

VILLAGE OF EAST HODGE
HODGE, LOUISIANA

Financial Statements
For the Year Ended June 30, 2025

Village of East Hodge
Annual Financial Statements

As of and for the year ended June 30, 2025
with Supplemental Information Schedules

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Honorable Mayor and Board of Aldermen
Village of East Hodge, Louisiana
East Hodge, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and business related activities of the Village of East Hodge, Louisiana, as of June 30, 2025 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 the Village's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

Accountants' Responsibility

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

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

Accountant's Conclusion

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

To the Honorable Mayor and Board of Aldermen
Village of East Hodge, Louisiana
East Hodge, Louisiana
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Other Matters

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 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information and, accordingly, we do not express an opinion, conclusion, nor provide any assurance on it.

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

Other Information

Act 706 of the Louisiana 2014 Legislative Session requires the Schedule of Compensation, Benefits, and Other Payments to Agency Head, as listed in the table of contents, 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 representation of management. We have not audited or reviewed such required supplementary information, and accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

Report on Agreed Upon Procedures

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated February 17, 2026, on the results of the agreed-upon procedures.



West Monroe, Louisiana
February 17, 2026

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Village of East Hodge
Hodge, Louisiana

Statement of Net Position
As of June 30, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and equivalents	\$ 6,699	\$ 31,917	\$ 38,616
Accounts receivable	1,842	6,568	8,410
Due from other funds	8,779	-	8,779
Cash and equivalents - restricted	-	8,779	8,779
Capital assets (net of accumulated depreciation)	117,453	698,456	815,909
Total Assets	<u>134,773</u>	<u>745,720</u>	<u>880,493</u>
Liabilities			
Accounts payable	395	6,345	6,740
Due to other funds	-	8,779	8,779
Customer meter deposits	-	8,779	8,779
Total Liabilities	<u>395</u>	<u>23,903</u>	<u>24,298</u>
Net Position			
Net investment in capital assets	117,453	698,456	815,909
Restricted	-	8,779	8,779
Unrestricted	16,924	14,583	31,507
Total Net Position	<u>\$ 134,377</u>	<u>\$ 721,818</u>	<u>\$ 856,195</u>

See accompanying notes and independent accountant's review report.

Village of East Hodge
Hodge, Louisiana

Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Major Funds			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities							
General government	\$ 100,829	\$ -	\$ 50,000	\$ -	\$ (50,829)	\$ -	\$ (50,829)
Total governmental activities	100,829	-	50,000	-	(50,829)	-	(50,829)
Business-type activities							
Water and sewer	70,960	64,858	-	233,066	-	226,964	226,964
Total primary government	\$ 171,789	\$ 64,858	\$ 50,000	\$ 233,066	\$ (50,829)	\$ 226,964	\$ 176,135
<u>General Revenues</u>							
Taxes:							
Property taxes, levied for general purposes					3,414	-	3,414
Sales taxes					5,257	-	5,257
Franchise taxes					3,225	-	3,225
Other taxes					14,447	-	14,447
Licenses					6,331	-	6,331
Rental income					1,700	-	1,700
Other revenue					50	5	55
Operating transfers					(28,334)	28,334	-
Total general revenues and transfers					6,090	28,339	34,429
Change in net position					(44,739)	255,303	210,564
Net position - June 30, 2024					179,116	466,514	645,630
Net position - June 30, 2025					\$ 134,377	\$ 721,817	\$ 856,194

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

Village of East Hodge
Hodge, Louisiana

Balance Sheet - Governmental Funds
As of June 30, 2025

	Governmental Funds
Assets	
Cash and equivalents	\$ 6,699
Accounts receivable	1,842
Due from other funds	<u>8,779</u>
Total Assets	<u><u>\$ 17,320</u></u>
Liabilities & Fund Balances	
Liabilities:	
Accounts payable	\$ <u>395</u>
Total Liabilities	<u>395</u>
Fund balances:	
Unassigned	<u>16,924</u>
Total Fund Balances	<u>16,924</u>
Total Liabilities and Fund Balances	<u><u>\$ 17,319</u></u>

See accompanying notes and independent accountant's review report.

