

**VILLAGE OF EROS
EROS, LOUISIANA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2025**

**VILLAGE OF EROS
EROS, LOUISIANA**

**TABLE OF CONTENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

CONTENTS	
	Page
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1-2
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	3-6
LOUISIANA ATTESTATION QUESTIONNAIRE	7-9
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	12
Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Governmental Funds' Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	15
Proprietary Funds:	
Statement of Net Position	16
Statement of Revenues, Expenses, and Changes in Net Position	17
Statement of Cash Flows	18
Notes to the Financial Statements	19-33
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Information - General Fund	34
SUPPLEMENTAL INFORMATION	
Schedule of Compensation, Benefits, Reimbursements, and other Payments to Agency Head	35
Schedule of Compensation to Village Council	36
Justice System Funding Schedule - Collecting/Disbursing Entity	37
Management Letter	38-39



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Honorable Julie Gryder, Mayor
and the Honorable Members of the Council
Village of Eros
Eros, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and the General Fund of the Village of Eros (Village), Louisiana as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Village of Eros (Village), Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Budgetary Comparison Schedule on page 34 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. The required supplementary information has not been audited, reviewed, or compiled and we do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to or on behalf of the agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 19, 2026, on the results of our agreed-upon procedures.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 19, 2026

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To Village of Eros and
The Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Village of Eros (Village) and the Louisiana Legislative Auditor (the specified parties), on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2025, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide. The Village's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

We noted no expenditures that exceeded the stated minimums.

Conclusion: We noted no errors or exceptions.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

We obtained a list of the immediate family members of each board member as defined by the ethics law.

Conclusion: We noted no errors or exceptions.

3. Obtain from management a listing of all employees paid during the fiscal year.

We obtained a list of all employees during the fiscal year.

Conclusion: We noted no errors or exceptions.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

We noted the mayor and one of the council members are parent and child. However, both positions are elected.

Conclusion: We noted no errors or exceptions.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

We obtained a list of disbursements and a list of outside business interests of board members. No names nor outside business interests match the disbursements made.

Conclusion: We noted no errors or exceptions.

Budgeting

6. Obtained a copy of the legally adopted budget and all amendments.

We obtained a copy of the legally adopted budget for 2025 minutes.

Conclusion: We noted no errors or exceptions.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced documentation of the budget and approval in December 19, 2024, minutes. No amendments were made or approved during the audit year.

Conclusion: We noted no errors or exceptions.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

Actual revenues exceeded budgeted revenues. Actual expenditures were less than budgeted expenditures.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

We obtained a listing of disbursements made during the fiscal year and selected six disbursements. We obtained the supporting documentation and noted the following.

- a. Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

We noted one exception.

- b. Report whether the six disbursements were coded to the correct fund and general ledger account

We noted one exception.

- c. Report whether the six disbursements were approved in accordance with management's policies and procedures.

There are no written policies and procedures. Five of the six checks were signed by the Mayor and Village Clerk. The sixth check was signed by the Village Clerk and an employee who appears to not be an authorized signer.

Conclusion: See above.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

We obtained the agendas for the known meetings. We noted no evidence of the posting date or time. Due to this, we were unable to determine the timeliness of the postings.

Conclusion: See above.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We scanned copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Conclusion: We noted no errors or exceptions.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We obtained the list of payroll disbursements and the meeting minutes of the governing board. We reviewed the disbursements and read the board minutes for the fiscal year. No payments or approvals of payments to employees were identified that would constitute bonuses, advances, or gifts.

Conclusion: We noted no errors or exceptions.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The Village's report will be submitted in accordance with R.S. 24:513.

Conclusion: We noted no errors or exceptions.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

We inquired of management and noted the Village had entered into an agreement to obtain state funding within the fiscal year; however, no action regarding the funding occurred in the year.

Conclusion: We noted no errors or exceptions.

Prior Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

We obtained management's representation to the prior-year suggestions, exceptions, recommendations, and/or comments.

Management's Response: We will take the comments under advisement and take corrective action as considered necessary. It may not be feasible to implement all best practices.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Village's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

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

The purpose of this report is solely to describe the scope of testing performed on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, 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 Louisiana Legislative Auditor as a public document.

