

Village of Angie

Annual Financial Statements

As of and for the Year Ended December 31, 2020
With Supplementary Information



BRUCE HARRELL & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation

Village of Angie
Annual Financial Statements
As of and for the Year Ended December 31, 2020
With Supplementary Information

TABLE OF CONTENTS

	Statement	Page
Independent Accountant’s Review Report		5
Required Supplementary Information (Part I):		
Management’s Discussion and Analysis		9
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A	17
Statement of Activities	B	18
Fund Financial Statements:		
Governmental Funds Financial Statements:		
Balance Sheet, Governmental Funds.....	C	20
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Financial Statement of Net Position	D	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	23
Proprietary Fund Financial Statements:		
Statement of Net Position.....	G	24
Statement of Revenues, Expenses and Changes in Net Position.....	H	25
Statement of Cash Flows.....	I	26
Notes to the Financial Statements.....		28

Village of Angie
Annual Financial Statements
As of and for the Year Ended December 31, 2020
With Supplementary Information

TABLE OF CONTENTS

	Schedule	Page
Required Supplementary Information (Part II):		
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget (GAAP Basis) and Actual General Fund and Sales Tax Fund	1	43
Other Supplementary Information:		
Proprietary Funds		
Schedule of Revenues, Expenses and Changes in Net Position Budget (GAAP Basis) and Actual	2	45
All Governmental Funds Schedule of Expenditures.....	3	46
Schedule of Compensation Paid to Board Members	4	47
Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head .	5	48
Justice System Funding Schedule – Collecting/Disbursing Entity	6	49
Schedule of Current Year Findings and Responses	7	50
Schedule of Prior Year Findings and Responses.....	8	56
Independent Accountant’s Report on Applying Agreed-Upon Procedures		63
Louisiana Attestation Questionnaire.....		67

This Page Intentionally Left Blank

Bruce C. Harrell, CPA

Brandy W. Garcia, CPA
Charles L. Johnson, CPA

INTERNET
www.teamcpa.com

MEMBERS
American Institute of CPAs
Society of Louisiana CPAs



BRUCE HARRELL
and COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation

109 West Minnesota Park
Park Place Suite 7
Hammond, LA 70403
VOICE: (985) 542-6372
FAX: (985) 345-3156

KENTWOOD OFFICE
P.O. Box 45 - 909 Avenue G
Kentwood, LA 70444
VOICE: (985) 229-5955
FAX: (985) 229-5951

Independent Accountant's Review Report

To the Honorable Mayor Roxie Fornea
and Board of Aldermen
Village of Angie, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Angie, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

Accountant's Conclusion

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 9-15 and page 43 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be

made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, we do not express an opinion on such information.

Supplementary Information

The accompanying Justice System Funding Schedule listed as Other Supplementary Information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with the reporting framework prescribed by Louisiana Revised Statute 24:515.2 and the Louisiana Legislative Auditor. We have not audited the supplementary information and accordingly, do not express an opinion on such information.

The supplementary information contained in the remaining schedules listed as Other Supplementary Information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. We have reviewed such supplementary information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

A handwritten signature in black ink that reads "Bruce Harrell & Co." with a stylized flourish at the end.

Bruce Harrell & Company, CPAs
A Professional Accounting Corporation
Kentwood, Louisiana
January 14, 2022

This Page Intentionally Left Blank

Required Supplementary Information (Part I)
Management's Discussion and Analysis

VILLAGE OF ANGIE
Angie, Louisiana

Management's Discussion and Analysis

Introduction

The Village of Angie is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standard Board Statement No. 34, Basic Financial Statements - Management's Discussion and Analysis – For State and Local Governments (hereinafter referred to as GASB 34) and related standards.

The Management's Discussion and Analysis (MD&A) is designed to:

1. assist the reader in focusing on significant financial issues,
2. provide an overview of the Village's financial activities,
3. identify changes in the Village's overall financial position and results of operations and assist the user in determining whether the financial position has improved or deteriorated as a result of the year's operations,
4. identify any significant variations from the original, amended, and final budget amounts and include any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity, and
5. identify individual fund issues or concerns.

The information contained within this MD&A should be considered only as part of a whole. The reader of this statement should take time to read and evaluate all sections of this report, including the footnotes and other Required Supplemental Information (RSI) that are provided in addition to this MD&A.

Overview of Annual Financial Report

Management's Discussion and Analysis (MD&A) serves as an introduction to the basic financial statements. The Village's basic financial statements are comprised of three components: 1) government-wide statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to private-sector business. These financial statements are reported using the full accrual accounting methods.

The statement of net position presents information on all of the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

VILLAGE OF ANGIE
Angie, Louisiana

Management's Discussion and Analysis

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The statement of net position and the statement of activities display information about the Village as a whole. These statements distinguish between those activities of the Village that are governmental and those that are considered business type activities.

Fund financial statements A fund is a grouping of related accounts that is used to maintain control over resources that has been segregated for specific activities or objectives. The Village segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The modified accrual basis of accounting is used by the governmental funds.

Notes to financial statements The notes to the financial statements provide required disclosure, essential to the understanding of the financial statements. The notes present information, about the Village's accounting policies, significant account balances, and activities, commitments, contingencies, and subsequent events, if any. Supplementary information includes a comparative budget schedule.

Financial Highlights

- Total assets, at December 31, 2020 were \$641,615 and exceeded liabilities by the amount of \$574,307 (i.e., net position). Of the total net position, \$202,197 was unrestricted and available to support short-term operations, \$22,151 restricted for the cemetery, and the balance of \$349,959 was invested in capital assets.
- Revenues consist of ad valorem tax, sales taxes, grant funds, refund on landfill operation, and fines and other fees, along with revenue from water sales (business-type). The total revenues for the fiscal year ended December 31, 2020 were \$275,486, representing an approximate decrease of 51% from total revenues for fiscal year ended December 31, 2019 of \$561,803. This is mainly due to grant funds received in the amount of \$296,451 in the prior year. General government's revenues decreased by \$296,502 (59%). The revenues from the enterprise fund increased \$10,185 (16%).
- The Village's operating expenditures for the governmental funds, consisting of those expenditures resulting from the Village's ongoing operations, were \$201,262 reflecting a decrease of \$422,330 from 2019 expenditures of \$623,592. In 2019, the Village incurred \$421,855 in street overlay costs. The operating expenses for the proprietary fund were \$68,013 compared to 2019 expenses of \$56,688.

VILLAGE OF ANGIE
Angie, Louisiana

Management's Discussion and Analysis

Financial Analysis

Statement of Net Position

Included below is a condensed Statement of Net position for the Village. The condensed format allows the reader to view the overall financial position of the Village. An explanation of the components of this statement is included immediately following the table.

Condensed Statement of Net Position

	Governmental Activities		Business - Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and Other Assets	\$ 197,506	\$ 180,657	\$ 106,141	\$ 94,210	\$ 303,647	\$ 274,867
Capital Assets	211,376	206,822	138,583	142,792	349,959	349,614
Total Assets	408,882	387,479	244,724	237,002	653,606	624,481
Liabilities:						
Other Liabilities	71,612	47,531	7,687	3,406	79,299	50,937
Total Liabilities	71,612	47,531	7,687	3,406	79,299	50,937
Net Position:						
Investment in Capital Assets	211,376	206,822	138,583	142,792	349,959	349,614
Restricted	22,151	24,779	-	-	22,151	24,779
Unrestricted	103,743	108,347	98,454	90,804	202,197	199,151
Total Net Position	\$ 337,270	\$ 339,948	\$ 237,037	\$ 233,596	\$ 574,307	\$ 573,544

See page 17 for a more detailed Statement of Net Position for the Village.

The composition of net position and the change in net position over time serves as a useful indicator of a government's financial position. Net position from governmental activities decreased \$2,678 in fiscal year 2020 and net position from business-type activities increased \$3,441.

The largest category of net position is "Investment in Capital Assets" totaling \$349,959 or 61% of net position. This category reflects the total invested in capital assets (land, buildings, equipment, and infrastructure, etc.) net of any related debt used to acquire capital assets (none in 2020 or 2019). These capital assets are used to provide services to citizens and do not represent assets available for future spending.

The second largest category of net position is "Unrestricted Net Position", totaling \$202,197 or 35% of net position. These assets are available to meet the ongoing needs of the Village.

The final category "Restricted Net Position", totaling \$22,151 is restricted for the cemetery upkeep.

VILLAGE OF ANGIE
Angie, Louisiana
Management's Discussion and Analysis

Condensed Statement of Activities

	Governmental Activities		Business - Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for service	\$ 21,502	\$ 30,740	\$ 59,862	\$ 55,708	\$ 81,364	\$ 86,448
Capital Grants and Contributions	-	-	12,350	-	12,350	-
General Revenues:						
Property Taxes	6,960	5,008	-	-	6,960	5,008
Sales Taxes	110,111	102,105	-	-	110,111	102,105
Occupational Licenses	27,007	28,178	-	-	27,007	28,178
Landfill Refund	5,200	7,400	-	-	5,200	7,400
Franchise Taxes	14,067	14,957	-	-	14,067	14,957
Intergovernmental	-	296,451	-	-	-	296,451
Interest	1,295	2,584	302	400	1,597	2,984
Donations	10,675	519	-	-	10,675	519
Other	1,576	5,453	79	6,300	1,655	11,753
On-behalf payments	4,500	6,000	-	-	4,500	6,000
Total Revenues	202,893	499,395	72,593	62,408	275,486	561,803
Expenses:						
General Government	145,638	272,690	-	-	145,638	272,690
Public Safety	61,071	67,814	-	-	61,071	67,814
Public Works	-	290,000	-	-	-	290,000
Water Utilities & Sanitation	-	-	68,013	56,688	68,013	56,688
Total Expenses	206,709	630,504	68,013	56,688	274,722	687,192
Changes in Net Position						
before Transfers and Contributions	(3,816)	(131,109)	4,580	5,720	764	(125,389)
Transfer In/(Out)	1,138	17,200	(1,138)	(17,200)	-	-
Change in Net Position	(2,678)	(113,909)	3,442	(11,480)	764	(125,389)
Beginning Net Position	339,948	453,857	233,596	245,076	573,544	698,933
Ending Net Position	\$ 337,270	\$ 339,948	\$ 237,038	\$ 233,596	\$ 574,308	\$ 573,544

While the Statement of Net Position shows the change in financial position of net position, the Statement of Activities provides answers to the nature and scope of these changes. The above table gives an indication of how the mayor and board of aldermen operate the Village of Angie on a conservative basis.

