

**VILLAGE OF NORWOOD, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025**

VILLAGE OF NORWOOD, LOUISIANA
 ANNUAL FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION
 YEAR END JUNE 30, 2025
 TABLE OF CONTENTS

BASIC FINANCIAL STATEMENTS

Independent Accountant's Review Report	1-2
Required supplemental Information (Part 1) Management's Discussion and Analysis	3-7
Government-Wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements	
Governmental Funds:	
Balance Sheet	10
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	11
Statement of Revenues, Expenditures and Changes in Fund Balances	12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	13
Proprietary Funds:	
Statement of Net Position	14-15
Statement of Revenues, Expenditures and Changes in Fund Net Position	16
Statement of Cash Flows	17-18
Notes to the Financial Statements	19-27
Required Supplemental Information (Part 2)	
Budgetary Comparison Schedule - General Fund	28-29
Budgetary Comparison Schedule - Special Revenue Fund	30
Notes to the Budgetary Comparison Schedule	31

AGREED-UPON PROCEDURES

Independent Accountant's Report on Applying Agreed-Upon Procedures	32-35
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SUPPLEMENTAL INFORMATION

Justice System Funding Schedule - Collecting / Disbursing Entity Schedule	36
Schedule of Compensation Paid to Governing Members	37
Schedule of Compensation, Benefits, and Other Payments to Agency Head	37
Schedule of Insurance in Force	38
Schedule of Findings and Responses, and Communications	39-40
Louisiana Attestation Questionnaire	41-43

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(A Professional Accounting Corporation)

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Honorable Rebecca Bellue, Mayor
And Board of Alderpersons
P.O. Box 249
Norwood, Louisiana 70761

We have reviewed the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village of Norwood of Norwood, Louisiana, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Norwood'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 management of the Village of Norwood. 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

The management of the Village of Norwood 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 the 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 American Institute of Certified Public Accountants and the standards applicable to review engagements contained in *Governmental Auditing Standards* issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Village of Norwood, and to meet our 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 conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

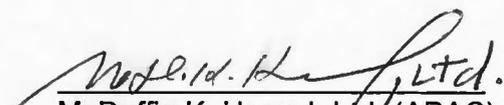
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting 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, do not express an opinion on such information.

Other Supplementary Information

The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. This includes the Schedule of Compensation Paid to the Agency Head. This 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 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.

The accompanying Justice System Funding Schedules (reporting schedules) are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 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

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated December 24, 2025, on the results of our agreed-upon procedures.


McDuffie K. Herrod, Ltd. (APAC)
Clinton, LA
December 24, 2025

REQUIRED SUPPLEMENTAL INFORMATION (Part 1)
MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF NORWOOD, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

Management's discussion and analysis (MD&A) is a required element of the reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34. Its purpose is to provide an overview of the financial activities of the Village based on currently known facts, decisions or conditions.

HIGHLIGHTS OF THE PAST YEAR

- Net assets of the Village as a whole at year-end were \$2,787,007.
- The Village purchased equipment, completed renovations on the Town Hall, continued improvements to the water system, and paved roads through the use of grant funding.

As you can see, our Village is greatly dependent upon grants for its survival. We truly appreciate all of the agencies that donate money for roads, water, sewer, etc. Otherwise, we would be unable to purchase these necessary things that are needed for everyday life in a small town.

OVERVIEW OF THE FINANCIAL STATEMENT PRESENTATION

These financial statements are comprised of three components - (1) government-wide financial statements, (2) fund financial statements and, (3) notes to the financial statements. There is also other supplemental information contained in this report provided for additional information.

Government-wide Financial Statements. The government-wide financial statements present financial information for all activities of the Village from an economic resource measurement focus using the accrual basis of accounting. These provide both short-term and long-term information about the Village's overall financial status. They include a statement of net assets and statement of activities.

Statement of Net Position. This statement presents information on all of the Village's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between these 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 not.

Statement of Activities. This statement presents information showing how the Village'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. This statement is designed to show the Village's financial reliance on general revenues.

The government-wide financial statements can be found on pages 8-9 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Village has two categories of funds: governmental funds and proprietary funds.

VILLAGE OF NORWOOD, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the focus with fund statements is to provide a distinct view of the Village's governmental funds only. These statements report short-term fiscal accountability emphasizing the use of spendable resources during the year and balances of spendable resources available at the end of the year.

Because the view of governmental funds is short-term and the view of the government-wide financial statements is long-term, it is useful to compare these two perspectives. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide reconciliation to the government-wide statements to assist in understanding the differences between the two viewpoints.

Governmental funds of the Village include a general fund that is used to account for all accounts not required to be accounted for separately and a special revenue fund used to account for proceeds legally restricted for the purpose of street maintenance.

Proprietary Funds. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurements, which together with the maintenance of equity, is an important financial indicator.

Proprietary funds include an enterprise fund that is used to account for operations (a) where the intent of the providing goods or services to the general public on a continuing basis be financed or recovered primarily 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 purposes.

Fund financial statements can be found on pages 10-18.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and begin on page 19.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's budgetary comparisons that start on page 29. These schedules indicate the Village's compliance with its adopted and final revised budgets.

VILLAGE OF NORWOOD, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

FINANCIAL ANALYSIS OF THE VILLAGE

Net assets are an indicator of the Village's financial position from year to year. A summary of net position follows.