BOSCH & STATHAM, LLC

Bosch & Statham, LLC

Ruston, Louisiana

June 19, 2026

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

_____ (Date Transmitted)
Bosch & Statham, LLC (CPA Firm Name)
P.O. Box 2377 (CPA Firm Address)
Ruston, Louisiana 71273-2377 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2025 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No [] N/A [☒]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [☒] No [] N/A []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [☒] No [] N/A []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [☒] No [] N/A []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Records for 2023 are not available.

Yes [] No [☒] N/A []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [☒] No [] N/A []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [☒] No [] N/A []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [☒] No [] N/A []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [☒] No [] N/A []

We have complied with R.S. 24:515.2 regarding reporting of pre- and post-adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [☒] No [] N/A []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [☒] No [] N/A []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [☒] No [] N/A []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [☒] No [] N/A []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No [] N/A []

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [☒] No [] N/A []

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes [☒] No [] N/A []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [☒] No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

Yes [☒] No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [☒] No [] N/A []

We are not aware of any material misstatements in the information we have provided to you.

Yes [☒] No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose

to you any such communication received between the end of the period under examination and the date of your report.

Yes [☒] No [] N/A []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [☒] No [] N/A []

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

Shisha Waldrop Secretary Clerk, 3-25-2026 Date

Julie Crawford Lujan Treasurer _____ Date

Julie Crawford Lujan President Mayon, 3-25-26 Date

VILLAGE OF EROS
EROS, LOUISIANA

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025

	Primary Government		
	Governmental	Business-type	
ASSETS	Activities	Activities	Total
Cash and cash equivalents	\$ -	\$ 253,271	\$ 253,271
Receivables, net of allowance for uncollectibles	-	9,863	9,863
Internal balances	373,099	(373,099)	-
Capital assets, net of accumulated depreciation	297,834	981,913	1,279,747
TOTAL ASSETS	670,933	871,948	1,542,881
LIABILITIES			
Current liabilities			
Accounts, salaries and other payables	44,604	37,789	82,393
Deposits due others	-	14,564	14,564
Noncurrent liabilities			
Due within one year	-	3,227	3,227
Due in more than one year	-	139,281	139,281
TOTAL LIABILITIES	44,604	194,861	239,465
NET POSITION			
Net investment in capital assets	297,834	839,405	1,137,239
Unrestricted net position	328,495	(162,318)	166,177
TOTAL NET POSITION	\$ 626,329	\$ 677,087	\$ 1,303,416

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental activities:							
General government	\$ 66,220	\$ 21,587	\$ -	\$ -	\$ (44,633)		\$ (44,633)
Public safety	5,262	294,647	-	-	289,385		289,385
Highways and streets	31,011	2,000	-	-	(29,011)		(29,011)
Culture and recreation	105	-	-	-	(105)		(105)
Total governmental activities	102,598	318,234	-	-	215,636		215,636
Business-type activities:							
Sanitation	60,441	23,031	-	-		(37,410)	(37,410)
Utilities	158,625	69,734	-	-		(88,891)	(88,891)
Interest expense on water debt	2,575	-	-	-		(2,575)	(2,575)
Total business-type activities	221,641	92,765	-	-		(128,876)	(128,876)
Total primary government	\$ 324,239	\$ 410,999	\$ -	\$ -	\$ 215,636	\$ (128,876)	\$ 86,760
General revenues:							
Sales and use taxes					25,151	-	25,151
Other taxes, penalties and interest					2,604	-	2,604
Unrestricted investment earnings					-	1,559	1,559
Other					400	-	400
Total general revenues and transfers					28,155	1,559	29,714
Change in net position					243,791	(127,317)	116,474
Net position at beginning of year					382,538	804,404	1,186,942
Net position at end of year					\$ 626,329	\$ 677,087	\$ 1,303,416

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**GENERAL FUND
BALANCE SHEET AND STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025**

ASSETS

Due from other funds	<u>\$ 373,099</u>
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LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES

Liabilities:

Accounts, salaries, and other current payables	<u>\$ 44,604</u>
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Fund balances:

Unassigned	<u>328,495</u>
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**TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND
BALANCES**