Village of East Hodge
Hodge, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
As of June 30, 2025

Total Fund Balances at June 30, 2025 - Governmental Funds (Statement C)	\$	16,924
Total Net Position reported for governmental activities in the Statement of Net Position (Statement A) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds, net of depreciation.		<u>117,453</u>
Net Position at June 30, 2025	\$	<u><u>134,377</u></u>

See accompanying notes and independent accountant's review report.

Village of East Hodge
Hodge, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the Year Ended June 30, 2025

		Governmental Funds
Revenues		
Taxes:		
Ad valorem tax	\$	3,414
Franchise tax		3,225
Sales tax		5,257
Other tax		14,447
Licenses and permits		6,331
Operating grant		50,000
Rent, royalty, and commission		1,700
Other revenue		50
Total revenues		84,424
Expenditures		
Current:		
General government		83,141
Capital outlay		21,424
Total expenditures		104,565
Excess (deficiency) of revenues over (under) expenditures		(20,141)
Other financing sources (uses)		
Operating transfers in (out)		(28,334)
Total other financing sources (uses)		(28,334)
Net changes in fund balances		(48,475)
Fund balances - June 30, 2024		65,399
Fund balances - June 30, 2025	\$	16,924

See accompanying notes and independent accountant's review report.

Village of East Hodge
Hodge, Louisiana

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Funds Balances to the Statement of Activities
For the Year Ended June 30, 2025

Total net change in Fund Balances - Governmental Funds (Statement E)	\$	(48,475)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay differs from depreciation for the period.

Depreciation		(17,689)
Capital outlay		<u>21,424</u>
Change in net position of governmental activities (Statement B)	\$	<u><u>(44,740)</u></u>

See accompanying notes and independent accountant's review report.

Village of East Hodge
Hodge, Louisiana

Statement of Net Position - Proprietary Fund
As of June 30, 2025

	Water & Sewer Fund
Assets	
Current Assets:	
Cash and equivalents	\$ 31,917
Accounts receivable	6,568
Total Current Assets	<u>38,485</u>
Noncurrent Assets:	
Cash and equivalents - restricted	8,779
Capital assets (net of accumulated depreciation)	698,456
Total Noncurrent Assets	<u>707,235</u>
Total Assets	<u>745,720</u>
Liabilities	
Current Liabilities:	
Accounts payable	6,345
Due to other funds	8,779
Total Current Liabilities	<u>15,124</u>
Current liabilities payable from restricted assets	
Customer meter deposits	8,779
Total Liabilities	<u>23,903</u>
Net Position	
Net investment in capital assets	698,456
Restricted	8,779
Unrestricted	14,583
Total Net Position	<u>\$ 721,818</u>

See accompanying notes and independent accountant's review report.

Village of East Hodge
Hodge, Louisiana

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

	Water & Sewer Fund
Operating Revenues	
Water and sewer sales	\$ 64,858
Miscellaneous income	5
Total operating revenues	64,863
Operating Expenses	
Personnel services	13,590
Supplies	4,423
Utilities	15,946
Repairs and maintenance	1,260
Contractual services	8,577
Depreciation	27,163
Total operating expenses	70,959
Operating Income (Loss)	(6,096)
Non-operating Revenues (Expenses)	
Capital grant	233,066
Total non-operating revenues (expenses)	233,066
Income (loss) before transfers	226,970
Transfers in (out)	28,334
Change in net position	255,304
Total Net Position - June 30, 2024	466,514
Total Net Position - June 30, 2025	\$ 721,818

See accompanying notes and independent accountant's review report.

