

**VILLAGE OF HALL SUMMIT, LOUISIANA**

**FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2024**

# VILLAGE OF HALL SUMMIT, LOUISIANA

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## VILLAGE OF HALL SUMMIT, LOUISIANA

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## Dees Gardner, Certified Public Accountants, LLC

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### Independent Accountant's Review Report

The Honorable Danny Scott, Mayor  
And the Members of the Board of Aldermen  
Hall Summit, Louisiana

#### Report on the Financial Statements

We have reviewed the accompanying financial statements of the governmental activities, the business-type activity, and the major fund of the Village of Hall Summit, Louisiana, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Village of Hall Summit, Louisiana. 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 Village's 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 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 in accordance with the *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Village of Hall Summit, 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 of the Village of Hall Summit, Louisiana, for the year ended December 31, 2024, in order for them to be in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters Paragraphs**

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 28 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 responsibility of management. We have not audited or reviewed the information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted the 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 Governmental Accounting Standards Board who considers them to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic or historical context.

#### **Other Supplementary Information**

The accompanying schedule of compensation, benefits, and other payments to agency head or chief executive officer and the justice system funding schedule collecting/disbursing entity are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with the reporting framework prescribed by Louisiana Revised Statute 24:515.2 and the Louisiana Legislative Auditor. We have not audited or reviewed the other supplementary information and, accordingly, do not express an opinion on such information.

*Dees Gardner, Certified Public Accountants, LLC*

Mansfield, Louisiana  
July 28, 2025

## BASIC FINANCIAL STATEMENTS

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

## VILLAGE OF HALL SUMMIT, LOUISIANA

## STATEMENT OF NET POSITION

December 31, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 40,502	\$ 89,265	\$ 129,767
Receivables, net	1,614	15,448	17,062
Investments	-	318,305	318,305
Prepaid expenses	10,876	5,365	16,241
Restricted cash and cash equivalents	-	5,792	5,792
Restricted investments		30,258	30,258
Internal balances	(123,094)	123,094	-
Deposits	450	-	450
Capital assets, net	212,610	555,242	767,852
<b>TOTAL ASSETS</b>	<b>\$ 142,958</b>	<b>\$ 1,142,769</b>	<b>\$ 1,285,727</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts, payroll, and other payables	\$ 6,742	\$ 9,641	\$ 16,383
Meter Deposits	-	36,050	36,050
<b>Total Current liabilities</b>	<b>6,742</b>	<b>45,691</b>	<b>52,433</b>
Noncurrent liabilities:			
Long-term debt due within one year	11,401	-	11,401
Long-term debt	51,927	-	51,927
<b>Total Noncurrent liabilities</b>	<b>63,328</b>	<b>-</b>	<b>63,328</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 70,070</b>	<b>\$ 45,691</b>	<b>\$ 115,761</b>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 149,282	\$ 555,242	\$ 704,524
Unrestricted	(76,394)	541,836	465,442
<b>TOTAL NET POSITION</b>	<b>\$ 72,888</b>	<b>\$ 1,097,078</b>	<b>\$ 1,169,966</b>

See the accompanying notes and independent accountant's review report.



## VILLAGE OF HALL SUMMIT, LOUISIANA

## STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

Functions	Expenses	Program Revenues			Net (Expenses), Revenues, and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>Primary Government</b>							
<b>Governmental Activities</b>							
General government	\$ 116,513	\$ -	\$ -	\$ -	\$ (116,513)	\$ -	\$ (116,513)
Public safety	2,414	1,017	-	-	(1,397)	-	(1,397)
Public works - Streets	12,447	-	-	-	(12,447)	-	(12,447)
Parks and recreation	29,138	43,933	5,205	-	20,000	-	20,000
Total Governmental Activities	160,512	44,950	5,205	-	(110,357)	-	(110,357)
<b>Business-Type Activities</b>							
Water and sewer	196,550	165,506	45,628	-	-	14,584	14,584
Total Business-type Activities	196,550	165,506	45,628	-	-	14,584	14,584
<b>Total Primary Government</b>	<b>\$ 357,062</b>	<b>\$ 210,456</b>	<b>\$ 50,833</b>	<b>\$ -</b>	<b>\$ (110,357)</b>	<b>\$ 14,584</b>	<b>\$ (95,773)</b>
General Revenues:							
Sales tax					26,145	-	26,145
Franchise taxes					6,484	-	6,484
Licenses and permits					8,901	-	8,901
Investment earnings					198	15,842	16,040
Miscellaneous income					330	588	918
Total general revenues					42,058	16,430	58,488
Change in Net Position					(68,299)	31,014	(37,285)
Net position - beginning					141,187	1,066,064	1,207,251
Net position - ending					\$ 72,888	\$ 1,097,078	\$ 1,169,966

See the accompanying notes and independent accountant's review report.