The governmental net position for the fiscal year 2020 decreased \$2,678 or 1%, while business-type net position increased by \$3,442 or 1%.

Total revenues decreased by \$286,317 or 51%. This is mainly due to grant funds of \$296,451 received in 2019. Sales taxes are the major source of general government revenue totaling \$110,111 for the year 2020, representing 40% of total revenue. The second largest governmental revenue source is traffic fines of \$21,502 or 8% of total revenues. Total revenues from the business type funds increased by \$10,185 or 16%. A grant in the amount of \$12,350 was received in the water fund.

Total expenses decreased in 2020 by \$412,470 which is a 60% decrease over 2019. The main reason for this is the costs of street overlay in the amount of \$421,855 in the prior year. The major expenses within the statement of activities are for salaries of \$98,904, repairs and maintenance of \$29,071, insurance of \$20,058, and professional fees at \$27,050.

Analysis of Fund Financial Statements

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Village's net resources available for spending at the end of the year.

As of December 31, 2020, the Village's governmental funds reported a combined ending fund balance of \$125,894, a decrease (\$7,234) over the fund balance at December 31, 2019. The unassigned fund balance is (\$35,222). It is a deficit due to the amount in "Due to other funds". The remainder of the fund balance is assigned to indicate that its expenditures are dictated by the provisions of the sales tax ordinance (streets, sewage, & water works) in the amount of \$133,050 or assigned for the cemetery located within the Village in the amount of \$22,151. The amount that is nonspendable due to costs related to prepaid insurance is \$5,915.

Budgetary Highlight

The Village has a formal policy on adopting a budget. The Village prepares the budget on the accrual basis of accounting. The Village adopted its 2020 budget at the regular meeting of December 2019 and amended the budget in December 2020. The mayor and board of aldermen review the budget/actual financial figures on a monthly basis. All appropriations lapse at year-end.

VILLAGE OF ANGIE
Angie, Louisiana

Management's Discussion and Analysis

Following is a comparison of the final budget to actual expenditures for the year ended December 31, 2020:

Budget vs. Actual – Fiscal Year End December 31, 2020

	Original Budget	Final Budget	Actual	Favorable (Unfavorable) Variance
Revenues & Other Sources				
General Fund	\$ 178,940	\$ 156,863	\$ 166,122	\$ 9,259
Sales Tax Fund	51,100	56,100	56,256	156
Expenditures & Other Uses				
General Fund	160,730	169,538	191,215	(21,677)
Sales Tax Fund	67,000	43,145	38,397	4,748

General Fund and Sales Tax Fund revenues and other sources were in compliance with the Local Government Budget Act. Sales Tax Fund expenditures and other uses were in compliance with the Act. General Fund expenditures and other uses were over budget by more than 5%. The Village was not in compliance with the Act.

Capital Assets

At the end of the fiscal year December 31, 2020, the Village of Angie had \$349,959 of capital assets (net of accumulated depreciation), including land. Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful lives:

Description	Estimated Lives
Buildings & Improvements	20 - 40 Years
Machinery and Equipment	5 - 10 Years
Infrastructure	20 - 40 Years
Water System	10 - 20 Years
Other Depreciable Property	20 - 40 Years

VILLAGE OF ANGIE
Angie, Louisiana

Management's Discussion and Analysis

Fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated assets are valued at fair market value on the date donated. The cost of all assets acquired prior to 1989, have been valued using estimated historical cost.

Capital asset activity for the year ended December 31, 2020:

	December 31, 2019	December 31, 2020	Dollar Change	Percentage Change
Governmental Activities Capital Assets				
Land	\$ 20,500	\$ 30,500	\$ 10,000	48.78%
Building And Improvements	181,048	182,443	1,395	0.77%
Other Depreciable Property	17,000	17,000	-	0.00%
Machinery And Equipment	169,595	169,595	-	0.00%
Total General Fund Capital Assets	388,143	399,538	11,395	2.94%
Less Accumulated Depreciation	(181,319)	(188,162)	(6,843)	3.77%
General Fund Capital Assets, Net	<u>\$ 206,824</u>	<u>\$ 211,376</u>	<u>\$ 4,552</u>	2.20%
Business-Type Activities Capital Assets				
Equipment	\$ 23,644	\$ 23,644	\$ -	0.00%
Water Utility System	393,341	405,691	12,350	3.14%
Total Enterprise Capital Assts	416,985	429,335	12,350	2.96%
Less Accumulated Depreciation	(274,193)	(290,752)	(16,559)	6.04%
Enterprise Capital Assets, Net	<u>\$ 142,792</u>	<u>\$ 138,583</u>	<u>\$ (4,209)</u>	-2.95%

Long-Term Debt

As of December 31, 2020, the Village did not have any long-term debt.

Future Economic Plans

The Village of Angie's board of aldermen actively monitors revenues and expenses. They are constantly seeking state and/or federal grants to fund improvements to the Village. Their sources of revenue are limited and any increase in the revenue sources is highly unlikely. Therefore, the board's focus is on obtaining new grants, streamlining expenditures, and ensuring all revenue is timely collected. The board's plan is always to improve services for the voters of the Village of Angie, without increasing the tax burden.

Contacting the Village's Financial Management

This financial report is designed to provide the Village's citizens, taxpayers, creditors and investors with a general overview of the Village's finances and show the Village's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to the Village of Angie at 64475 Cherry Street Angie, LA 70426 and (985) 986-2444.

Basic Financial Statements
Government-Wide Financial Statements

STATEMENT A

VILLAGE OF ANGIE
Angie, Louisiana
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2020

	Primary Government		
	Governmental Activities	Business - Type Activities	Total
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 37,839	\$ 36,487	\$ 74,326
Investments	100,577	25,000	125,577
Receivables, Net	26,612	2,061	28,673
Due From Other Funds	4,412	42,593	47,005
Prepaid Insurance	5,915	-	5,915
Total Current Assets	<u>175,355</u>	<u>106,141</u>	<u>281,496</u>
Restricted Assets:			
Restricted Cash and Cash Equivalents	22,151	-	22,151
Total Restricted assets	<u>22,151</u>	<u>-</u>	<u>22,151</u>
Capital Assets:			
Land	30,500	-	30,500
Capital Assets, Net	180,876	138,583	319,459
Total Capital Assets	<u>211,376</u>	<u>138,583</u>	<u>349,959</u>
Total Assets	<u>\$ 408,882</u>	<u>\$ 244,724</u>	<u>\$ 653,606</u>
LIABILITIES:			
Accounts Payable	25,467	3,275	28,742
Payroll Taxes Payable	3,552	-	3,552
Due To Other Fund	42,593	4,412	47,005
Total Current Liabilities	<u>71,612</u>	<u>7,687</u>	<u>79,299</u>
Total Liabilities	<u>71,612</u>	<u>7,687</u>	<u>79,299</u>
NET POSITION:			
Invested In Capital Assets	211,376	138,583	349,959
Restricted For:			
Road Repairs	-	-	-
Cemetery	22,151	-	22,151
Unrestricted	103,743	98,454	202,197
Total Net Position	<u>\$ 337,270</u>	<u>\$ 237,037</u>	<u>\$ 574,307</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF ANGIE
Angie, Louisiana
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses)Revenues and Change of Primary Government</u>		
		<u>Charges For Services</u>	<u>Capital Grants And Contributions</u>	<u>Net (Expenses) Revenues</u>	<u>Government Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Government Activities							
General Government	\$ 145,638	\$ -	\$ -	\$ (145,638)	\$ (145,638)	\$ -	\$ (145,638)
Cemetery	-	-	-	-	-	-	-
Public Safety	61,071	21,502	-	(39,569)	(39,569)	-	(39,569)
Public Works	-	-	-	-	-	-	-
Total Government Activities	<u>\$ 206,709</u>	<u>\$ 21,502</u>	<u>\$ -</u>	<u>\$ (185,207)</u>	<u>\$ (185,207)</u>	<u>\$ -</u>	<u>\$ (185,207)</u>
Business - Type Activities							
Water	51,070	40,705	12,350	1,985	-	1,985	1,985
Sanitation	16,943	19,157	-	2,214	-	2,214	2,214
Total Business - Type Activities	<u>\$ 68,013</u>	<u>\$ 59,862</u>	<u>\$ 12,350</u>	<u>\$ 4,199</u>	<u>\$ -</u>	<u>4,199</u>	<u>4,199</u>
General Revenues:							
Ad valorem taxes					6,960	-	6,960
Sales taxes					110,111	-	110,111
Occupational licenses					27,007	-	27,007
Franchise taxes					14,067	-	14,067
Landfill refund					5,200	-	5,200
Donations					10,675	-	10,675
Interest					1,295	302	1,597
On-behalf supplemental pay for police					4,500	-	4,500
Other					1,573	79	1,652
Operating transfers in (out)					1,138	(1,138)	-
Total General Revenues and Transfers					<u>182,526</u>	<u>(757)</u>	<u>181,769</u>
Change in net position					<u>(2,681)</u>	<u>3,442</u>	<u>761</u>
Net position, beginning					<u>339,952</u>	<u>233,595</u>	<u>573,547</u>
Net position, ending					<u>\$ 337,271</u>	<u>\$ 237,037</u>	<u>\$ 574,308</u>

The accompanying notes are an integral part of this statement.

Basic Financial Statements
Fund Financial Statements

STATEMENT C

VILLAGE OF ANGIE, LOUISIANA
Balance Sheet
Governmental Funds
As of December 31, 2020

	Governmental Fund Types		
	General Fund	Sales Tax Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 2,639	\$ 35,201	\$ 37,840
Investments	-	100,577	100,577
Accounts receivable, net:			
Property taxes	4,467	-	4,467
Sales tax	5,416	5,416	10,832
Franchise taxes	4,173	-	4,173
Other receivable	840	-	840
Due from parish government	6,300	-	6,300
Prepaid insurance	5,915	-	5,915
Restricted Cash	22,151	-	22,151
Due from other funds	-	27,237	27,237
Total Assets	<u>\$ 51,901</u>	<u>\$ 168,431</u>	<u>\$ 220,332</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Account payable	\$ 24,865	\$ 602	\$ 25,467
Payroll payable	3,552	-	3,552
Interfund Liabilities:			
Due to other funds	30,640	34,779	65,419
Total Liabilities	<u>59,057</u>	<u>35,381</u>	<u>94,438</u>
Fund Balances:			
Nonspendable	5,915	-	5,915
Restricted	22,151	-	22,151
Assigned	-	133,050	133,050
Unassigned	(35,222)	-	(35,222)
Total Fund Balances	<u>(7,156)</u>	<u>133,050</u>	<u>125,894</u>
Total Liabilities & Fund Balances	<u>\$ 51,901</u>	<u>\$ 168,431</u>	<u>\$ 220,332</u>

The accompanying notes are an integral part of this statement.

