

VILLAGE OF HEFLIN, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2019

VILLAGE OF HEFLIN, LOUISIANA
Heflin, Louisiana
Financial Statements
As of and for the year ended December 31, 2019

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WISE, MARTIN & COLE, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

601 Main Street P. O. Box 897
Minden, Louisiana 71058-0897
(318) 377-3171 Fax (318) 377-3177

MICHAEL W. WISE, CPA
CARLOS E. MARTIN, CPA
KRISTINE H. COLE, CPA

KRISTIE K. MARTIN, CPA
HANNAH M. COLVIN, CPA

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

To the Honorable Todd Leake, Mayor
and the members of the Board of Alderman
Village of Heflin, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Heflin, Louisiana, as of and for the year ended December 31, 2019, which collectively comprise the Village's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The supplementary information contained in Schedules 2 and 3, is presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the responsibility of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Budgetary Comparison Schedule on page 14 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted Management Discussion & Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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.

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

We are not independent with respect to Village of Heflin, Louisiana.

Wise Martin & Cole LLC

Minden, Louisiana
November 24, 2020

BASIC FINANCIAL STATEMENTS

VILLAGE OF HEFLIN, LOUISIANA

Statement of Net Position

December 31, 2019

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	
ASSETS			
Cash and cash equivalents	\$ 66,656	\$ 29,968	\$ 96,624
Investments	-	40,853	40,853
Receivable, net	-	3,398	3,398
Internal balances	521	(521)	-
Restricted assets - noncurrent:			
Cash	-	6,185	6,185
Capital assets:			
Land	6,150	-	6,150
Capital assets, net of depreciation	<u>267,560</u>	<u>458,049</u>	<u>725,609</u>
TOTAL ASSETS	<u><u>340,887</u></u>	<u><u>537,932</u></u>	<u><u>878,819</u></u>
LIABILITIES			
Accounts, salaries, and other payables	2,368	2,041	4,409
Deposit payable	-	5,864	5,864
TOTAL LIABILITIES	<u><u>2,368</u></u>	<u><u>7,905</u></u>	<u><u>10,273</u></u>
NET POSITION			
Net investment in capital assets	273,710	458,049	731,759
Unrestricted	<u>64,809</u>	<u>71,978</u>	<u>136,787</u>
TOTAL NET POSITION	<u><u>\$ 338,519</u></u>	<u><u>\$ 530,027</u></u>	<u><u>\$ 868,546</u></u>

See accountants' compilation report.

STATEMENT B

VILLAGE OF HEFLIN, LOUISIANA

Statement of Activities
For the year ended December 31, 2019

Functions:	Expenses	Program Revenues		Net (Expenses)/ Revenue	Net (Expenses) Revenues and Changes of Primary Government		
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ (56,827)	2,405	4,687	(49,735)	(49,735)	-	(49,735)
Public safety	(21,123)	24,098	6,000	8,975	8,975	-	8,975
Total governmental activities	<u>(77,950)</u>	<u>26,503</u>	<u>10,687</u>	<u>(40,760)</u>	<u>(40,760)</u>	<u>-</u>	<u>(40,760)</u>
Business-type activities:							
Water	(72,564)	44,708	-	(27,856)	-	(27,856)	(27,856)
Total primary government	<u>\$ (150,514)</u>	<u>\$ 71,211</u>	<u>\$ 10,687</u>	<u>\$ (68,616)</u>	<u>\$ (40,760)</u>	<u>\$ (27,856)</u>	<u>\$ (68,616)</u>
General revenues:							
Franchise taxes					32,805	-	32,805
Interest income					29	341	370
Miscellaneous					1,645	-	1,645
Total general revenues					<u>34,479</u>	<u>341</u>	<u>34,820</u>
Change in net position					(6,281)	(27,515)	(33,796)
Net position-beginning					<u>344,800</u>	<u>557,542</u>	<u>902,342</u>
Net position-ending					<u>\$ 338,519</u>	<u>\$ 530,027</u>	<u>\$ 868,546</u>

