

VILLAGE OF CREOLA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025



TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	1-3
REQUIRED SUPPLEMENTAL INFORMATION (PART I)	
Management's Discussion and Analysis	4-7
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	8
Statement of Activities	9
FUND FINANCIAL STATEMENTS	
Governmental Funds	
Balance Sheet	10
Statement of Revenues, Expenditures, and Changes in Fund Balance	11
Proprietary Funds	
Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Net Position	13
Statement of Cash Flows	14
NOTES TO FINANCIAL STATEMENTS	15-26
REQUIRED SUPPLEMENTAL INFORMATION (PART II)	
Statement of Revenue, Expenditures and Changes in Fund Balances (Budget and Actual)	27
SUPPLEMENTAL INFORMATION	
Schedule of Per Diem Paid to Board Members	28
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer.....	29
Justice System Funding Schedule – Collecting / Disbursing Entity	30-32
Louisiana Community Development Block Grant Supplemental Schedule.....	33
Schedule of Net Pension Liability Data Cost Sharing Retirement Systems	34
Schedule of Employer Contributions Cost Sharing Retirement Systems	35
OTHER INFORMATION	
Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	36-37
ADDITIONAL INFORMATION	
Schedule of Findings.....	38
Management's Corrective Action Plan	39
Schedule of Prior Year Findings	40
Statewide Agreed Upon Procedures	Appendix A



December 22, 2025

Independent Auditors' Report

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards*



Rozier, McKay & Willis
Certified Public Accountants
Voice: 318.442.1608

160 Browns Bend Road
Alexandria, Louisiana 71303
Online: CenlaCPAs.com

Village of Creola ***December 22, 2025***

will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information described in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Creola's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to the Agency Head or Chief Executive Officer, the Schedule of Per Diem Paid to Board Members, and the Justice System Funding Schedule, described as additional information in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Louisiana Community Development Block Grant Supplemental Schedule is presented for purposes of additional analysis of grant funds used to construct utility system improvements as requested by Louisiana Division of Administration, Office of Community Development, and is also not a required part of the basic financial statements.

The additional information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been

Village of Creola
December 22, 2025

subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2025 on our consideration of the Village of Creola's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Creola's internal control over financial reporting and compliance.



Rozier, McKay & Willis
Certified Public Accountants
December 22, 2025

Village of Creola

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

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

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

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

Village of Creola

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

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

FINANCIAL ANALYSIS OF THE VILLAGE

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

Net Position

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

	June 30, 2025			June 30, 2024
	Governmental Activities	Business- Type Activities	Total	
<u>Assets:</u>				
Current and Other Assets	\$ 765,294	\$ ----	\$ 765,294	\$ 656,407
Capital Assets	970,251	20,000	990,251	1,950,574
Total Assets	<u>1,735,545</u>	<u>20,000</u>	<u>1,755,545</u>	<u>2,606,981</u>
<u>Deferred Outflows:</u>				
	501,784	----	501,784	246,182
<u>Liabilities:</u>				
Current and Other Liabilities	159,662	27,229	186,891	62,681
Long-term Liabilities	1,147,339	----	1,147,339	828,459
Total Liabilities	<u>1,307,001</u>	<u>27,229</u>	<u>1,334,230</u>	<u>891,140</u>
<u>Deferred Inflows:</u>				
	18,425	----	18,425	90
<u>Net Position:</u>				
Invested in Capital Assets (Net)	432,004	20,000	452,004	1,336,340
Unrestricted	479,899	(27,229)	452,670	625,593
Total Net Position	<u>\$ 911,903</u>	<u>\$ (7,229)</u>	<u>\$ 904,674</u>	<u>\$ 1,961,933</u>

As the presentation appearing above demonstrates, 49.9% of the Village's net position is invested in capital assets. Net position invested in capital assets consists of land, buildings, and equipment, less any debt used to acquire the assets that remain outstanding. The Village uses these capital assets to provide services to its residents; consequently, these amounts are not available for future spending.

Village of Creola

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

Changes in Net Position

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

	For the Year Ended June 30, 2025			For the Year Ended June 30, 2024
	Govern- mental Activities	Business- Type Activities	Total	
<u>Revenues:</u>				
Program Revenue:				
Charges for Services	\$ 629,472	\$ 1,200	\$ 630,672	\$ 954,451
Operating Grants and Contributions	34,158	----	34,158	32,430
Capital Grant and Contributions	----	28,524	28,524	122,452
General Revenue:				
Property Taxes	10,356	----	10,356	9,682
Sales Taxes	208,988	----	208,988	222,759
Franchise Taxes	4,455	----	4,455	4,846
Gain/Loss on Sale of Fixed Assets	----	----	----	4,337
Miscellaneous	94,860	----	94,860	60,119
Total Revenue	<u>982,289</u>	<u>29,724</u>	<u>1,012,013</u>	<u>1,411,076</u>
<u>Program Expenses:</u>				
General Government	538,375	----	538,375	561,791
Public Safety				
Police Department	542,569	----	542,569	408,194
Sewer	----	12,145	12,145	13,083
Interest on Long-Term Debt	34,804	----	34,804	22,752
Total Expenses	<u>1,115,748</u>	<u>12,145</u>	<u>1,127,893</u>	<u>1,005,820</u>
Increase in Net Position Before				
Transfers	(133,459)	17,579	(115,880)	405,256
Transfers	<u>24,773</u>	<u>(24,773)</u>	<u>----</u>	<u>----</u>
Change in Net Position Before				
Special Items	(108,686)	(7,194)	(115,880)	405,256
Transfer of Sewer Systems to GPPJ (Note 14)	----	(941,379)	(941,379)	----
Change in Net Position	<u>(108,686)</u>	<u>(948,573)</u>	<u>(1,057,259)</u>	<u>405,256</u>
Net Position Beginning	<u>1,020,589</u>	<u>941,344</u>	<u>1,961,933</u>	<u>1,556,677</u>
Net Position Ending	<u>\$ 911,903</u>	<u>\$ (7,229)</u>	<u>\$ 904,674</u>	<u>\$ 1,961,933</u>

Governmental activities decreased the Village's net position, before transfers, by \$133,459. This decrease is attributable to decreased ticket fine revenue in the current year and increased expenses related to police retirement.

