change in Net Position</b>	<b>(33,357)</b>
Total Net Position-Beginning	637,083
Total Net Position-Ending	\$ 603,726

See accountants' compilation report and accompanying notes

**VILLAGE OF HEFLIN, LOUISIANA**  
**Statement of Cash Flows, Proprietary Funds**  
**For the Year Ended December 31, 2017**

	BUSINESS-TYPE ACTIVITY <u>WATER FUND</u>
<b>Cash Flows From Operating Activities</b>	
Receipts from customers and users	\$ 59,819
Salaries	(12,900)
Payments to suppliers	<u>(55,994)</u>
Net Cash Provided by Operating Activities	<u>(9,075)</u>
<b>Cash Flows From Financing Activities</b>	
Net increase in meter deposits	
Investment in fixed assets	-
Net Cash Provided (used) by Noncapital Financing Activities	<u>-</u>
<b>Cash Flows From Investing Activities</b>	
Purchase of investments	
Interest and dividends received	<u>170</u>
Net Cash Provided by Investing Activities	<u>170</u>
Net Increase in Cash and Cash Equivalents	(8,905)
Cash and Cash Equivalents, Beginning of Year	<u>104,810</u>
Cash and Cash Equivalents, End of Year	<u>\$ 95,905</u>
<b>Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities</b>	
Operating income (loss)	<u>(33,527)</u>
Depreciation expense	24,968
(Increase) decrease in accounts receivable	(462)
Increase (decrease) in accounts payable	<u>(53)</u>
Total Adjustments	<u>24,453</u>
Net Cash Provided by Operating Activities	<u>\$ (9,074)</u>
Cash and Cash Equivalents	89,875
Restricted Assets	<u>6,030</u>
	<u>95,905</u>

See accountants' compilation report and accompanying notes

VILLAGE OF HEFLIN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**INTRODUCTION**

The Village of Heflin, Louisiana (the Village) was incorporated under the provisions of the Lawrason Act. The Village is located in the Parish of Webster, being in the northwest corner of the State. The Village operates under a Mayor-Board of Aldermen form of government.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PRESENTATION**

The accompanying financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**A. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported as separate columns in the fund financial statements.

VILLAGE OF HEFLIN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Although most expenditures are recorded when a liability is incurred, as under accrual accounting, the measurement focus of a governmental fund significantly affects what items are to be considered expenditures in the governmental fund. Expenditures, and the related liabilities, are accrued when they are expected to be paid out of revenues recognized during the current period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The municipality reports the following major governmental funds:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources, of the general government, except those required to be accounted for in another fund.

The municipality reports one major proprietary fund. The enterprise fund is used to account for operations (a) 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.

VILLAGE OF HEFLIN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Eliminations of these charges would distort direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are from charges for electrical, water and sewerage services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**C. Deposits and Investments**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits, those investments with original maturities of 90 days or less. Under state law, the Village may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the statements of cash flows, cash and cash equivalents include cash, demand deposits, and certificates of deposit. Cash and cash equivalents are stated at cost.

VILLAGE OF HEFLIN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

Under state law, the Village may invest in United States bonds, treasury notes, and certificates. In addition, the Village may invest in bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the U.S and also collateralized mortgage obligations, which have not been stripped into interest only and principal only obligations. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Long-term investments, those with original maturities greater than one (1) year, are valued at the last reported sales price at current exchange rates.

**D. Receivables and Payables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, ad valorem taxes, franchise taxes, police fines, and grants. Business-type activities report utilities as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as franchise tax, grants and other intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned and only if paid within 60 days since they would be considered both measurable and available.

**E. Restricted Assets**

Restricted assets include cash and investments of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to utility meter deposits.

**F. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets

VILLAGE OF HEFLIN, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2017

are recorded as capital assets at their estimated fair market value at the date of donation. The village maintains a threshold level of \$2,500 or more for capitalizing capital assets.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, and infrastructure	25-50 years
Land improvements	10-30 years
Buildings and building improvements	10-40 years
Furniture and fixtures	5-15 years
Vehicles	5-10 years
Equipment	5-15 years

**G. 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.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

- a) The Village Clerk prepares a proposed budget and submits same to the Mayor and the Council no later than fifteen days prior to the beginning of each fiscal year.
- b) The public is notified that the proposed budget is available for public inspection. At that time, a public hearing is called.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

VILLAGE OF HEFLIN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

- d) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- e) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases or decreases in expenditures resulting from revenues exceeding or failing to meet amounts estimated require the approval of the Council.
- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts, as originally adopted, are amended from time to time by the Council.

### **3. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of amounts in demand deposit accounts, savings accounts, and certificates of deposit maturing in 90 days or less. Deposits (bank balances) of the Village in the amount of \$158,101 are fully secured as of December 31, 2017, with federal deposit insurance.

### **4. INVESTMENTS**

Louisiana Revised Statutes and the Village's investment policy govern the procedures to be followed and the types of allowable securities to be purchased by the Village. On December 31, 2017, the water fund held investments totaling \$40,369 in certificates of deposit whose maturities were greater than 90 days. The investments are in the name of the Village of Heflin and are held in the trust department of the custodial bank selected by the Village. The certificates are considered to be fully insured with federal deposit insurance and are classified as Category 1 in applying the credit risk of GASB Codification Section 150.164. These CD's are reported as cash and cash equivalents in the financials

VILLAGE OF HEFLIN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**5. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2017, for the primary government is as follows:

