

**Village of Hosston, Louisiana**

**Financial Statements**

**As of and for the Year Ended December 31, 2021**

Village of Hosston, Louisiana  
Table of Contents

	<u>Page No.</u>
<b>Independent Accountants' Review Report</b>	1 – 2
<b>Basic Financial Statements:</b>	
Government Wide Financial Statements:	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements:	
Balance Sheet – Governmental Fund	5
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund	6
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities	7
Proprietary Fund:	
Statement of Net Position	8
Statement of Revenues, Expenses and Changes in Fund Net Position	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 – 21
<b>Required Supplementary Information:</b>	
Budget Comparison Schedule	22
Notes to Required Supplementary Information	23
<b>Other Supplementary Information:</b>	
Schedule of Compensation Paid to Council Members and Mayor	24
Schedule of Compensation, Benefits, and Other Payments to Agency Head	25
Schedule of Revenue and Expenditures – LCDBG	26
Justice System Funding Schedule – Collecting/Disbursing Schedule	27
<b>Schedules for Louisiana Legislative Auditor</b>	
Summary Schedule of Prior Year Findings	28
Summary Schedule For Current Year Findings	28
<b>Independent Accountants' Report on Agreed-Upon Procedures</b>	29 – 32
<b>Louisiana Attestation Questionnaire</b>	

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## Independent Accountants' Review Report

To the Honorable Kim Jaynes, Mayor  
and the Village Council  
Village of Hosston, Louisiana  
Hosston, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Village of Hosston, Louisiana, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management of the Village of Hosston. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

### **Accountants' Responsibility**

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

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

### **Accountants' Conclusion**

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

### **Required Supplementary Information**

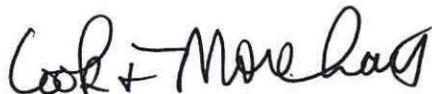
Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 22 – 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting

Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

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 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 results of our review of the basic financial statements are not affected by this missing information.

### **Supplementary Information**

The supplementary information included in the accompanying Schedule of Compensation Paid to Council Members and Mayor on page 24, the Schedule of Compensation, Benefits and Other Payments to Agency Head on page 25, the Schedule of Revenue and Expenditures – LCDBG on page 26, and the Justice System Funding Schedule – Collecting/Disbursing on page 27 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplemental information has been subjected to the review procedures applied in the review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on it.



Cook & Morehart  
Certified Public Accountants  
June 29, 2022

Village of Hosston  
Hosston, Louisiana  
Statement of Net Position  
December 31, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash	\$ 72,845	\$ 54,493	\$ 127,338
Restricted cash and cash equivalents		12,442	12,442
Investments	332,178		332,178
Receivables	28,369	11,144	39,513
Prepaid items	1,088		1,088
Internal balances	(95,834)	95,834	
Capital assets, net			
Non-depreciable	23,857	3,262	27,119
Depreciable (net)	89,103	824,788	913,891
<b>Total Assets</b>	<u>451,606</u>	<u>1,001,963</u>	<u>1,453,569</u>
<b>Liabilities</b>			
Accounts payable	4,092	3,752	7,844
Payable from restricted assets:			
Customer deposits		12,442	12,442
Payroll taxes payable	2,904	682	3,586
<b>Total liabilities</b>	<u>6,996</u>	<u>16,876</u>	<u>23,872</u>
<b>Net Position</b>			
Net investment in capital assets	112,960	828,050	941,010
Restricted - american rescue plan	55,293		55,293
Unrestricted	276,357	157,037	433,394
<b>Total net position</b>	<u>\$ 444,610</u>	<u>\$ 985,087</u>	<u>\$ 1,429,697</u>

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Statement of Activities  
For the Year Ended December 31, 2021