Village of Creola

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2025

Business-type activities increased the Village's net position, before transfers, by \$17,579. However, due to Grant Parish Police Jury's acquisition of Creola's sewer system and the release of the related assets, business-type activities has a negative ending net position.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUND

For the year ended June 30, 2025, activity in governmental funds was limited to the general fund. The only differences between amounts reported by the general fund and governmental activities reported in the government-wide financial statements are attributable to including fixed assets, pension related deferred inflows and outflows and long-term liabilities in the government-wide presentation.

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

BUDGET HIGHLIGHTS

The general fund is required to adopt budgets. Budgets were amended to address actual experiences that deviated from expectations that existed when the original budget was adopted.

CAPITAL ASSET ADMINISTRATION

For the year ended June 30, 2025, capital asset activity includes the purchase of a new server and depreciating assets acquired during previous years.

DEBT ADMINISTRATION

For the year ended June 30, 2025, activity related to debt was limited to making scheduled payments due on existing obligations.

FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

At the present time, management is not aware of any matters expected to have a substantial impact on future operations.

VILLAGE OF CREOLA

STATEMENT OF NET POSITION

June 30, 2025

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 575,140	\$ -	\$ 575,140
Receivables (net)	190,154	-	190,154
Land	9,700	20,000	29,700
Depreciable capital assets, net	960,551	-	960,551
Total assets	1,735,545	20,000	1,755,545
<u>DEFERRED OUTFLOWS</u>			
Pension Funding Deferrals	501,784	-	501,784
<u>LIABILITIES</u>			
Accounts payable	52,432	27,229	79,661
Accrued expenses	21,600	-	21,600
Unearned Revenue	85,630	-	85,630
Long-Term Liabilities			
Net Pension Liability	609,092	-	609,092
Notes Payable			
Due Within One Year	75,236	-	75,236
Due in More Than One Year	463,011	-	463,011
Total liabilities	1,307,001	27,229	1,334,230
<u>DEFERRED INFLOWS</u>			
Pension Funding Deferrals	18,425	-	18,425
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	432,004	20,000	452,004
Unrestricted	479,899	(27,229)	452,670
Total net position (deficit)	\$ 911,903	\$ (7,229)	\$ 904,674

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

VILLAGE OF CREOLA

STATEMENT OF ACTIVITIES

Year Ended June 30, 2025

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business- Type Activities	Total
<u>Governmental Activities:</u>							
General Government	\$ 538,375	\$ -	\$ 11,978	\$ -	\$ (526,397)	\$ -	\$ (526,397)
Public Safety							
Law Enforcement	542,569	629,472	22,180	-	109,083	-	109,083
Interest on Long-Term Debt	34,804	-	-	-	(34,804)	-	(34,804)
Total Governmental Activities	<u>1,115,748</u>	<u>629,472</u>	<u>34,158</u>	<u>-</u>	<u>(452,118)</u>	<u>-</u>	<u>(452,118)</u>
<u>Business-Type Activities:</u>							
Sewer	12,145	1,200	-	28,524	-	17,579	17,579
Total Business-Type Activities	<u>12,145</u>	<u>1,200</u>	<u>-</u>	<u>28,524</u>	<u>-</u>	<u>17,579</u>	<u>17,579</u>
Total Primary Government	<u>\$ 1,127,893</u>	<u>\$ 630,672</u>	<u>\$ 34,158</u>	<u>\$ 28,524</u>	<u>(452,118)</u>	<u>17,579</u>	<u>(434,539)</u>
<u>General Revenues:</u>							
Taxes:							
Ad Valorem					10,356	-	10,356
Sales Tax					208,988	-	208,988
Franchise					4,455	-	4,455
Gain/Loss on Sale of Fixed Assets					-	-	-
Miscellaneous					94,860	-	94,860
Transfers					24,773	(24,773)	-
Total General Revenues and Transfers					<u>343,432</u>	<u>(24,773)</u>	<u>318,659</u>
Change in Net Position Before Special Items					(108,686)	(7,194)	(115,880)
Special Items:							
Transfer of Sewer Systems to GPPJ (Note 14)					-	(941,379)	(941,379)
Change in Net Position					(108,686)	(948,573)	(1,057,259)
Net Position - Beginning:					<u>1,020,589</u>	<u>941,344</u>	<u>1,961,933</u>
Net Position - Ending					<u>\$ 911,903</u>	<u>\$ (7,229)</u>	<u>\$ 904,674</u>

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

VILLAGE OF CREOLA

BALANCE SHEET GOVERNMENTAL FUNDS June 30, 2025

	<u>Governmental Funds</u>
Assets	
Cash and cash equivalents	\$ 575,140
Accounts receivable	190,154
Total assets	<u>\$ 765,294</u>
Liabilities and Fund Balance	
<u>Liabilities</u>	
Accounts payable	\$ 52,432
Accrued expenses	21,600
Unearned Revenue	85,630
Total liabilities	<u>159,662</u>
<u>Fund Balance</u>	
Unassigned	<u>605,632</u>
Total Fund Balances	<u>605,632</u>
Total Liabilities and Fund Balance	<u>\$ 765,294</u>

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

Total Fund Balances - Governmental Funds	\$ 605,632
Amounts reported for governmental activities in the statement of net position are different because:	
Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	(538,247)
Pension related deferred outflows and deferred inflows are not due and payable in the current period and therefore they are not reported in the Government Fund Balance Sheet.	(125,733)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>970,251</u>
Net Position of Governmental Activities	<u>\$ 911,903</u>
The accompanying notes are an integral part of the financial statements.	