<u>\$ 373,099</u>

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025**

**Amounts reported for governmental activities
in the statement of net position are different because:**

Total fund balances	\$ 328,495
Capital assets used in governmental activities are not financial resources and, therefore, are deferred in the funds.	<u>297,834</u>
Net position of governmental activities	<u><u>\$ 626,329</u></u>

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025**

Revenues:	
Taxes:	
Sales and use	\$ 25,151
Other taxes	
Franchise taxes	2,604
Licenses and permits	21,587
Fines and forfeitures	294,647
Other revenues	400
Total revenues	<u>346,389</u>
Expenditures:	
Current:	
General government:	65,557
Public safety	5,017
Highways and streets	19,167
Total expenditures	<u>89,741</u>
Net change in fund balances	256,648
Fund balances at beginning of year	<u>71,847</u>
Fund balances at end of year	<u>\$ 328,495</u>

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS' STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025**

**Amounts reported for governmental activities
in the statement of net position are different because:**

Net change in fund balances - total governmental funds **\$ 256,648**

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 depreciation expense exceeded capital outlays in the current period.

Depreciation expense **(12,857)**

Change in net position of governmental activities **\$ 243,791**

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 253,271
Receivables	9,863
Total current assets	<u>263,134</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>981,913</u>
TOTAL ASSETS	<u><u>1,245,047</u></u>

LIABILITIES

Current liabilities:	
Accounts, salaries, and other current payables	37,789
Due to other funds	373,099
Deposits	<u>14,564</u>
Total current liabilities	<u>425,452</u>
Noncurrent liabilities:	
Noncurrent liabilities - due within one year	3,227
Noncurrent liabilities - due in more than one year	<u>139,281</u>
Total noncurrent liabilities	<u>142,508</u>
TOTAL LIABILITIES	<u><u>567,960</u></u>

NET POSITION

Net investment in capital assets	839,405
Unrestricted net position	<u>(162,318)</u>
TOTAL NET POSITION	<u><u>\$ 677,087</u></u>

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025**

Operating revenues:	
Charges for services:	
Sanitation	\$ 23,031
Utilities	<u>69,734</u>
Total operating revenues	<u>92,765</u>
Operating expenses:	
Sanitation:	
Operating services	38,801
Depreciation	21,640
Utilities:	
Operating services	108,202
Materials and supplies	3,835
Depreciation	<u>46,588</u>
Total operating expenses	<u>219,066</u>
Operating income (loss)	<u>(126,301)</u>
Nonoperating revenues (expenses):	
Investment earnings	1,559
Interest expense	<u>(2,575)</u>
Total nonoperating revenue (expenses)	<u>(1,016)</u>
Change in net position	(127,317)
Net position at beginning of year	<u>804,404</u>
Net position at end of year	<u><u>\$ 677,087</u></u>

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Cash flows from operating activities:	
Receipts from customers and users	\$ 82,902
Other receipts	500
Payments to suppliers	(169,256)
Net cash used by operating activities	(85,854)
Cash flows from noncapital financing activities:	
Collected for other funds	257,511
Net cash provided by noncapital and related financing activities	257,511
Cash flows from capital and related financing activities:	
Principal paid on capital debt	(3,176)
Interest paid on capital debt	(2,473)
Net cash used by capital and related financing activities	(5,649)
Cash flows from investing activities:	
Interest received	1,559
Net cash provided by investing activities	1,559
Net increase (decrease) in cash and cash equivalents	167,567
Cash and cash equivalents, beginning of year (including amounts in restricted accounts)	85,704
Cash and cash equivalents, end of year (including amounts in restricted accounts)	\$ 253,271
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income (loss)	\$ (126,301)
Adjustments to reconcile operating loss to cash provided by operating activities:	
Depreciation expense	68,228
(Increase) decrease in accounts receivable	(9,863)
Increase (decrease) in accounts, salaries, and other current payables	(18,418)
Increase (decrease) in customer deposits	500
Total adjustments	40,447
Net cash used by operating activities	\$ (85,854)
Noncash investing, capital, and financing activities:	
None	

See independent accountant's review report.