SUMMARY OF NET POSITION

	Governmental Activities		Business-Type Activities	
	2025	2024	2025	2024
Assets				
Current Assets	\$ 193,680	\$ 165,963	\$ 45,656	\$ 39,788
Restricted assets	77,981	226,877	39,964	31,905
Capital assets, net	884,215	769,211	1,743,749	1,557,626
Total Assets	1,155,876	1,162,051	1,829,369	1,629,319
Deferred outflows – grant related				48,507
Liabilities & Deferred Inflows				
Current liabilities	6,560	21,137	127,194	29,940
Deferred inflows - Other			4,500	
Deferred inflows – Grant	42,432	87,500		
Total Liabilities & Deferred inflows	48,992	108,637	131,694	29,940
Net Position				
Net investment in capital assets	884,215	769,211	1,743,749	1,557,626
Restricted	85,599	239,423	39,993	31,745
Unrestricted	137,070	44,780	(103,619)	58,515
Net Position	\$1,106,884	\$1,053,414	\$1,680,123	\$1,647,886

A summary of changes in net position is as follows:

SUMMARY OF CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities	
	2025	2024	2025	2024
Revenues / Transfers				
Charges for services	\$43,715	\$50,745	\$ 111,572	\$ 115,487
Operating grants / contributions	116,068	214,500	100,409	46,500
Capital grants / contributions				
General revenues / transfers:				
Taxes	104,289	107,278		

VILLAGE OF NORWOOD, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

Licenses/permits	17,694	19,789		
Interest earned	71	77	35	30
Interest expense				
Other revenues	2,001	14,159	2,763	4,089
Transfers				
Net Revenues / Transfers	<u>283,838</u>	<u>406,548</u>	<u>214,779</u>	<u>166,106</u>
Expenses				
General government	117,427	122,355		
Public safety / works	112,941	109,805		
Water / sewer			182,542	188,614
Total Expenses	<u>230,368</u>	<u>232,160</u>	<u>182,542</u>	<u>188,614</u>
Change in net position	53,470	174,388	32,237	(22,508)
Net position, beginning	<u>1,053,414</u>	<u>879,026</u>	<u>1,647,886</u>	<u>1,670,394</u>
Net position, ending	<u>\$ 1,106,884</u>	<u>\$ 1,053,414</u>	<u>\$ 1,680,123</u>	<u>\$ 1,647,886</u>

BUDGETARY HIGHLIGHTS

The Village's general fund realized \$11,280 less in revenues than budgeted. General government expenditures were \$86,642 less than anticipated while public safety (fire and police) expenditures were \$2,686 more than budgeted.

The streets and sidewalks fund received \$2,426 less than anticipated. Expenditures were \$328 more than anticipated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The Village's investment in capital assets, net of accumulated depreciation and related debt at June 30, 2025 and 2024, was \$2,627,964 and \$2,326,837, respectively. These amounts include \$10,000 of land (non-depreciable assets). Capital additions during the year totaled \$442,598 consisting of water system improvements, street repairs, and building renovations and upgrades.

Capital assets at year-end are summarized as follows:

	CAPITAL ASSETS			
	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities Capital Assets, not being depreciated				
Land	<u>\$ 10,000</u>			<u>\$ 10,000</u>

VILLAGE OF NORWOOD, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

Capital Assets, being depreciated

Buildings and Improvements	644,850	95,068	739,918
Equipment	393,023	9,752	402,775
Vehicles	213,148		213,148
Furniture and Fixtures	19,091		19,091
Infrastructure	216,133	62,550	278,683
Total Capital Assets, being depreciated	<u>1,486,245</u>	<u>167,370</u>	<u>1,653,615</u>
Capital Assets, total	<u>1,486,245</u>	<u>167,370</u>	<u>1,653,615</u>

Business-type Activities

Capital Assets, being depreciated

Furniture and Equipment	695		695
Sewer System	1,364,531		1,364,531
Water System	2,094,153	275,228	2,369,381
Capital Assets, total	<u>\$3,459,379</u>	<u>\$275,228</u>	<u>\$3,734,597</u>

Accumulated depreciation totaled \$2,770,261 for all funds for a net capital assets balance of \$2,627,964 for the year ended June 30, 2025.

ECONOMIC ENVIRONMENT AND NEXT YEAR'S BUDGET

The budget for 2025-2026 again anticipates grant funding for improving the infrastructure within the Village's boundaries as well as enhancing police and fire protection. Sales tax collections are not expected to increase in the subsequent year presenting a challenge for capital improvements as well as operations.

ADDITIONAL INFORMATION

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations and demonstrate the Village's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting Jennie Jelks at (225) 629-5347, P. O. Box 249, Norwood, Louisiana 70761.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 76,051	\$ 37,495	\$ 113,546
Receivables, net		8,161	8,161
Due from other funds	133,444		133,444
Restricted assets:			
Cash and cash equivalents	77,981	39,964	117,945
Capital assets, net	884,215	1,743,749	2,627,964
Total Assets	<u>1,171,691</u>	<u>1,829,369</u>	<u>3,001,060</u>
DEFERRED OUTFLOWS OF RESOURCES			
Grant related		-	-
LIABILITIES			
Accounts payable	2,795	1,043	3,838
Due to other government agencies	1,604		1,604
Due to other funds	15,815	126,151	141,966
Payroll related withholdings/payable	2,161		2,161
Customer deposits		17,552	17,552
Total Liabilities	<u>22,375</u>	<u>144,746</u>	<u>167,121</u>
DEFERRED INFLOWS OF RESOURCES			
Grant related	42,432	-	42,432
Other Revenue		4,500	4,500
NET POSITION			
Net investment in capital assets	884,215	1,743,749	2,627,964
Restricted for:			-
Customer deposits		17,552	17,552
Debt retirement and contingency		22,441	22,441
Assigned grant funds	42,068		42,068
Street maintenance/construction	43,531		43,531
Unrestricted	137,070	(103,619)	33,451
Net Position	<u>\$ 1,106,884</u>	<u>\$ 1,680,123</u>	<u>\$ 2,787,007</u>