Village of East Hodge
Hodge, Louisiana

Statement of Cash Flows - Proprietary Fund
For the Year Ended June 30, 2025

Water & Sewer Fund

Cash flows from operating activities

Cash received from customers	\$ 64,858
Cash payments to suppliers for goods and services	(36,317)
Cash payments to employees	(13,590)

Net cash provided by (used for) operating activities	<u>14,951</u>
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Cash flows from non-capital financing

Transfers (to) from other funds	28,334
Other income (expense)	-

Net cash provided by (used for) non-capital financing activities	<u>28,334</u>
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Cash flows from capital and related financing activities

Capital grant	233,066
Acquisition of capital assets	(249,016)

Net cash provided by (used for) capital and related financing activities	<u>(15,950)</u>
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Cash flows from investing activities

Net increase (decrease) in cash and cash equivalents	27,335
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Cash and cash equivalents - June 30, 2024	<u>13,361</u>
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Cash and cash equivalents - June 30, 2025	<u><u>\$ 40,696</u></u>
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Reconciliation of operating income to net provided by operating activities

Operating income	\$ (6,097)
Adjustments	
Depreciation	27,163
Net changes in assets and liabilities	
Accounts receivable	9,825
Accounts payable	(15,940)

Net cash provided for (used for) operating activities	<u><u>\$ 14,951</u></u>
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Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents, unrestricted	\$ 31,917
Restricted cash and cash equivalents	8,779

Total cash, cash equivalents, and restricted cash	<u><u>\$ 40,696</u></u>
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See accompanying notes and independent accountant's review report.

NOTES TO THE FINANCIAL STATEMENTS

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

INTRODUCTION

The Village of East Hodge, Louisiana (Village) is governed by the provisions of the Lawrason Act. The Village operates under the Mayor-Board of Aldermen form of government with three aldermen. Services provided by the Village include street maintenance. The Village also operates a water distribution system and sewer system for the residents of the Village. The Village is located in Jackson Parish, Louisiana.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Village applies all relevant GASB pronouncements, and GAAP, as applicable to governmental entities. Also, the Village's financial statements are prepared in accordance with the requirements of Louisiana R.S. 24:513, the Louisiana Municipal Audit and Accounting Guide and to the industry guide, Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants.

B. Reporting Entity

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

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

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

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

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

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

C. Government-Wide Financial Statements

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

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

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

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the Village's taxpayers or citizenry, including (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program; program revenues reduce the cost of the function to be financed from the Village's general revenues.

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

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

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

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

D. Fund Financial Statements

The accounts of the Village of East Hodge are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, expenditures or expenses, as appropriate, additions, and deductions. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Funds of the Village are classified into two categories: governmental and proprietary.

Governmental Funds

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

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

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

The Village of East Hodge reports the following major governmental funds:

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

Revenues

The governmental funds use the following practices in recording revenues:

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

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

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

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

Expenditures

The governmental funds use the following practices in recording expenditures:

Salaries are recorded as expenditures when earned by employees.

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

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

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

Other Financing Sources (Uses)

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

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

Proprietary Funds

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

The Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis are financed through user charges: or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purpose.

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

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

Revenues and Expenses

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

E. Equity Classifications

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

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

Net investment in capital assets: This classification consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

Restricted net position: This classification consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted net position: Any other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

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

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Village did not have any nonspendable funds for the year ended June 30, 2025.

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Village did not have any restricted funds for the year ended June 30, 2025.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Aldermen. These amounts cannot be used for any other purpose unless the Board of Aldermen removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board typically establishes commitments through the adoption and amendment of the budget. The Village did not have any committed funds for the year ended June 30, 2025.

Assigned: This classification includes amounts that are constrained by the Village's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Aldermen or through the Board delegating this responsibility to a body or official (Mayor) for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Village has no assigned funds for year ended June 30, 2025.

Unassigned: This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts. All funds of the Village are designated as unassigned.

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

F. Budgets

The Mayor prepares a proposed budget and submits it to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year. A summary of the proposed budget is available for public inspection. The budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted. The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. The Board of Aldermen may revise or amend the budget at its discretion during legally convened sessions. Management may amend the budget only below the department level. The Village utilizes formal budgetary integration as a management control device for all funds.

The Village of East Hodge adopted a 2024-2025 General Fund budget in the public meeting without an ordinance on June 27, 2025.