	Program Revenues			Net (Expenses) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
<b>Functions/Programs:</b>							
<b>Governmental activities:</b>							
General government	\$ 119,969		\$ 9,368	\$	\$ (110,601)	\$	\$ (110,601)
Public works	16,946			55,293	38,347		38,347
Public safety	19,826	150			(19,676)		(19,676)
Total governmental activities	<u>156,741</u>	<u>150</u>	<u>9,368</u>	<u>55,293</u>	<u>(91,930)</u>		<u>(91,930)</u>
<b>Business-type activities</b>							
Water	155,810	104,519		3,422		(47,869)	(47,869)
Total business-type activities	<u>155,810</u>	<u>104,519</u>		<u>3,422</u>		<u>(47,869)</u>	<u>(47,869)</u>
Total government	<u>\$ 312,551</u>	<u>\$ 104,669</u>	<u>\$ 9,368</u>	<u>\$ 58,715</u>	<u>(91,930)</u>	<u>(47,869)</u>	<u>(139,799)</u>
<b>General revenues:</b>							
Franchise taxes					50,959		50,959
Investment earnings					6,996	15	7,011
Licenses and permits					65,626		65,626
Miscellaneous					2,327	210	2,537
Total general revenues and transfers					<u>125,908</u>	<u>225</u>	<u>126,133</u>
Changes in net position					33,978	(47,644)	(13,666)
Net position, beginning					410,632	1,032,731	1,443,363
Net position, ending					<u>\$ 444,610</u>	<u>\$ 985,087</u>	<u>\$ 1,429,697</u>

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Balance Sheet  
Governmental Fund  
December 31, 2021

Assets	<u>General</u>
Cash	\$ 72,845
Investments	332,178
Receivables	<u>28,369</u>
Total Assets	<u><u>\$ 433,392</u></u>
Liabilities and Fund Balance	
Liabilities:	
Accounts payable	\$ 4,092
Payroll taxes payable	2,904
Due to other fund	<u>95,834</u>
Total Liabilities	<u>102,830</u>
Fund balances	
Restricted - american rescue plan	55,293
Unassigned	<u>275,269</u>
Total Fund Balance	330,562
Amounts reported for governmental activities in the statement of net position are different because:	
The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.	1,088
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>112,960</u>
Net Position of Governmental Activities	<u><u>\$ 444,610</u></u>

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Fund  
For the Year Ended December 31, 2021

	General
Revenues:	
Franchise taxes	\$ 50,959
Interest earnings	6,996
Intergovernmental	64,661
Licenses and permits	65,626
Fines	150
Miscellaneous	2,327
Total revenues	190,719
Expenditures:	
Current	
General government	114,730
Public works	16,946
Public safety	15,708
Total expenditures	147,384
Excess of revenues over expenditures	43,335
Fund balance, beginning of year	287,227
Fund balances, end of year	\$ 330,562

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balance of the Governmental Fund to the Statement of Activities  
For the Year Ended December 31, 2021

Net change in fund balance - governmental fund	\$	43,335
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.</p>		1,088
<p>Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$10,445) exceeds capital outlays (\$0) in the current period.</p>		(10,445)
Change in Net Position of Governmental Activities	<u>\$</u>	<u>33,978</u>

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Statement of Net Position  
Proprietary Fund  
December 31, 2021

	Business-Type Activities
	Enterprise Fund
	Water Fund
<b>Assets</b>	
Current assets	
Cash	\$ 54,493
Accounts receivable	11,144
Restricted cash and cash equivalents	12,442
Due from other fund	95,834
Total current assets	173,913
Noncurrent assets	
Land	3,262
Water system	2,033,669
Less: accumulated depreciation	(1,208,881)
Total noncurrent assets	828,050
Total assets	1,001,963
<b>Liabilities</b>	
Current liabilities	
Accounts payable	3,752
Payroll liabilities	682
Payable from restricted assets:	
Customer deposits	12,442
Total current liabilities	16,876
<b>Net position</b>	
Net investment in capital assets	828,050
Unrestricted	157,037

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Fund  
For the Year Ended December 31, 2021