See Accompanying Notes and Accountants' Review Report

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Program Revenues			Net Revenues (Expenses)		
	Expenses	Charges for Services	Operating Grants & Contri- butions	Govern- mental Activities	Business- Type Activities	Total
Governmental Activities						
General government	\$ 117,427	\$ -	\$ 108,500	\$ (8,927)	\$ -	\$ (8,927)
Intergovernmental	-	4,125		4,125		4,125
Public safety	52,835	39,590	7,568	(5,677)		(5,677)
Public works	60,106			(60,106)		(60,106)
Total Governmental Activities	<u>230,368</u>	<u>43,715</u>	<u>116,068</u>	<u>(70,585)</u>	<u>-</u>	<u>(70,585)</u>
Business-Type Activities						
Water	119,808	77,428	100,409		58,029	58,029
Sewer	62,734	34,144	-	-	(28,590)	(28,590)
Total Business-Type Activities	<u>182,542</u>	<u>111,572</u>	<u>100,409</u>	<u>-</u>	<u>29,439</u>	<u>29,439</u>
Total Primary Government	<u>\$ 412,910</u>	<u>\$ 155,287</u>	<u>\$ 216,477</u>	<u>\$ (70,585)</u>	<u>\$ 29,439</u>	<u>\$ (41,146)</u>
General Revenues, Interest and Transfers						
Taxes:						
Sales				85,493	-	85,493
Franchise				18,431	-	18,431
Beer				365	-	365
Licenses and permits				17,694		17,694
Interest earned				71	35	106
Other revenues				2,001	2,763	4,764
Transfers In / Out				-	-	-
Total General Revenues, Interest and Transfers				<u>124,055</u>	<u>2,798</u>	<u>126,853</u>
Change in Net Position				<u>53,470</u>	<u>32,237</u>	<u>85,707</u>
Net Position, beginning				<u>1,053,414</u>	<u>1,647,886</u>	<u>2,701,300</u>
Net Position, ending				<u>\$ 1,106,884</u>	<u>\$ 1,680,123</u>	<u>\$ 2,787,007</u>

See Accompanying Notes and Accountants' Review Report

FUND FINANCIAL STATEMENTS

VILLAGE OF NORWOOD, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Streets and Sidewalks	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 76,051	-	\$ 76,051
Due from other funds	133,444	-	133,444
Restricted assets:			
Cash and cash equivalents	50,059	27,922	77,981
TOTAL ASSETS	259,554	27,922	287,476
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other government agencies	1,604		1,604
Accounts payable	1,066	1,729	2,795
Deferred Grant Revenue	42,432		42,432
Due to other funds		15,815	15,815
Payroll related withholdings / payable	2,161		2,161
Total Liabilities	47,263	17,544	64,807
 Fund Balances:			
Restricted for street maintenance/construction		43,531	43,531
Assigned	42,068		42,068
Unassigned	170,223	(33,153)	137,070
Total Fund Balances	212,291	10,378	222,669
 TOTAL LIABILITIES AND FUND BALANCES	 \$ 259,554	 \$ 27,922	 \$ 287,476

VILLAGE OF NORWOOD, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2025

Total Fund Balances - Total Governmental Funds \$ 222,669

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

Capital assets used in governmental activities are not current
financial resources and, therefore, are not reported in the
Governmental Funds Balance Sheet. This is the capital
assets, net of accumulated depreciation, reported on the
Statement of Net Position

884,215

Net Position - Governmental Activities

\$ 1,106,884

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
JUNE 30, 2025

	<u>General</u>	<u>Streets and Sidewalks</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>			
Intergovernmental revenues	\$ -	\$ 4,125	\$ 4,125
Taxes:			
Sales	34,745	50,748	85,493
Franchise	18,431		18,431
Beer	365		365
Licenses and permits	17,694		17,694
Fines	39,590		39,590
Grants proceeds/donations	116,068		116,068
Interest earned	56	15	71
Other revenues	2,001	-	2,001
Total Revenues	228,950	54,888	283,838
 <u>EXPENDITURES</u>			
General government	69,990	-	69,990
Public safety:			
Fire	5,186		5,186
Police	47,648		47,648
Capital Outlay	167,370		167,370
Public works		55,178	55,178
Total Expenditures	290,194	55,178	345,372
 Excess of Revenues over Expenditures	 (61,244)	 (290)	 (61,534)
 <u>OTHER FINANCING SOURCES</u>			
None	-	-	-
Total Other Financing Sources	-	-	-
 Change in Fund Balances	 (61,244)	 (290)	 (61,534)
 Fund Balances, beginning	 273,536	 10,667	 284,203
 Fund Balances, ending	 \$ 212,292	 \$ 10,377	 \$ 222,669

See Accompanying Notes and Accountants' Review Report

VILLAGE OF NORWOOD, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances - Total Governmental Funds \$ (61,534)

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

Governmental funds report capital outlays as expenditures.
However, in the Statement of Activities, the cost of those
assets is allocated over their estimated useful life as
depreciation expense. This is the amount by which depreciation
differed from capital outlay charged in the current period.

115,004

Change in Net Position - Governmental Activities \$ 53,470

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

ASSETS	Business - Type Activities Enterprise Funds		
	Water	Sewer	Total
Current Assets:			
Cash and cash equivalents	\$ 21,617	\$ 15,878	\$ 37,495
Receivables, net	5,845	2,316	8,161
Grants receivable	-	-	-
Total Current Assets	27,462	18,194	45,656
Restricted Assets:			
Cash and cash equivalents	16,914	14,992	31,906
Capital Assets:			
Furniture and equipment	695		695
Water well/distribution system	2,369,382		2,369,382
Sewer treatment plant		1,364,531	1,364,531
Less: accumulated depreciation	(797,831)	(1,193,028)	(1,990,859)
Capital Assets, net	1,572,246	171,503	1,743,749
Total Assets	1,616,622	204,689	1,821,311
DEFERRED OUTFLOWS OF RESOURCES			
LIABILITIES			
Current Liabilities			
Accounts payable	700	343	1,043
Due to other funds	122,806	3,344	126,150
Deferred revenues	2,500	2,000	4,500
Total Current Liabilities	126,006	5,687	131,693
Long-Term Liabilities			
Payable from restricted assets:			-
Customer deposits	17,552		17,552
Total Long-Term Liabilities	17,552	-	17,552
Total Liabilities	\$ 143,558	\$ 5,687	\$ 149,245