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

G. Cash and Cash Equivalents

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

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

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

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

H. Investments

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

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

I. Inventories

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

J. Capital Assets

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

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

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

Infrastructure-water and sewer system improvements	25 years
Buildings	40 years
Improvements other than buildings	20-25 years
Equipment	12-15 years

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

K. Deferred Outflows of Resources

The Village reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Village did not report any deferred outflows of resources, and no deferred outflows of resources affect the governmental funds financial statements.

L. Deferred Inflows of Resources

The Village reports increases in net position that relate to future periods as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Village will not recognize the related revenues until a future event occurs. The Village did not report any deferred inflows of resources in the government-wide and proprietary fund statements, and no deferred inflows of resources affect the governmental funds financial statements.

M. Interfund Transactions

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

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

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

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

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

N. Estimates

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

2. Ad Valorem Tax

All ad valorem tax receivables are shown net of an allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes are recognized as bad debts through the establishment of an allowance account. Ad valorem taxes are levied on a calendar year basis and become delinquent on December 31. The Village bills and collects its own ad valorem taxes. For the 2024 ad valorem taxes, one rate of tax was levied on property within the corporate limits, as follows:

6.340 mills for the general maintenance of the Village

3. Sales Tax

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

4. Cash, Cash Equivalents, and Investments

At June 30, 2025, the Village had cash and cash equivalents (book balances) totaling \$47,395. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

At June 30, 2025, the Village had \$46,811 in deposits (collected bank balances). These deposits are secured from risk by up to \$250,000 federal deposit insurance.

At June 30, 2025, the Village had no investments.

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

5. Receivables

The receivables at June 30, 2025, are as follows:

	Fund		
	General	Enterprise	Total
Services	\$ -	\$ 6,568	\$ 6,568
Ad valorem	-	-	-
Occupational licenses	-	-	-
Sales taxes	828	-	828
Franchise fees	1,014	-	1,014
Grants	-	-	-
Due from other funds	8,779	-	8,779
Total	\$ 10,620	\$ 6,568	\$ 17,189

6. Capital Assets

A summary of changes in capital assets for the year ended June 30, 2025, is as follows:

A. Capital Assets - Governmental Funds

	Balance, July 01, 2024	Additions	Deletions	Balance, June 30, 2025
Capital assets not depreciated				
Land	\$ 8,565	\$ -	\$ -	\$ 8,565
Total capital assets not being depreciated	8,565	-	-	8,565
Capital assets being depreciated				
Buildings	133,312	21,424	-	154,737
Improvements other than buildings	536,938	-	-	536,938
Equipment	196,666	-	-	196,666
Total capital assets being depreciated	866,917	21,424	-	888,341
Less accumulated depreciation				
Buildings	85,866	3,865	-	89,730
Improvements other than buildings	483,706	13,245	-	496,952
Equipment	192,193	579	-	192,772
Total accumulated depreciation	761,765	17,689	-	779,454
Capital assets, net	105,152	3,735	-	108,887
Governmental capital assets - net	\$ 113,717	\$ 3,735	\$ -	\$ 117,452

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

Functional Allocation of Depreciation Expense

General government	\$	3,381
Fire		1,904
Highways and streets		12,404
Total	\$	<u>17,689</u>

B. Capital Assets - Proprietary Funds

	Balance, July 01, 2024	Additions	Deletions	Balance, June 30, 2025
Capital assets not depreciated				
Construction in progress	\$ 28,600	\$ 233,066	\$ -	\$ 261,666
Total capital assets not being depreciated	<u>28,600</u>	<u>233,066</u>	<u>-</u>	<u>261,666</u>
Capital assets being depreciated				
Water System	446,065	15,950	-	462,015
Sewer System	764,146	-	-	764,146
Total capital assets being depreciated	<u>1,210,210</u>	<u>15,950</u>	<u>-</u>	<u>1,226,161</u>
Less accumulated depreciation				
Water System	195,382	13,632	-	209,013
Sewer System	566,826	13,531	-	580,357
Total accumulated depreciation	<u>762,208</u>	<u>27,163</u>	<u>-</u>	<u>789,370</u>
Capital assets, net	<u>448,002</u>	<u>(11,213)</u>	<u>-</u>	<u>436,791</u>
Business-type activities capital assets, net	<u>\$ 476,602</u>	<u>\$ 221,853</u>	<u>\$ -</u>	<u>\$ 698,457</u>