	Business-Type Activities Enterprise Fund
	Water Fund
Operating Revenues	
Charges for services - water service charges	\$ 104,519
Total operating revenues	104,519
Operating Expenses	
Contract labor	26,000
Insurance	250
Miscellaneous	2,623
Office expense	2,115
Repair and maintenance	11,963
Safe drinking water fee	2,081
Salaries	6,030
Supplies	1,132
Telephone	1,854
Utilities	6,776
Depreciation	94,986
Total operating expenses	155,810
Operating income (loss)	(51,291)
Non-Operating Revenues	
Interest income	15
Miscellaneous revenue	210
Total non-operating revenues	225
Income (loss) before contributions	(51,066)
Capital contributions	3,422
Change in net position	(47,644)
Total net position, beginning of year	1,032,731
Total net position, end of year	\$ 985,087

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended December 31, 2021

	Business-Type Activities Enterprise Fund	Water Fund
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 80,876	
Cash payments to suppliers for goods and services	(35,125)	
Cash payments to employees for services	(6,030)	
Net cash provided by operating activities	45,751	
Cash Flows from Investing Activities		
Interest income		15
Net cash provided by investing activities		15
Cash Flows From Non-Capital Financing Activities		
Net change in interfund loans		17,747
Net cash provided by non-capital financing activities		17,747
Cash flows from Capital and Related Financing Activities		
Capital contributions		3,422
Net cash provided by capital and related financing activities		3,422
Net increase in cash		66,935
Cash, beginning of year		
Cash, end of year	\$	66,935
Cash and cash equivalents are reflected on the Statement of Net Position as follows:		
Cash and cash equivalents	\$	54,493
Cash and cash equivalents - restricted		12,442
Total	\$	66,935
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$	(51,291)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense		94,986
Accounts receivable		51,320
Payroll liabilities		893
Accounts payable		(51,157)
Customer deposits		1,000
Net cash provided by operating activities	\$	45,751

See accompanying notes and independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021

Introduction

The Village of Hosston, Louisiana (The Village) was incorporated in 1968, under the provisions of the Lawrason Act. The Village is located in the Parish of Caddo. Elected officials of the Village of Hosston are a mayor and three (3) alderman who are elected every four years.

Effective January 7, 2019, the Village accepted the donation and quitclaim deed of the Hosston-Mira Water System and began operating the water system at that time. Activity of the water system is reflected in the accompanying financial statements in the business-type activities-enterprise fund.

(1) Summary of Significant Accounting Policies

The Village of Hosston's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Village of Hosston are discussed below.

A. Reporting Entity

As the municipal governing authority, for reporting purposes, the Village of Hosston is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the Village of Hosston), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the Village of Hosston are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB established criteria for determining which component units should be considered part of the Village of Hosston for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Village to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Village.
2. Organizations for which the Village does not appoint a voting majority but are fiscally dependent on the Village.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

In addition, the GASB states that a legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if *all* of the following criteria are met:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

2. The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

In addition, other organizations should be evaluated as potential component units if they are closely related to, or financially integrated with, the primary government.

Based on the criteria described above, there are no component units to be included as part of the reporting entity.

**B. Basic Financial Statements – Government-Wide Statements**

The Village of Hosston's basic financial statements include both government-wide (reporting the funds maintained by the Village of Hosston as a whole) and fund financial statements (reporting the Village of Hosston's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's general fund is classified as governmental activities. The Village's water services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental activities and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The Village of Hosston's net position is reported in two parts – invested in capital assets, net of related debt, and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village of Hosston's functions. The functions are also supported by general government revenues (franchise taxes, licenses and permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations of providing water services.

The net costs (by function) are normally covered by general revenue (franchise taxes, license and permits, interest income, etc.).

This government-wide focus is more on the sustainability of the Village of Hosston as an entity and the change in the Village of Hosston's net assets resulting from the current year's activities.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Village of Hosston are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Village of Hosston:

1. Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the Village of Hosston:
  - a. General fund is the general operating fund of the Village of Hosston. It is used to account for all financial resources except those required to be accounted for in another fund.
2. Proprietary Funds – the focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:
  - a. Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds.