See Accompanying Notes and Accountants' Review Report

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

CONTINUED

NET POSITION

Net investment in capital assets	\$ 1,572,246	\$ 171,503	\$ 1,743,749
Restricted for:			
Customer deposits	17,552		17,552
Debt retirement and contingency		22,441	22,441
Unrestricted	(116,128)	12,509	(103,619)
Total Net Position	<u>\$ 1,473,670</u>	<u>\$ 206,453</u>	<u>\$ 1,680,123</u>

See Accompanying Notes and Accountants' Review Report

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Total
OPERATING REVENUES			
Charges for services	\$ 77,427	\$ 34,145	\$ 111,572
Grant revenue	100,409	-	100,409
Total Operating Revenue	<u>177,836</u>	<u>34,145</u>	<u>211,981</u>
OPERATING EXPENSES			
Administrative	1,500		1,500
Depreciation	55,013	34,092	89,105
Employee and related expenses	17,975	3,000	20,975
Occupancy	21,144	9,059	30,203
Personal services	24,176	16,583	40,759
Total Operating Expenses	<u>119,808</u>	<u>62,734</u>	<u>182,542</u>
Operating Surplus (deficit)	<u>58,028</u>	<u>(28,589)</u>	<u>29,439</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest earned	18	17	35
Other revenue / (cost)	2,353	410	2,763
Total Non-Operating Revenues (Expenses)	<u>2,371</u>	<u>427</u>	<u>2,798</u>
Income before transfers	60,399	(28,162)	32,237
Transfers in (out)	-		-
Change in Net Position	60,399	(28,162)	32,237
Net Position, beginning	1,413,271	234,615	1,647,886
Net Position, ending	<u>\$ 1,473,670</u>	<u>\$ 206,453</u>	<u>\$ 1,680,123</u>

See Accompanying Notes and Accountants' Review Report

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers/grantors	\$ 76,950	\$ 33,278	\$ 110,228
Cash paid to suppliers for goods/services	(46,849)	(25,300)	(72,149)
Cash paid to employees for services	(17,975)	(3,000)	(20,975)
Net Cash Provided/(Used) by Operating Activities	12,126	4,978	17,104
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
None			
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Due to or from other funds	169,971	8,370	178,341
Grant Revenue	100,409		100,409
Net Cash Provided by (Used for) Capital and Related Financing Activities	270,380	8,370	278,750
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(275,228)	-	(275,228)
Other revenues	2,353	410	2,763
Interest received from savings/certificates of deposit	18	17	35
Net Cash Provided/(used) by Investing Activities	(272,857)	427	(272,430)
Net Increase/(Decrease) in Cash and Cash Equivalents	9,649	13,775	23,424
Cash and Cash Equivalents, beginning of year	28,882	17,095	45,977
Cash and Cash Equivalents, end of year	38,531	30,870	69,401
Cash Presentation on Statement of Net Assets:			
Current Assets: Cash and cash equivalents	21,617	15,878	37,495
Restricted Assets: Cash and cash equivalents	16,914	14,992	31,906
Cash and Cash Equivalents, end of year	\$ 38,531	\$ 30,870	\$ 69,401

See Accompanying Notes and Accountants' Review Report

VILLAGE OF NORWOOD, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Total
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income/(loss)	\$ 58,028	\$ (28,589)	\$ 29,439
Adjustments to Reconcile Operating Loss to Net Cash Provided/(Used) by Operating Activities:			
Depreciation	55,013	34,092	89,106
(Increase) decrease in assets:			
Accounts receivable	(1,477)	(867)	(2,344)
Other receivables	-		-
Increase (decrease) in liabilities:			
Accounts payable	(29)	(340)	(369)
Other liabilities	(99,409)	682	(98,727)
Net Cash Provided/(Used) by Operating Activities	\$ 12,126	\$ 4,978	\$ 17,105

See Accompanying Notes and Accountants' Review Report

NOTES TO FINANCIAL STATEMENTS

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

INTRODUCTION

The Village of Norwood, Louisiana (hereafter referred to as the Village) was created under the provisions of the Lawrason Act, La. Revised Statute 33:321-463, in 1960. Therefore, it operates under a Mayor-Board of Aldermen form of government.

The Mayor and three Alderpersons are elected at large every four years by the citizens of the Village. They are compensated for their services.

The purpose of the municipality is to promote the general welfare and the safety, health, peace, good order, comfort, convenience and morals of its inhabitants. It currently serves approximately 187 water and 92 sewer customers, and employs 13 persons.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accounting and reporting practice of the Village conforms to governmental accounting principles generally accepted in the United States of America. Such accounting and reporting procedures also conform to the requirements of La. Revised Statute 24:513 and to the guidelines set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

Financial Reporting Entity: Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Village includes all funds which are controlled by or dependent on the Village which was determined on the basis of oversight responsibility, including accountability for fiscal and budget matter, designation of management or governing authority and authority to issue debt. Certain units of local government over which the Village exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected officials, and other municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Village.

Government-Wide Accounting: In accordance with Government Accounting Standards Boards Statement No. 34, the Village has presented a statement of net position and statement of activities for the Village as a whole. These statements include the primary government and its component units, if applicable, with the exception of fiduciary funds. Those funds are reported separately. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental-type and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

Policies specific to the government-wide statements are as follows:

Eliminating Internal Activity

Interfund receivables and payables are eliminated in the statement of net position except for the net residual amounts due between governmental and business-type activities. These are presented as

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the statement of activities. Allocated expenses are reported by the function to which they were allocated.

Capitalizing Assets

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as roads and bridges are also capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the statement of net assets. Depreciation of contributed assets of proprietary funds is charged against contributed capital as opposed to unrestricted net assets.

Under the requirements of GASB Statement No. 34, the Village is considered a Phase 3 government, as its total annual revenues are less than \$10 million. Such governments were not required to report major general infrastructure assets retroactively. The Village opted not to retroactively report those types of capital assets.

Program Revenues

The statement of activities presents three categories of program revenues - (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the Village. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are restricted for a specific use.