VILLAGE OF EROS
EROS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

Introduction

The Village of Eros, Louisiana (Village), was incorporated under the provisions of the Lawrason Act. The Village operates under the Mayor-Village Council form of government with three council members. The mayor and three council members serve four-year terms. Services provided by the Village include police protection and general government. The Village also operates a water distribution system and sewer system for approximately 105 customers. The Village is located in Jackson Parish, Louisiana.

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. The Village applies all relevant GASB pronouncements, as applicable to governmental entities. Also, the Village's financial statements are prepared in accordance with the requirements of Louisiana R.S. 24:513, the Louisiana Municipal Audit and Accounting Guide and to the industry guide, Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants.

Reporting entity

GASB Statement No. 14, The Financial Reporting Entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Village is considered a primary government, since it is a general purpose local government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Village has no component units.

GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, establishes criteria for determining which, if any, component units should be considered part of the Village for financial reporting purposes. GASB Statement No. 61 provides additional criteria for classifying entities as component units. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and;
 - a. The ability of the government to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

See independent accountant's review report.

VILLAGE OF EROS
EROS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

Reporting entity (continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the above criteria, no component units were identified for the Village of Eros.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-wide financial statements

The Village's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements present summaries of the governmental activities and the business-type activities for the Village. Fiduciary activities of the Village are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Village of Eros's governmental activities.

Program Revenues - Program revenues included in the Statement of Activities are derived directly from parties outside the Village's taxpayers or citizenry, including (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; program revenues reduce the cost of the function to be financed from the Village's general revenues.

Direct Expenses - The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

Indirect Expenses - The Village reports all indirect expenses separately on the Statement of Activities. Indirect expenses are those expenses that are not clearly identifiable with a function. Interest on long-term debt is considered an indirect expense.

General revenues are taxes and other items that are not properly included among program revenues. The effect of interfund activity has been removed from the government-wide financial statements.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund financial statements

The accounts of the Village of Eros are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, expenditures or expenses, as appropriate, additions, and deductions. 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 minimum number of funds maintained is consistent with legal and managerial requirements. Funds of the Village are classified into two categories: governmental and proprietary.

Governmental Funds

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-wide financial statements. The Village presented all major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheets. Amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Long-term debts are reported as an other financing source, and repayment of long-term debt is reported as an expenditure. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. Accordingly, revenues are recorded when received in cash and when collected within 60 days after year-end. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

The Village of Eros reports the following major governmental funds:

General Fund - The primary operating fund of the Village, the General Fund, accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Village policy.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues

The governmental funds use the following practices in recording revenues:

Those revenues susceptible to accrual are property taxes, franchise taxes, and charges for services. Fines and permit and license revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Entitlements and shared revenues are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and the susceptible-to-accrual criteria have been met.

Interest earnings are recorded when the investments have matured and interest is available.

Expenditures

The governmental funds use the following practices in recording expenditures:

Salaries are recorded as expenditures when earned by employees.

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Compensated absences are recognized as expenditures when leave is actually taken or when employees, or their heirs, are paid for accrued leave upon retirement or death.

Principal and interest on long-term debt are recognized when due.

Other Financing Sources (Uses)

The governmental funds use the following practices in recording other financing sources (uses):

Transfers between funds that are not expected to be repaid, sales of fixed assets, and long-term debt proceeds and payments, are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds

All proprietary funds account for a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total position) is segregated into three components-net investment in capital assets, restricted net position, and unrestricted net position. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in net total position. The proprietary funds use the accrual basis of accounting, where revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of the related cash flows.

The Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis are financed 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 purpose.

The Enterprise Fund of the Village of Eros is the Utility Fund, which accounts for the operations of the waterworks and sewerage systems. The intent of the Village for these facilities is (a) that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Revenues and Expenses

Operating revenues in the proprietary fund are those that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications

The Village of Eros has implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

In the Government-Wide Financial Statements and the Proprietary Fund Financial Statements, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and reported in three components:

Net investment in capital assets	This classification consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
Restricted net position	This classification consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provision or enabling legislation.
Unrestricted net position	Any other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. 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.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications (continued)

The Governmental Fund Financial Statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Non-spendable	This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
Restricted	This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
Committed	This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Village Council. These amounts cannot be used for any other purpose unless the Village Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board typically establishes commitments through the adoption and amendment of the budget.
Assigned	This classification includes amounts that are constrained by the Village's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Village Council or through the Board delegating this responsibility to a body or official (Mayor) for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
Unassigned	This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Village would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

The Mayor prepares a proposed budget and submits it to the Village Council no later than fifteen days prior to the beginning of each fiscal year. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing. 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. The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. The Village Council may revise or amend the budget at its discretion during legally convened sessions. Management may amend the budget only below the department level. The Village utilizes formal budgetary integration as a management control device for all funds.