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

Enterprise Fund – accounts for the provision of water services of the Village.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, demand deposits, interest bearing demand deposits, and time deposits. 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 are limited by R.S. 33:2955 and the Village's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

F. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	5-39 years
Furniture and equipment	5-15 years
Water system	15-30 years

GASB requires the Village to report and depreciate new infrastructure assets effective July 1, 2003. Infrastructure assets include roads, bridges, traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is not required.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

G. Revenues

Fines, forfeitures, licenses, and permits are recognized in the period they are collected. Franchise taxes and interest income on demand and time deposits is recorded when earned. Federal and state grants are recorded when the Village is entitled to the funds.

H. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Village's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

I. Interfund Activity

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

K. Bad Debts

The Village uses the direct charge-off method of accounting for sewer system receivables. Although this method is not in accordance with generally accepted accounting principles, the overall effect on the financial statements is immaterial.

L. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the governmental fund and government-wide financial statements.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

M. Statement of Cash Flows

For the purposes of the Statement of Cash Flows, the Village considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

N. Fund Balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

1. Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.
2. Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes as a result of constraints imposed by the Village Council (the Village's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the board of aldermen removes those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned fund balances are amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the Mayor, an appointed body or official the Village Council has delegated the authority to assign, modify, or rescind amounts to be used for specific purposes.
5. Unassigned fund balance are the residual classification for the Village's general fund and include all spendable amounts not contained in the other classifications.

The Village's policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balances, and unassigned fund balances, in that order.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

O. Postretirement Benefits

The Village provides no postretirement benefits to its employees.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

P. Compensated Absences

The Village provides for leave for its employees, but does not allow any carry forward of that time not used during the year.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At this time, the Village has no transactions that meet the definition of deferred outflows of resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At this time, the Village has no transactions that meet the definition of deferred inflows of resources.

R. Fair Value Measurements

Generally accepted accounting principles require disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 inputs – The valuation is based on quoted market prices for identical assets or liabilities traded in active markets;

Level 2 inputs – The valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability;

Level 3 inputs – The valuation is determined by using the best information available under the circumstances and might include the government's own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on lowest level of any input that is significant to the fair value measurement.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

(2) Budgets

The Village follows the following budget practices:

Formal budgetary accounting is employed as a management control. Village of Hosston prepares and adopts a budget each year for its general and utility funds in accordance with Louisiana Revised Statutes. The Village's budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year. Budgets are adopted on a cash basis on all funds. All budget appropriations lapse at year end. There was one budget amendment during the year ended December 31, 2021.

(3) Cash, Cash Equivalents, and Investments

At December 31, 2021, the Village had cash, cash equivalents, and investments (book balances), totaling \$471,958, as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2021 (book balances) totaled \$139,780, of which \$12,442 is shown as a restricted asset. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Investments

The investments are presented in the financial statements at fair value using level 2 fair value measure. Investments at December 31, 2021, consisted of certificates of deposit totaling \$332,178 with maturities greater than 90 days. The certificates of deposit are carried at cost, which approximates market.

C. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2021, \$82,178 of the Village's bank balances totaling \$473,800 was exposed to custodial credit risk as uninsured and collateral held by pledging bank's trust department not in Village's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 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.

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

(4) Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2021 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 23,857	\$	\$	\$ 23,857
Total capital assets, not being depreciated	<u>23,857</u>			<u>23,857</u>
<b>Capital assets, being depreciated</b>				
Buildings and other improvements	158,262			158,262
Equipment and vehicles	111,318			111,318
Furnishings and fixtures	10,869			10,869
Roads, parks, recreation	57,149			57,149
Total capital assets being depreciated	<u>337,598</u>			<u>337,598</u>
<b>Less accumulated depreciation for:</b>				
Buildings and other improvements	(93,263)	(3,904)		(97,167)
Equipment and vehicles	(82,548)	(5,354)		(87,902)
Furnishings and fixtures	(10,089)	(520)		(10,609)
Roads, parks, recreation	(52,150)	(667)		(52,817)
Total accumulated depreciation	<u>(238,050)</u>	<u>(10,445)</u>		<u>(248,495)</u>
Total capital assets being depreciated, net	<u>99,548</u>	<u>(10,445)</u>		<u>89,103</u>
Governmental activities capital assets, net	<u>\$ 123,405</u>	<u>\$ (10,445)</u>	<u>\$</u>	<u>\$ 112,960</u>