## FUND FINANCIAL STATEMENTS

**VILLAGE OF HALL SUMMIT, LOUISIANA****BALANCE SHEET - GENERAL FUND**

December 31, 2024

<b>ASSETS</b>		<u>Total</u>
Cash and cash equivalents	\$	40,502
Accounts receivable		1,614
Prepaid expenses		10,876
Utility deposits		<u>450</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>53,442</u></b>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts, payroll, and other payables	\$	6,742
Due to other funds		<u>123,094</u>
Total Liabilities		<u>129,836</u>
Fund Balances:		
Nonspendable		
Prepaid expenses		10,876
Unassigned		<u>(87,270)</u>
Total Fund Balance		<u>(76,394)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$</b>	<b><u>53,442</u></b>

See the accompanying notes and independent accountant's review report.

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
December 31, 2024

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

Fund Balance, Total Governmental Funds, Statement C	\$ (76,394)
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds	212,610
Long-term liabilities are not due and payable from current financial resources and therefore, are not reported in the governmental funds	<u>(63,328)</u>
Net Position of Governmental Activities, Statement A	\$ <u><u>72,888</u></u>

See the accompanying notes and independent accountant's review report.

## VILLAGE OF HALL SUMMIT, LOUISIANA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE

## General Fund

For the Year Ended December 31, 2024

**Revenues:**

## Taxes

Sales taxes	\$	26,145
Franchise taxes		6,484
Fines and penalties		1,017
Licenses and permits		8,901
Interest		198
Contributions		5,205
RV Park fees		34,003
Other		10,260
Total Revenues		<u>92,213</u>

**Expenditures:**

## Current:

General government	111,298
Public safety	2,414
Parks and recreations	22,498
Debt Service	
Principal	6,818
Interest	5,215
Capital outlays	<u>105,201</u>
Total Expenditures	<u>253,444</u>

Excess (Deficiency) of Revenues over Expenditures	(161,231)
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**Other financing sources:**

Loan proceeds	<u>70,145</u>
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Net change in Fund Balance	(91,086)
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Fund balance, beginning of year	<u>14,692</u>
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Fund balance, end of year	<u>\$ <u>(76,394)</u></u>
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See the accompanying notes and independent accountant's review report.

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGE IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2024

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

Net Change in Fund Balance, Total Governmental Funds, Statement E	\$ (91,086)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the:

Amount by which capital outlays (\$105,201) exceeds the depreciation (\$19,087) in the current period.	86,114
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The issuance of long-term debt provides current financial resources to government while the repayment of principal of long-term debt consumes financial resources.

Loan Proceeds	(70,145)
Debt Service - Principal	<u>6,818</u>

Change in Net Position of Governmental Activities, Statement B	\$ <u><u>(68,299)</u></u>
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See the accompanying notes and independent accountant's review report.

## PROPRIETARY FUND

## VILLAGE OF HALL SUMMIT, LOUISIANA

STATEMENT OF NET POSITION  
PROPRIETARY FUND

December 31, 2024

	Business-Type Activity - Sewer
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 89,265
Receivables, net	15,448
Prepaid expenses	5,365
Total current assets	<u>110,078</u>
Restricted assets:	
Restricted cash and cash equivalents	5,792
Restricted investments	30,258
Total restricted assets	<u>36,050</u>
Non-current assets:	
Investments	318,305
Due from other funds	123,094
Capital assets, net of accumulated depreciation	555,242
Total non-current assets	<u>996,641</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>1,142,769</u></b>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts, payroll, and other payables	\$ 9,641
Payable from restricted assets:	
Customer deposits	<u>5,792</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>15,433</u></b>
<b>NET POSITION</b>	
Net investment in capital assets	\$ 555,242
Unrestricted	<u>541,836</u>
<b>TOTAL NET POSITION</b>	<b>\$ <u><u>1,097,078</u></u></b>

See the accompanying notes and independent accountant's review report.



**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
For the Year Ended December 31, 2024

**Operating Revenues**

Charges for services	
Water and sewer service fees	\$ 165,506
Operating grants	45,628
Miscellaneous income	588
Total Operating Revenues	<u>211,722</u>

**Operating Expenses**

Personnel	10,075
General operating expenses	46,714
Repairs and maintenance	76,131
Depreciation	63,630
Total Operating Expenses	<u>196,550</u>

**Operating Gain** 15,172

**Nonoperating Revenues (Expenses)**

Interest income	<u>15,842</u>
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**Change in Net Position** 31,014

Total Net Position, beginning of year	<u>1,066,064</u>
Total Net Position, end of year	\$ <u><u>1,097,078</u></u>

See the accompanying notes and independent accountant's review report.