VILLAGE OF CREOLA

Statement of Revenue, Expenditures and Changes in Fund Balance Governmental Funds

Year Ended June 30, 2025

	<u>Governmental Funds</u>
Revenues:	
Taxes:	
Ad valorem	\$ 10,356
Sales Tax	208,988
Franchise	4,455
Fines and Court Cost	629,472
Intergovernmental	22,180
Grants and Contributions	11,978
Miscellaneous	<u>94,859</u>
Total revenues	<u>982,288</u>
Expenditures:	
Current	
General government	516,212
Public Safety	
Law Enforcement	334,170
Capital Outlay	2,150
Debt Service	<u>110,791</u>
Total expenditures	<u>963,323</u>
Excess (deficiency) of revenues over expenditures	18,965
Other financing sources (uses)	
Debt Proceeds	-
Operating transfers in (out)	<u>24,773</u>
Total other financing sources (uses)	24,773
Excess (deficiency) of revenues and other resources over expenditures and other uses	43,738
Fund balance - beginning of year	<u>561,894</u>
Fund balance - end of year	<u>\$ 605,632</u>

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

Net change in fund balances of Governmental Funds	\$ 43,738
Amounts reported for governmental activities in the statement of activities are different because:	
Activity related to postemployment benefits reported in the statement of activities that does not require the use of current financial resources and therefore is not reported by governmental funds.	(157,600)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period	(70,812)
Repayment of capital lease obligations are an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.	<u>75,988</u>
Change in net assets of governmental activities	<u>\$ (108,686)</u>

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

VILLAGE OF CREOLA

Statement of Net Position

Proprietary Funds

June 30, 2025

	<u>Business-Type Activities</u>
	<u>Enterprise Funds</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and cash equivalents	\$ -
Receivables (net)	-
Total current assets	<u>-</u>
Noncurrent Assets:	
Capital Assets:	
Land	<u>20,000</u>
Total assets	<u>20,000</u>
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts payable	<u>27,229</u>
Total liabilities	<u>27,229</u>
<u>NET POSITION:</u>	
Invested in capital assets, net of related debt	20,000
Unrestricted	<u>(27,229)</u>
Total net position (deficit)	<u>\$ (7,229)</u>

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

VILLAGE OF CREOLA

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

	Business-Type Activities
	<u>Enterprise Funds</u>
<u>Operating Revenues:</u>	
Charges for Services	\$ 1,200
Miscellaneous Income	-
Total Operating Revenues	<u>1,200</u>
<u>Operating Expenses:</u>	
Professional Fees	9,000
Depreciation	<u>3,145</u>
Total Operating Expenses	<u>12,145</u>
Operating Income (Loss)	(10,945)
<u>Transfers and Contributions:</u>	
Other Sources - Grant Proceeds	28,524
Other Sources (Uses) - Operating Transfers In (Out)	<u>(24,773)</u>
Change in Net Position Before Special Items	(7,194)
Special Items:	
Transfer of Sewer Systems to GPPJ (Note 14)	<u>(941,379)</u>
Change in Net Position	(948,573)
Total Net Position - Beginning	<u>941,344</u>
Total Net Position - Ending	<u>\$ (7,229)</u>

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

VILLAGE OF CREOLA

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2025

	Business-Type Activities
	<u>Enterprise Funds</u>
<u>Cash flow from operating activities:</u>	
Cash received from customers	\$ 31,544
Cash payments to suppliers of goods and services	<u>(11,045)</u>
Net cash provided (used) by operating activities	<u>20,499</u>
<u>Cash flows from non-capital financing activities:</u>	
Operating transfers	<u>(24,773)</u>
Net cash provided (used) by non-capital financing activities	<u>(24,773)</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital Grants	28,524
Loss on Disposal	<u>(55,012)</u>
Net cash provided (used) by capital and related financing activities	<u>(26,488)</u>
Net increase (decrease) in cash	(30,762)
Beginning cash balance	<u>30,762</u>
Ending cash balance	<u>\$ -</u>
<u>Reconciliation of operating income (loss) to net cash</u>	
Operating income (loss)	\$ (10,945)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	3,145
(Increase) decrease in accounts receivable	30,344
(Decrease) increase in accounts payable	26,479
(Decrease) increase in unearned revenue	<u>(28,524)</u>
Net cash provided (used) by operating activities	<u>\$ 20,499</u>

Supplemental disclosures of cash flow information:

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

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

Village of Creola

NOTES TO FINANCIAL STATEMENTS **June 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Financial Reporting Entity

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

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

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

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

Village of Creola

NOTES TO FINANCIAL STATEMENTS **June 30, 2025**

Basic Financial Statements

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

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

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

Village of Creola

NOTES TO FINANCIAL STATEMENTS **June 30, 2025**

pronouncements that are developed by the Financial Accounting Standards Board (FASB) for business enterprises. However, the Village only applies those FASB pronouncements that were issued on or before November 30, 1989.