The 2025 general fund budget was adopted by the Village Council before the end of the prior fiscal year.

Cash and cash equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Village of Eros may deposit funds in demand deposits in stock-owned federally insured depository institutions organized under the laws of the state of Louisiana or of any other state of the United States, or under the laws of the United States. The Village may invest in certificates and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For the purposes of the statement of cash flows, cash equivalents include all highly liquid investments with a maturity date of 90 days or less when purchased.

Under state law, the Village may invest in United States bonds, treasury notes, or certificates. Those with maturities of 90 days or less would be classified as cash equivalents and all other reported as investments.

The Village reports restricted assets on the Statement of Net Position, which includes restricted cash (customer deposits) that is collected by the Water and Sewer Department.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Village of Eros's investments comply with Louisiana Revised Statute 33:2955. Under state law, the Village may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Village may invest in United States bonds, treasury notes and bills, or government-backed agency securities or certificates, and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These deposits are classified as investments if their original maturity exceeds 90 days. Investments are stated at fair value except for those which are permitted under GASB Statement No. 31 to use a different valuation measurement.

In accordance with paragraph 69 of GASB Statement No. 72, the Village reports at amortized cost money market investments and participating interest-bearing investment contracts that have a remaining maturity at the time of purchase of one year or less. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

Interfund receivables and payables

Activity between funds that is representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" on the fund financial statements balance sheets, as well as all other outstanding balances between funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories

Inventories of supplies in the Proprietary Fund are not material and are charged to operations as purchased.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are recorded in the applicable governmental or business-type activities columns of the government-wide financial statements but are not reported in the governmental fund financial statements. Acquisitions of property and equipment are capitalized at historical cost 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 \$500 or more for capitalizing capital assets.

Improvements and replacements of property and equipment are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expenses as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts, and any gain or loss is reported in the Statement of Activities.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets (continued)

Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Depreciation is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. The estimated useful life for classes of assets is as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 years
Water and sewer systems	10-40 years
Machinery and equipment	5-15 years
Improvements other than buildings	20 years
Infrastructure - asphalt streets	20 years

In accordance with GASB Statement No. 34, general infrastructure capital assets consisting of streets, bridges, sidewalks, and drainage systems acquired before July 1, 2003, are excluded from capital assets.

Deferred Outflows of Resources

The Village reports decrease in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Village reported no deferred outflows of resources.

Deferred Inflows of Resources

The Village reports increase in net position that relate to future periods as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Village will not recognize the related revenues until a future event occurs. The Village reported no deferred inflows of resources.

Interfund Transactions

Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or enterprise funds are netted as part of the reconciliation to the government-wide financial statements.

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without the expectation of repayment, the transaction is reported as a transfer and is treated as a source of income by the recipient fund and as an expenditure by the providing fund.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions (continued)

Activity between funds that is representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as "due from other funds" or "due to other funds" on the Fund Financial Statements Balance Sheet, as well as all other outstanding balances between funds.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

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.

NOTE 2 – SALES TAX

The qualified electors of the Village of Eros, under the provisions of Louisiana Revised Statute 47:338.1, authorized a one percent sales and use tax levy to be dedicated and used for the purpose of providing funding for any lawful corporate purpose of the Village for an undefined period of time. The tax was first levied on December 1, 1983.

NOTE 3 - CASH AND CASH EQUIVALENTS

At December 31, 2025, the Village had cash and cash equivalents (book balances) totaling \$253,271. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

At December 31, 2025, the Village had \$266,461 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 federal deposit insurance. However, the remaining \$16,461 was left unsecured. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 30:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. Louisiana R.S. 39:1224 requires bonds, or other such instruments furnished as security, to be deposited with the depositing authority or with an unaffiliated bank or trust company, Federal Reserve Bank, or any Federal Home Loan Bank or its successor. This security is deemed to be under the control and in the possession of the public entity and deemed to be held in its name. The Village of Eros has not complied with these requirements of state law.