	Balance <u>January 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>December 31, 2017</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 6,150	-	-	6,150
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, not being depreciated	<u>6,150</u>	<u>-</u>	<u>-</u>	<u>6,150</u>
Capital assets being depreciated				
Buildings	287,179	-	-	287,179
Land improvements other than buildings	13,226	-	-	13,226
Equipment	<u>422,316</u>	<u>-</u>	<u>-</u>	<u>422,316</u>
Total capital assets being depreciated	<u>722,721</u>	<u>-</u>	<u>-</u>	<u>722,721</u>
Less accumulated depreciation for:				
Buildings	100,238	6,384	-	106,622
Land improvements other than buildings	8,985	661	-	9,646
Equipment	<u>311,694</u>	<u>4,370</u>	<u>-</u>	<u>316,064</u>
Total accumulated depreciation	<u>420,917</u>	<u>11,415</u>	<u>-</u>	<u>432,332</u>
Total capital assets, being depreciated, net	<u>301,804</u>	<u>(11,415)</u>	<u>-</u>	<u>290,389</u>
Governmental activities capital assets, net	<u>\$ 307,954</u>	<u>(11,415)</u>	<u>-</u>	<u>296,539</u>
Business-type activities:				
Capital assets being depreciated				
Land Improvements other than buildings	\$1,021,035	-	-	1,021,035
Equipment	<u>5,414</u>	<u>-</u>	<u>-</u>	<u>5,414</u>
Total capital assets being depreciated	<u>1,026,449</u>	<u>-</u>	<u>-</u>	<u>1,026,449</u>
Less accumulated depreciation for:				
Land improvements other than buildings	488,685	24,870	-	513,555
Equipment	<u>5,071</u>	<u>98</u>	<u>-</u>	<u>5,169</u>
Total accumulated depreciation	<u>493,756</u>	<u>24,968</u>	<u>-</u>	<u>518,724</u>
Total capital assets, being depreciated, net	<u>532,693</u>	<u>(24,968)</u>	<u>-</u>	<u>507,725</u>
Business-type capital assets, net	<u>\$ 532,693</u>	<u>(24,968)</u>	<u>-</u>	<u>507,725</u>

VILLAGE OF HEFLIN, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2017

Depreciation expense was charged as direct expense of the primary government as follows:

Governmental activities:		Business-type activities:	
General government	\$ 7,045	Water	\$ <u>24,968</u>
Public safety	4,370		
Recreation	<u>-</u>	Total	\$ <u>24,968</u>
Total	\$ <u>11,415</u>		

**6. ON-BEHALF PAYMENTS**

During the fiscal year ended December 31, 2017, the village's police chief received \$500 per month for January – December 2017 in police supplemental pay from the State of Louisiana, Department of Public Safety and Corrections, totaling \$6,000. The village recognizes this supplemental pay received by the employees as revenues and expenditures of the village. The revenues are reported in the general fund and the expenditures are included in the public safety expenditures.

**7. PENSION PLANS**

The Village does not participate in any pension or retirement plans

**7. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 27, 2018. This date represents the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTAL INFORMATION**

**VILLAGE OF HEFLIN, LOUISIANA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances-**  
**Budget and Actual (Cash Basis)**  
**General Fund**  
**For the Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> Cash Basis	<u>Variance with</u> <u>Final Budget</u> <u>Over(Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Occupational licenses	\$ -	-	-	-
Utility and franchise taxes	38,000	38,000	33,624	(4,376)
Intergovernmental -				
Grants	-	-	-	-
Miscellaneous-				
Civic center rentals	1,500	1,500	1,555	55
Water Dept Ins. And Accounting	12,600	12,600	-	(12,600)
Police fines	15,000	15,000	18,008	3,008
Interest income	-	-	199	199
Other	530	530	3,015	2,485
<b>Total Revenues</b>	<u>67,630</u>	<u>67,630</u>	<u>56,401</u>	<u>(11,229)</u>
<b>Expenditures</b>				
<b>General government</b>				
Utilities	11,700	11,700	25,141	(13,441)
Salaries and related expenses	9,700	9,700	6,361	3,339
Legal and accounting	2,900	2,900	4,480	(1,580)
Insurance	6,500	6,500	5,210	1,290
Supplies	1,800	1,800	295	1,505
Repairs and maintenance	8,000	8,000	5,308	2,692
Capital Improvements	11,030	11,030	-	11,030
Miscellaneous	4,400	4,400	7,526	(3,126)
<b>Public safety - police</b>				
Police salary and related expenses	3,600	3,600	3,600	-
<b>Police Expense</b>				
Repairs & maintenance	3,000	3,000	4,814	(1,814)
Court costs	5,000	5,000	1,678	3,322
Capital expenditures	-	-	-	-
<b>Total Expenditures</b>	<u>67,630</u>	<u>67,630</u>	<u>64,413</u>	<u>3,217</u>
Excess of Revenues Over Expenditures	-	-	(8,012)	(8,012)
Other financing sources, including transfers	-	-	-	-
Fund Balance (Deficit) at Beginning of Year	<u>65,313</u>	<u>65,313</u>	<u>65,313</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 65,313</u>	<u>65,313</u>	<u>57,301</u>	<u>(8,012)</u>

See accountants' compilation report.

## **SUPPLEMENTAL SCHEDULES**

VILLAGE OF HEFLIN, LOUISIANA

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

Year Ended December 31, 2017

Board members, along with the mayor, received the following for their advisory roles and other services rendered as elected leaders.

Ralph James	Mayor	\$0.00
Catherine Lee	Alderman	\$0.00
Todd Leake	Alderman	\$0.00
Matt Austin	Alderman	\$0.00

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY  
HEAD OR CHIEF EXECUTIVE OFFICER

Year Ended December 31, 2017

Agency Head Name: Ralph James

No salary or benefits paid during year to agency head.

Salary and Other Benefits -0-

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended December 31, 2017

There were no findings for the year ending December 31, 2016.

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS  
Year Ended December 31, 2017

There were no findings for the year ending December 31, 2017.