

Village of Montpelier, Louisiana

Annual Financial Statements

As of And for The Year Ended June 30, 2024



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

A Professional Accounting Corporation

Village of Montpelier, Louisiana
Table of Contents
As of and For the Year Ended June 30, 2024

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
Independent Accountant's Review Report	-	-	1
Basic Financial Statements:			
Statement of Net Position	A	-	4
Statement of Activities	B	-	5
Governmental Fund - Balance Sheet	C	-	6
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	D	-	7
Statement of Revenues, Expenditures, and Changes in Fund Balance	E	-	8
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Funds to the Statement of Activities	F	-	9
Statement of Net Position - Proprietary Funds	G	-	10
Statements of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	H	-	11
Statement of Cash Flows - Proprietary Funds	I	-	12
Notes to the Financial Statements	-	-	14 - 27
Required Supplemental Information (Part II):			
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund	-	1	28
Supplemental Information:			
Schedule of Compensation, Benefits, and Other Payments to Agency Head	-	2	29
Schedule of Justice System Funding - Collecting / Disbursing Entity	-	3	31
Independent Accountant's Report on Applying Agreed-Upon Procedures	-	-	32
Schedule of Current Year Findings, Recommendations, and Responses	-	-	36
Louisiana Attestation Questionnaire	-	-	37

CHARLES P. HEBERT, CPA

CHRISTOPHER S. JOHNSON, CPA, MBA

ADAM C. HEBERT, CPA

MEMBER

American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

18435 HIGHWAY 22, STE. 2
P.O. BOX 1151
PONCHATOULA, LA 70454
(985) 386-5740 • FAX (985) 386-5742

18890 FLORIDA BLVD., STE A
P.O. BOX 520
ALBANY, LA 70711
(225) 209-6627 • FAX (225) 209-6625

A P R O F E S S I O N A L A C C O U N T I N G C O R P O R A T I O N

The Honorable Kenneth Giardina, Mayor
and Members of the Board of Aldermen
Village of Montpelier, Louisiana

Independent Accountant's Review Report

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Montpelier, a component unit of the St. Helena Parish government, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Village of Montpelier'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. 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 financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the 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 the Village of Montpelier and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Supplementary Information

The accompanying schedule of compensation paid to board members and schedule of compensation, benefits, and other payments made to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our 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 such information.

The accompanying justice system funding schedules 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 the supplementary information and, accordingly, do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 29 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 the financial reporting 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 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.

Respectfully submitted,

Chris Johnson

Hebert Johnson & Associates, Inc.
A professional Accounting Corporation
Albany, Louisiana
November 19, 2024

Basic Financial Statements

Village of Montpelier, Louisiana
Statement of Net Position
June 30, 2024

Exhibit A

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 404,087	\$ 67,043	\$ 471,130
Investments	80,000	90,000	170,000
Accounts Receivables, Net	3,164	3,533	6,697
Restricted Assets:			
Cash	-	24,313	24,313
Investments	-	8,000	8,000
Internal	(50,000)	50,000	-
Inventory, Gas	-	1,205	1,205
Land	43,200	200	43,400
Capital Assets, Net	357,851	234,977	592,828
 Total Assets	 838,302	 479,271	 1,317,573
Liabilities			
Accounts Payable	4,546	6,115	10,661
Payroll Liabilities Payable	12,065	776	12,841
Payable from Restricted Assets:			
Customer Deposits	-	18,939	18,939
Total Liabilities	16,611	25,830	42,441
Net Position			
Net Investment in Capital Assets	401,051	235,177	636,228
Restricted Net Position	-	13,374	13,374
Unrestricted Net Position	420,640	204,890	625,530
 Total Net Position	 \$ 821,691	 \$ 453,441	 \$ 1,275,132

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Statement of Activities
For the Year Ended June 30, 2024