See independent accountant's review report.

VILLAGE OF EROS
EROS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED)

Cash and investments are categorized to give an indication of the level of risk assumed by the Village at December 31, 2025. Deposits are considered to be exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name. The Village of Eros has cash and cash equivalents that are covered by federal depository insurance.

NOTE 4 - RECEIVABLES

The Village reported \$9,863 in utility receivables at December 31, 2025.

NOTE 5 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2025, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated:				
Buildings	\$ 69,310	\$ -	\$ (3,500)	\$ 65,810
Improvements other than buildings	454,035	-	-	454,035
Equipment	27,355	-	(6,219)	21,136
Vehicles	39,312	-	(13,014)	26,298
Total capital assets being depreciated	590,012	-	(22,733)	567,279
Less accumulated depreciation for:				
Buildings	64,307	908	(3,500)	61,715
Improvements other than buildings	150,399	11,351	-	161,750
Equipment	25,303	598	(6,219)	19,682
Vehicles	39,312	-	(13,014)	26,298
Total accumulated depreciation	279,321	12,857	(22,733)	269,445
Total capital assets being depreciated	310,691	(12,857)	-	297,834
Governmental activities capital assets, net	<u>\$ 310,691</u>	<u>\$ (12,857)</u>	<u>\$ -</u>	<u>\$ 297,834</u>

See independent accountant's review report.

VILLAGE OF EROS
EROS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 121	\$ -	\$ -	\$ 121
Total capital assets not being depreciated	121	-	-	121
Capital assets being depreciated:				
Buildings	3,650	-	-	\$ 3,650
Water System	1,280,291	-	-	1,280,291
Sewer System	1,770,554	-	-	1,770,554
Equipment	42,601	-	-	42,601
Vehicles	18,128	-	-	18,128
Total capital assets being depreciated	3,115,224	-	-	3,115,224
Less accumulated depreciation for:				
Buildings	3,180	183	-	3,363
Water System	1,010,190	46,359	-	1,056,549
Sewer System	991,525	21,640	-	1,013,165
Equipment	42,181	46	-	42,227
Vehicles	18,128	-	-	18,128
Total accumulated depreciation	2,065,204	68,228	-	2,133,432
Total capital assets being depreciated	1,050,020	(68,228)	-	981,792
Business-type activities capital assets, net	<u>\$ 1,050,141</u>	<u>\$ (68,228)</u>	<u>\$ -</u>	<u>\$ 981,913</u>

Depreciation expense was charged as follows:

Governmental activities:	
General government	\$ 663
Public safety	245
Highways and streets	11,844
Culture and recreation	105
Total	<u>\$ 12,857</u>

Business-type activities:	
Water	\$ 46,588
Sewer	21,640
Total	<u>\$ 68,228</u>

See independent accountant's review report.

VILLAGE OF EROS
EROS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 6 - PAYABLES

The Village reported the following payables at December 31, 2025

	Fund		
	General	Utility	Total
Accounts payable	\$ -	\$ 8,397	\$ 8,397
Payroll liability	44,604	26,817	71,421
Interest payable	-	2,575	2,575
Total	<u>\$ 44,604</u>	<u>\$ 37,789</u>	<u>\$ 82,393</u>

The payroll liability includes \$70,018, not including any penalties or interest, of federal and state payroll tax that had not been remitted since 2018.

NOTE 7 – LONG TERM OBLIGATIONS

During the year ended December 31, 2019, the Village entered into a loan with the USDA to help finance wastewater treatment improvements for forty years at a 1.75% interest rate.