STATEMENT D

VILLAGE OF ANGIE, LOUISIANA
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Financial
Statement of Net Position
As of December 31, 2020

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

Total Fund Balances of Governmental Funds (Statement C) \$ 125,894

Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the governmental funds:

Capital Assets-net of depreciation 211,376
Net Position of Governmental Activities (Statement A) \$ 337,270

The accompanying notes are an integral part of this statement.

STATEMENT E

VILLAGE OF ANGIE, LOUISIANA
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	Sales Tax Fund	Total Governmental Funds
Revenues			
Property taxes	\$ 6,960	\$ -	\$ 6,960
Sales tax	55,150	54,961	110,111
Occupational license	27,007	-	27,007
Fines	21,502	-	21,502
Franchise taxes	14,067	-	14,067
Landfill refund	5,200	-	5,200
Grants	-	-	-
Interest earned	-	1,295	1,295
Donations	675	-	675
On-behalf payments supplemental pay	4,500	-	4,500
Other	1,573	-	1,573
Total Revenues	<u>136,634</u>	<u>56,256</u>	<u>192,890</u>
Expenditures			
General government	120,144	18,652	138,796
Public safety	61,071	-	61,071
Public works	-	-	-
Capital outlay	-	1,395	1,395
Total expenditures	<u>181,215</u>	<u>20,047</u>	<u>201,262</u>
Excess of revenues over (under) expenditures	<u>(44,581)</u>	<u>36,209</u>	<u>(8,372)</u>
Other financing sources (uses)			
Operating transfer-in	19,488	-	19,488
Operating transfer-out	-	(18,350)	(18,350)
Total other financing sources (uses)	<u>19,488</u>	<u>(18,350)</u>	<u>1,138</u>
Net change in fund balances	(25,093)	17,859	(7,234)
Fund balances at beginning of the year	17,937	115,191	133,128
Fund balances at end of year	<u>\$ (7,156)</u>	<u>\$ 133,050</u>	<u>\$ 125,894</u>

The accompanying notes are an integral part of this statement.

STATEMENT F

VILLAGE OF ANGIE, LOUISIANA
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
 Funds to the Statement of Activities
 For the Year Ended December 31, 2020

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

Net Change in Fund Balances, Total Governmental Funds (Statement E)		\$ (7,234)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:</p>		
Capital outlay	11,395	
Depreciation Expense	<u>(6,843)</u>	<u>4,552</u>
Change in Net Position of Governmental Activities (Statement B)		<u><u>\$ (2,682)</u></u>

The accompanying notes are an integral part of this statement.

STATEMENT G

VILLAGE OF ANGIE, LOUISIANA
STATEMENT OF NET POSITION
Proprietary Fund
As of December 31, 2020

	<u>Enterprise Fund</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 36,487
Investments	25,000
Accounts receivable, net:	
Utilities	2,061
Prepaid expenses	-
Due from other funds	42,593
Total Current Assets	<u>106,141</u>
Property, Plant, and Equipment	
Land	-
Property, Plant, and Equipment, Net	<u>138,583</u>
Total Property, Plant, and Equipment	<u>138,583</u>
Total Assets	<u>244,724</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	3,275
Payroll Taxes Payable	-
Due to other funds	4,412
Total Liabilities	<u>7,687</u>
Net Position	
Investment in capital assets	138,583
Unrestricted	<u>98,454</u>
Total Net Position	<u>\$ 237,037</u>

The accompanying notes are an integral part of this statement.

STATEMENT H

VILLAGE OF ANGIE, LOUISIANA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2020

	Enterprise Fund
Operating revenues	
Charges and fees	
Water Sales	\$ 40,705
Sanitation Billings	19,157
Other Revenues	79
Total operating revenues	59,941
Operating expenses	
Sanitation	16,943
Wages	8,249
Payroll tax	631
Bad Debt	3,574
Fees	2,072
Dues and Subscriptions	300
Repairs and maintenance	3,705
Supplies	10,018
Training	80
Utilities	5,882
Depreciation	16,559
Total operating expenses	68,013
Operating income (loss)	(8,072)
Nonoperating revenue	
Grant revenues	12,350
Interest revenues	302
Total nonoperating revenues	12,652
Income Before Transfers	4,580
Transfer In (Out)	(1,138)
Change in net position	3,442
Total net position beginning of year	233,595
Total net position at end of year	\$ 237,037

The accompanying notes are an integral part of this statement.

STATEMENT I

VILLAGE OF ANGIE, LOUISIANA
Statement of Cash Flows - Proprietary Fund
For Year Ended December 31, 2020

	Enterprise Fund
Cash Flows From Operating Activities	
Cash received from customers	\$ 62,140
Received from interfund services	6,581
Miscellaneous	79
Payments for employees	(8,880)
Payments for operation	(42,506)
Net cash provided by operating activities	<u>17,414</u>
Cash Flows From Noncapital Financing Activities	
Transfers from (to) other funds	(1,138)
Net cash provided (used) by noncapital financing activities	<u>(1,138)</u>
Cash Flows From Capital and Related Financing Activities	
Capital Grants Received	12,350
Payments for capital acquisitions	(12,350)
Net cash provided by capital and related financing activities	<u>-</u>
Cash Flows From Investing Activities	
Receipts of interest	302
Net cash provided by investing activities	<u>302</u>
Net increase/(decrease) in cash and cash equivalents	<u>16,578</u>
Cash and cash equivalents at beginning of the year	<u>19,909</u>
Cash and cash equivalents at end of the year	<u><u>\$ 36,487</u></u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position	
Cash and Cash Equivalents, Unrestricted	\$ 36,487
Cash and Cash Equivalents, Restricted	-
Total Cash and Cash Equivalents	<u><u>\$ 36,487</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating income (loss)	\$ (8,072)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation expense	16,559
Decrease (increase) in accounts receivable	2,278
Decrease (increase) in due from other funds	2,168
Decrease (increase) in prepaid expenses	200
Increase (decrease) in accounts payable	(131)
Increase (decrease) in due to other funds	4,412
Total adjustments	<u>25,486</u>
Net cash provided by operating activities	<u><u>\$ 17,414</u></u>

The accompanying notes are an integral part of this statement.

Basic Financial Statements

Notes to the Financial Statements

**VILLAGE OF ANGIE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Introduction

The Village of Angie, Louisiana, was incorporated on March 28, 1906, under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Alderman form of government. The governing body of the Village of Angie is elected by the registered voters living in the village. Elected officials include the mayor, three aldermen, and a police chief. These positions are compensated. All funds of the village shall be administered by the Mayor and Board of Aldermen. Angie is located approximately two miles south of the Mississippi state line. The Village is approximately 51 acres in size and services a population of approximately 249. The Village employs one part-time office clerk, two part-time maintenance workers, and four part-time police officers. The Village operates a water and sanitation department that serves approximately 128 customers.

1. Summary of Significant Accounting Policies

A. Reporting Entity

As the municipal governing authority, for reporting purposes, the Village of Angie 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 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 (GASB) Statement No. 14 establishes criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Village of Angie is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. There are no other component units which the Village of Angie has an oversight relationship.

B. Government-Wide and Fund Financial Statements

These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. Statement No. 34 established standards for financial reporting, with presentation requirements originally including a statement of net assets (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are amended by GASB Statements included in the following paragraphs. The Village has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, that require capital contributions to the Village to be presented as a change in net position.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The Village has also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the governmental activities of the Village of Angie. The effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of governmental and proprietary fund financial statements is on “Major” funds. Funds statements present in separate columns the General Fund, followed by Major Funds, with Non-Major Funds aggregated and displayed in a separate column. The proprietary fund is reported separately.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village of Angie reports the following major governmental funds:

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

The *Special Revenue Fund* accounts for the proceeds of sales tax revenues that is legally restricted to expenditures for specified purposes.

The Village of Angie reports the following major proprietary fund:

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

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

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

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

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

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

D. Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of 90 days or less. State law and the Village's investment policy allow the Village to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments for the Village are reported at fair value, except nonparticipating investment contracts which are reported at cost. The state investment pool, LAMP, operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to" or "due from" other funds (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

Property taxes are levied on January 1 and become due on December 1, of each year. They become delinquent after December 31, and in June of each year the Village has a tax sale of property on which taxes have not been paid. For the year ended December 31, 2020, taxes of 5.58 mills were levied and authorized for general governmental purposes, on property with taxable assessed valuations totaling \$1,268,810. This tax does not expire per the Louisiana Constitution. Levied taxes totaled \$7,080 for the year ended December 31, 2020.

F. Inventories and Prepaid Items

Purchase of various operating supplies are considered expenditures at the time purchased and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Restricted Assets

Certain proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes are classified as restricted assets because their use is limited to specified expenditures.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items,) are reported, in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost, or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The municipality maintains a threshold level of \$500 or more for capitalizing capital assets.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated in the government-wide financial statements using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings & Improvements	20 - 40 Years
Machinery and Equipment	5 - 10 Years
Infrastructure	20 - 40 Years
Water System	10 - 20 Years
Other Depreciable Property	20 - 40 Years

I. Compensated Absences

The Village only employs part-time employees and does not have a formal leave policy.

J. Sales Taxes

Proceeds of the 1% sales and use tax levied by the Village are dedicated to constructing and improving public roads, streets, bridges and crossings, and the extension and maintenance of sewerage and water works and other works of permanent public improvement in the Village of Angie. The proceeds are allocated equally between the general and sales tax funds. The tax has no expiration date.

K. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the

effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Net Position and Fund Balance

In the government-wide financial statements, net position is classified in the following categories:

- **Net Investment in capital assets** – The net investment in capital assets component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or indebtedness attributable to acquisition, construction, or improvement of those assets. If there are significant unspent proceeds at year-end, the portion of the debt attributable to unspent proceeds is not included in the calculation of invested in capital assets. Rather, that portion of the debt is included in the same net asset calculation as unspent proceeds. The Village does not have any capital related debt, and as such, this component is, “Investment in Capital Assets” in the current year.
- **Restricted** – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- **Unrestricted** – The unrestricted component of net position is the net amounts of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the fund financial statements, governmental fund equity is classified as fund balance. The Village adopted GASB 54 for the year ended December 31, 2014. Governmental funds are classified as follows:

- **Nonspendable** -These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** -These are amounts that can be spent only for specific purpose because of constitutional provisions, enabling legislation, or externally imposed constraints by creditors, grantor, contributors or the laws or regulations of other governments.
- **Committed** -These are amounts that can be used for specific purpose determined by a formal decision by the Board Members, which are the highest level of decision-making authority for the Village.