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

Balance Sheet - Governmental Fund
December 31, 2019

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 66,656
Due from other funds	<u>521</u>
 TOTAL ASSETS	 <u>\$ 67,177</u>
 LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts, salaries, and other payables	\$ 2,368
TOTAL LIABILITIES	<u>2,368</u>
 FUND BALANCES	
Unassigned	<u>64,809</u>
TOTAL FUND BALANCES	<u>64,809</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 67,177</u>

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Financial Statement of Net Position
December 31, 2019

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

Fund balances, total governmental funds (Statement C)	\$ 64,809
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements	<u>273,710</u>
Net position of governmental activities (Statement A)	<u>\$ 338,519</u>

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund
For the year ended December 31, 2019

	General Fund
REVENUES	
Utility and franchise taxes	\$ 32,805
Intergovernmental revenues:	
State	6,000
Parish	4,687
Fines and forfeitures	24,098
Investment earnings	29
Other revenues	4,050
Total revenues	<u>71,669</u>
EXPENDITURES	
General government:	
Utilities	10,168
Salaries and related expenditures	5,072
Office supplies	4,635
Advertising	2,130
Insurance	6,190
Repairs and maintenance	18,205
Accounting	2,742
Dues and subscriptions	590
Miscellaneous	50
Public safety:	
Salaries and related expenditures	11,251
Miscellaneous expense	5,502
Total expenditures	<u>66,535</u>
Excess of revenues over expenditures	5,134
Fund balances - beginning	<u>59,675</u>
Fund balance - ending	<u>\$ 64,809</u>

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balance of the Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2019

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

Net change in fund balances, total governmental funds, (Statement E)	\$ 5,134
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	<u>(11,415)</u>
Change in Net Position of Governmental Activities, (Statement B)	<u>\$ (6,281)</u>

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

Statement of Net Position, Proprietary Funds
December 31, 2019

	Business-type Activity <u>Water Fund</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 29,968
Investments	40,853
Accounts receivable, net of allowance	<u>3,398</u>
Total current assets	<u>74,219</u>
Noncurrent assets:	
Restricted assets:	
Cash and interest-bearing bank deposits	6,185
Capital assets:	
Plant and equipment	1,026,449
Less: accumulated depreciation	<u>(568,400)</u>
Total noncurrent assets	<u>464,234</u>
TOTAL ASSETS	<u>538,453</u>
LIABILITIES	
Current liabilities:	
Accounts, salaries, and other payables	2,041
Deposit payable	5,864
Due to other funds	<u>521</u>
Total current liabilities	<u>8,426</u>
TOTAL LIABILITIES	<u>8,426</u>
NET POSITION	
Invested in capital assets	458,049
Unrestricted	<u>71,978</u>
TOTAL NET POSITION	<u>\$ 530,027</u>

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

Statement of Revenues, Expenditures and Changes in Fund Balance - Proprietary Fund
For the year ended December 31, 2019

	Business-type Activity
	<u>Water</u>
	<u>Fund</u>
Operating Revenues	
Charges for services	
Water sales	\$ 44,708
Total operating revenues	<u>44,708</u>
Operating Expenses	
Salaries	12,879
Meter reader and billing	520
Electricity	5,756
Office supplies	2,824
Accounting	1,675
Depreciation	24,817
Equipment repairs & maintenance	9,152
Travel	438
Taxes	1,128
Insurance	9,928
Other	3,447
Total operating expenses	<u>72,564</u>
Operating income (loss)	<u>(27,856)</u>
Nonoperating revenues (expenses)	
Interest income	<u>341</u>
Total nonoperating revenues and expenses	<u>341</u>
Change in net position	(27,515)
Net position - beginning	<u>557,542</u>
Net position - ending	<u>\$ 530,027</u>

See accountants' compilation report.