Measurement Focus and Basis of Accounting

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

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

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

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

Non-Exchange Transactions

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

Use of Estimates

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

Budget Practices

The Mayor prepares annual budgets for the Village's general fund. The budget is submitted to the Board of Aldermen and the approved budget is adopted before the beginning of each fiscal year. Amended

Village of Creola

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

budgets are prepared prior to the conclusion of each fiscal year. The amended budgets are prepared and approved in the same manner as the original budget.

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

Capital Assets

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

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

Cash and Cash Equivalents

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

Internal Balances:

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

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

NOTE 2-CASH AND CASH EQUIVALENTS

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

At June 30, 2025, the Village has \$583,892 in deposits (collected bank balance). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$351,593 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Village of Creola

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

Even though the pledged securities are considered uncollateralized, Louisiana law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the pledging bank has failed to pay deposited funds upon demand.

NOTE 3 - TAXES

Ad Valorem Taxes

The Village bills and collects its own property taxes using the assessed property values determined by the Parish Tax Assessor. Property taxes are limited to an assessment for general alimony as permitted by State Law. Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. For the year ended June 30, 2025, the Village levied 6.69 mills. Revenues from ad valorem taxes are recognized as revenue in the year billed.

Sales Taxes

Sales and use taxes are collected on behalf of the Village by the Grant Parish and Rapides Parish Sheriff's Offices and remitted the month subsequent to collection. Revenues from sales taxes are reported on the accrual basis. For the year ended June 30, 2025, the Village sales tax rate is two percent. The sales tax rate has no expiration date.

NOTE 4 - RECEIVABLES

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

	<u>Governmental Activities</u>	<u>Business- Type</u>	<u>Total</u>
Sales Tax	\$ 25,154	\$ ----	\$ 25,154
Grants	----	----	----
Litigation Damages	165,000	----	165,000
Total Receivables	<u>\$ 190,154</u>	<u>\$ ----</u>	<u>\$ 190,154</u>

NOTE 5 – CAPITAL ASSETS

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

	<u>Non-Depreciable Capital Assets</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Land	9,700	----	----	9,700
Total Governmental Activities	<u>9,700</u>	<u>----</u>	<u>----</u>	<u>9,700</u>

Village of Creola

NOTES TO FINANCIAL STATEMENTS **June 30, 2025**

Business-Type Activities

Construction in Progress	791,248	55,013	(846,261)	----
Land	20,000	----	----	20,000
Total Business-Type Activities	<u>811,248</u>	<u>55,013</u>	<u>(846,261)</u>	<u>20,000</u>
Total	<u>\$ 820,948</u>	<u>\$ 55,013</u>	<u>\$ (846,261)</u>	<u>\$ 29,700</u>

Depreciable Capital Assets

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Building	\$ 837,604	\$ ----	\$ ----	\$ 837,604
Equipment	319,325	----	----	319,325
Furniture & Fixtures	7,080	2,150	----	9,230
Accumulated Depreciation	(132,647)	(72,961)	----	(205,608)
Total Governmental Activities	<u>1,031,362</u>	<u>(70,811)</u>	<u>----</u>	<u>960,551</u>

Business-Type Activities

Sewer System	151,003	----	(151,003)	----
Accumulated Depreciation	(52,739)	(3,146)	55,885	----
Total Business-Type Activities	<u>98,264</u>	<u>(3,146)</u>	<u>(95,118)</u>	<u>----</u>
Total	<u>\$ 1,129,626</u>	<u>\$ (73,957)</u>	<u>\$ (95,118)</u>	<u>\$ 960,551</u>

NOTE 6 - LONG-TERM LIABILITIES

The Village's long-term debt is summarized as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Total long-term debt	\$ 538,247	\$ ----	\$ 538,247
Due within one year	(75,236)	----	(75,236)
Due in more than one year	<u>\$ 463,011</u>	<u>\$ ----</u>	<u>\$ 463,011</u>

The following changes occurred in liabilities reported in the Governmental Activities during the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Installment Purchase Agreements	\$ 149,234	\$ ----	\$ 38,987	\$ 110,247
Sales Tax Bond	465,000	----	37,000	428,000
Total Long-Term Debt	<u>\$ 614,234</u>	<u>\$ ----</u>	<u>\$ 75,987</u>	<u>\$ 538,247</u>

Installment Purchase Agreements

Details regarding installment purchase agreements outstanding at June 30, 2025 are as follows:

Village of Creola

NOTES TO FINANCIAL STATEMENTS **June 30, 2025**

An installment purchase agreement in the amount of \$38,395 for the purchase of a new Police vehicle. The agreement has an interest rate of 3.67% and is due in 48 monthly installments of \$861 with the final payment due March of 2026. \$ 5,957

An installment purchase agreement in the amount of \$159,167 for the purchase of three new Police vehicles. The agreement has an interest rate of 7.35% and is due in 60 monthly installments of \$3,159 with the final payment due August of 2028. 104,290

Total Installment Purchase Agreements \$ 110,247

Sales Tax Bond

Details regarding Sales Tax Bonds outstanding at June 30, 2025 are as follows:

\$465,000 Sales Tax Bond Series 2024, bearing interest at a rate of 5.25%, payable in annual principal installments ranging from \$37,000 to \$58,000 with the final installment due in June 2034. \$ 428,000