- **Assigned** -These are amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purpose.
- **Unassigned** -These are all other spendable amounts.

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

When restricted, committed, assigned, or unassigned fund balances are available for use, the Village considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds as needed, unless it has been provided for otherwise in the restriction, commitment, or assignment action.

M. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Village, which are either unusual in nature or infrequent in occurrence.

N. Estimates

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

O. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities is presented in Statement F of the basic financial statements.

2. Stewardship, Compliance, and Accountability

The Village of Angie uses the following budget practices.

- a) The proposed budget for December 31, 2020, prepared on modified accrual basis of accounting, was adopted at the Village’s December 2019 meeting.
- b) All expenditure appropriations lapse at year end.
- c) Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balances.
- d) The budget was amended at the Village’s special meeting held in December 2020.

General fund expenditures were over the 5% threshold required by the Local Government Budget Act.

3. Cash and Cash Equivalents

The following is a summary of cash and cash equivalents (book balances) at December 31, 2020:

Cash and Cash Equivalents	
Demand Deposit	<u>\$ 96,477</u>
Investments	
Time Deposits	95,042
Louisiana Assets Management Pool	<u>30,535</u>
Total Investments	<u>125,577</u>
Total Cash and Cash Equivalents	<u><u>\$ 222,054</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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.

Custodial credit risk as it related to cash deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. At December 31, 2020, the municipality has \$197,363 in deposits (collected bank balances), consisting of \$102,321 in demand deposits and \$95,042 in certificates of deposits. These deposits are secured from risk by \$250,000 of federal deposit insurance (GASB Category 3).

4. Investments

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the municipality or its agent in the Village's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Village's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Village's name.

At December 31, 2020, the Village's investment balances consisted of \$95,042 of certificates of deposit held at Citizen Savings Bank and \$30,535 in deposits in LAMP.

The Village's investments are carried at fair value, except nonparticipating investment contracts, which are reported at cost.

Interest Rate Risk: The Village does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

Interest and investment earnings are recorded only if paid within 60 days since they would be considered both measurable and available.

The investment in the Louisiana Asset Management Pool (LAMP), an external investment pool, is stated at the value of the pool shares, which is the same as the fair value. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-RS 33:2955.

GASB 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, Custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7 – like investment pool. The following facts are relevant for 2a7 like investment pools:

- Credit risk: LAMP is rate AAAM by Standard and Poor's
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirements.
- Interest rate risk: LAMP is designed to be highly liquid to give participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for US Government floating/variable rate investments. The WAM for LAMP's total investments is 47 days (from LAMP's monthly Portfolio Holding) as of December 31, 2020.
- Foreign currency risk: Not applicable to 2a7-like pools.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, please feel free to contact LAMP administrative offices at 800-249-5267.

5. Receivables

Receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based on historical trends and the period aging and write-off of accounts receivable. Major receivables balances for the governmental activities include sales taxes and ad valorem taxes. Business-type activities report utilities earnings unpaid at December 31, 2020.

The following is a summary of receivables at December 31, 2020:

Class of Receivables	General Fund	Sales Tax Fund	Enterprise Fund	Total
Ad valorem taxes	\$ 4,467	\$ -	\$ -	\$ 4,467
Due from Parish Government	6,300	-	-	6,300
Sales Tax	5,416	5,416	-	10,832
Franchise Tax	4,173	-	-	4,173
Other Receivables	840	-	-	840
Utility Receivables	-	-	2,061	2,061
Total Receivables	\$ 21,196	\$ 5,416	\$ 2,061	\$ 28,673

6. Inter-fund Receivables and Payables

The following is a detailed list of inter-fund balances reported in the fund financial statements:

Interfund Balances	Due From Other Funds	Due To Other Funds
General Fund		
Sales Tax Fund	\$ -	\$ 22,825
Enterprise Fund	-	7,815
Total General Fund	-	30,640
Special Revenue Fund		
Sales Tax Fund		
General Fund	22,825	-
Enterprise Fund	4,412	34,779
Total Sales Tax Fund	27,237	34,779
Total Special Revenue Fund	27,237	34,779
Enterprise Fund		
General Fund	7,815	-
Sales Tax Fund	34,779	4,412
Total Enterprise Fund	42,594	4,412
Total Interfund Balances	\$ 124,305	\$ 170,029

The reasons for the interfund receivables/payables balances are payment of certain expenditures for other funds and deposits into one fund pertaining to other funds.

7. Accounts Payables and Other Accrued Liabilities

The governmental funds payables at December 31, 2020 are as follows:

Governmental Funds Payable	General Fund	Special Revenue Funds	Total Governmental Funds
Accounts	\$ 24,865	\$ 602	\$ 25,467
Payroll Taxes	3,552	-	3,552
Total	<u>\$ 28,417</u>	<u>\$ 602</u>	<u>\$ 29,019</u>

The enterprise fund payables at December 31, 2020 are as follows:

Enterprise Fund Payable	Water	Sanitation	Total Enterprise Fund
Accounts	\$ 460	\$ 2,815	\$ 3,275
Other	-	-	-
Total	<u>\$ -</u>	<u>\$ 2,815</u>	<u>\$ 3,275</u>

8. Capital Assets

The following is a summary of changes in capital assets for governmental activities for the year ended December 31, 2020:

Governmental Activities Capital Assets	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 20,500	\$ 10,000	\$ -	\$ 30,500
Construction in Progress	-	-	-	-
Total Capital Assets not Being Depreciated	<u>20,500</u>	<u>10,000</u>	<u>-</u>	<u>30,500</u>
Capital Assets Being Depreciated				
Building and Improvements	181,048	1,395	-	182,443
Other Depreciable Property	17,000	-	-	17,000
Machinery And Equipment	169,595	-	-	169,595
Total Capital Assets Being Depreciated	<u>367,643</u>	<u>1,395</u>	<u>-</u>	<u>369,038</u>
Less Accumulated Depreciation				
Building	(19,129)	(4,422)	-	(23,551)
Other Depreciable Property	(1,771)	(850)	-	(2,621)
Machinery And Equipment	(160,419)	(1,571)	-	(161,990)
Total Accumulated Depreciation	<u>(181,319)</u>	<u>(6,843)</u>	<u>-</u>	<u>(188,162)</u>
Total Capital Assets Being Depreciated, Net	<u>186,324</u>	<u>(5,448)</u>	<u>-</u>	<u>180,876</u>
Governmental Activities Capital Assets, net	<u>\$ 206,824</u>	<u>\$ 4,552</u>	<u>\$ -</u>	<u>\$ 211,376</u>

On June 5, 2020, four lots (numbered 191, 192, 205, and 206) within the Village were donated to the Village. The estimated value of the contribution is \$10,000. The Village also purchased a portable building for \$1,395.

Depreciation was charged to governmental functions as follows:

General Government	\$ 6,843
Public Safety	-
Total	<u>\$ 6,843</u>

The following is a summary of changes in capital assets for business activities for the year ended December 31, 2020:

<u>Business-Type Activities Capital Assets</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Being Depreciated				
Equipment	\$ 23,644	\$ -	\$ -	\$ 23,644
Water Utility System	393,341	12,350	-	405,691
Total Capital Assets Being Depreciated	<u>416,985</u>	<u>12,350</u>	<u>-</u>	<u>429,335</u>
Less Accumulated Depreciation				
Equipment	(18,737)	(1,400)	-	(20,137)
Water Utility System	(255,456)	(15,159)	-	(270,615)
Total Accumulated Depreciation	<u>(274,193)</u>	<u>(16,559)</u>	<u>-</u>	<u>(290,752)</u>
Capital Assets, net	<u>\$ 142,792</u>	<u>\$ (4,209)</u>	<u>\$ -</u>	<u>\$ 138,583</u>

Depreciation expense for the enterprise fund was \$16,559. The Village bore a water line for \$12,350. The water line bore was paid with a grant for \$12,350. The Village did not sell or dispose of any capital assets for the year ended December 31, 2020.

9. Interfund Transfers

Interfund transfers were as follows for the year ended December 31, 2020:

	General Fund	Sales Tax Fund	Enterprise Fund	Total
<u>Transfer In</u>				
General Fund	\$ -	\$ -	\$ -	\$ -
Sales Tax Fund	6,000	-	12,350	18,350
Enterprise Fund	13,488	-	-	13,488
TOTAL	<u>\$ 19,488</u>	<u>\$ -</u>	<u>\$ 12,350</u>	<u>\$ 31,838</u>
<u>Transfer Out</u>				
General Fund	\$ -	\$ (6,000)	\$(13,488)	\$(19,488)
Sales Tax Fund	-	-	-	-
Enterprise Fund	-	(12,350)	-	(12,350)
TOTAL	<u>\$ -</u>	<u>\$(18,350)</u>	<u>\$(13,488)</u>	<u>\$(31,838)</u>

The reason for the interfund transfers was to provide for budgeted expenditures of the General Fund and expenses of the Enterprise Fund.

10. Grants

The Village received \$12,350 in Community Water Enrichment Fund (CWEF) proceeds. The funds were used to reimburse for the loop of the water system by boring under the state highway and railroad. The project was completed in 2020.

11. Leases

The Village had no capital or operating leases during the year ended December 31, 2020.

12. Litigation and Claims

As of December 31, 2020, the Village was not involved in any outstanding litigations or claims.

13. Related Party Transactions

There were no related party transactions requiring disclosure in the financial statements.

14. On-behalf Payments by the State of Louisiana

For the fiscal year ended December 31, 2020, the State of Louisiana made on behalf payments in the form of supplemental pay to the Village's policemen. In accordance with GASB 24, the Village recorded \$4,500 of on behalf payments as revenue and as an expenditure in the General Fund.

15. Fund Balance and Net Position

At December 31, 2020, the General Fund had a nonspendable fund balance of \$5,915, representing the prepaid insurance value at year end. The General Fund had restricted fund balance and Governmental Activities had restricted net position of \$22,151, representing amounts restricted by contributions for cemetery expenditures. The deficit unassigned fund balance of (\$35,222) is primarily due to the amount "Due to other funds" and represents excess expenditures incurred over the amounts that are restricted, committed, or assigned.