## VILLAGE OF HALL SUMMIT, LOUISIANA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND

For the Year Ended December 31, 2024

## CASH FLOWS FROM OPERATING ACTIVITIES

Operating Gain	\$ 15,172
Adjustments to reconcile change in net position to net cash provided by operating activities:	
Depreciation	63,630
(Increase) decrease in net position:	
Accounts receivable	259
Due from other funds	2,247
Prepaid expenses	2,544
Increase(decrease) in liabilities:	
Accounts payable and accrued expenses	(9,133)
Meter deposits	1,100
Net cash provided (used) by operating activities	<u>75,819</u>

## CASH FLOWS FROM CAPITAL ACTIVITIES

Purchase of capital assets	<u>(18,902)</u>
Net cash provided (used) by non capital financing activities	<u>(18,902)</u>

## CASH FLOWS FROM INVESTING ACTIVITIES

Investments purchased	(20,463)
Interest received	15,842
Net cash provided (used) by investing activities	<u>(4,621)</u>

## NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

52,296

## CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR

73,019

## CASH AND CASH EQUIVALENTS AT END OF YEAR

\$ 125,315

## Reconciliation of total cash and cash equivalents:

Current Assets - Cash and cash equivalents	\$ 89,265
Restricted cash and cash equivalents	<u>36,050</u>
	<u><u>\$ 125,315</u></u>

See the accompanying notes and independent accountant's review report.

## NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

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## **INTRODUCTION**

The Village of Hall Summit, Louisiana, was incorporated under the provisions of the Lawrason Act on September 11, 1961. The Village is governed by the mayor – board of aldermen form of government. The mayor and three aldermen are elected and serve four-year terms. The Village's major operations include general administrative services, public safety, and utilities. The Village has a population of approximately 265 and is located in northwest Louisiana in Red River Parish.

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Reporting Entity**

The Village is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. This report includes all funds that are controlled by or dependent on the Village's executive and legislative branches (The mayor and board of aldermen). The primary government (Village of Hall Summit) is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

#### **B. Basis of Presentation**

The Village of Hall Summit's financial statements are 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. GAAP as applicable to governments also conforms to the requirements of Louisiana R.S. 24:517 and the guides set forth in 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.

#### **C. Fund Accounting**

The Village uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Village functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

*Government funds* are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The emphasis of fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village, or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds, or management believes that the fund is particularly important to the financial statement users. The municipality reports the following governmental funds:

- The *General Fund* is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is always reported as a major governmental fund in governmental fund statements.

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Fund Accounting (continued)**

*Proprietary funds* are used to account for ongoing activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. Proprietary funds account for operations (a) that are financed and operated in a manner similar to private business—where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges; or (b) where the governing body has decided 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.

- The *Utility Fund* is the Village's business-type fund, which accounts for all assets, liabilities, revenues and expenses related to the operations of the water and sewer system.

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Village. Individual funds are not displayed. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

**Fund Financial Statements**

Governmental fund financial statements are reported using the 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. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to the government-wide view of the Village's operations.

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Measurement Focus and Basis of Accounting (continued)**

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

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Sales and use tax revenues are recorded in the month collected by the tax collector. All other revenue items are considered to be measurable and available only when cash is received by the government. Salaries and related benefits are recorded when employee services are provided to the Village.

**Proprietary Fund Financial Statements**

The financial statements of the proprietary fund are reported using the "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The amounts reflected in the proprietary fund financial statements use the accrual basis of accounting. All assets and liabilities (whether current or non-current) associated with their activities are reported.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exception to this general rule is charges affecting the government's proprietary operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**E. Cash and Cash Equivalents and Investments**

Cash and cash equivalents include cash on hand, amounts in demand deposits, interest-bearing demand deposits and certificates of deposit. 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, 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 are classified as investments if their original maturities exceed 90 days. All investments are recorded at fair value based on quoted market prices.

**F. Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. The receivables for the governmental activities include sales tax. Business-type activities report customer's utility service charges as its major receivable. Allowances are reported when accounts are proven to be uncollectible. At December 31, 2024, \$24.565 of Proprietary Fund Activities receivables were considered to be uncollectible.

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Prepaid Expenses**

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid expenses.

**H. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are, reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost. There are no assets valued at estimated cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives, generally 10 to 40 years for buildings and other improvements, and 5 to 10 years for moveable property.

**I. Fund Equity**

**NET POSITION**

In the government-wide financial statements, fund equity (the difference between assets and liabilities) is classified as net position and reported in three components:

- *Net investment in capital assets*—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 those assets.
- *Restricted net position*—consists of net position with constraints placed on the use by a) external groups, such as creditors, grantors, or laws or regulations of other government; or b) law through constitutional provisions or enabling legislation.
- *Unrestricted net position*—consists of all other assets that do not meet the definition of “restricted” or “net investment in capital assets”.