Indirect Expenses

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the Village has chosen not to do so.

Operating/Non-Operating Revenues

Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of the Village's operation of providing water and sewer services are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, are reported as non-operating revenues.

Restricted Net Position

Restricted net positions are those for which a constraint has been imposed either externally or by law. The Village recognizes the use of restricted resources for expenditures that comply with the specific restrictions. Restricted resources are exhausted before unrestricted net position is used.

Fund Accounting: The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate entity with a self-balancing set of accounts. Funds of the Village are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds: Governmental funds account for all or most of the Village's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds of the Village include:

1. General Fund - is the general operating fund of the Village and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary Funds: Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds of the Village include:

1. Enterprise Funds - account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily 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 purposes.

Basis of Accounting/Measurement Focus: In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification, and subsequent GASB pronouncements, is recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The type of financial statement presentation determines the accounting and financial reporting treatment applied to a fund.

The government-wide statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of governmental-type and business-type activities are included in the statement of net position. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the statement of activities. In these statements, capital assets are reported and depreciated in each fund, and long-term debt is reported.

The fund statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated. Principal and interest paid on long-term debt is reported as current expenses.

Budgets: The Village adopts an annual budget for the general fund, special revenue fund and enterprise fund. It is prepared in accordance with the basis of accounting utilized by that fund. It is published and made available for public inspection prior to the start of the fiscal year. Appropriations

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

lapse at year-end. The Board of Alderpersons must approve any revisions that alter the total expenditures. Budgeted amounts shown are as originally adopted and as amended, if applicable, by the Board. Budget amendments are passed on an as-needed basis. A balanced budget is required.

Cash and Cash Equivalents: Cash includes amounts in demand deposits, interest bearing demand deposits and money market savings. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Village may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state of the United States or under the laws of the United States.

Investments: Investments are limited by La. Revised Statute 49:327. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair market value, based on quoted market prices, with the corresponding increase or decrease reported in investment earnings.

Inventory: Inventory of the Village includes only office supplies, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statement.

Receivables: Receivables are recorded net of any allowance for uncollectible amounts in both governmental and business-type activities. Management bases its uncollectible amounts in part on historical information. Revenues become susceptible to accrual when they become both measurable and available.

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

Restricted Assets: Certain proceeds are classified as restricted assets on the statement of net assets because their use is limited. Components of these assets for governmental activities include public safety. Components for business-type activities include customer deposits and debt retirement.

Capital Assets: The Village's assets are recorded at historical cost or estimated cost if historical cost is not available. Donated assets are recorded at their estimated fair market value at the date of donation. The Village utilizes a threshold of \$1,000 or more for capitalizing assets. The cost of maintaining and/or repairing capital assets is expensed unless the repair will extend the assets life materially. Significant costs associated with the construction of capital assets are capitalized along with any interest incurred during the construction phase.

Depreciation is recorded using the straight-line method over the useful lives of the assets as follows: buildings -40 years; equipment -4-10 years; furniture - 5-7 years; vehicles -7-10 years and infrastructure -40-50 years.

In June 1999, the Governmental Accounting Standards Board issued Statement No. 34 which requires the inclusion of infrastructure assets used in governmental activities in the basic financial statements retroactively reported back to 1982. An exception existed for local governments with annual revenues of less than \$10 million. The Village elected to not report its governmental infrastructure retroactively as a result. From that point forward, the Village has used the basic approach to infrastructure reporting for its governmental activities.

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Compensated Absences: The Village does not provide compensated absences.

Long-Term Obligations: In the government-wide financial statements, debt principal payments of both governmental and business-type activities are reported as decreases in the balance of the liability on the statement of net position. In the fund financial statements of governmental activities, however, debt principal payments of governmental funds are recognized as expenditures when paid.

Equity: In the statement of net position, the difference between a government's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is recorded as net position. The three components of net position are as follows:

Net Investment in Capital Assets

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

Restricted Net Position

Net Position that is reserved by external sources such as banks or by law, are reported separately as restricted net position. When assets are required to be retained in perpetuity, the resulting non-expendable net position are recorded separately from expendable net position. These are components of restricted net position.

Unrestricted Net Position

This category represents net position not appropriable for expenditures or legally segregated for a specific future use.

In the balance sheet of governmental funds, fund balances are segregated as follows:

Non-spendable - that portion of net resources that cannot be spent because of its form or because it must be maintained intact

Restricted - net resources for which an external and enforceable limitation was placed on its use either by creditors, grantors, contributors or laws/regulations of other governments

Committed - net resources with a self-imposed limitation set in place by the governing body through a formal action of that body as to its intended use prior to year-end

Assigned - net resources for which an intended specific use is placed by the governing body, a committee thereof or by an official designated to handle that particular use not requiring a formal action of the governing body

Unassigned - that portion of net resources not otherwise classified as non-spendable, restricted, committed or assigned, i.e. surplus.

Interfund Transactions: All interfund transactions, except quasi-external transactions, are reported as operating transfers. These are eliminated in the government-wide statements.

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Sales Taxes: Sales taxes are levied by the Police Jury of East Feliciana Parish and allocated to the Village according to their population within the parish. They are collected by the Jury and remitted to the Village the following month.

NOTE 2 - CASH AND CASH EQUIVALENTS

Deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair 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 mutually acceptable to both parties.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, La. Revised Statute 39:1229, imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Village has no deposits (bank balances) that are considered uninsured and uncollateralized at June 30, 2025.