Exhibit B

	Governmental Activities	Business-Type Activities	Total
Expenses:			
Governmental Activities:			
General Government	\$ 85,068	\$ -	\$ 85,068
Public Safety - Police	67,172	-	67,172
Business-Type Activities:			
Gas System	-	64,105	64,105
Water System	-	47,863	47,863
Depreciation	22,594	12,538	35,132
Total Expenditures	174,834	124,506	299,340
 Program Revenues:			
Charges for Services	146,405	107,956	254,361
Operating Grants	7,200	-	7,200
Capital Grants	-	50,000	50,000
Total Program Revenues	153,605	157,956	311,561
 Net Program (Expense) / Revenue	(21,229)	33,450	12,221
 General Revenues			
Taxes, Licenses, and Permits	57,853	-	57,853
Interest Income	11,683	1,439	13,122
Other Income	3,722	-	3,722
Interfund Transfers	(10,951)	10,951	-
Total Revenues	62,307	12,390	74,697
 Change in Net Position	41,078	45,840	86,918
 Net Position - Beginning of the Year	780,613	404,269	1,184,882
Prior Period Adjustment	-	3,332	3,332
Net Position - Beginning of the Year, Restated	780,613	407,601	1,188,214
Net Position - End of the Year	\$ 821,691	\$ 453,441	\$ 1,275,132

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Governmental Fund – Balance Sheet
June 30, 2024

Exhibit C

	<u>General Fund</u>
Assets	
Cash and Cash Equivalents	\$ 404,087
Investments	80,000
Due From Employee	<u>3,164</u>
Total Assets	<u>\$ 487,251</u>
Liabilities and Fund Balance	
Liabilities:	
Accounts Payable	\$ 4,546
Payroll Liabilities Payable	12,065
Due to Water Fund	<u>50,000</u>
Total Liabilities	<u>66,611</u>
Fund Balance:	
Unassigned	<u>420,640</u>
Total Fund Balances	<u>420,640</u>
Total Liabilities and Fund Balance	<u>\$ 487,251</u>

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
June 30, 2024

Exhibit D

Total Fund Balances, Governmental Fund (Exhibit C) \$ 420,640

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Depreciation 401,051

Net Position of Governmental Activities (Exhibit A) \$ 821,691

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Statement of Revenues, Expenses, and Changes in
Fund Balance – Governmental Fund
For the Year Ended June 30, 2024

Exhibit E

	<u>General Fund</u>
Revenues:	
Taxes, Licenses, and Permits	\$ 57,853
Interest Income	11,683
Grant Revenue	-
Other Income	3,722
Police Fines	146,405
Supplemental Pay	7,200
Total Revenues	226,863
 Expenses:	
General Government	89,536
Public Safety - Police	67,172
Total Expenditures	156,708
 Excess of Revenues over Expenditures	 70,155
 Other Financing Sources (Uses):	
Operating Transfers In	-
Operating Transfers Out	(10,951)
Total Other Financing Sources (Uses)	(10,951)
 Excess of Revenues and Other Sources over Expenses and Other Uses	 59,204
 Fund Balance - Beginning of the Year	 361,436
Fund Balance - End of the Year	\$ 420,640

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Statement of Net Position – Proprietary Funds
June 30, 2024

Exhibit G

	Gas Fund	Water Fund	Total
Assets			
Cash	\$ 28,011	\$ 39,032	\$ 67,043
Investments	80,000	10,000	90,000
Accounts Receivables, Net	1,660	1,873	3,533
Restricted Assets:			
Cash	16,881	7,432	24,313
Investments	6,000	2,000	8,000
Gas Inventory	1,205	-	1,205
Due From General Fund	-	50,000	50,000
Capital Assets, Net of Accumulated Depreciation	28,925	206,252	235,177
Total Assets	\$ 162,682	\$ 316,589	\$ 479,271
Liabilities and Net Position			
Liabilities:			
Accounts Payable	\$ 2,536	\$ 3,579	\$ 6,115
Payroll Taxes Payable	365	411	776
Payable from Restricted Assets:			
Customer Deposits	14,078	4,861	18,939
Total Liabilities	16,979	8,851	25,830
Net Position:			
Net Investment in Capital Assets	28,925	206,252	235,177
Restricted for Customer Meter Deposits	8,803	4,571	13,374
Unrestricted	107,975	96,915	204,890
Total Net Position	145,703	307,738	453,441
Total Liabilities and Net Position	\$ 162,682	\$ 316,589	\$ 479,271

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Statement of Revenues, Expenses, and Change in Net Position – Proprietary Funds
For the Year Ended June 30, 2024