The Village of Hall Summit’s policy is to consider restricted net position to have been depleted before unrestricted net position is applied.

**FUND BALANCES**

As required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, this statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- *Nondisposable* – Amounts that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
- *Restricted* – Amounts constrained to specific purposes by their providers (such as grantors of higher levels of government).
- *Committed* – Amounts which are subject to limitations or constraints to specific purposes the Village imposes upon itself as its highest level of decision making, the board of aldermen. These amounts cannot be used for any other purpose unless the Village takes the same highest level of action to remove or change the constraint.

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. Fund Equity (continued)**

- *Assigned* – Amounts for which the Village has stated intended use as established by the Village council or the mayor.
- *Unassigned* – All amounts not included in one of the other categories.

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.

**J. Sales and Use Tax**

The Village has a one per cent sales and use tax, for an indefinite period. The tax, after all necessary costs for collection and administration, is authorized to be used by the governing authority of the Village of Hall Summit on behalf of the Village and its residents for any lawful corporate purpose for which any funds of the Village may be expended.

**K. Interfund Transactions and Balances**

Quasi-external transactions, if any, are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and service type transactions are classified as “due to and due from other funds.” These receivables and payables are classified as internal balances on the statement of net position and as due from/to other funds in the fund financial statements.

**L. 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.

**M. Risk Management**

The Village is exposed to various risks of loss related to torts; theft 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 and surety bond coverage. There have been no claims filed in the last three years.

**2. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

At December 31, 2024, the Village had cash and cash equivalents and restricted cash and cash equivalents (book balances) totaling \$135,559.

	General Fund	Utility Fund	Total
Cash	\$ 1,165	\$ 741	\$ 1,906
Demand deposits	1,681	16,400	18,081
Interest-bearing demand deposits	37,656	77,916	115,572
Total	<u>\$ 40,502</u>	<u>\$ 95,057</u>	<u>\$ 135,559</u>



**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

**2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)**

At December 31, 2024, the Village had investments and restricted investments (book balances) totaling \$384,562 consisting of two CDs in the utility fund. These deposits are stated at cost, which approximates market.

The cash and cash equivalents and investments of the Village of Hall Summit are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. 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 or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana 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 by the Village that the fiscal agent bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Village's name.

At December 31, 2024, the Village has collected bank balances of deposits totaling \$490,452. These deposits are fully secured from risk by \$336,023 of federal deposit insurance and by pledged securities held by the custodial bank in the name of the Village (GASB Category 2) with a market value of \$297,621.

*Interest Rate Risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Village does not have a formal investment policy, however, as a means of offsetting exposure to interest rate risk the Village's certificates of deposit have maturities of one year or less which limits exposure to fair value losses arising from rising interest rates.

*Credit Risk:* Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of an investment. The Village's investments comply with Louisiana Statutes (LSA R.S. 33:2955).

**3. RECEIVABLES**

The following is a summary of receivables at December 31, 2024:

	General	Utility	Total
Sales and use tax	\$ 1,614	\$ -	\$ 1,614
Utility Fees	-	40,013	40,013
Allowance for Doubtful Accounts	-	(24,565)	(24,565)
	<u>\$ 1,614</u>	<u>\$ 15,448</u>	<u>\$ 17,062</u>

**4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composite of interfund receivable/payable as of December 31, 2024 was:

	General	Sewer	Total
Due to	\$ -	\$ 123,094	\$ 123,094
Due from	(123,094)	-	(123,094)
	<u>\$ (123,094)</u>	<u>\$ 123,094</u>	<u>\$ -</u>