A summary of cash and cash equivalents (book balances) at June 30, 2025, of which \$117,945 is restricted, is as follows:

	Governmental Activities	Business- type Activities
Petty Cash	100	0
Demand deposits	78,799	0
Interest-bearing demand deposits	33,712	25,892
Savings accounts	41,421	51,567
Total	154,032	77,459

NOTE 3 -CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets, not being depreciated				
Land	10,000			10,000
Capital Assets, being depreciated				
Buildings and Improvements	644,850	95,068		739,918
Equipment	393,023	9,752		402,775
Vehicles	213,148			213,148

VILLAGE OF NORWOOD, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2025

Furniture and Fixtures	19,091		19,091
Infrastructure	216,133	62,553	278,686
Total Capital Assets, being depreciated	<u>1,486,245</u>	<u>167,373</u>	<u>1,653,618</u>
 Capital Assets, total	 <u>1,496,245</u>	 <u>167,373</u>	 <u>1,663,618</u>
 Business-type Activities			
Capital Assets, being depreciated			
Furniture and Equipment	695		695
Sewer System	1,364,531		1,364,531
Water System	2,094,153	275,228	2,369,381
Capital Assets, total	<u>3,459,379</u>	<u>275,228</u>	<u>3,734,607</u>

Accumulated depreciation totaled \$2,770,261 for all funds for a net capital assets balance of \$2,627,964 for the year ended June 30, 2025.

NOTE 4 -ACCOUNTS AND OTHER PAYABLES

The following is a summary of current payables at June 30, 2025:

	General	Special	Enterprise	
	<u>Fund</u>	<u>Revenue</u>	<u>Funds</u>	<u>Total</u>
Accounts payable	1,066	1,729	1,043	3,838
Due to other agencies	1,604			1,604
Payroll / withholdings	2,161			2,161
Customer deposits			17,552	17,552
Due to other funds		15,815	126,151	141,966
Deferred revenues			4,500	4,500
Deferred grant revenue	42,432			42,432
Total	<u>47,263</u>	<u>17,544</u>	<u>149,246</u>	<u>214,053</u>

NOTE 5 - LONG-TERM OBLIGATIONS

The Village has no long-term obligations.

NOTE 6 -RESTRICTED NET POSITION

The following is a summary of restricted net position at June 30, 2025:

Restricted for:	Governmental Activities	Business - Type Activities
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VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Customer deposits		\$17,552
Debt retirement		22,441
Assigned grant funds	42,068	
Street maintenance / construction	43,531	
Total Restricted	\$85,599	\$39,993

NOTE 7 - LEASES

No capital or financing leases existed at June 30, 2025.

NOTE 8 - RETIREMENT SYSTEM

The Village pays social security on its employees. No other system of retirement is currently in place.

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS

The Village does not provide any post-employment benefits to its employees.

NOTE 10 - PROPRIETARY FUND SEGMENT INFORMATION

The Village maintains one enterprise fund which provides water and sewer services. Segment information for the year ended June 30, 2025, is as follows:

Condensed Statement of Net Position

Current Assets		\$ 45,656
Restricted assets		39,964
Capital Assets, net		1,743,749
Total Assets		1,829,369
Current liabilities		127,194
Long-term liabilities		17,552
Total Liabilities		144,746
Investment in capital assets		1,743,749
Restricted		39,993
Unrestricted		(103,619)
Total Net Position		\$1,680,123

Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position

Operating Revenues:		
Charges for services & grants		\$211,981
Operating expenses		93,437
Depreciation		89,105
Total Operating Expenses		182,542
Operating Surplus		29,439

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Non-operating revenue (expenses)	<u>2,798</u>
Change in Net Position	<u>\$32,237</u>

Condensed Statement of Cash Flows

Net cash provided by (used for):	
Operating activities	17,104
Non-capital financing activities	0
Capital and related financing activities	278,750
Investing activities	<u>(272,430)</u>
Net increase/(decrease) in cash and cash equivalents	23,424
Cash and cash equivalents, beginning of year	<u>45,977</u>
Cash and cash equivalents end of year	<u><u>69,401</u></u>

NOTE 11 -RELATED PARTY TRANSACTIONS

There were no related party transactions that require disclosure.

NOTE 12 - LITIGATION

There is no litigation that would require disclosure in the accompanying financial statements.

NOTE 13 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 24, 2025, the date on which the financial statements were available to be issued. There were no subsequent events that required disclosure.

REQUIRED SUPPLEMENTAL INFORMATION

PART 2 OF 2

VILLAGE OF NORWOOD, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Taxes:				
Franchise	\$ 19,600	\$ 19,200	\$ 18,431	\$ (769)
Sales tax	0	0	34,745	34,745
Beer	500	500	365	(135)
Licenses and permits	24,600	18,100	17,694	(406)
Fines	58,000	35,000	39,590	4,590
Grants proceeds/donations/gains	50,000	158,500	116,068	(42,432)
Interest earned	34	30	56	26
Other revenues	8,200	8,900	2,001	(6,899)
Total Revenues	160,934	240,230	228,950	(11,280)

EXPENDITURES

General Government:

Dues and subscriptions	400	350	357	(7)
Insurance	400	400	448	(48)
Mileage	600	550	984	(434)
Miscellaneous expense	500	1,200	1,005	195
Office expense	8,000	9,000	9,722	(722)
Postage	500	400	408	(8)
Professional fees	3,000	13,000	13,260	(260)
Public notices	1,200	1,750	1,715	35
Repairs / maintenance	1,200	4,200	4,491	(291)
Salaries and payroll taxes	30,100	31,600	33,993	(2,393)
Capital outlay	70,000	248,500	157,618	90,882
Telephone	2,250	3,300	3,607	(307)
Total General Government	118,150	314,250	227,608	86,642

Public Safety:

Fire:

Gas & Oil	250	250	0	250
Miscellaneous expense	200	100	0	100
Repairs / maintenance	50	500	0	500
Telephone	2,800	2,400	2,492	(92)
Training	0	0	0	0
Grant Expense	0	0	0	0
Utilities	2,000	2,700	2,694	6

Total Fire	\$ 5,300	\$ 5,950	\$ 5,186	\$ 764
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See Independent Accountant's Report

VILLAGE OF NORWOOD, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED JUNE 30, 2025