At December 31, 2020, the Sales Tax Fund had an assigned fund balance of \$133,050, representing amounts assigned in accordance with the local sales tax ordinances.

16. COVID 19

In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic, and this pandemic has resulted in federal, state, and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders, and quarantining of people that may have been exposed to the virus.

COVID-19 and actions taken to mitigate it have and are expected to continue to have adverse effects on the economy. As the COVID-19 pandemic is complex and rapidly evolving, we cannot reasonably estimate the duration or severity of this pandemic nor its full impact on the entity, its financial position, change in financial position, or cash flows.

17. Subsequent Events

Subsequent events have been evaluated by management through January 14, 2022, the date the financial statements were available for issuance. There were no events requiring recording or disclosure in the financial statements for the fiscal year ending December 31, 2020.

Required Supplementary Information

(Part II)

VILLAGE OF ANGIE, LOUISIANA
ALL GOVERNMENTAL FUND TYPES
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2020

43

	General Fund				Sales Tax Fund			
	Original Budget	Amended Final Budget	Actual	Variance	Original Budget	Amended Final Budget	Actual	Variance
Revenues								
Property taxes	\$ 600	\$ 6,400	\$ 6,960	\$ 560	\$ -	\$ -	\$ -	\$ -
Sales tax	50,000	50,000	55,150	5,150	50,000	55,000	54,961	(39)
Occupational licenses	34,000	27,000	27,007	7	-	-	-	-
Fines	27,000	18,550	21,502	2,952	-	-	-	-
Franchise taxes	13,000	14,500	14,067	(433)	-	-	-	-
Landfill refund	7,400	6,300	5,200	(1,100)	-	-	-	-
Grant revenue	-	12,350	-	(12,350)	-	-	-	-
Donations			675	675	-	-	-	-
On-behalf payments supplemental pay			4,500	4,500	-	-	-	-
Interest earned	-	-	-	-	1,100	1,100	1,295	195
Other	1,840	2,075	1,573	(502)	-	-	-	-
Total Revenues	<u>133,840</u>	<u>137,175</u>	<u>136,634</u>	<u>(541)</u>	<u>51,100</u>	<u>56,100</u>	<u>56,256</u>	<u>156</u>
EXPENDITURES:								
General government	95,530	112,445	120,144	(7,699)	-	23,400	18,652	4,748
Public safety	62,500	55,293	61,071	(5,778)	27,000	-	-	-
Capital outlays	-	-	-	-	20,000	1,395	1,395	-
Total expenditures	<u>158,030</u>	<u>167,738</u>	<u>181,215</u>	<u>(13,477)</u>	<u>47,000</u>	<u>24,795</u>	<u>20,047</u>	<u>4,748</u>
Excess revenues over (under) expenditures	<u>(24,190)</u>	<u>(30,563)</u>	<u>(44,581)</u>	<u>(14,018)</u>	<u>4,100</u>	<u>31,305</u>	<u>36,209</u>	<u>4,904</u>
Other financing sources (uses)								
Transfer in	45,000	19,488	19,488	-	-	-	-	-
Transfer out	-	-	-	-	(20,000)	(18,350)	(18,350)	-
Total other financing sources (uses)	<u>45,000</u>	<u>19,488</u>	<u>19,488</u>	<u>-</u>	<u>(20,000)</u>	<u>(18,350)</u>	<u>(18,350)</u>	<u>-</u>
Net change in fund balances	20,810	(11,075)	(25,093)	(14,018)	(15,900)	12,955	17,859	4,904
Fund balances at beginning of year	(32,440)	(6,365)	17,937	24,302	120,057	115,191	115,191	
Fund balances at end of year	<u>\$ (11,630)</u>	<u>\$ (17,440)</u>	<u>\$ (7,156)</u>	<u>\$ 10,284</u>	<u>\$ 104,157</u>	<u>\$ 128,146</u>	<u>\$ 133,050</u>	<u>\$ 4,904</u>

See independent accountant's review report.

Other Supplementary Information

VILLAGE OF ANGIE, LOUISIANA
 Schedule of Revenues, Expenses and Changes in
 Net Position- Budget and Actual - Proprietary Fund
 For Year Ended December 31, 2020

	Original Budget	Amended Final Budget	Actual	Variance
Operating revenues				
Charges and fees	\$ 52,000	\$ 58,000	\$ 59,862	\$ 1,862
Other revenues	-	-	79	79
Total Operating revenues	<u>52,000</u>	<u>58,000</u>	<u>59,941</u>	<u>1,941</u>
Operating expenses				
Sanitation	19,000	18,000	16,943	1,057
Wages	-	-	8,249	(8,249)
Payroll tax	-	-	631	(631)
Bad Debt	-	1,500	3,574	(2,074)
Fees	13,000	2,400	2,072	328
Sales tax	400	-	-	-
Dues and subscriptions	-	300	300	-
Repairs	7,000	5,500	156	5,344
Maintenance	2,100	3,200	3,549	(349)
Supplies	8,000	11,000	10,018	982
Training	-	120	80	40
Utilities	6,000	5,800	5,882	(82)
Other	5	-	-	-
Depreciation	18,500	16,500	16,559	(59)
Total operating expenses	<u>74,005</u>	<u>64,320</u>	<u>68,013</u>	<u>(3,693)</u>
Operating income (loss)	<u>(22,005)</u>	<u>(6,320)</u>	<u>(8,072)</u>	<u>(1,752)</u>
Non operating revenue (expenses)				
Grant revenues	-	-	12,350	12,350
Interest earned	390	310	302	(8)
Total non operating revenues (expenses)	<u>390</u>	<u>310</u>	<u>12,652</u>	<u>12,342</u>
Income (Loss) Before Transfers	(21,615)	(6,010)	4,580	10,590
Transfer In (Out)	<u>(25,000)</u>	<u>(1,138)</u>	<u>(1,138)</u>	<u>-</u>
Change in net position	(46,615)	(7,148)	3,442	10,590
Total net position at beginning of year	<u>206,261</u>	<u>233,596</u>	<u>233,595</u>	<u>(1)</u>
Total net position at end of year	<u>\$ 159,646</u>	<u>\$ 226,448</u>	<u>\$ 237,037</u>	<u>\$ 10,589</u>

See independent accountant's review report.

VILLAGE OF ANGIE, LOUISIANA
ALL GOVERNMENTAL FUND TYPES
SCHEDULE OF EXPENDITURES
For the Year Ended December 31, 2020

	General Fund	Sales Tax Fund	Total
Salaries-Mayor & Alderman	\$ 19,200	\$ -	\$ 19,200
Salaries- Clerical	18,346	-	18,346
Salaries-Other	6,243	-	6,243
Payroll Tax	3,408	-	3,408
Professional Service	27,050	-	27,050
Legal	210	-	210
Advertising	1,451	-	1,451
Office Supplies	7,564	95	7,659
Dues	1,006	-	1,006
Insurance	20,058	-	20,058
Postage	1,029	-	1,029
Travel	1,128	-	1,128
Repairs & Maintenance	1,667	8,784	10,451
Telephone	7,268	-	7,268
Utilities	920	7,773	8,693
Other	3,596	2,000	5,596
General government	<u>120,144</u>	<u>18,652</u>	<u>138,796</u>
Salaries- Police	46,866	-	46,866
Payroll Tax	3,585	-	3,585
Supplies	2,008	-	2,008
Training	150	-	150
Uniforms	30	-	30
Repairs	7,047	-	7,047
Patrol Car Expense	1,196	-	1,196
Other	189	-	189
Public Safety	<u>61,071</u>	<u>-</u>	<u>61,071</u>
Capital Outlay	<u>-</u>	<u>1,395</u>	<u>1,395</u>
Total Expenditures	<u>\$ 181,215</u>	<u>\$ 20,047</u>	<u>\$ 201,262</u>

See independent accountant's review report.

VILLAGE OF ANGIE, LOUISIANA

Schedule of Compensation Paid to Board Members
For the Year Ended December 31, 2020

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The Board of Aldermen of the Village consists of three members elected by the registered voters of the Village.

<u>Name and Title / Contact Number</u>	<u>Address</u>	<u>Compensation</u>
Gilbert Ball, Alderman (985) 986-2444	P.O. Box 152 Angie, LA 70426	\$ 2,400
Darryl Knight, Alderman (985) 986-2444	30308 Military Road Angie, LA 70426	2,400
Roxie Fornea, Alderman (985) 986-2444	30082 East Street Angie, LA 70426	2,400
Total		<u>\$ 7,200</u>

See independent accountant's review report.

VILLAGE OF ANGIE, LOUISIANA

Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head

For the Year Ended December 31, 2020

Agency Head Name: John Dawsey, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 12,000
FICA	918
Travel	1,005
Special Meals	103
Total	<u>\$ 14,026</u>

See independent accountant's review report.

VILLAGE OF ANGIE

Schedule 6

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Cash Basis Presentation	First Six Month Period Ended 06/30/2020	Second Six Month Period Ended 12/31/2020
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ -	\$ 485
Add: Collections		
Criminal Fines - Other	9,183	12,319
Subtotal Collections	<u>9,183</u>	<u>12,319</u>
Less: Disbursements To Governments & Nonprofits:	-	-
Less: Amounts Retained by Collecting Agency		
Self Disbursed Village of Angie-Criminal Fines - Other	8,698	11,797
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies	-	-
Subtotal Disbursements/Retainage	<u>8,698</u>	<u>11,797</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 485</u>	<u>\$ 1,007</u>
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	-	-
Total Waivers During the Fiscal Period	-	-

**Schedule of Current Year Findings and Responses
for the Year Ended December 31, 2020**

Section I Financial Statement Findings

Finding Number: 2020-C1 Local Government Budget Act (Noncompliance)

Criteria: LRS 39:1305 requires a comprehensive budget be prepared for each fiscal year for the general fund and each special revenue fund by the chief executive or administrative officer or equivalent. The budget document must include a budget message and a statement. The budget must include a budget message signed by the budget preparer which should include a summary description of the proposed financial plan, policies, and objective, assumptions, budgetary basis, and a discussion of the most important features. Total proposed expenditures must not exceed the estimated funds available for the budget year. LRS 39:1310 requires amending the budget when the governing authority has received written notification pursuant to R.S. 39:1311 (when total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more; when total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more; or when actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures), or there has been a change in operations upon which the original budget was adopted. In relation to budget amendments, it is noted that it is the opinion of the Legislative Auditor that, when viewing the requirements of the Local Government Budget Act as a whole and the role of budget amendments within the budgeting process of political subdivisions, a budget amendment is required whenever there is a 5% variance in revenue or expenditures, even in those circumstances when the proposed revenue and expenditures in the general fund or special revenue fund are under \$500,000. Only the written notification requirements are exempted in cases of special revenue and general funds with anticipated expenditures of less than \$500,000.