7. Payables

The payables at June 30, 2025, are as follows:

	Fund		
	General	Enterprise	Total
Accounts	\$ 395	\$ 6,345	\$ 6,740
Due to other funds	-	8,779	8,779
Customer meter deposits	-	8,779	8,779
Total	<u>\$ 395</u>	<u>\$ 23,903</u>	<u>\$ 24,298</u>

Village of East Hodge
Hodge, Louisiana

Notes to the Financial Statements
As of and for the year ended June 30, 2025

8. Grants

During the year ended June 30, 2025, the Village of East Hodge received grant funds of \$233,066 from the Delta Regional Authority for three sewer lift station improvements. In addition, the Village received \$50,000 from the State of Louisiana through Act 776. These funds were used to make repairs to the existing streets in the Village.

9. Risk Management

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

10. Litigation and Claims

At June 30, 2025, the Village was not involved in any lawsuits nor is aware of any outstanding claims, which are not covered by insurance.

11. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 17, 2026, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Village of East Hodge
Hodge, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the Year Ended June 30, 2025

	Budget - Original	Actual	Variance - Favorable (Unfavorable)
Revenues			
Taxes:			
Ad valorem tax	\$ 6,000	\$ 3,414	\$ (2,586)
Franchise tax	2,500	3,225	725
Sales tax	4,400	5,257	857
Other tax	-	14,447	14,447
Licenses and permits	2,500	6,331	3,831
Operating grant	-	50,000	50,000
Rent, royalty, and commission	500	1,700	1,200
Miscellaneous	14,140	50	(14,090)
Total revenues	<u>30,040</u>	<u>84,424</u>	<u>54,384</u>
Expenditures			
Current:			
General government	30,040	83,141	(53,101)
Capital outlay	-	21,424	(21,424)
Total expenditures	<u>30,040</u>	<u>104,565</u>	<u>(74,525)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(20,141)</u>	<u>(20,141)</u>
Other financing sources (uses)			
Operating transfers in (out)	-	(28,334)	(28,334)
Total other financing sources (uses)	<u>-</u>	<u>(28,334)</u>	<u>(28,334)</u>
Net changes in fund balances	<u>-</u>	<u>(48,475)</u>	<u>(48,475)</u>
Fund balances - June 30, 2024	<u>65,399</u>	<u>65,399</u>	<u>-</u>
Fund balances - June 30, 2025	<u>\$ 65,399</u>	<u>\$ 16,924</u>	<u>\$ (48,475)</u>

See accompanying notes and independent accountant's review report.

SUPPLEMENTAL INFORMATION

Village of East Hodge
Hodge, Louisiana

Schedule of Compensation Paid Aldermen
For the year ended June 30, 2025

	2025
Robert Bradley	\$ 1,500
Vivian Jefferson	1,125
Preston Traxler	<u>1,500</u>
	<u>\$ 4,125</u>

Village of East Hodge
Hodge, Louisiana

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

Hal M. Mims Mayor	
Salary	\$ 3,300
	<u>\$ 3,300</u>

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To The Honorable Mayor and Board of Aldermen of the Village of East Hodge, Louisiana and the Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Village of East Hodge, Louisiana and the Louisiana Legislative Auditor (the specified parties), on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2025, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Village's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

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 \$60,000, 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.

No expenditures were made during the year for materials and supplies exceeding \$60,000, and no expenditures were made for public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

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

Management provided me with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided me with the requested information.

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

None of the employees included on the list provided by management for agreed-upon Procedure 3 appeared on the list provided by management for 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.

Management provided the requested information. None of the businesses of board members, employees, and board members' 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.

Management provided me with a copy of the original budget. Management represented that there was no amendment to the budget during the year.

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.

There was no indication that the original June 30, 2025 budget was officially adopted. The amended budget was adopted at the June 2025 board meeting.

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).

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues in the general fund were less than budgeted revenues by more than 5%. Expenditures for the year exceeded budgeted amounts by more than 5%.