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

**5. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2024, for the primary government is as follows:

Governmental Activities:	Balance 12/31/23	Increases	Reclassifications/ Decreases	Balance 12/31/24
Capital assets, not being depreciated				
Land	\$ 36,500	\$ -	\$ -	\$ 36,500
Capital assets, being depreciated				
Buildings & improvements	471,662	24,800	-	496,462
Equipment	129,681	80,401	-	210,082
Total capital assets, being depreciated	<u>\$ 601,343</u>	<u>\$ 105,201</u>	<u>\$ -</u>	<u>\$ 706,544</u>
Less accumulated depreciation for				
Buildings & improvements	\$ 412,761	\$ 13,900	\$ -	\$ 426,661
Equipment	98,586	5,187	-	103,773
Total accumulated depreciation	<u>511,347</u>	<u>19,087</u>	<u>-</u>	<u>530,434</u>
Total Capital assets being depreciated net	<u>89,997</u>	<u>86,114</u>	<u>-</u>	<u>176,110</u>
Total Capital assets, Governmental Activities	<u>\$ 126,497</u>	<u>\$ 86,114</u>	<u>\$ -</u>	<u>\$ 212,610</u>
Business type Activity:	Balance 12/31/23	Increases	Reclassifications/ Decreases	Balance 12/31/24
Capital assets, not being depreciated				
Land	\$ 30,776	\$ -	\$ -	\$ 30,776
Capital assets being depreciated				
Water system	926,526	\$ 12,741	\$ (14,480)	924,787
Sewer system	1,143,775	6,161	(26,914)	1,123,022
Buildings & improvements	47,677	-	-	47,677
Equipment	19,511	-	-	19,511
Total capital assets being depreciated	<u>\$ 2,137,489</u>	<u>\$ 18,902</u>	<u>\$ (41,394)</u>	<u>\$ 2,114,997</u>
Less accumulated depreciation for				
Water system	614,045	28,264	(14,480)	627,829
Sewer system	905,405	35,366	(26,914)	913,857
Buildings & improvements	29,520	-	-	29,520
Equipment	19,325	-	-	19,325
Total accumulated depreciation	<u>1,568,295</u>	<u>63,630</u>	<u>(41,394)</u>	<u>1,590,531</u>
Total Capital assets being depreciated net	<u>569,194</u>	<u>(44,728)</u>	<u>-</u>	<u>524,466</u>
Total Capital assets, Business type Activity	<u>\$ 599,970</u>	<u>\$ (44,728)</u>	<u>\$ -</u>	<u>\$ 555,242</u>

Depreciation was charged to the programs as follows:

General Fund:	
Public Works	\$ 12,447
Parks and Recreation	6,640
Total General Fund	<u>19,087</u>
Utility Fund	63,630
Total	<u>\$ 82,717</u>

**6. ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The following is a summary of payables at December 31, 2024:

	General	Sewer	Total
Trade payables	\$ 6,004	\$ 9,641	\$ 15,645
Accrued payroll taxes	738	-	738
Total	<u>\$ 6,742</u>	<u>\$ 9,641</u>	<u>\$ 16,383</u>

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

**7. LONG-TERM DEBT**

On April 2, 2024, the Village Council approved a five year financed purchase agreement dated May 8, 2024, with Bank of Coushatta for the purchase of a Kooler Ice House delivered 11 November 2024. The principal amount is \$70,145 with an interest rate of 12.759%. The agreement calls for monthly payments of \$1,569.

The following is a summary of long-term debt transactions for the year ended December 31, 2024:

Long-term debt payable at December 31, 2023	\$ -
New debt issued	70,145
Less payemnts made during year	(6,818)
Long-term debt payable at December 31, 2024	<u>\$ 63,327</u>
 Amount of long-term debt due within one year	 \$ 11,401

The future minimum debt payments and interest required under the above referenced financed purchase agreement are.

Due	Principal	Interest	Total
2025	11,401	7,428	18,829
2026	12,944	5,886	18,830
2027	14,696	4,134	18,830
2028	16,685	2,145	18,830
2029	7,601	244	7,845
	<u>63,327</u>	<u>19,837</u>	<u>83,164</u>

**8. PENSION PLAN**

All employees of the Village are members of the Social Security System. In addition to the employee contributions withheld at 7.65 percent of gross salary, the Village contributes an equal amount to the Social Security System. The Village does not guarantee the benefits granted by the Social Security System.

**9. PAYMENTS TO ALDERMEN**

	Per Diem
Barbara Perrin	3,000
Jason Briggs	2,500
Willie Jiles	2,750
Amelia Dyer	250
Total	<u>\$ 8,500</u>

**10. RELATED PARTY TRANSACTIONS**

Procedures, observations, and inquiries did not disclose any material related party transactions for the fiscal year ended December 31, 2024.

**11. SUBSEQUENT EVENT**

Management has performed an evaluation of the Village of Hall Summit's activities through July 28, 2025, and has concluded that there are no significant events requiring recognition or disclosure through that date and time these financial statements were available to be issued.