Condition: In December 2019, the Village adopted a budget for the year ending December 2020 for the General Fund, Sales Tax Fund, Cemetery Fund, and Utility Fund. The adopted budgets did not include a budget message. Also, the Cemetery Fund is not reported as a separate fund, but is included in the General Fund. Additionally, the General Fund total actual expenditures and other uses exceeded the total budgeted expenditures and other uses by five percent or more. Finally, the final General Fund budget appears to include expenditures that exceed estimated funds available for the year.

Cause: The Village prepared a comprehensive budget for the General Fund and Special Revenue Fund, but failed to include a budget message. Also, the final 2020 adopted budget for the General Fund did not include the police vehicle repair. Had the General Fund included the vehicle repair, the Village would have been in compliance with the budget act as it relates to actual expenditures being within 5% variance of the proposed expenditures. Finally, the Village did not accurately update beginning fund balance in the budget of the general fund to show budgeted expenditures were not above funds available.

Effect: Apparent noncompliance with the above referenced statutes. The Village failed to accurately update beginning fund balance in the final budget of General Fund to show budgeted expenditures were not above funds available. Finally, the final budget for the General Fund included expenditures that exceeded the estimated funds available (expenditures exceeded budgeted revenues and other sources plus budgeted fund balance). However actual beginning fund balance was higher and adequate to cover the budgeted expenditures in excess of budgeted revenues.

Recommendation: The Village should prepare, submit and approve a comprehensive budget in accordance with the referenced statutes, including the budget message. The Village should monitor the budget and also ensure that the budget is amended in accordance with the referenced statutes and line items are properly stated. A review of the final fund accounting to the final budget to ensure proper reporting should be done.

Management's Response: In the future, the Village will comply with all the requirements of the Local Budget Act.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2020-C2 Traffic Citations (Noncompliance)

Criteria: LRS 32:393C requires that full reports be kept of every case in which a person is charged with a traffic violation and that an abstract of the report for all (paid and unpaid) traffic violations, except parking violations or those based solely on evidence from traffic camera, be sent to the Department of Safety and Corrections not later than 30 days (10 days electronically for individual holding commercial license or permit) after the date of the person's conviction and sentencing or the final disposition of the case. Additionally, LRS 32:398.2 outlines the specifics for legal disposition of traffic citations.

Condition: During the Village's 2019 audit the following issues were identified and continued through 2020:

- Instances of payment amounts lower than the fine amount per the docket without documentation of the reduction.
- Records of issued citations have not been reported to the Department of Safety and Corrections.

Cause: The Village did not issue, process, or dispose of traffic citations and did not enforce procedures outlined in the above referenced statutes. The Village lacks written policies and procedures as discussed in Finding 2020-I4 and as such lacks a complete standardized process for adhering to the above referenced statutes.

Effect: Apparent noncompliance with the above referenced statutes.

Recommendation: The Village's Chief of Police and Mayor should develop written procedures for traffic citations in accordance with state statutes and monitor compliance with these procedures. The Village should review resources on the Louisiana Legislative Auditor's website concerning Traffic Citations and contact the Louisiana Municipal Association for additional guidance.

Management's Response: The Village's officials met with legal counsel and reviewed the Louisiana Revised Statutes and best practices for traffic tickets from the Louisiana Legislative Auditor and developed necessary policies and procedures to become compliant. Resolved in 2021.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2020-C3 Uncollected Ad Valorem Taxes (Noncompliance)

Criteria: Records of ad valorem taxes, collections and delinquencies are to be maintained and delinquent taxes followed up on through tax sale in accordance with LRS33:421, 434 and 47:2154. Additionally, Article VII, Section 14(A) of the Louisiana Constitution states that, "Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private..."

Condition: During the Village's 2019 audit the following issues were identified and continued through 2020: It appears that the Village is not properly tracking and following up on billing and collections. The Village lacks a complete standardized process for ad valorem tax collections. The Village adjusts ad valorem receivable to the total amount remaining uncollected for the current year. However, the Village lacks adequate procedures and controls to identify past due amounts. As such, the Village is unable to follow up on unpaid property taxes for collection or properly conduct a tax sale.

Cause: The Village lacks written policies and procedures as noted within Finding 2020-I4 and lacks a complete standardized process for ad valorem tax collections. Additionally, the lack of properly designed and operating internal controls over ad valorem tax collections also resulted from a lack of segregation of duties due to the small entity size as discussed in Finding 2020-I2. Finally, it appears that the immateriality of many of the assessments and a lack of complete understanding of the ad valorem tax system have also caused the lack of follow up on collections.

Effect: Apparent noncompliance with the above referenced statutes and the above referenced section of the Louisiana Constitution.

Recommendation: The Village should develop written policies and procedures for the tracking and collection of unpaid ad valorem taxes.

Management's Response: We contacted the Louisiana Municipal Association and approved proposals for the new ad valorem tax system. Resolved in 2021.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2020-I1 Inadequate Segregation of Duties (Significant Deficiency)

Criteria: Proper segregation of incompatible duties requires that there be different individuals responsible for authorizing transactions, recording transactions and maintaining custody of related assets.

Condition: During the Village's 2019 audit the following issues were identified and continued through 2020: Village of Angie has only seven employees, all of which are part-time. Within those seven part-time employees, only one is considered an administration employee, the Village clerk. Consequently, most duties throughout the financial reporting process, which are considered incompatible, are being performed by the same individual. The Village engages an outside CPA to assist with monthly financial and budgetary reporting.

Cause: Due to the size and nature of the Village, there are few administrative employees and as such, leads to inadequate segregation of duties.

Effect: Inadequate segregation of duties exposes the Village to several risks, including, but not limited to misappropriation of assets and inaccurate or fraudulent financial reporting as well as noncompliance with laws and regulations.

Recommendation: The Village should continue to explore ways to segregate incompatible duties possibly through the use of other personnel or staff, Board members, and use of the Village's outside CPA, as appropriate.

Management's Response: While we have taken steps to mitigate the risks arising from incompatible duties, we will continue to explore additional avenues for segregating duties.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2020-I2 Credit Cards (Material Weakness)

Criteria: A properly designed and implemented internal control system provides, among other things, reasonable assurance that the financial data is accurate and complete and the entity's assets are safeguarded. When approving and processing payments of credit cards, supporting documentation should be attached (original receipt or invoice) with the statement. Documentation of each charge should include the business/public purpose.

Condition: During the Village's 2019 audit the following issues were identified and continued through 2020: The Village does not maintain receipts attached to the credit card statement. All expenditures are approved before purchased; however, the invoices/receipts/support are not matched to respective credit card statement and attached.

Cause: The Village lacks written policies and procedures as noted within Finding 2020-I4 and as such lacks a complete standardized process for credit card transactions.

Effect: Failure to design and operate effective internal controls over credit card transactions exposes the Village to several risks, including, but not limited to, misappropriation of assets and inaccurate or fraudulent financial reporting.

Recommendation: The Village should put in place written policies and procedures related to credit cards and how they are allowed to be controlled, used, documented, approved, and monitored. The Village should also review resources on the Louisiana Legislative Auditor's website to include, but not be limited to best practices over credit cards.

Management's Response: The Village put into place written policies and procedures in 2021. These policies and procedures will address the credit cards and how they are to be controlled, used, documented, approved and monitored.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2020-I3 Utility Fund Accounts Receivable, Billing and Customer Deposits (Material Weakness)

Criteria: A properly designed and implemented internal control system provides, among other things, reasonable assurance that the financial data is accurate and complete and the entity's assets are safeguarded. Effective operation of a utility billing system requires the design and operation of standardized procedures for input and reconciliation of transactions. Specifics of such include, but are not limited to the following: Accounts receivable balance in the general ledger should be reconciled monthly with the detailed accounts receivable customer listings from the utility billing system; and the utility customer deposit records in the billing system should be detailed and reflect the deposit the customer paid; records of payment should include the date paid, for what services, and the amount paid; and adjustments to utility billings should be proper, approved, and well documented.

Condition: During the Village's 2019 audit the following issues were identified and continued through 2020: The accounts receivable balance in the general ledger is not reconciled monthly with the detailed accounts receivable from the utility billing system. Additionally, there is not a complete listing of customer deposits in the Village's utility billing system. The Village does not have a complete and accurate customer liability report in its utility billing system. Finally, adjustments to customer billings or accounts are approved by the Mayor, but details of adjustments are often lacking.

Cause: The Village lacks written policies and procedures as noted within Finding 2020-I4 and Lacks a complete standardized process for utility billings transactions. Additionally, the lack of properly designed and operating internal controls over some aspects of utility billings transactions also resulted from a lack of segregation of duties due to the small entity size as discussed in Finding 2020-I2. Also, locating customer deposit information on a current utility customer requires looking up deposit information at the time the utility account was opened. And finally, it appears that an overall lack of complete understanding of the utility billings system has contributed to the condition noted above.

Effect: Failure to design and follow effective standardized procedures for operation of a utility billing system and failure to design and operate effective internal controls over the transactions related to the system exposes the Village to several risks, including, but not limited to, misappropriation of assets and inaccurate or fraudulent financial reporting.

Recommendation: The Village should implement written policies and procedures and must continue to seek help in better understanding the utility billing system software. The Village should ensure that its employees obtain a full understanding of the transactions surrounding utility billing and collections. Finally, these specific recommendations are made:

- All customer billing and account adjustments should be fully documented and approved and supporting documentation retained. Additionally, all customer billing and account adjustments must be entered into the utility billing system and an adjustments report should be run from the utility billing system for presentation to the Board and approval by the Board.
- Customer deposit listing should be compiled from supporting documentation as soon as possible and entered into the billing software. Once listing is complete and entered into the billing software, the utility billing system should then be used to record and continuously monitor the customer deposit listing.
- The Village should work with and provide its outside CPA the information and reports to help reconcile monthly the detailed accounts receivable with the detailed accounts receivable customer listing.