Exhibit H

	Gas Fund	Water Fund	Total
Operating Revenues:			
Sales	\$ 64,791	\$ 43,165	\$ 107,956
Total Operating Revenues	64,791	43,165	107,956
Operating Expenses:			
Gas Purchases	15,150	-	15,150
Salaries and Related Benefits	8,570	9,664	18,234
Contract Labor	17,242	587	17,829
Repairs and Maintenance	3,572	18,084	21,656
Insurance	7,843	6,955	14,798
Office Expense	998	1,434	2,432
Utilities	943	7,295	8,238
Bad Debt Expense	494	556	1,050
Miscellaneous Expense	9,293	3,288	12,581
Depreciation	3,389	9,149	12,538
Total Operating Expenses	67,494	57,012	124,506
Net Operating Income (Loss)	(2,703)	(13,847)	(16,550)
Nonoperating Revenues / (Expenses):			
Interest Income	962	477	1,439
Grant Revenue	-	50,000	50,000
Operating Transfers In	10,000	1,849	11,849
Operating Transfers Out	(898)	-	(898)
Total Nonoperating Revenues / (Expenses)	10,064	52,326	62,390
Change in Net Position	7,361	38,479	45,840
Net Position - Beginning of the Year	135,010	269,259	404,269
Prior Period Adjustment	3,332	-	3,332
Net Position - Beginning of the Year, Restated	138,342	269,259	407,601
Net Position - End of the Year	\$ 145,703	\$ 307,738	\$ 453,441

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2024

Exhibit I

	Gas Fund	Water Fund	Total
Cash Flows from Operating Activities:			
Received from Customers	\$ 63,470	\$ 41,675	\$ 105,145
Received for Customer Deposit Fees	800	495	1,295
Payments for Operations	(59,055)	(34,766)	(93,821)
Payments to Employees	(8,561)	(9,653)	(18,214)
Net Cash Provided / (Used) by Operating Activities	(3,346)	(2,249)	(5,595)
 Cash Flows from Noncapital Financing Activities:			
Transfers (to) from Other Funds	9,102	1,849	10,951
Net Cash Provided / (Used) by Noncapital Financing Activities	9,102	1,849	10,951
 Cash Flows from Investing Activities:			
Interest Earned on Investments	962	477	1,439
Net Cash Provided / (Used) by Investing Activities	962	477	1,439
 Net Increase / (Decrease) in Cash	 6,718	 77	 6,795
 Cash - Beginning of the Year	 121,458	 59,290	 180,748
Cash - End of the Year	\$ 128,176	\$ 59,367	\$ 187,543
 Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and Investments, Unrestricted	\$ 108,011	\$ 49,032	\$ 157,043
Cash and Investments, Restricted	22,881	9,432	32,313
Total Cash and Investments	\$ 130,892	\$ 58,464	\$ 189,356

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2024

Exhibit I

	Gas Fund	Water Fund	Total
Reconciliation of operating loss to net cash used by operating activities:			
Operating Income / (Loss)	\$ (2,703)	\$ (13,847)	\$ (16,550)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:			
Bad Debt Expense	494	556	1,050
Depreciation Expense	3,389	9,149	12,538
Changes in Assets and Liabilities:			
(Increase) / Decrease in:			
Accounts Receivable	(1,321)	(1,490)	(2,811)
Increase / (Decrease) in:			
Accounts Payable	(4,014)	2,877	(1,137)
Payroll Taxes Payable	9	11	20
Customer Deposits Payable	800	495	1,295
Net Cash Used by Operating Activities	\$ (3,346)	\$ (2,249)	\$ (5,595)

See accompanying notes and independent accountant's review report.

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

Introduction

The Village of Montpelier, Louisiana (hereinafter referred to as the "Village") was created under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of Government. The purpose of the Village is to provide public safety (police and fire), streets, drainage, public improvements, and general and administrative services. Other services include water and gas services. Revenues for the Village include taxes, licenses, and permits, interest income, and other revenues. Major expenditures of the Village include general government and public safety.

The accounting and reporting policies of the Village conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute (LRS) 24:513 and to the guidance set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*. Management has elected to not present the Management's Discussion and Analysis.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component units. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provision of this statement, 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 and local governments. As used in GASB Statement No. 61, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Since the Village has no component units, these financial statements include only information on the primary government.

These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. GASB Statement No. 34 established standards for financial reporting, with presentation requirements originally including a statement of net position (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The Village has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which requires capital contributions to the Village to be presented as a change in net position.

The explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. The explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered 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 sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under 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, if any, due within the current fiscal period is considered susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when cash is received by the government.

The Village reports the following major governmental fund:

The *General Fund* is the general operating fund of the Village. This fund is used to account for and report all financial transactions and resources except for those required to be accounted for in another fund. Revenues are derived primarily from local taxes, licenses, permits, charges for services, and interest income.

The activities reported in this fund are reported as governmental activities in the government wide financial statements.

The Village reports the following major proprietary funds:

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

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule, if applicable, are payments-in-lieu of taxes and other charges

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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, including special assessments. 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 a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are user charges for the services provided by the enterprise funds. Operating expenses for enterprise funds and internal service funds 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.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Budgets and Budgetary Accounting

Budgetary procedures applicable to the Village are defined in state law, LRS 39:1301-15. The major requirements of the Local Government Budget Act are summarized as follows:

1. The Village adopts a budget each year for the general fund.
2. The mayor prepares a proposed budget and submits it to the Board of Alderman for consideration no later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal. The proposed expenditures were less than \$500,000; therefore, a public hearing was not required.
3. All actions necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. The budget was adopted on June 28, 2023.
4. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Alderman. The budget was amended on June 10, 2024.
5. Formal budgetary integration is not employed; however, periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the revised adopted budget amounts. The amounts are reconciled to the amounts reflected on the budget comparison statement on Schedule 1.

D. Cash, Cash Equivalents, and Investments

The Village's cash includes amounts in demand deposits and interest-bearing demand deposits. 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 and national banks having their principal offices in Louisiana. Under state law, the Village may also invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days;

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at fair value using published market values.

E. Restricted Assets

Cash held for customer's meter deposits is set aside in separate cash accounts and classified as a restricted asset on the balance sheet.

F. Capital Assets

Capital outlays are recorded as expenditures of the governmental funds and as assets in the government-wide financial statements to the extent the Village's capitalization threshold are met. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively to 1980. Although an exception exists for local governments with annual revenues of less than \$10 million, the Village has elected to report its infrastructure retroactively. Interest incurred during construction is capitalized on a government wide basis. Interest attributable to capitalized assets as of June 30, 2024, was immaterial.

Capital outlays of the proprietary funds are recorded as fixed assets and depreciated over their estimated useful lives on a straight-line basis on both the fund basis and the government-wide basis. All fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated fixed assets are valued at their estimated fair market value on the date donated. Infrastructure is capitalized by estimate using current replacement cost for a similar asset and deflating this cost using price indices to the acquisition year.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives	
Infrastructure	40	Years
Vehicles	5 - 15	Years
Building Remodeling	20 - 40	Years
Furniture & Equipment	5 - 10	Years
Machinery & Equipment	5 - 25	Years

G. Net Position / Fund Balance

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

- Net Investment in Capital Assets – This component of net position includes historical costs of capital assets, including any restricted capital assets, net of accumulated depreciation, reduced by the outstanding balance of any bonds, or indebtedness attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net asset calculation as unspent proceeds.
- Restricted Net Position – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- Unrestricted Net Position – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

In the fund statements, governmental fund equity is classified as fund balance. As such, fund balances of governmental funds are classified as follows:

- Nonspendable – These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted – These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- Committed – These are amounts that can be used only for specific purposes determined by a formal decision of the Board of Aldermen, which is the highest level of decision-making authority for the Village.
- Assigned – These are amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes by the Mayor or the Board of Aldermen.
- Unassigned – These are all other spendable amounts.

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, at the end of the fiscal year by adjusting journal entries.

As of June 30, 2024, the Village did not have any nonspendable, restricted, committed, or assigned fund balances.

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

H. Sales Taxes

Sales taxes are collected by the St. Helena Parish Sheriff's Office and remitted to the Village in the month following receipt by the Sheriff. The 1% sales tax passed by the voters on April 21, 2012 is to be used for supporting the general fund of the Village. There is no expiration date on this sales tax.

I. Pension Plans

The Village is not a member of any retirement system. The employees of the Village are members of the Social Security system.

J. Interfund Transactions

Permanent re-allocation of resources between funds of the reporting entity is classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

K. Estimates

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

2. Stewardships, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. All annual appropriations lapse at year-end. See Note 1 for the procedures the Village follows regarding budgets and budgetary accounting.