## REQUIRED SUPPLEMENTARY INFORMATION

## VILLAGE OF HALL SUMMIT, LOUISIANA

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Taxes				
Sales taxes	\$ 35,000	\$ 35,000	\$ 26,145	\$ (8,855)
Franchise taxes	6,000	6,000	6,484	484
Fines and penalties	1,000	1,000	1,017	17
Licenses and permits	7,250	7,250	8,901	1,651
Interest	300	300	198	(102)
Contributions	-	-	5,205	5,205
RV Park fees	30,000	30,000	34,003	4,003
Other	5,200	5,200	10,260	5,060
Total Revenues	<u>84,750</u>	<u>84,750</u>	<u>92,213</u>	<u>7,463</u>
<b>Expenditures:</b>				
Current:				
General government	81,350	81,350	111,298	(29,948)
Public safety	1,875	1,875	2,414	(539)
Public works- Streets	-	-	-	-
Parks and recreations	10,300	10,300	22,498	(12,198)
Debt Service				
Principal	-	-	6,818	(6,818)
Interest	-	-	5,215	(5,215)
Capital outlays	-	-	105,201	(105,201)
Total Expenditures	<u>93,525</u>	<u>93,525</u>	<u>253,444</u>	<u>(159,919)</u>
<b>Other Financing Sources (Uses):</b>				
Loan proceeds	-	-	70,145	(70,145)
Excess (Deficiency) of Revenues over Expenditures/ Net change in Fund Balances	<u>(8,775)</u>	<u>(8,775)</u>	<u>(91,086)</u>	<u>97,237</u>
Fund balance, beginning of year	<u>14,692</u>	<u>14,692</u>	<u>14,692</u>	
Fund balance, end of year	<u>\$ 5,917</u>	<u>\$ 5,917</u>	<u>\$ (76,394)</u>	

See the accompanying notes and independent accountant's review report

## **VILLAGE OF HALL SUMMIT, LOUISIANA**

### **NOTES TO BUDGETARY COMPARISON SCHEDULE**

As of and for the Year Ended December 31, 2024

#### **Budgetary Information**

The Village of Hall Summit, Louisiana's budget is prepared in accordance with accounting principles generally accepted in the United States of America on a cash basis.

The Mayor and Village Clerk prepare a proposed budget and submit the same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year. The proposed budget is reviewed by the board of aldermen 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 in order to receive comments from citizens. Changes are made to the proposed budget based on the public hearing and the desires of the Board of Aldermen as whole. The budget is then adopted through the passage of an ordinance during the June meeting.

During the year, the Board of Aldermen should receive monthly budget comparison statements, which are used as tools to control the operations of the Village. The Village Clerk presents necessary budget amendments to the board when she determines that actual operations are differing materially from those anticipated in the original budget. The board in regular session reviews the proposed amendments, makes necessary changes, and formally adopts the amendments. The Mayor and Board of Aldermen must approve all changes in the budget. The Village does not use encumbrance accounting in its accounting system.

The budget comparison schedule included in the accompanying financial statements present the original adopted budget and the final amended budget

The Louisiana Local Government Budget Act provides that the governing authority must adopt a budget amendment if there is a 5% or greater shortage in revenue or a 5% or greater overage in expenditures.

In the General Fund, actual revenues were more than budgeted revenues. Actual expenditures were more than budgeted expenditures by 170.99%. The budget was not amended during the year ended December 31, 2024. The original budget was passed October 3, 2023. The Village is not in compliance with the Louisiana Local Government Budget Act.

## OTHER SUPPLEMENTARY INFORMATION

**VILLAGE OF HALL SUMMIT, LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS**  
**TO AGENCY HEADS OR CHIEF EXECUTIVE OFFICER**  
For the Year Ended December 31, 2024

	Jan 1, 2024 - Sep 25, 2024 Danny Scott Mayor	Sep 25, 2024 - Dec 31, 2024 Jason Briggs Mayor
Purpose:		
Salary	1,800	700
Benefits-insurance (Medicare)	26	10
Benefits- retirement (Social Security)	112	43
Cell phone	450	-
Total	<u>2,388</u>	<u>753</u>

See accompanying independent accountant's review report.



## Village of Hall Summit, Louisiana

**Justice System Funding Schedule - Collecting/Disbursing Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**  
For the year ended December 31, 2024

	<b>First Six Month Period Ended 06/30/24</b>	<b>Second Six Month Period Ended 12/31/24</b>
<b>Cash Basis Presentation</b>		
<b>Beginning Balance of Amounts Collected</b>	\$ -	\$ -
<b>Add: Collections</b>		
Criminal Fines - Other	1,017	-
<b>Subtotal Collections</b>	<u>1,017</u>	<u>-</u>
<b>Less: Disbursements To Governments &amp; Nonprofits:</b>		
North Louisiana Crime Fund - Criminal Court Costs/Fees	120	-
Louisiana Supreme Court - Criminal Court Costs/Fees	2	-
State of Louisiana - CMIS Assessment	4	-
Louisiana Commission on Law Enforcement - Court Costs	38	-
La DHH - TH/SCI Trust Fund - Criminal Courts Costs/Fees	20	-
Ware Youth Center	30	-
	<u>120</u>	<u>-</u>
<b>Less: Amounts Retained by Collecting Agency</b>		
Amounts "Self-Disbursed" to Collecting Agency	803	-
<b>Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies</b>	-	-
<b>Subtotal Disbursements/Retainage</b>	<u>803</u>	<u>-</u>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained</b>	\$ -	\$ -
<b>Ending Balance of "Partial Payments" Collected but not Disbursed -</b> This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.	-	-