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 3,262	\$	\$	\$ 3,262
Total capital assets, not being depreciated	<u>3,262</u>			<u>3,262</u>
<b>Capital assets, being depreciated</b>				
Buildings and other improvements	4,000			4,000
Equipment and vehicles	46,085			46,085
Water system and improvements	1,983,584			1,983,584
Total capital assets, being depreciated	<u>2,033,669</u>			<u>2,033,669</u>
<b>Less accumulated depreciation for:</b>				
Buildings and other improvements	(1,600)	(800)		(2,400)
Water system and improvements	<u>(1,112,295)</u>	<u>(94,186)</u>		<u>(1,206,481)</u>
Total accumulated depreciation	<u>(1,113,895)</u>	<u>(94,986)</u>		<u>(1,208,881)</u>
Total capital assets being depreciated, net	<u>919,774</u>	<u>356,970</u>		<u>824,788</u>
Business-type activities capital assets, net	<u>\$ 923,036</u>	<u>\$ 356,970</u>	<u>\$</u>	<u>\$ 828,050</u>

Depreciation expense for the year ended December 31, 2021 was charged as follows:

<b>Governmental activities:</b>	
General	\$ 9,501
Public safety	944
	<u>\$ 10,445</u>
<b>Business-type activities</b>	
Water	<u>\$ 94,986</u>

(Continued)

Village of Hosston  
Hosston, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

(5) Capital Contributions

Capital contributions for the year ended December 31, 2021 consists of LCDB Grant in the amount of \$3,422.

(6) Receivables

Receivables at December 31, 2021 are as follows:

Governmental activities:	
License and permits	\$ 8,966
Franchise Tax	14,209
Accrued interest	5,194
	<u>\$ 28,369</u>
Business-type activities:	
Water charges	\$ 11,144
	<u>\$ 11,144</u>

(7) Restricted Assets

Restricted assets were applicable to the following at December 31, 2021:

	Enterprise Fund
Customer deposits	<u>\$ 12,442</u>

(8) Customers' Deposits

Deposits held for customers that are currently active on the water system total \$12,442 at December 31, 2021.

(9) Due To / From Other Fund

At December 31, 2021, the General Fund owed the Enterprise Fund \$95,834, due to the Village combining the cash accounts for the General and Enterprise Funds during 2020. This amount is expected to be repaid in 2022.

(10) 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; injuries to employees; and natural disasters. The Village attempts to minimize risk from significant losses through the purchase of insurance.

(11) Subsequent Events

Subsequent events have been evaluated through June 29, 2022, the date the financial statements were available to be issued.

(12) Uncertainty

As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact financial resources. While the duration on the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

Village of Hosston  
Hosston, Louisiana  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget (Cash Basis) and Actual  
General Fund  
For the Year Ended December 31, 2021

Revenues	Budgeted Amounts		Actual Amount	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Franchise taxes	\$ 60,925	\$ 49,000	\$ 48,812	\$ (188)
Interest earnings	1,600	6,900	6,908	8
Intergovernmental	9,400	64,693	64,661	(32)
Licenses and permits	59,100	63,423	63,422	(1)
Fines	8,000	330	150	(180)
Miscellaneous	200	2,410	2,328	(82)
Total revenues	<u>139,225</u>	<u>186,756</u>	<u>186,281</u>	<u>(475)</u>
Expenditures				
Current				
General government	116,300	114,150	112,678	1,472
Public works	25,000	7,290	16,946	(9,656)
Public safety	34,650	13,184	13,668	(484)
Capital outlay	<u>3,500</u>	<u>2,065</u>	<u></u>	<u>2,065</u>
Total expenditures	<u>179,450</u>	<u>136,689</u>	<u>143,292</u>	<u>(6,603)</u>
Excess (deficiency) of revenues over expenditures	(40,225)	50,067	42,989	(7,078)
Fund balance, beginning of year	<u>40,225</u>	<u></u>	<u>263,295</u>	<u>263,295</u>
Fund balances, end of year	<u>\$</u>	<u>\$ 50,067</u>	<u>\$ 306,284</u>	<u>\$ 256,217</u>

See independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Notes to Required Supplementary Information  
December 31, 2021

The Village's budget is adopted on a cash basis for all funds. There were two amendments to the December 31, 2021 budget. Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all amendments. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	General Fund
Excess of revenues and other sources over expenditures and other uses (budget basis)	\$ 42,989
Adjustments:	
Revenue accruals – net	4,438
	(4,092)
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 43,335</u>

See independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Schedule of Compensation Paid to Council Members and Mayor  
For the Year Ended December 31, 2021

Mayor:

Kim Jaynes	\$ 6,000
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Council Members:

Misti Banks	1,500
Henry Blunt	1,500
Tiffany Payton	1,500
	<u>\$ 10,500</u>

See independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended December 31, 2021

Agency Head: Kim Jaynes, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 6,000
Per diem	231
Reimbursements	1,249
Travel	444
Registration fees	250

See independent accountants' review report.

Village of Hosston  
Hosston, Louisiana  
Schedule of Revenue and Expenditures  
LCDBG Contract Number 2000456718  
For the Year Ended December 31, 2021

Revenue:

LCDBG funds	<u>\$ 3,422</u>
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Expenditures:

Public works - potable water	<u>3,422</u>
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Total expenditures	<u>3,422</u>
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Excess revenue over (under) expenditures	<u><u>\$</u></u>
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See independent accountants' review report.

Village of Hosston  
 Hosston, Louisiana  
 Other Supplementary Information  
 Justice System Funding Schedule  
 Collecting/Disbursing Schedule  
 As Required by Act 87 of the 2020 Regular Legislative Session  
 For the Year Ended December 31, 2021

Cash Basis Presentation	January 2021 - June 2021	July 2021 - December 2021
<b>Beginning Balance of Amounts Collected (i.e. cash on hand)</b>	<u>0</u>	<u>0</u>
<b>Add: Collections</b>		
Criminal Fines - Other	150	
Subtotal Collections	<u>150</u>	<u>0</u>
<b>Less: Disbursements to Governments and Nonprofits</b>		
None		
<b>Less: Amounts Retained by Collecting Agency</b>		
Amounts Self-Disbursed to Collecting Agency - Criminal Fines - Other	150	
Subtotal Disbursements/Retainage	<u>150</u>	<u>0</u>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)</b>	<u>0</u>	<u>0</u>
<b>Ending Balance of "Partial Payments" Collected but not Disbursed</b>	<u>0</u>	<u>0</u>
<b>Other Information:</b>		
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	<u>0</u>	<u>0</u>
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)	<u>0</u>	<u>0</u>

Village of Hosston  
Hosston, Louisiana  
Schedule of Prior Year Audit Findings  
December 31, 2021

**Summary Schedule of Prior Audit Findings**

There was one compliance finding reported for the audit for the year ended December 31, 2020.

**2020-003 – Budget**

*Criteria:* The Local Government Budget Act sets forth the requirements for adopting and amending the Village's budget.

*Finding:* Total expenditures and other financing uses for the General fund exceeded budgeted amounts by more than five percent. In addition, the budget for the year ended December 31, 2020, was not adopted prior to the beginning of the fiscal year and was not advertised and made available for public inspection ten days prior to adoption.

*Recommendation:* We recommend that the Village amend its budget when total expenditures and other financing uses are anticipated to exceed the budgeted amounts by more than five percent. We also recommend that the Village adopt its budget prior to the beginning of the fiscal year, and that the budget be appropriately advertised and made available for public inspection, as required by the Local Government Budget Act.

*Current Status:* See repeat finding 2021–001

Schedule of Current Year Audit Findings  
December 31, 2021

**Summary Schedule of Current Year Findings**

There is one finding reported for the year ended December 31, 2021.