The Village uses the cash basis of accounting to report actual inflows and outflows. The reconciliation below shows how the cash basis differs from GAAP.

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

Excess of Revenues over Expenditures and Other Sources Over Expenses and Other Uses (Exhibit E)	\$	59,204
Add: Current Year Accounts Payable		4,546
Current Year Payroll Liabilities		12,065
Current Year Due to Other Funds		50,000
Current Year Due From Employees		(3,164)
Less: Prior Year Accounts Payable		(6,153)
Prior Year Payroll Liabilities		<u>(1,451)</u>
 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Schedule 1)	 \$	 <u>115,047</u>

B. Deposits, Investment Laws, and Regulations

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. As reflected in Note 3, regarding cash and cash equivalents, the Village was in compliance with the deposit and investment laws and regulations.

C. Deficit Fund Equity

As of June 30, 2024, no Village funds had deficit fund balances.

3. Cash and Cash Equivalents

As reflected on Statement A, the Village has cash totaling \$495,441 (of which \$24,312 is restricted) and investments totaling \$178,000 (of which \$8,000 are restricted) at June 30, 2024. 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 always equal the amount on deposit with the bank. These pledged 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.

At June 30, 2024, the Village had \$504,249 in demand deposits (collected bank balances) and certificates of deposits of \$178,000. \$250,000 of demand deposits and \$250,000 of certificates of deposit are secured from risk by federal deposit insurance and an additional \$247,927 of deposits are uninsured but collateralized with securities held by the custodial bank in the name of the fiscal agent bank. The Village had \$6,322 of demand deposits uninsured and uncollateralized as of June 30, 2024.

Even though the pledged securities are not held in the entity's name, LRS 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Village that the fiscal agent has failed to pay deposited funds upon demand. Deposits collateralized by pledged securities are considered exposed to credit risk (Category 3) under the provisions of GASB Statement 40, *Deposit and Investment Risk Disclosures – An Amendment of GASB Statement No. 3*. Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village does

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

not have a deposits policy for custodial risk. As of June 30, 2024, the Village was not in compliance with state law which requires any uninsured cash balances with the fiscal agent bank to be adequately collateralized by a pledge of securities.

For purposes of the statement of cash flows, liquid investments of the Gas Fund and Water Fund with a maturity of three months or less are considered to be cash equivalents.

4. Investments

Investments are categorized into these three categories of credit risk:

- A. Insured or registered, or securities held by the Village or its agent in the Village's name
- B. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Village's name
- C. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Village's name

All investments held by the Village fall into category (1) credit risk, defined as "insured or registered, or securities held by the Village or its agent in the Village's name." In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are carried at fair market value, with the estimated fair market value based on quoted market prices.

At June 30, 2024, the Village's investment balances consisted of \$178,000 of certificates of deposit held at First Guaranty Bank. All investments are stated on the balance sheet (carrying value) at market value. All investments are in the name of the Village and are held at the Village's office. Because these investments are in the name of the Village and are held by the Village or the Village's agent, the investments are considered insured and registered. Category (1), in applying the credit risk of GASB Codification Section 150.164.

Interest Rate Risk: The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

5. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends and the period aging and write-off of accounts receivable. Major receivables balances for the governmental activities include sales taxes, ad valorem taxes, and intergovernmental. Business-type activities report utilities earnings as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise taxes, occupational licenses, fines, and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions, collectible but not available, are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded only if paid within 30 days since they would be considered both measurable and available. Proprietary fund revenues consist of all revenues earned at year-end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging and write-off of accounts receivable.

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

Receivables at June 30, 2024 consist of the following:

	General	<u>Proprietary Funds</u>		Total
	<u>Fund</u>	<u>Gas</u>	<u>Water</u>	
Utility Receivable	\$ -	\$ 4,413	\$ 4,977	\$ 9,390
Less: Allowance for Doubtful Accounts	-	(2,753)	(3,104)	(5,857)
Utility Receivable, Net	<u>\$ -</u>	<u>\$ 1,660</u>	<u>\$ 1,873</u>	<u>\$ 3,533</u>

6. Interfund Receivables / Payables

There were no interfund receivables or payable outstanding for the Village's fund financial statements at June 30, 2024.