The following is a summary of the long-term obligation transactions for the year ended December 31, 2025:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
USDA Water Revenue Bonds, Series 2018	\$ 145,684	\$ -	\$ (3,176)	\$ 142,508	\$ 3,227

The annual requirements to amortize the outstanding long-term debt are as follows:

	Principal	Interest	Total
2026	3,227	2,473	5,700
2027	3,284	2,416	5,700
2028	3,342	2,358	5,700
2029	3,401	2,299	5,700
2030	3,461	2,239	5,700
2031-2035	18,243	10,257	28,500
2036-2040	19,910	7,013	26,922
2041-2045	21,729	5,570	27,299
2046-2050	23,714	4,786	28,500
2051-2055	25,881	2,619	28,500
2056-2058	16,317	450	16,767
	<u>\$ 142,508</u>	<u>\$ 42,480</u>	<u>\$ 184,988</u>

NOTE 8 – GRANTS

During the year ended December 31, 2025, the Village of Eros received no grant income.

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 9 – STEWARDSHIP

The following presents variances between budget and actual expenditures for the year ended December 31, 2025:

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
General	\$ 112,900	\$ 112,900	\$ 89,741	\$ 23,159

NOTE 10 - RISK MANAGEMENT

The Village is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To handle such risk of loss, the Village maintains commercial insurance policies covering automobile liability and uninsured motorist, surety bond coverage, flood insurance, and property insurance. In addition to the above policies, the Village maintains a general liability policy and an errors and omissions policy. No claims were paid on any of the policies during the past three years, which exceeded the policies' coverage amount.

NOTE 11 – LITIGATION AND CLAIMS

At December 31, 2025, the Village was not involved in any lawsuits nor is aware of any outstanding claims, which are not covered by insurance.

NOTE 12 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 19, 2026, the date on which the financial statements were available to be issued.

See independent accountant's review report.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF EROS
EROS, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2025

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Taxes:				
Sales and use	\$ 15,300	\$ 15,300	\$ 25,151	\$ 9,851
Other taxes:				
Franchise taxes	(1,600)	(1,600)	2,604	4,204
Licenses and permits	-	-	21,587	21,587
Intergovernmental funds:				
Fines and forfeitures	-	-	294,647	294,647
Other revenues	96,000	96,000	400	(95,600)
Total revenues	<u>109,700</u>	<u>109,700</u>	<u>346,389</u>	<u>236,689</u>
Expenditures:				
Current:				
General government:	88,960	88,960	65,557	23,403
Public safety	5,559	5,559	5,017	542
Highways and streets	4,811	4,811	19,167	(14,356)
Total expenditures	<u>99,330</u>	<u>99,330</u>	<u>89,741</u>	<u>9,589</u>
Excess of revenues over expenditures	<u>10,370</u>	<u>10,370</u>	<u>256,648</u>	<u>246,278</u>
Other sources (uses):				
Operating transfers out	(13,570)	(13,570)	-	(13,570)
Total other sources (uses)	<u>(13,570)</u>	<u>(13,570)</u>	<u>-</u>	<u>(13,570)</u>
Change in fund balance	(3,200)	(3,200)	256,648	232,708
Fund balance at beginning of year	-	-	71,847	71,847
Fund balance at end of year	<u>\$ (3,200)</u>	<u>\$ (3,200)</u>	<u>\$ 328,495</u>	<u>\$ 331,695</u>

SUPPLEMENTARY INFORMATION

**VILLAGE OF EROS
EROS, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, REIMBURSEMENTS,
AND OTHER PAYMENTS TO OR ON BEHALF OF AGENCY HEAD (MAYOR)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

Julie Gryder, Mayor	
Salary	\$ -
Benefits:	
Retirement	-
Social Security	-
Insurance	-
Reimbursement for supplies purchased on Village's behalf	105
	<u>\$ 105</u>

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**SCHEDULE OF COMPENSATION TO VILLAGE COUNCIL
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

Shannon G Morris	\$ 50
Katie Dispenza	700
Dorothy Denise Costin	<u>700</u>
Total	<u><u>\$ 1,450</u></u>

See independent accountant's review report.

Village of Eros
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For The Year Ended Decemeber 31, 2025

	First Six Month Period Ended 06/30/2025	Second Six Month Period Ended 12/31/2025
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	-	-
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	192,410	102,199
Total Collected	192,410	102,199
Deductions: Collections Retained by the Village of Eros		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Other Amounts "Self-Disbursed" [Enter amounts on appropriate collection type lines]		
Civil Fees	192,410	102,199
Total Collections Retained by the Village of Eros	192,410	102,199
Deductions: Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits		
Subtotal Disbursements/Retainage	-	-
Deductions: Total Disbursements to Other Governements & Nonprofits	-	-
Total Amounts Disbursed/Retained	192,410	102,199
Ending Cash Balance	-	-
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
Other Information		
Ending Balance of Amounts Assessed but Not Yet Collected [i.e. total ending receivable balances]	-	-

See independent accountant's review report.