Long-term debt maturities are scheduled as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Installment Purchase</u> <u>Agreements</u>		<u>Sales Tax Bond</u>		<u>Total</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 37,236	\$ 6,699	\$ 38,000	\$ 22,470	\$ 75,236	\$ 29,169
2027	33,657	4,247	40,000	20,475	73,657	24,722
2028	36,216	1,689	43,000	18,375	79,216	20,064
2029	3,138	19	45,000	16,117	48,138	16,136
2030	----	----	47,000	13,755	47,000	13,755
2031-2034	----	----	215,000	28,928	215,000	28,928
Total	<u>\$ 110,247</u>	<u>\$ 12,654</u>	<u>\$ 428,000</u>	<u>\$ 120,120</u>	<u>\$ 538,247</u>	<u>\$ 132,774</u>

NOTE 7 – ACCOUNTS PAYABLE

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

	<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>Type</u>	<u>Total</u>
Payable to Vendors	52,432	27,229	79,661
Total Accounts Payable	<u>\$ 52,432</u>	<u>\$ 27,229</u>	<u>\$ 79,661</u>

Village of Creola

NOTES TO FINANCIAL STATEMENTS **June 30, 2025**

NOTE 8 – ACCRUED EXPENSES

Accrued expenses at June 30, 2025 consist of payroll liabilities of \$8,577 and accrued payroll of \$13,023.

NOTE 9 – UNEARNED REVENUE

Due to the contractor defaulting on the sewer improvement project, the Village received litigation proceeds to complete this project. Funds were received and disbursed in accordance with the litigation agreement, with the exception of \$85,630 for a new generator. Currently, the equipment has not been installed for Village use. As these funds are required to be available to purchase the equipment, this amount has been reported as unearned revenue.

NOTE 10 – INTERFUND TRANSFERS

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

NOTE 11 - RISK AND CONTINGENCIES

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

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

NOTE 12- ON BEHALF PAYMENTS

The State of Louisiana provides supplemental pay for public safety employees that meet certain requirements. Amounts reported as revenue and expenditures in connection with State Supplemental Pay are presented as follows:

Police Department	\$	22,180
-------------------	----	--------

NOTE 13- PENSION PLANS

Substantially all Village police officers are members of statewide retirement systems. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Information regarding each plan is presented as follows:

Municipal Police Employees' Retirement System of Louisiana

Plan Description - All full-time police department employees engaged in law enforcement are eligible to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each

Village of Creola

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Funding Policy - Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the plan were equal to the required contributions for each of the past three years.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at lampers.org. The plans net pension liability was determined at June 30, 2024 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 3,750,021,042
Plan Fiduciary Net Position	2,844,025,169
Net Pension Liability	<u>905,995,873</u>
Town's Proportionate Share (Percentage)	0.067229%
Town's Proportionate Share (Amount)	<u>\$ 609,092</u>

The Town's proportionate share has been determined based on employer contributions received by the plan. The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2024 are provided as follows:

Beginning Net Pension Liability	\$ 214,225
Employer Contributions	(80,534)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	244,823
Employee Contributions	<u>(17,486)</u>
Change in Deferred Outflows of Resources	266,399
Change in Deferred Inflows of Resources	<u>(18,335)</u>
Ending Net Pension Liability	\$ 609,092

Village of Creola

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

There were no changes between June 30, 2025 and the Plan's measurement date that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Resources
Differences Between Expected and Actual Experience	\$ 32,978	\$ (18,425)	\$ 14,553
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	16,932	----	16,932
Changes of Assumptions	----	----	----
Changes in Proportion	382,272	----	382,272
Employer Contributions Made After the Measurement Date	<u>69,602</u>	<u>----</u>	<u>69,602</u>
Total Deferrals	501,784	(18,425)	483,359
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>(69,602)</u>	<u>----</u>	<u>(69,602)</u>
Deferrals Subject to Amortization	\$ 432,182	\$ (18,425)	\$ 413,757

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

For the Year Ending:

June 30, 2025	\$ 144,335
June 30, 2026	200,854
June 30, 2027	79,245
June 30, 2028	<u>(10,677)</u>
Total	\$ 413,757

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

Expected Remaining Service Lives	4 Years
Inflation Rate	2.5% per annum

Village of Creola

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

Projected Salary Increases Including Inflation and Merit	<u>Years of Service</u> 1 - 2 Above 2	<u>Salary Growth Rate</u> 12.30% 4.70%
Mortality Rates	<ul style="list-style-type: none"> • For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used. • For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used. • For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used. 	

Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
----------------------------	--

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System’s target allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Portfolio Real Rate of Return
Equity	52.00%	3.14%
Fixed Income	34.00%	1.07%
Alternatives	14.00%	1.03%
Totals	100.00%	5.24%
Inflation		2.62%
Expected Arithmetic Nominal Return		7.86%

The discount rate used to measure the total pension liability was 6.750%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net

Village of Creola

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for the period of July 1, 2014 through June 30, 2019, and review of similar law enforcement mortality. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set-back of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	1% Decrease Discount Rate 5.75%	Current Discount Rate 6.75%	1% Increase Discount Rate 7.75%
Net Pension Liability	\$ 904,791	\$ 609,092	\$ 362,241

NOTE 14 – SPECIAL ITEM, DEDICATION OF FACILITIES AND TRANSFER OF SERVITUDES

On April 10, 2025, the Village entered an agreement with Grant Parish Police Jury to donate the following infrastructure improvements, including any fee simple interests:

1. Sewer pump station and force main serving local properties.
2. Gravity sanitary sewers serving local areas in Creola
3. Simplex sewer grinder pump station located at the Creola Municipal Building and sewer force main located on Grays Creek Road and connected to existing sewer force main operated by the Grant Parish Police Jury.