OTHER REPORTS REQUIRED BY LOUISIANA STATE  
AUDIT LAW



## Dees Gardner, Certified Public Accountants, LLC

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### Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Danny Scott, Mayor  
And the Members of the Board of Aldermen  
Hall Summit, Louisiana

We have performed the procedures enumerated below on the Village of Hall Summit's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2024, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Village of Hall Summit's management is responsible for its financial records and compliance with applicable laws and regulations.

The Village of Hall Summit has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Village's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2024. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

#### Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (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.

One expenditure was made during the year on materials and supplies exceeding \$30,000, and the purchase was made in accordance with statutes. No expenditures were made during the year for public works exceeding \$250,000.

#### Code of Ethics for Public Officials and Public Employees

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

Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the fiscal year.

Management provided us with the required list.

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

None of the employees included on the list of employees provided by management (agreed-upon procedure No. 3) appeared on the list provided by management in agreed-upon procedure No. 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.

A list of disbursements was obtained. No payments were made to any related parties.

## **Budgeting**

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

Management provided us with a copy of the original budget and all amendments to the original budget.

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.

The Board adopted the original budget on October 3, 2023. It was not amended.

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.

In the General Fund, we compared the revenues and expenditures of the final budget to actual revenue and expenditures. Budgeted revenues for the year exceeded actual amounts. Total actual expenditures were more than budgeted amounts by 18%. Actual expenditure exceeded budgeted expenditures by 171%.

**Recommendation:** A capital asset purchased was not booked properly to a capital outlay account and was missed during review of the monthly financial statements, budget to actual comparisons.

**Management response:** We agree with the recommendation.

## **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 payee in the supporting documentation.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

All payments were properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with policies and procedures

Documentation supporting each of the six selected disbursements included approval.

### **Meetings**

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

The Village of Hall Summit, Louisiana is only required to post a notice of each meeting and the accompanying agenda on the door of Village Hall. There is a vote to accept the agenda as posted at the beginning of each meeting.

### **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 inspected deposits for the period under examination and found no indication of new bank loans, bonds, or like indebtedness in 2024. However, during other procedures it was determined that the Village financed the purchase of a ice house in the amount of \$70,145.42. The Village did not receive approval from the State Bond Commission for this financed purchase.

### **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 inspected payroll records for the year and noted no instances which would indicate payments to employees which 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 report was not filed timely.

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

Management did not enter into any contracts that utilized state funds.

*Recommendation:* The financial statements took longer to complete by the accountant due to increase accounting procedures necessary to complete prior period adjustments for an unrecorded checking account, correct due to/due from accounts, and to close a proprietary component unit into a governmental fund.

*Management response:* We agree with the recommendation.

### **Other Matters, Concerns, Suggestions, Recommendations, and/ or Comments**

15. Discuss any other matters, concerns, suggestions, recommendations and/ or comments determined during the performance of attestation procedures.
- a. Meeting minutes do not indicate that budget to actual comparisons financial statements are being reviewed at each village hall meeting.

### **Prior-Year Comments and Recommendations**

16. Review any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.
- a. The Village has a continued finding for an inadequate segregation of duties that management does not see as cost beneficial to correct. The segregation of duties continues to be unresolved.
  - b. Budget violation for failure to amend the budget when revenues fail to meet budgeted amounts by 5% or more and when actual expenditures exceed budgeted amounts by 5% or more. The matter continues to be unresolved.
  - c. The Utility Fund checking account has over 30 outstanding items dating as far back as 2012. The Village needs to review old outstanding item to ensure the account is fairly stated. The matter continues to be unresolved.
  - d. The Utility Fund has a designated checking account for customer meter deposits. The account balance is not sufficient to cover the meter liability. The matter continues to be unresolved.
  - e. During prior years, tax liability payments were posted to a payroll tax expense instead of the payroll tax liability. This resulted in overstated tax liability and overstated payroll expenses. The correction resulted in a prior period adjustment. The issue is resolved
  - f. During fieldwork for fiscal year end June 30, 2023, it was discovered that a checking account was opened in 2021 to deposit and expense ARP funds. Over a two-year period, \$106,234 in ARP revenue and \$63,635 in disbursements were not recorded in the Village's financial statements. This included \$24,232 of unrecorded fixed assets. The issue is partially resolved.
  - g. Louisiana state law requires that the annual reviewed financial statements should be submitted to the Legislative Auditor within six months after the close of the fiscal year end. Due to the two items found in a and b above the financial statements took longer to complete that expected. The Village did not submit the annual review within six months after the close of the fiscal year.