**VILLAGE OF EROS
EROS, LOUISIANA**

**MANAGEMENT LETTER
FOR THE YEAR ENDED DECEMBER 31, 2025**

We have completed our review of the Village of Eros's financial statements for the year ended December 31, 2025. Our review was conducted in accordance with applicable professional standards for review engagements. The purpose of this letter is to communicate certain matters that came to our attention during our review, which we believe warrant management's attention and corrective action. These comments are based on the procedures performed and are not intended to provide assurance on internal control or to identify all possible deficiencies.

1. Council Meeting Agendas and Documentation

We noted that council meeting agendas were available for review; however, posting dates and times were not documented. Best practices and transparency standards require that meeting agendas and supporting materials be prepared, retained, and posted publicly in advance of meetings, with clear documentation of posting dates and times. We recommend that the Village implement procedures to ensure all agendas are prepared, retained, and posted in accordance with legal requirements and best practices, and that posting dates and times are consistently documented to demonstrate compliance with state law.

2. Budget Adoption

The Council did adopt a budget for the year ended December 31, 2025. The budget was adopted in the December 19, 2024, meeting; however, the ordinance containing the budget was not adopted until the November 3, 2025, meeting. Municipalities are required to adopt an annual budget prior to the start of the fiscal year. Failure to do so may result in unauthorized expenditures and noncompliance with finance-related legal provisions. We recommend that the Council adopt a budget for all required funds in a timely manner and implement controls to ensure compliance with the Local Government Budget Act in future periods.

3. Unpaid Payroll Taxes

Payroll taxes totaling approximately \$70,000 for 2023 and prior years have not been paid. Governmental entities are required to withhold and remit payroll taxes on all compensation. Failure to do so can result in significant penalties and interest. We recommend that management immediately address all outstanding payroll tax obligations and review payroll processes to ensure ongoing compliance with all payroll tax requirements.

4. Restricted Accounts for Meter Deposits and Bond Requirements

Restricted accounts for meter deposits and accounts required by bond documents have not been established and funded. Municipal utilities must establish and fund restricted accounts for customer deposits and as required by bond covenants. We recommend that management promptly establish and fund all required restricted accounts, ensure proper segregation in the accounting system, and provide adequate disclosures in the financial statements.

5. Utility Fund Deficit Unrestricted Net Position

The Utility Fund has a deficit unrestricted net position of \$162,318. We recommend that management analyze the causes of the deficit and develop a plan to address it.

6. Procedures for Adopting Ordinances

The Council did not follow required procedures when adopting ordinances. Municipal councils are generally required to follow established procedures, including public notice, readings, and formal votes. We recommend that the Council implement a checklist for ordinance adoption, provide training to members and staff, and establish a review process to ensure compliance with all legal requirements.

**VILLAGE OF EROS
EROS, LOUISIANA**

**MANAGEMENT LETTER
FOR THE YEAR ENDED DECEMBER 31, 2025**

7. Bank Balances Undersecured

We noted that the Village maintained bank balances that exceeded Federal Deposit Insurance Corporation (FDIC) coverage limits as of December 31, 2025. The Village maintained bank balances of \$266,461, resulting in an undersecured/uninsured amount of \$16,461. Based on information available, the Village did not have pledged securities or other authorized collateral in place to secure the undersecured/uninsured overage of approximately \$16,461. We recommend that management implement procedures to monitor bank balances and collateral coverage on a regular basis, including at month-end and during periods of significant cash activity. Management should obtain and retain documentation of FDIC coverage, pledged securities, market values of pledged collateral, and any qualifying FDIC pass-through deposit insurance arrangements. When balances exceed insured coverage, management should require the depository to provide sufficient authorized collateral or move funds to another authorized and adequately secured account.

We appreciate the cooperation and assistance provided by the Village's staff during our review. We are available to discuss these matters further and to assist management in implementing corrective actions.