The book value of the donation was determined as:

Sewer Assets	Book Value
Construction in Progress (Completed 04/2025)	\$ 846,261
Sewer System	151,003
Accumulated Depreciation	<u>(55,885)</u>
Total	<u>\$ 941,379</u>

VILLAGE OF CREOLA

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

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Taxes:				
Ad Valorem	\$ 12,000	\$ 10,500	\$ 10,356	\$ (144)
Sales Tax	230,000	200,000	208,988	8,988
Franchise	3,000	3,500	4,455	955
Fines and Court Cost	900,000	650,000	629,472	(20,528)
Intergovernmental	6,000	20,000	22,180	2,180
Miscellaneous	26,000	18,500	94,859	76,359
State Grants	-	7,000	11,978	4,978
Total revenues	1,177,000	909,500	982,288	72,788
<u>Expenditures:</u>				
Current				
General Government	508,300	488,800	516,212	(27,412)
Public Safety				
Law Enforcement	492,000	440,500	334,170	106,330
Capital Outlay	-	-	2,150	(2,150)
Debt Service	109,516	109,516	110,791	(1,275)
Total expenditures	1,109,816	1,038,816	963,323	75,493
Excess (deficiency) of revenues over expenditures	67,184	(129,316)	18,965	148,281
Other Sources (Uses)				
Operating Transfers In (Out)	(50,000)	(40,000)	24,773	64,773
Proceeds from Debt	-	-	-	-
Total Other Sources (Uses)	(50,000)	(40,000)	24,773	64,773
Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses	17,184	(169,316)	43,738	213,054
Fund Balance - Beginning of Year	561,894	561,894	561,894	-
Fund Balance - End of Year	\$ 579,078	\$ 392,578	\$ 605,632	\$ 213,054

VILLAGE OF CREOLA

Schedule of Per Diem Paid to Board Members For the year ended June 30, 2025

Aimee White, Mayor	15,600
Brandon Randall, Mayor Pro-Temp	6,000
Crystal Hicks, Alderwoman	500
Brian Edwards, Alderman	2,850
Arick Slayton, Alderman	<u>6,000</u>
Total	<u><u>\$ 30,950</u></u>

VILLAGE OF CREOLA

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

Agency Head (Mayor) - Aimee White

Compensation	\$	15,600
Payroll Taxes		1,256
Total	\$	<u>16,856</u>

Village of Creola
Justice System Funding Schedule - Collecting/Disbursing Schedule

Cash Basis Presentation
As Required by La. R.S. 24:515.2

	Amount for 07/01/2024 - 12/31/2024	Amount for 01/01/2025 - 06/30/2025
1. Beginning Cash Balance	-	-
2. Collections		
a. Civil Fees	-	-
b. Bond Fees	-	-
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	330,938	298,534
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collected	330,938	298,534
3. Deductions: Collections Retained by the Village of Creola		
I. Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
II. Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
III. Other Amounts "Self-Disbursed" [Enter amounts on appropriate collection type lines]		
a. Civil Fees	-	-
b. Bond Fees	-	-
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	270,562	246,334
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees [excluding amounts reported in bullets I and II above]	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collections Retained by the Village of Creola	270,562	246,334
4. Deductions: Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits		
a. Collection/Processing Fees Paid to Third Party Entities	-	-
b. Civil Fee Refunds	-	-
c. Bond Refunds	-	-
d. Restitution Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
e. Other Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
Total Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits	-	-
5. Deductions: Total Disbursements to Other Governments & Nonprofits	60,376	52,200
6. Total Amounts Disbursed/Retained	330,938	298,534
7. Ending Cash Balance	-	-
8. Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
9. Other Information:		

I. Ending Balance of Amounts Assessed but Not Yet Collected [i.e. total ending receivable balances]	-	-
II. Total Waivers During the Fiscal Period [i.e. non-cash reduction of receivable balances, such as time served or community service]	-	-

Village of Creola

Justice System Funding Schedule - Disbursements to Other Governments & Nonprofits Form

Cash Basis Presentation

As Required by La. R.S. 24:515.2

5. Details of Disbursements To Other Governments & Nonprofits (Do not include amounts retained by your entity in this table.)

Agency Receiving Money	Disbursement Description [Fund, Program, etc.] (Optional)	Legal Authority to Disburse Money	Disbursement Type	Amount for 07/01/2024 - 12/31/2024	Amount for 01/01/2025 - 06/30/2025
Central Louisiana Juvenile Detention Center Authority	§1105.7. Funding for the authority; juvenile court costs	R.S. 15:1105.7	f. Criminal Court Costs/Fees	10,065	11,829
Louisiana Department of Health	§2633. Traumatic Head and Spinal Cord Injury Trust Fund	R.S. 46:2633	f. Criminal Court Costs/Fees	4,315	3,140
LA Commission on Law Enforcement and Administration of Criminal Justice		R.S. 46:1816(D)	f. Criminal Court Costs/Fees	9,906	7,650
Supreme Court	§86. Judicial College; education account; sources of funds	R.S. 13:86	f. Criminal Court Costs/Fees	684	575
Criminalistics Laboratory North Louisiana	§2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	34,038	27,877
Department of the Treasury		R.S. 13:5535	f. Criminal Court Costs/Fees	1,368	1,129

VILLAGE OF CREOLA

Louisiana Community Development Block Grant Supplemental Schedule

Statement of Net Position - Community Development Block Grant - Regulatory Basis (Included in Proprietary Fund) - June 30, 2025

ASSETS:

Current Assets:

Cash	\$	-
Grant Revenue Receivable		-
Due from Other Funds		-
Total assets		<u>-</u>