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

We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement. This report is intended solely to describe the scope of testing performed on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Dees Gardner, Certified Public Accountants, LLC*

Dees Gardner, Certified Public Accountants, LLC  
Mansfield, Louisiana  
July 28, 2025

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

March 4, 2025 (Date Transmitted)

Dees Gardner, CPAs, LLC  
122 Jefferson Street  
Mansfield, LA 71052

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2024\_(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 [ ]



**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

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

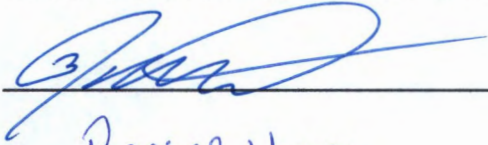
Yes ☒ No ☐ N/A ☐

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any 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.

	Mayor	3-6-25	Date
Rachael Henry	Town Clerk	3-6-25	Date
America Dyer	Alderman	3-6-25	Date

## Village of Hall Summit, Louisiana

### Schedule of Findings and Response For the Year ended December 31, 2024

#### FINDINGS RELATED TO COMPLIANCE

##### **2024-01. Late submission of report.**

*Criteria:* Louisiana state law requires that municipalities have an annual report performed and submitted to the Legislative auditor within six (6) months after the close of the fiscal year.

*Condition:* For the year ended December 31, 2024, the Village did not submit the annual report within six months after the close of their fiscal year.

*Cause:* The Village's independent CPA failed to complete the Village's annual report in a timely manner.

*Effect:* The Village is not in compliance with state law.

*Recommendation:* The Council should ensure that the annual report is performed and submitted to the Legislative Auditor within six (6) months after the close of the fiscal year.

##### **2024-02. Noncompliance with the Local Government Budget Act.**

*Criteria:* The Louisiana Local Government Budget Act R.S. 39:1310 states a governing authority shall adopt a budget amendment in an open meeting for the general fund and any special revenue funds when: 1) Total revenues and other sources plus projected revenues and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent (5%) or more or 2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent (5%) or more.

*Condition:* Total actual expenditures of the Village were \$159,919 (170.99%) more than budgeted amounts.

*Cause:* Unknown.

*Effect:* The Village is not in compliance with the Local Government Budget Act.

*Recommendation:* The Council should ensure that the Louisiana Local Government Budget Act requirements are followed and budget amendments are adopted in an open meeting when required.

##### **2024-03. Purchasing and Louisiana Public Bid Laws.**

*Criteria:* The Louisiana Public Bid Law requires that entities ensure they are receiving the best possible price for public works contracts and for purchasing materials and supplies. Public works contracts in excess of \$250,000 or supplies and materials purchases over \$60,000 require bids to be advertised and submitted, while purchases of supplies and materials over \$30,000 but less than \$60,000 require a minimum of 3 quotes to be obtained before purchase.

## **Village of Hall Summit, Louisiana**

### **Schedule of Findings and Response**

For the Year ended December 31, 2024

*Condition:* Sufficient documentation was not maintained to confirm compliance with public bid laws.

*Cause:* Though formal policies exist, the Village has not established a system for capital outlay purchases that ensures: 1) all purchases are in accordance with public bid law, 2) all required documentation is obtained, and 3) that said documentation is stored and maintained in an organized fashion.

*Effect:* Purchases could be made that are in violation of public bid laws and Village policies and procedures.

*Recommendation:* An employee should be assigned responsibility for capital outlay purchases and coordinate with accounting so that all purchases are made in compliance with public bid laws. Further, that employee should ensure that all proper documentation is obtained and maintained in an organized and centralized location.

#### **2024-04. Noncompliance with Local Government Finances Act.**

*Criteria:* The Local Government Finances Act R.S. 39:1410.60 states that no public entity created under or by the constitution and laws of the state shall have authority to borrow money, incur debt, or to issue bonds, or other evidences of debt, or to levy taxes, or to pledge uncollected taxes or revenues for the payment thereof, where they are authorized by the constitution or laws of the state so to do, without the consent and approval of the State Bond Commission.

*Condition:* The Village agreed to the financed purchase of an ice-house for \$70,145 without approval of the State Bond Commission.

*Cause:* Unknown.

*Effect:* The Village is not in compliance with the Local Government Finances Act.

*Recommendation:* The Council should ensure that the Local Government Finances Act is followed and approval is received prior to incurring debt of any kind.

**Management's Response to all recommendations:** Management agrees with the findings listed above. Management will work to put controls in place to ensure the findings are corrected moving forward.