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.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

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

All of the disbursements were properly 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.

The Village's policies and procedures state that the Mayor of the Village must approve all disbursements, with subsequent approval by the full board. Documentation supporting each of the six selected disbursements included the signature of the Mayor.

Meetings

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

The Village complied with this requirement.

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.

I 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.

Advances and Bonuses

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

I scanned payroll disbursements and read the meeting minutes of the Village for the fiscal year. I 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.

The Village's report was not submitted 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).

Management represented that the Village entered into no contracts during the fiscal year that was subject to the public bid law.

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.

The prior year report, dated December 18, 2024, did include suggestions, exceptions, recommendations, and comments, one of which was still unresolved.

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

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

David M. Hartt, CPA (PPAC)

West Monroe, Louisiana
February 17, 2026

VILLAGE OF HODGE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Section I - Financial Statement Findings

2025-01 Late Submission of Audit Report

Condition: The audit report was submitted after the statutory due date.

Criteria: LSA-R.S.24.513 states that all engagements must be completed and transmitted to the Legislative Auditor within six months of the close of the auditee fiscal year.

Cause: The financial records were not complete to be able to finish the audit within the required time frame.

Effect: When an entity is late filing its report, the entity is placed on the LLA's noncompliance list. Being placed on the list results in an entity receiving no funds from the State until the entity is removed from the list. However, the Village requested and was subsequently granted a filing extension so as not to be put on the noncompliance list.

Recommendation: The Village should have the financial records completed in a timely manner so its audit report can be submitted to the LLA on time.

Management's Response: The Village of East Hodge will complete all financial records by the deadline prescribed by the LLA requirements.

2025-02 Original Budget not Adopted

Condition: The Village of East Hodge did not adopt the General Fund budget for the year ended June 30, 2025 through adopting an ordinance, resolution or other legal instrument.

Criteria: Louisiana Revised Statute 39:1301 requires that the Village of East Hodge shall use an ordinance, resolution or other legal instrument necessary to adopt and implement the budget document.

Cause: By not adopting the budget according to State Budget Law, the Village is out of compliance.

Effect: The Village is out of compliance with the State Budget Law.

Recommendation: The Village should adopt its budget annually in accordance with the requirements under the State Budget Law.

Management's Response: The Village of East Hodge has engaged an accounting firm to assist with budgetary procedures.

VILLAGE OF HODGE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

2025-03 Unfavorable Budget Variances

Condition: Total actual expenditures of the general fund exceeded the amended budgeted amounts by greater than 5%.

Criteria: Louisiana Revised Statute 39:1311 requires that a public entity whose actual expenditures are more than budgeted expenditures by 5% to amend the budget in the same manner the budget was first adopted. The Village amended the budget, but the variance was greater than the 5%.

Cause: The budget was not amended properly.

Effect: By not amending the budget correctly, actual expenditures exceeded budgeted expenditures by greater than 5%

Recommendation: The budget should be amended prior to the end of the fiscal year to properly account for any unexpected changes in actual revenues and expenditures.

Management's Response: The Village of East Hodge has engaged an accounting firm to assist with budgetary procedures.

VILLAGE OF HODGE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

Section I - Financial Statement Findings

No findings were reported in this section.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

David M. Hartt, CPA (APAC)

PO Box 1332

West Monroe, LA 71294

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2025 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes [X] 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 [X] 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 [X] 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 [X] 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 [X] No [] N/A []

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

Yes [X] No [] N/A []

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

Yes [X] 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 [X] 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 [X] No [] N/A []

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

Yes No N/A

Meetings

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

Yes No N/A

Debt

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

Yes No N/A

Advances and Bonuses

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

Yes No N/A

Prior-Year Comments

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

Yes No N/A

General

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes [X] No [] N/A []

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

Yes [X] No [] N/A []

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

<u>John M. Abmi</u>	Mayor	<u>12-5-2025</u>	Date
<u>Demetrius S. Mason</u>	Town Clerk	<u>12-5-2025</u>	Date
<u>Vernon Jefferson</u>	Alderman	<u>12-5-2025</u>	Date