LIABILITIES:

Current Liabilities:

Accounts Payable		-
Contracts Payable		-
Due to Other Funds		-
Retainage Payable		-
Total liabilities		<u>-</u>

NET POSITION:

Unrestricted		-
Total net position	\$	<u>-</u>

Statement of Revenues, Expenses and Changes in Net Position - Regulatory Basis Community Development Block Grant (Included in Proprietary Funds) - June 30, 2025

REVENUES:

Intergovernmental Revenues	\$	-
LCDBG Program Revenue		28,524
Local Revenue		-
Total Revenues		<u>28,524</u>

EXPENDITURES:

Administration		-
Acquisition		-
Engineering		-
Construction		28,524
Clearance/Demolition		-
Planning		-
Total Expenditures		<u>28,524</u>

Excess (Deficiency) of Revenues over Expenditures	\$	<u>-</u>
--	----	----------

The schedules appearing above are presented to comply with the Division of Administration's requirements for the Louisiana Community Development Block Grant Program. The figures are presented on a regulatory basis of accounting prescribed by the Division of Administration for this program.

VILLAGE OF CREOLA

Schedule of Net Pension Liability Data Cost Sharing Retirement Systems

Retirement System / Measurement Date	Share of Collective Net Pension Liability		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Percent	Amount			
Louisiana Municipal Police Employees' Retirement System					
June 30, 2023	0.02%	214,226	68,691	311.87%	71.30%
June 30, 2024	0.07%	609,092	236,992	257.01%	75.84%

Notes to Schedule:

This schedule is intended to fulfill requirements to present information for a period of 10 years. However, until a full 10 year trend has been compiled, information is presented only for the years for which the required information is available.

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

VILLAGE OF CREOLA

Schedule of Employer Contributions Cost Sharing Retirement Systems

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Louisiana Municipal Police Employees' Retirement System					
June 30, 2023	21,466	21,504	(38)	68,691	31.31%
June 30, 2024	80,400	80,534	(134)	236,992	33.98%

Notes to Schedule:

This schedule is intended to fulfill requirements to present information for a period of 10 years. However, until a full 10 year trend has been compiled, information is presented only for the years for which the required information is available.

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.



December 22, 2025

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Creola's basic financial statements, and have issued our report thereon dated December 22, 2025.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Village of Creola's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



Rozier, McKay & Willis
Certified Public Accountants
Voice: 318.442.1608

160 Browns Bend Rd
Alexandria, Louisiana 71303
Online: CenlaCPAs.com

VILLAGE OF CREOLA'S RESPONSE TO FINDINGS

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

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rozier, McKay & Willis
Certified Public Accountants
December 22, 2025

Village of Creola

SCHEDULE OF FINDINGS AND RESPONSES For the Year Ended June 30, 2025

PART I - SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditors' Report on the financial statements of the Village of Creola as of June 30, 2025 and for the year then ended expressed an unmodified opinion.
- No deficiencies in internal control over financial reporting were reported in connection with the audit.
- The results of the audit did disclose one instance (2025-001) of noncompliance that is considered to be material to the financial statements of the Village of Creola.

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

Finding 2025-001 – Improper Pay of Mayor Pro-Temp

- *Condition:* The Village paid the mayor pro-temp for attendance at a council meeting when the mayor pro-temp was not present due to extenuating circumstances.
- *Criteria:* Per Village policies and statutes, the mayor pro-temp receives six-hundred dollars monthly for attendance or fifty-dollars when not in attendance of regular board meetings.
- *Cause:* The Village improperly paid the mayor pro-temp six-hundred dollars when the mayor pro-temp did not attend the monthly board meeting.
- *Effect:* The Village was not in compliance with their policies and statutes.
- *Recommendation:* We recommend that the Village revise policies to accommodate board members attendance in extenuating circumstances.

Village of Creola

Management's Corrective Action Plan

For the Year Ended June 30, 2025

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
<u>2025-001: Improper Pay of Mayor Pro-Temp</u> The Village paid the Mayor Pro-Temp for attendance at a council meeting, when the Mayor Pro-Temp was unable to attend. Current Village of Creola ordinances allow for attendance in person and via teleconference options; however, none permit the use of sick pay for board members.	<u>2025-001: Response</u> We will review current ordinances to allow for pay of board members with extenuating circumstances.
SECTION II MANAGEMENT LETTER	
No findings of this nature.	Response – N/A

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

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
No findings of this nature.	Response – N/A
SECTION II MANAGEMENT LETTER	
No management letter was issued.	Response – N/A

APPENDIX A
Statewide Agreed-Upon Procedures



Independent Accountant's Report
On Applying Agreed-Upon Procedures

To the Village of Creola and
the Louisiana Legislative Auditor:

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

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

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

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

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

A handwritten signature in blue ink that reads 'Rozier, McKay & Willis'.