CONTINUED

Police:				
Sheriff / dispatch fees	\$ 1,320	\$ 1,500	\$ 1,507	\$ (7)
Dues and Subscriptions	200	200	200	0
Gas and oil	3,500	2,700	2,818	(118)
Insurance	10,000	10,000	9,524	476
Miscellaneous expense	100	300	1,306	(1,006)
Office expense	2,000	2,000	1,167	833
Repairs / maintenance	5,000	2,300	2,820	(520)
Salaries and payroll taxes	30,300	23,800	27,022	(3,222)
Supply Purchase Capital Outlay	500	9,500	9,752	(252)
Telephone	0	0	0	0
Christmas fund	0	0	0	0
Training	1,500	1,200	854	346
Utilities	800	450	430	20
Total Police	<u>55,220</u>	<u>53,950</u>	<u>57,400</u>	<u>(3,450)</u>
Total Public Safety	<u>60,520</u>	<u>59,900</u>	<u>62,586</u>	<u>(2,686)</u>
Public works	0	0	0	0
Total Expenditures	<u>178,670</u>	<u>374,150</u>	<u>290,194</u>	<u>83,956</u>
Change in Fund Balances	<u>(17,736)</u>	<u>(133,920)</u>	<u>(61,244)</u>	<u>0</u>
Fund Balances, beginning	<u>318,058</u>	<u>(65,048)</u>	<u>273,536</u>	<u>0</u>
Fund Balances, ending	<u>\$ 300,322</u>	<u>\$ (198,968)</u>	<u>\$ 212,292</u>	<u>\$ -</u>

See Independent Accountant's Report

VILLAGE OF NORWOOD, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE
 STREETS AND SIDEWALKS FUND
 YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				-
LA DOTD maintenance fees	\$ 3,300	\$ 3,300	\$ 4,125	\$ 825
Taxes				-
Sales	55,000	54,000	50,748	(3,252)
Interest earned	10	13	15	2
Grant Income	-	-	-	-
Other revenues	1,000	1	-	(1)
Total Revenues	59,310	57,314	54,888	(2,426)
EXPENDITURES				
Public Works	-	-	-	-
Gas and oil	3,000	3,800	4,242	(442)
Insurance	2,000	2,400	2,575	(175)
Repair / maintenance	10,000	11,000	12,272	(1,272)
Utilities	11,500	11,500	11,043	457
Salaries and payroll taxes	23,600	24,800	24,135	665
Miscellaneous Expense	1,000	1,350	911	439
Capital outlay	-	-	-	-
Total Expenditures	51,100	54,850	55,178	(328)
Change in Fund Balances	8,210	2,464	(290)	-
Fund Balance, beginning	37,613	(8,759)	10,667	-
Fund Balance, ending	\$ 45,823	\$ (6,295)	\$ 10,377	\$ -

See Independent Accountant's Report

VILLAGE OF NORWOOD, LOUISIANA
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
JUNE 30, 2025

Budgetary Information

The Village of Norwood, Louisiana adopts annual budgets for the general fund and special revenue fund. They are prepared in accordance with the basis of accounting utilized by the funds, which is the modified accrual basis of accounting. The budgets are published and made available for public inspection prior to the start of the fiscal year. Appropriations lapse at year-end. The Board of Alderpersons must approve any revisions that alter the total expenditures. Budgeted amounts shown are as originally adopted and as amended, if applicable, by the Board. Budget amendments are passed on an as-needed basis. A balanced budget is required by the board.

The budgetary comparison schedules present comparisons of the original and final legally-adopted budgets with actual data.

Through the budgets, the Village allocates its resources and establishes its priorities. The annual budgets assure the efficient and effective uses of the Village's economic resources. It establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the Village's performance.

The following process for budget preparation is utilized by the Village: The Mayor and Village Clerk prepare a proposed budget and submit it to the Village Alderpersons no later than fifteen days prior to the beginning of each fiscal year. The proposed budget is reviewed by the Alderpersons and made available to the public. At least ten days after publication of the call for a public hearing, the Village holds a public hearing on the proposed budget to receive comments and/or questions from citizens. Any changes needed after the hearing are made and the budget is adopted through passage of an ordinance during the June meeting.

During the year, the Village receives monthly budget comparison statements, which are used as tools to control the operations of the Village. As needed, the Clerk presents amendments to the Alderpersons when she determines that actual operations are differing materially from those anticipated in the original budget. The Alderpersons review the proposed amendments, make any necessary changes and formally adopts the amendments. The budget was amended one time during the fiscal year. The Village does not use encumbrance accounting in its accounting system.

The Village follows the Louisiana Government Budget Act and Louisiana Revised Statute 39:1310 in its budgeting process. The Village was not in compliance with the Local Government Budget Act for the fiscal year.

AGREED-UPON PROCEDURES

MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

McDUFFIE K. HERROD
CERTIFIED PUBLIC ACCOUNTANT

Member:

American Institute of CPAs
Society of Louisiana CPAs

POST OFFICE BOX 8436
12410 WOODVILLE ST.
CLINTON, LA 70722

Telephone (225) 683-3888
Facsimile (225) 683-6733

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Rebecca Bellue, Mayor and Board of Alderpersons
P.O. Box 249
Norwood, Louisiana 70761

We have performed the procedures enumerated below, which were agreed to by the Village of Norwood and the Louisiana Legislative Auditor, on the Village of Norwood'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 of Norwood'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:

With respect to your representations included within the Louisiana Attestation Questionnaire, as of June 30, 2025 and for the year then ended, we have applied the following agreed-upon procedures:

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), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no exceptions to this procedure.

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 us with the requested information.

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

Management provided us with the requested information.

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

Management provided us with the requested information and none were noted.

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 us with the requested information and none appeared on both lists.

Budgeting

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

Management provided us with the requested information.

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.

No exceptions noted.

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).

Actual revenues in the General Fund failed to meet budgeted revenue by 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, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

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

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.

No exceptions were noted.

Debt

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

We scanned the bank deposit slips for the fiscal period and noted no deposits which appeared to be proceeds of bank loans, bond proceeds 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.