Management's Response: We have worked with our outside CPA to implement the recommendations and strengthen the controls of our utility billing system. Resolved in 2021.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2020-I4 Lack of Standardized Written Policies and Procedures (Material Weakness)

Criteria: A properly designed and implemented internal control system provides, among other things, reasonable assurance that the financial data is accurate and complete and the entity's assets are safeguarded. An internal control system includes processes that permeates an entity's activities. Embedded within these processes are controls consisting of policies that reflect what should be done to effect internal control and procedures that consist of actions that implement a policy. As such, properly designing policies that effect internal control and procedures to implement these policies is integral in design and implementation of an internal control system. Written policies and procedures allow for a tangible and accessible record of current approved policies and procedures to review and follow.

Condition: As noted in several current year findings the Village lacks written policies and procedures and as such a lack standardized processes throughout the entity's activities. This has contributed to and increased the pervasiveness of conditions identified as deficiencies in internal control as noted in Findings 2020-I2 and 2020-I3. Additionally, it has contributed to instances of noncompliance noted in Findings 2020-C2 and 2020-C3.

Cause: The Village has few employees, with only one being administrative and has lacked the time, ability, and know how to develop effective written policies and procedures. Such recommendations were made in the findings noted in the 2019 audit, but the timing of that audit did not allow for adequate follow up within the current fiscal year.

Effect: Failure to design effective standardized policies and procedures demonstrates a lack of a properly designed internal control system; and a lack of written policies and procedures further demonstrates the lack of a properly designed and implemented internal control system. This

for operation of a utility billing system and failure to design and operate effective internal controls over the transactions related to the system exposes the Village to several risks, including, but not limited to, misappropriation of assets and inaccurate or fraudulent financial reporting. Failure to design and operate an effective internal control system exposes the Village to several risks, including, but not limited to, misappropriation of assets and inaccurate or fraudulent financial reporting, as well as

contributes to increased potential of instances of noncompliance with provisions of laws, regulations, contracts or grant agreements.

Recommendation: The Village should put in place written policies and procedures related to credit cards and how they are allowed to be controlled, used, documented, approved, and monitored. The Village should also review resources on the Louisiana Legislative Auditor's website to include, but not be limited to best practices provided there.

Management's Response: During 2021, the Village put into place written policies and procedures recommended by the auditor in the 2019 audit. The Village will continue to develop written policies and procedures that affect internal control throughout the financial reporting process.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Village of Angie

Schedule 8

Schedule of Prior Year Findings and Responses for the Year Ended December 31, 2020

Finding Number: 2019-C1 Local Government Budget Act (noncompliance)

Criteria: LRS 39:1305 requires a comprehensive budget be prepared for each fiscal year for the general fund and each special revenue fund by the chief executive or administrative officer or equivalent. The budget document must include a budget message and a statement. The budget must include a budget message signed by the budget preparer which should include a summary description of the proposed financial plan, policies, and objective, assumptions, budgetary basis, and a discussion of the most important features. LRS 39:1310 requires amending the budget when the governing authority has received written notification pursuant to R.S. 39:1311 (when total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more; when total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more; or when actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures), or there has been a change in operations upon which the original budget was adopted. In relation to budget amendments, it is noted that it is the opinion of the Legislative Auditor that, when viewing the requirements of the Local Government Budget Act as a whole and the role of budget amendments within the budgeting process of political subdivisions, a budget amendment is required whenever there is a 5% variance in revenue or expenditures, even in those circumstances when the proposed revenue and expenditures in the general fund or special revenue fund are under \$500,000. Only the written notification requirements are exempted in cases of special revenue and general funds with anticipated expenditures of less than \$500,000.

Condition: In December 2018, the Village adopted a budget for the year ending December 2019 for the General Fund, Sales Tax Fund, Cemetery Fund, and Utility Fund. The adopted budgets are not in compliance with the required format and the Cemetery Fund is not reported as a separate fund. It is included in the General Fund as restricted cash. During 2019, the Village also received grant revenue and incurred related grant expenditures for street repairs. The Village amended their 2019 budget in June 2019 to account for the grant revenue and expenditures; however, the final 2019 amended budget for the General Fund adopted in December 2019, did not include the grant revenue and grant expenditures. The grant revenue and expenditures were included in a Capital Projects Fund, but were accounted for and reported in the General Fund as street repairs. The General Fund total actual expenditures and other uses plus projected expenditures and other uses exceeded the total budgeted expenditures and other uses by five percent or more.

Cause: The final 2019 adopted budget for the General Fund did not include the grant revenue and grant expenditures. The Village amended the budget to include a Capital Projects Fund and account for the grant revenue and grant expenditures. However, the grant revenue and grant expenditures were included and reported in the General Fund. Had the General Fund included the grant revenue and grant expenditures, the Village would have been in compliance with the budget act as it relates to actual expenditures being within 5% variance of the proposed expenditures.

Effect: Apparent noncompliance with the above referenced statutes.

Recommendation: The Village should prepare, submit and approve a comprehensive budget in accordance with the referenced statutes, including the budget message. The Village should monitor the budget and also ensure that the budget is amended in accordance with the referenced statutes and line items are properly stated. A review of the final fund accounting to the final budget to ensure proper reporting should be done.

Management's Response: In the future, the Village will comply with all the requirements of the Local Budget Act.

Current Year Status: Specific condition resolved. However current budget noncompliance noted in finding 2020-C1

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-C2 Traffic Citations (noncompliance)

Criteria: Louisiana Revised Statute 32:393C(1)(b) requires that records of all (paid and unpaid) traffic violations, except parking violations, be reported to the Department of Safety and Corrections not later than 30 days after the date of the person's conviction and sentencing or the final disposition of the case.

Condition: During the Village's 2019 audit the following issues were identified:

- Instances of payment amounts lower than the fine amount per the docket without documentation of the reduction.
- records of issued citations have not been reported to the Department of Safety and Corrections.

Cause: The Village did not have written policies and procedures on traffic citation issuance, processing and disposition and did not enforce procedures outlined in the above referenced statutes.

Effect: Noncompliance with the above referenced statutes.

Recommendation: The Village's Chief of Police and Mayor should develop written procedures for traffic citations in accordance with state statutes and monitor compliance with these procedures. The Village should review resources on the Louisiana Legislative Auditor's website concerning Traffic Citations and contact the Louisiana Municipal Association for additional guidance.

Management's Response: The Village's officials will meet with legal counsel and review the Louisiana Revised Statutes and best practices for traffic tickets from the Louisiana Legislative Auditor and develop necessary policies and procedures to become compliant.

Current Year Status: Repeated as current year finding 2020-C2.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-C3 On-Behalf Payments (noncompliance)

Criteria: Statement No. 24 of the Governmental Accounting Standards Board (GASB) addresses the accounting treatment of on-behalf payments for fringe benefits and salaries. On-behalf payments for fringe benefits and salaries are direct payments made by one entity (the paying entity) to a third-party recipient for the employees of another, legally separate entity (the employer entity). They include payments made by governmental entities on behalf of governmental entities. This statement requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

Condition: During the Village's 2019 audit, we found that the Police Chief's supplemental pay was not included in revenue or expenditures, nor was appropriate payroll taxes paid.

Cause: Administration and Police Chief were not aware of the financial and payroll tax reporting which is required by the Village for Supplemental Pay.

Effect: Inaccurate financial reporting

Recommendation: The Village shall include the supplemental pay in revenue and expenditures in the financial statements and annual budget. Also, the Village shall report in income and withhold the appropriate payroll taxes related to the supplemental pay.

Management's Response: We have corrected this as of May 2020 payroll and will continue as required.

Current Year Status: In May 2020, this was corrected retroactively to the beginning of 2020. Resolved.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-C4 Uncollected Ad Valorem Taxes (noncompliance)

Criteria: Effective Village operations and an effective internal control system require the design and operation of standardized procedures for optimization and collection of major revenue sources and assurance that related financial data is accurate and complete and the Village's assets are safeguarded.

Condition: The Village lacks written policies and procedures and a complete standardized process for ad valorem tax collections. The Village lacks adequate procedures and controls to identify past due amounts and properly conduct a tax sale. The Village adjusts ad valorem receivable to amount remaining uncollected for the current year. There is no formal policy or process for unpaid property taxes.

Cause: There is a lack of complete standardized procedures and a lack of properly designed and operating internal controls over ad valorem tax collection, likely resulting from segregation of duties due to the small entity size, the immateriality of many of the assessments, and an adequate understanding of the process.

Effect: Failure to design and follow effective standardized procedures for collection of ad valorem taxes and failure to design and operate effective internal controls over the related transactions exposes the Village to several risks, including, but not limited to, misappropriation of assets and inaccurate or fraudulent financial reporting. As a result, a material misstatement in the Village's financial statements may not be prevented or detected.

Recommendation: The Village should contact LaMATS through the Louisiana Municipal Association to obtain proposals to facilitate the collection of delinquent ad valorem taxes and help navigate the tax sale process.

Management's Response: We will contact the Louisiana Municipal Association and receive proposals for this and/or improve our ad valorem tax system.

Current Year Status: Repeated within current year finding 2020-C3

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-C5 Ethics (noncompliance)

Criteria: LRS 42:1112 prohibits public employees from participating in certain transactions involving the governmental entity.

Condition: Originally, a Village employee was engaged as an independent contractor to provide water maintenance services to the Village. The Village is required to have a certified system operator with certain certificates and qualifications to operate the Village's water system. He was later hired as an employee of the Village, and his salary set by the board. His current monthly salary amount is \$300. There are no written job duties related to this salary, only a verbal understanding. The verbal understanding is to maintain the water system and ensure compliance with the required agencies. The job duties include, but are not limited to, daily water checks, logging samples, and making adjustments to the Village's water as necessary for compliance.

This employee is also paid for hourly outside services, in addition to his \$300 per month salary, as an independent contractor for Village maintenance. He completes and turns in timesheets and receives other payments for these additional services. There are no written job duties related to this hourly compensation, nor is it reported on his W-2 or payroll taxes withheld.

Cause: The Village pays him a monthly salary to maintain the Village's water system and keep it in compliance. Maintaining a water system requires certain certificates and qualifications of which he has. The Village also hires him as an independent contractor to provide additional maintenance for the Village at an hourly rate, in addition to his water maintenance salary. These additional payments are not reported on an IRS Form 1099 or as W-2 wages with payroll taxes withheld. The Village may be prohibited by state law from having an employee and independent contractor relationship with the same person. The IRS rules should also be researched for prohibitions of these dual type of relationships.

All of the employees and board members of the Village have completed the one- hour required annual ethics course.

Effect: Apparent noncompliance with the above-referenced statute.

Recommendation: The Village needs to have a written understanding of job duties for all employees. In addition, the Village should put this employee on payroll for all time worked and withhold the appropriate payroll taxes. This will ensure all income is reported correctly to the employee as well as payroll taxes. The Village management needs to review ethics statutes and understand what constitutes prohibited transactions related to employees.