Rozier, McKay & Willis
Certified Public Accountants
Alexandria, Louisiana
December 22, 2025



Rozier, McKay & Willis
Certified Public Accountants
Voice: 318.442.1608

160 Browns Bend Rd
Alexandria, Louisiana 71303
Online: CenlaCPAs.com

Village of Creola

Statewide Agreed-Upon Procedures

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

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

Village of Creola

Statewide Agreed-Upon Procedures

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

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>2 Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:</p> <p>a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.</p> <p>b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. <i>Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.</i></p> <p>c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes</p>	<p>The Board met with a quorum at least monthly.</p> <p>The necessary budget to actual comparisons were included.</p> <p>The general fund reported a positive unrestricted fund balance in the prior year.</p>	<p><i>No findings or criticism were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

Village of Creola

Statewide Agreed-Upon Procedures

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

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.</p> <p>d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.</p>	<p>Actions to correct the prior year findings were taken and communicated in the board minutes.</p>	<p><i>No findings or criticisms were reported.</i></p>

Village of Creola

Statewide Agreed-Upon Procedures

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

Bank Reconciliations		
Agreed-Upon Procedure	Results	Managements' Response
Not applicable for the current period due to successful completion during the previous engagement.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
Not applicable for the current period due to successful completion during the previous engagement.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
8 Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).	All transactions are processed at the Village's Municipal Complex.	<i>No findings or criticisms were reported.</i>
9 For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:		
a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.	At least two employees are involved.	<i>No findings or criticisms were reported.</i>
b) At least two employees are involved in processing and approving payments to vendors.	At least two employees are involved.	<i>No findings or criticisms were reported.</i>
c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.	Due to the nature of the accounting system and the size of the operation, it is not practical to limit access to particular components. This limitation is mitigated by requiring each check to be signed by two parties.	<i>No findings or criticisms were reported.</i>
d) Either the employee/official responsible for signing checks mails the payment or gives	Due to the limited size of staff, it is not practical to limit mailing duties.	<i>No findings or criticisms were reported.</i>

Village of Creola

Statewide Agreed-Upon Procedures

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

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
<p>the signed checks to an employee to mail who is not responsible for processing payments.</p> <p>10 For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:</p> <p style="padding-left: 20px;">a. Observe that the disbursement matched the related original invoice/billing statement.</p> <p style="padding-left: 20px;">b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.</p> <p>11 Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b)</p>	<p>1 out of 5 Disbursements selected was not supported by documentation.</p> <p>Evidence of segregation of duties was present.</p> <p>There was no indication of approval by an authorized signer on provided supporting documentation.</p>	<p><i>Due to a clerical error, this invoice was not properly stored. Additionally, this vendor is paid the same amount monthly, so the payment is not improper. We will retrain our staff on the importance of maintenance of records.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>Non-payroll electronic disbursements are limited to automatic subscription-based purchases. In the future, we will document that these payments were approved.</i></p>

Village of Creola

Statewide Agreed-Upon Procedures

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

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
14 Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).	4 out of 5 transactions selected were supported by invoices and were evident of business purposes. No purchases of meals were made for the selected transactions.	<i>In the future, we will ensure supporting documentation is available for all transactions.</i>

Village of Creola

Statewide Agreed-Upon Procedures

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

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
<p>15 Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:</p> <p>a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).</p> <p>d. Observe that each reimbursement was reviewed and approved, in writing, by</p>	<p>All the transactions selected used the per diem rate.</p> <p>No actual cost reimbursements were selected.</p> <p>All selected transactions presented business purpose evidence.</p> <p>Approval by someone other than the recipient was evident for 2 out of 5 transactions selected.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>Documentation for all reimbursements will be maintained in the future. We will review our</i></p>

Village of Creola

Statewide Agreed-Upon Procedures

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

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
someone other than the person receiving reimbursement.		<i>policies on recordkeeping with the appropriate personnel.</i>

Village of Creola

Statewide Agreed-Upon Procedures

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

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
Not applicable for the current period due to successful completion during the previous engagement.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
Not applicable for the current period due to successful completion during the previous engagement.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Ethics		
Agreed-Upon Procedure	Results	Managements' Response
<p>21 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:</p> <p>a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.</p> <p>b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.</p>	<p>Documentation was not available for any of the selected employees during the fiscal period.</p> <p>No documentation was available for the selected employees during the fiscal period.</p>	<p><i>We will review files to ensure that all employees complete the ethics training during the fiscal year.</i></p> <p><i>We believe that all employees are familiar with the ethics policies, but we will review files to ensure that signature verification is provided by every member of the staff.</i></p>
<p>22 Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.</p>	<p>The Clerk serves as the ethics designee.</p>	<p><i>No findings or criticisms were reported.</i></p>

Village of Creola

Statewide Agreed-Upon Procedures

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

Debt Service		
Agreed-Upon Procedure	Results	Managements' Response
Not applicable for the current period due to successful completion during the previous engagement.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Fraud Notice		
Agreed-Upon Procedure	Results	Managements' Response
Not applicable for the current period due to successful completion during the previous engagement.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Information Technology Disaster Recovery /Business Continuity		
Agreed-Upon Procedure	Results	Managements' Response
Not applicable for the current period due to successful completion during the previous engagement.		

Village of Creola

Statewide Agreed-Upon Procedures

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

Sexual Harassment		
Agreed-Upon Procedure	Results	Managements' Response
<p>30 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.</p>	<p>No evidence for sexual harassment training was available for 4 out of 5 employees selected during the current fiscal period.</p>	<p><i>We will review files to ensure that all employees complete the sexual harassment training during the fiscal year.</i></p>
<p>31 Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).</p>	<p>The policy is included in the Policies and Procedures Manual, but not posted on the premises.</p>	<p><i>We will consider posting the sexual harassment policy and complaint procedures on our premises.</i></p>
<p>32 Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:</p> <ul style="list-style-type: none"> a. Number and percentage of public servants in the agency who have completed the training requirements; b. Number of sexual harassment complaints received by the agency; c. Number of complaints which resulted in a finding that sexual harassment occurred; d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and e. Amount of time it took to resolve each complaint. 	<p>A report was not completed the fiscal year.</p>	<p><i>We will consider completing an annual sexual harassment report in the future.</i></p>