VILLAGE OF HEFLIN, LOUISIANA

Statement of Cash Flows, Proprietary Funds
For the year ended December 31, 2019

	Business-type Activity
	<u>Water</u>
	<u>Fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 44,406
Payments to employees	(12,879)
Payments to suppliers	<u>(34,352)</u>
Net cash provided (used) by operating activities	<u>(2,825)</u>
Cash flows from investing activities	
Interest and dividends received	<u>55</u>
Net cash provided by investing activities	<u>55</u>
Net increase in cash and cash equivalents	(2,770)
Cash and cash equivalents, beginning of year	<u>38,923</u>
Cash and cash equivalents, end of year	<u>\$ 36,153</u>
Reconciliation of operating income to net cash provided (used) by operating activities	
Operating income (loss)	<u>\$ (27,856)</u>
Depreciation	24,817
(Increase) decrease in accounts receivable	(165)
Increase (decrease) in accounts payable	516
Increase (decrease) in customer deposits	<u>(137)</u>
Total adjustments	<u>25,031</u>
Net cash provided by operating activities	<u>\$ (2,825)</u>

See accountants' compilation report.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF HEFLIN, LOUISIANA

Governmental Fund Types
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Cash Basis</u>	<u>Final Budget Over(Under)</u>
Revenues				
Utility and franchise taxes	\$ 39,000	\$ 39,000	\$ 32,805	\$ (6,195)
Intergovernmental revenues	-	-	4,687	4,687
Fines and forfeitures	15,100	15,100	24,098	8,998
Investment earnings	30	30	29	(1)
Other	<u>15,400</u>	<u>15,400</u>	<u>3,776</u>	<u>(11,624)</u>
Total revenues	<u>69,530</u>	<u>69,530</u>	<u>65,395</u>	<u>(4,135)</u>
Expenditures				
General government:				
Utilities	11,700	11,700	10,816	884
Salaries and related expenses	10,400	10,400	5,931	4,469
Office supplies	1,800	1,800	4,656	(2,856)
Advertising	700	700	1,831	(1,131)
Insurance	6,500	6,500	6,191	309
Repairs and maintenance	19,030	19,030	18,205	825
Legal and accounting	2,900	2,900	2,742	158
Dues and subscriptions	600	600	590	10
Travel	2,400	2,400	-	2,400
Miscellaneous	700	700	526	174
Public safety:				
Salary and related expenses	4,800	4,800	4,800	-
Miscellaneous	<u>8,000</u>	<u>8,000</u>	<u>5,501</u>	<u>2,499</u>
Total expenditures	<u>69,530</u>	<u>69,530</u>	<u>61,789</u>	<u>7,741</u>
Excess of revenues over expenditures	-	-	3,606	3,606
Fund balance at beginning of year	<u>62,751</u>	<u>62,751</u>	<u>62,751</u>	<u>-</u>
Fund balance at end of year	<u>\$ 62,751</u>	<u>\$ 62,751</u>	<u>\$ 66,357</u>	<u>\$ 3,606</u>

SUPPLEMENTARY SCHEDULES

VILLAGE OF HEFLIN, LOUISIANA
Heflin, Louisiana

Schedule of Compensation Paid Board Members
As of and for the year ended December 31, 2019

The following served on the Board without compensation or other benefits:

Todd Leake	Mayor
Hallie DeMoss	Alderman
Ralph James	Alderman
Matt Austin	Alderman

VILLAGE OF HEFLIN, LOUISIANA
Heflin, Louisiana

Schedule of Compensation, Benefits and Other
Payments to Agency Head
As of and for the year ended December 31, 2019

Agency Head: Todd Leake, Mayor

Total salary and other benefits \$ -

OTHER INFORMATION

VILLAGE OF HEFLIN, LOUISIANA
Heflin, Louisiana

Summary Schedule of Prior Year Findings
As of and for the year ended December 31, 2019

There were no findings required to be reported in the prior year.

VILLAGE OF HEFLIN, LOUISIANA
Heflin, Louisiana

Schedule of Current Year Findings
As of and for the year ended December 31, 2019

There were no findings required to be reported for the year 2019.