We scanned payroll disbursements and found no payments or approval for payments in any documents 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 agency provided the required report timely in accordance with the revised statute.

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

We made the inquiries and the agency entered into no contracts or like agreements.

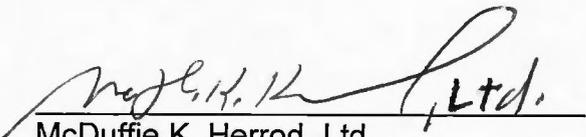
Prior-Year Comments

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

The prior year report did not include any suggestions, recommendations, or comments.

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 of Norwood's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Village of Norwood'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.



McDuffie K. Herrod, Ltd.
Clinton, LA

December 24, 2025

SUPPLEMENTAL INFORMATION

VILLAGE OF NORWOOD, LOUISIANA
 COLLECTING / DISBURSING ENTITY SCHEDULE
 As required by Act 87 of 2020 Regular Legislative Session

	First Six Month Period Ended <u>12/31/2024</u>	Second Six Month Period Ended <u>6/30/2025</u>
Cash Basis Presentation		
Beginning Balance of Amounts Collected	\$ -	\$ -
Add Collections		
Criminal Court Costs/Fees	15,191	19,663
Interest Earnings on Collected Balances		
Other	-	-
Total Collections	<u>15,191</u>	<u>19,663</u>
Less: Disbursements to Governments & Nonprofits		
Louisiana Commission on Law Enforcement - LETF/CVRF	214	255
Treasurer, State of Louisiana - CMIS	77	101
East Feliciana Parish Juvenile Justice - JDC	385	505
Louisiana Supreme Court - LJCC	39	51
LDH-THSCI Trust Fund - DHH	265	330
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	1,465	1,633
Less: Amounts Retained by Village of Norwood		
Self Disbursed Court Costs	<u>12,746</u>	<u>16,788</u>
Total Disbursements / Retainage	<u>15,191</u>	<u>19,663</u>
Ending Balance of Amounts Collected	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Independent Accountant's Report

VILLAGE OF NORWOOD, LOUISIANA
 SCHEDULE OF COMPENSATION PAID TO GOVERNING MEMBERS
 YEAR ENDED JUNE 30, 2025

The following information is provided in compliance with House Concurrent Resolution No. 54 of the Louisiana Legislature.

Mayor:

Rebecca G. Bellue	\$	4,200
P.O. Box 35		
Norwood, LA 70761		

Alderspersons:

Ronald D. Jett		1,200
P.O. Box 8		
Norwood, LA 70761		

James W. Poole, III		1,200
P.O. Box 70		
Norwood, LA 70761		

Kimmi A. Sellers		1,200
14647 Shady Grove Lane		
Norwood, LA 70761		

Total	\$	7,800
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VILLAGE OF NORWOOD, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
 TO AGENCY HEAD
 YEAR ENDED JUNE 30, 2025

Mayor: Rebecca G. Bellue		
Salary	\$	4,200
Benefits		-
Reimbursements		-
	\$	4,200

See Independent Accountant's Report

VILLAGE OF NORWOOD, LOUISIANA
 SCHEDULE OF INSURANCE IN FORCE
 JUNE 30, 2025

Policy No.	Expiration	Carrier	Coverage	Amount
T200148	1/1/2027	EMC Insurance Companies	Fidelity Bond: Mayor Mayor Pro-Temp Clerk	\$ 30,000 \$ 30,000 \$ 30,000
	Quarterly	La. Municipal Risk Management Agency	Worker's Compensation	Statutory
MEPK10426600	3/19/2026	Arch Insurance Company	Business Property Limit Deductible Coinsurance	\$ 118,916 \$ 500 GRC
10002650001280	1/1/2027	La. Municipal Risk Management Agency	Law Enforcement Officer Personal injury / property Bodily injury / property Deductible	\$ 500,000 \$ 500,000 \$ 1,000
5CB8346	10/9/2026	Lloyds of London	Auto Physical Damage Deductible each loss	\$ 500

See Independent Accountant's Report

VILLAGE OF NORWOOD, LOUISIANA
SCHEDULE OF FINDINGS & COMMUNICATIONS
FOR THE YEAR ENDED JUNE 30, 2025

A. PRIOR YEAR FINDINGS - FINANCIAL STATEMENT AUDIT

2024-001 Compliance with Local Government Budget Act

Criteria: The Local Government Budget Act requires that the budget be amended when a 5% variance occurs between actual and budgeted revenues.

Condition: General Fund revenues were under budget by 21%.

Cause: While the budget was amended, the amount for revenues did not fall within the acceptable range to be in compliance.

Effect: The Village is not in compliance with applicable laws.

Recommendations: Management should review the budget to actual variance reports monthly to ensure compliance with state law.

Response by Management: We will continue to make every effort to comply with this law.

Status: Resolved

C. PRIOR YEAR FINDINGS – INTERNAL CONTROL OVER FINANCIAL REPORTING

None

D. CURRENT YEAR FINDINGS – FINANCIAL STATEMENTS REVIEW

None

E. MANAGEMENT LETTER ITEMS

A management letter was not issued.

Communications

Results of audit findings were discussed with the Mayor and Town Clerk on December 24, 2025.

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LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

01-05-2024 (Date Transmitted)

McDuffie K. Herrod, Ltd (CPA Firm Name)
12410 Woodville St (CPA Firm Address)
Clinton, La. 70722 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 06-30-2025 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes [] No [] N/A []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

Budgeting

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

Yes [] No [] N/A []

Accounting and Reporting

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

Meetings

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

Yes [] No [] N/A []

Debt

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

Yes [] No [] N/A []

Advances and Bonuses

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

Yes [] No [] N/A []

Prior-Year Comments

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

Yes [] No [] N/A []

General

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

<u>Jennie Dell</u>	Secretary		Date
<u>Jennie Dell, Town Clerk</u>	Treasurer	12/18/25	Date
<u>Rebecca Bellini</u>	President	12/18/25	Date