**2021-001 – Budget Adoption**

The Village adopted the adopted 2021 budget on February 25, 2021. The Local Government Budget Act requires the budget to be adopted before the end of the prior fiscal year.

*Management's Response:* The Village will take the necessary steps to comply with the Local Government Budget Act.

# COOK & MOREHART

*Certified Public Accountants*

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CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## Independent Accountants' Report On Applying Agreed-Upon Procedures

To the Honorable Kim Jaynes, Mayor  
and the Village Council and the  
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the Village of Hosston's (the Village) compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Village's management is responsible for its financial records and compliance with applicable laws and regulations.

The Village has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Village's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended December 31, 2021. 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, such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### *Public Bid Law*

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute R.S. 38:2211-2296 (the public bid law), and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year ended December 31, 2021 exceeding the limits previously described.

### *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).

The Village provided us with the required list including the noted information.

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

The Village provided us with the required list.

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

There were no employees included on the list of employees provided by the Village [agreed-upon procedures (3)] who also appeared on the list provided by the Village in agreed-upon procedure (2).

5. Obtain a list of all disbursement 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.

Obtained listings, no vendors appeared on both lists.

#### *Budgeting*

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

The Village provided us with a copy of the original budget. There was one amendment to the budget for the year ended December 31, 2021.

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.

We traced the adoption of the original budget to the minutes of a meeting held on February 25, 2021, which indicated that the budget had been adopted by the Council. We traced the adoption of the amended budget to the minutes of a meeting held on January 18, 2022, which indicated that the budget had been adopted by the Council.

*Exception:* The adoption of the original budget for 2021 was done on February 25, 2021. See finding 2021-01.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues fail to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures.

- 1) Revenues met budgeted revenues by 5% or more.
- 2) Expenditures did not exceed budgeted amounts by greater than 5%.

#### *Accounting and Reporting*

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements and obtain documentation from management for those 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 six disbursements were properly coded to the correct fund and general ledger account.

- (c) report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of documentation supporting each of the six selected disbursements indicated the six disbursements were approved in accordance with management's policies and procedures.

### *Meetings*

10. Obtain evidence from management indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law) and report whether there are any exceptions.

The Village posted its meetings and agendas as required by LSA-RS 42:1 through 42:12 (the open meetings law).

### *Debt*

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there were any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposits slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

### *Advances and Bonuses*

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

A reading of the minutes of the Village for the year ended December 31, 2021 indicated no approval for the payments noted that constituted bonuses, advances, or gifts. We also 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 required report for the year ended December 31, 2021, was submitted timely.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A.; and that were subject to 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 inquired and management stated that the Village did not enter into any contracts that utilize state funds that were subject to public bid law while the Village was not in compliance with R.S. 24:513.

### *Prior Comments and Recommendations*

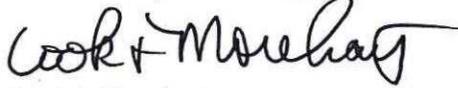
15. Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved.

The Village's prior year audit report had one compliance finding. See finding 2020-003 in the Summary Schedule of Prior Year Audit Findings.

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.

A handwritten signature in black ink, appearing to read "Cook & Morehart". The signature is written in a cursive, flowing style.

Cook & Morehart  
Certified Public Accountants  
June 29, 2022

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

3/28/22 (Date Transmitted)

Cook & Morehart (CPA Firm Name)  
1215 Hawn Ave (CPA Firm Address)  
Shreveport, LA 71107 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12-31-21 (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 public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes  No  N/A

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

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

Yes  No  N/A

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

Yes  No  N/A

**Budgeting**

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

Yes  No  N/A

**Accounting and Reporting**

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

Yes  No  N/A

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

Yes  No  N/A

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

Yes  No  N/A

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

Yes  No  N/A

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

Yes  No  N/A

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

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

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

<u>Amanda Lingis</u>	Secretary	<u>3/28/2022</u>	Date
	Treasurer		Date
<u>Kim Dagnese</u>	President	<u>3/28/22</u>	Date