Management's Response: With the help of our outside CPA, the employee's compensation for 2020 has been reported on a W-2 and payroll taxes withheld. As of the report date, the Village is in compliance with the above-referenced statute. We will also have our outside CPA help implement written policies and procedures for payroll and written job descriptions.

Current Year Status: Resolved.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-C6 Payroll (noncompliance)

Criteria: All disbursements to board or employees should be reported as wages, including special meetings.

Condition: For the year ending December 2019, the Village had three special meetings in which checks were directly written to board members, mayor and clerk. The expenditures were reported within the financial statements; however, they were not included in wages, nor were payroll taxes withheld and reported on quarterly/annual reports. The amount totaled \$1,500 for special meetings checks.

Cause: These checks were not run through the payroll function in QuickBooks software and the proper amounts withheld for payroll taxes.

Effect: Improper reporting of wages and payroll taxes and related payroll reports for 2019.

Recommendation: The Village should run all payroll through the payroll function of QuickBooks software.

Management's Response: We will have all board, Mayor and employee checks subject to proper payroll reporting and seek help from our outside CPA where appropriate.

Current Year Status: Resolved.

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-II Inadequate Segregation of Duties (Significant Deficiency)

Criteria: Proper segregation of incompatible duties requires that there be different individuals responsible for authorizing transactions, recording transactions and maintaining custody of related assets.

Condition: Village of Angie has only seven employees, all of which are part-time. Within those seven part-time employees, only one is considered an administration employee, the Village clerk. Consequently, most duties throughout the financial reporting process, which are considered incompatible, are being performed by the same individual. The Village engages an outside CPA monthly for financial and budgetary reporting.

Cause: Due to the size and nature of the Village, there are few administrative employees and as such, leads to inadequate segregation of duties.

Effect: Inadequate segregation of duties exposes the Village to several risks, including, but not limited to misappropriation of assets and inaccurate or fraudulent financial reporting.

Recommendation: The Village should continue to explore ways to segregate incompatible duties possibly through the use of other personnel or staff, Board members, and use of the Village's outside CPA, as appropriate.

Management's Response: While we have taken steps to mitigate the risks arising from incompatible duties, we will continue to explore additional avenues for segregating duties.

Current Year Status: Repeated within current year finding 2020-II

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-I2 Credit Cards (Material Weakness)

Criteria: When processing payments of credit cards, supporting documentation should be attached (original receipt or invoice) with the statement. Documentation of each charge should include the business/public purpose.

Condition: Our credit card testing revealed, the Village does not maintain receipts attached to the credit card statement. All expenditures are approved before purchased; however, the invoices/receipts/support are not matched to respective credit card statement and attached.

Cause: Unknown

Effect: The potential for misappropriation of assets. Without proper documentation to support each credit card charge the potential for fraud, waste and abuse could occur.

Recommendation: The Village needs to put in place written policies and procedures related to credit cards and how they are allowed to be controlled, used, documented, approved, and monitored. The Village should also review resources on the Louisiana Legislative Auditor's website to include, but not be limited to best practices over credit cards.

Management's Response: The Village will put into place written policies and procedures. These policies and procedures will address the credit cards and how they are to be controlled, used, documented, approved and monitored.

Current Year Status: Repeated within current year findings 2020-I2

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Finding Number: 2019-I3 Utility Fund Accounts Receivable, Billing and Customer Deposits (Material Weakness)

Criteria: Accounts receivable balance in the general ledger should be reconciled monthly with the detailed accounts receivable customer listings. The utility customer deposit records in the billing system should reflect the deposit the customer paid. Records should include the date paid, for what services, and the amount paid.

Condition: The accounts receivable balance in the general ledger is not reconciled monthly with the detailed accounts receivable. There is not a complete listing of customer deposits in the Village's utility billing system. The Village does not have a complete and accurate customer liability report in its utility billing system.

Adjustments to customer billings or accounts are approved by the Mayor, but details of adjustments are often lacking.

Cause: The small entity size, lack of complete standardized procedures, and lack of properly designed and operating internal controls over some aspects of utility billings and collections, likely resulting from a lack of adequate understanding of the utility billing system and transactions and segregation of duties. The Village also has no written policies and procedures. The clerk performs a variety of duties that are incompatible for a proper system of checks and balances including, but not limited to, meter readings, inputting meter readings into the utility billing system, prepares the customers' bills, collects payments and customer meter deposits, posts payments in the utility billing system, inputs customer billing adjustments, and prepares bank deposit. Also, locating customer deposit information on its current utility customers requires looking up deposit information at the time the utility account was opened.

Effect: Failure to design and follow effective standardized procedures for operation of a utility billing system and failure to design and operate effective internal controls over the transactions related to the system exposes the Village to several risks, including, but not limited to, misappropriation of assets and inaccurate or fraudulent financial reporting. As a result, material misstatement in the Village's financial statements may not be prevented or detected. Also, utility customers who have services disconnected and are seeking customer refunds will possibly not have current or accurate information in the utility billing

system. Employees looking for this information may under or over pay customer deposits when utility accounts are closed or cut off.

Recommendation: The Village should implement written policies and procedures and must continue to seek help in better understanding the utility billing system software. The Village should ensure that its employees obtain a full understanding of the transactions surrounding utility billing and collections. Finally, these specific recommendations are made:

- All customer billing and account adjustments should be fully documented and approved and supporting documentation retained. Additionally, all customer billing and account adjustments must be entered into the utility billing system and an adjustments report should be run from the utility billing system for presentation to the Board and approval by the Board.
- Customer deposit listing should be compiled from supporting documentation as soon as possible and entered into the billing software. Once listing is complete and entered into the billing software, the utility billing system should then be used to record and continuously monitor the customer deposit listing.
- The Village should work with and provide its outside CPA the information and reports to help reconcile monthly the detailed accounts receivable with the detailed accounts receivable customer listing.

Management's Response: We will work with our outside CPA to implement the recommendations and strengthen the controls of our utility billing system.

Current Year Status: Repeated within current year findings 2020-13

Contact Person:

Roxie Fornea, Mayor
64474 Market Street
Angie, LA 70426
(985) 986-2444

Bruce C. Harrell, CPA

Brandy W. Garcia, CPA
Charles L. Johnson, CPA

INTERNET
www.teamcpa.com

MEMBERS
American Institute of CPAs
Society of Louisiana CPAs



**BRUCE HARRELL
and COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation

109 West Minnesota Park
Park Place Suite 7
Hammond, LA 70403
VOICE: (985) 542-6372
FAX: (985) 345-3156

KENTWOOD OFFICE
P.O. Box 45 - 909 Avenue G
Kentwood, LA 70444
VOICE: (985) 229-5955
FAX: (985) 229-5951

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Mayor and Board of Aldermen
Village of Angie and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the Village of Angie's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2020, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit* Guide. The Village's management is responsible for its financial records and compliance with applicable laws and regulations.

The Village 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 Village's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2020. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

Results: There were no expenditures exceeding thresholds necessitating bid law compliance in 2020.

Code of Ethics for Public Officials and Public Employees

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

Results: Management provided us with the required list.

3. Obtain a list of all employees paid during the period under examination.

Results: Management provided us with the required list.

BRUCE HARRELL & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

Village of Angie

Independent Accountant's Report on Applying Agreed-Upon Procedures

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

Results: None of the employees included on the list of employees provided by management in agreed-upon procedure 3 appeared on the list provided by management in agreed-upon procedure 2.

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

Results: Management provided the requested information. None of the businesses of employees and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

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

Results: Management provided us with a copy of the original budget and amendments.

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

Results: We traced the adoption of the original budget and budget amendment to the minutes for meetings of the Village's Board of Alderman.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

Results: We compared the revenues and expenditures of the General fund final budget to the General fund actual revenues and expenditures. The General fund revenues were in compliance with budget law, but expenditures were not in compliance with the budget law. We compared the revenues and expenditures of the Sales Tax fund final budget to the Sales Tax fund actual revenue and expenditures. The Sales Tax fund revenues and expenditures were in compliance with the budget law.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:
 - (a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.
 - (b) Report whether the six disbursements were coded to the correct fund and general ledger account.
 - (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

Results: We examined supporting documentation for each of the selected disbursements and found that payment was for the proper amount and made to the correct payee. All six disbursements were properly coded to the correct fund and general ledger account. The Village's policies and procedures are that the Mayor and the Board of Alderman must approve all disbursements. The six disbursements were approved in accordance with the policies and procedures.

Meetings

BRUCE HARRELL & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

Village of Angie

Independent Accountant's Report on Applying Agreed-Upon Procedures

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

Results: The Village of Angie is only required to post a notice of each meeting and the accompanying agenda on the door of the Village's office building. Although management has asserted that such documents were properly posted, no evidence was provided to support management's assertion for all meetings.

Debt

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

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

Advance and Bonuses

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

Results: We scanned payroll disbursements and read the meeting minutes of the Village's Board of Alderman for the fiscal year. We found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

State Audit Law

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

Results. The Village's report was filed timely.

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

Results. The Village represented that the agency was in compliance with R.S. 24:513.

Prior-Year Comments

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

Results: Our prior year report, dated January 25, 2021, included budget exceptions. Representation obtained that the exception was resolved.

We were engaged by the Village 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 the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Village's compliance with the foregoing matters.

BRUCE HARRELL & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

Village of Angie

Independent Accountant's Report on Applying Agreed-Upon Procedures

Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely to describe the scope of testing performed on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in black ink that reads "Bruce Harrell & Co." with a period at the end. The signature is written in a cursive, professional style.

Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

Kentwood, Louisiana
January 14, 2022

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

06/11/2021

Bruce Harrell & Co, CPAs

P.O. Box 45 – 909 Ave G

Kentwood, LA 70444

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2020 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No N/A

Code of Ethics for Public Officials and Public Employees

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

Yes No N/A

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

Yes No N/A

Budgeting

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

Yes No N/A

Accounting and Reporting

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

BRUCE HARRELL & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

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

Yes No N/A

Meetings

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

Yes No N/A

Debt

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

Yes No N/A

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:13B, and AG opinion 79-729.

Yes No N/A

Prior-Year Comments

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

Yes No N/A

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No N/A

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

Yes No N/A

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

Yes No N/A

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No N/A

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes No N/A

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes No N/A

BRUCE HARRELL & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

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

Gayla Knight Secretary 08/11/2021 Date
Robin Finner Mayor 08/11/2021 Date