7. Restricted Assets

Restricted assets for the Gas Fund and Water Fund at June 30, 2024 were as follows:

	<u>Gas Fund</u>	<u>Water Fund</u>	<u>Total</u>
Restricted Cash and Cash Equivalents:			
Customer Deposits	\$ 16,880	\$ 7,432	\$ 24,312
Certificates of Deposits	<u>6,000</u>	<u>2,000</u>	<u>8,000</u>
Total Restricted Assets	<u>\$ 22,880</u>	<u>\$ 9,432</u>	<u>\$ 32,312</u>

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

8. Capital Assets

The following is a summary of changes in capital assets for governmental activities for the year ended June 30, 2024:

	<u>Balance</u> <u>06/30/23</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/24</u>
Capital Assets Not Depreciated:				
Land	\$ 43,200	\$ -	\$ -	\$ 43,200
Total Capital Assets Not Depreciated	43,200	-	-	43,200
Capital Assets:				
Infrastructure	120,607	-	-	120,607
Vehicles	139,294	-	10,510	128,784
Building Improvements	301,789	-	-	301,789
Office Furniture & Equipment	<u>65,122</u>	<u>4,468</u>	<u>-</u>	<u>69,590</u>
Total Capital Assets	626,812	4,468	10,510	620,770
Less Accumulated Depreciation:				
Infrastructure	31,671	3,023	-	34,694
Vehicles	92,968	10,384	10,510	92,842
Building Improvements	64,118	7,547	-	71,665
Office Furniture & Equipment	<u>62,078</u>	<u>1,640</u>	<u>-</u>	<u>63,718</u>
Total Accumulated Depreciation	<u>250,835</u>	<u>22,594</u>	<u>10,510</u>	<u>262,919</u>
Total Government Capital Assets, Net	<u>\$ 419,177</u>	<u>\$ (18,126)</u>	<u>\$ -</u>	<u>\$ 401,051</u>

Capital assets activity as of and for the year ended June 30, 2024 for business-type activities is as follows:

Village of Montpelier, Louisiana

Notes to the Financial Statements

For the Year Ended June 30, 2024

	<u>Balance</u> <u>06/30/23</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/24</u>
Capital Assets Not Depreciated:				
Land	\$ 200	\$ -	\$ -	\$ 200
Total Capital Assets Not Depreciated	200	-	-	200
Capital Assets:				
Machinery & Equipment:				
Gas	418,488	-	-	418,488
Water	428,560	-	-	428,560
Total Capital Assets	847,048	-	-	847,048
Less: Accumulated Depreciation				
Machinery & Equipment:				
Gas	386,173	3,390	-	389,563
Water	213,359	9,149	-	222,508
Total Accumulated Depreciation	599,532	12,539	-	612,071
Total Business-Type Capital Assets, Net	<u>\$ 247,716</u>	<u>\$ (12,539)</u>	<u>\$ -</u>	<u>\$ 235,177</u>

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

9. Accounts, Salaries, and Other Payables

The current payables at June 30, 2024 were as follows:

	<u>General Fund</u>	<u>Gas Fund</u>	<u>Water Fund</u>	<u>Total</u>
Current Payables:				
Accounts Payable	\$ 4,546	\$ 1,948	\$ 4,482	\$ 10,976
Other Payables	<u>1,560</u>	<u>364</u>	<u>411</u>	<u>2,335</u>
Total Current Payables	<u>\$ 6,106</u>	<u>\$ 2,312</u>	<u>\$ 4,893</u>	<u>\$ 13,311</u>

10. Restricted Net Position

At June 30, 2024, the Gas Fund had restricted net position of \$8,802 representing the Village's funds restricted for customers for meter deposits, net of the related liability. At June 30, 2024, the Water Fund had restricted net position of \$4,571, representing the Village's funds restricted for customers for meter deposits, net of the related liability.

11. Interfund Transfers

Operating transfers between funds consist primarily of monies transferred between the general fund and proprietary funds to cover payroll expenditures. Interfund transfers were as follows for the year ended June 30, 2024:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
Gas and Water Funds	\$ -	\$ 10,951
Business-Type Activities:		
Gas Fund	10,000	898
Water Fund	<u>1,849</u>	<u>-</u>
Total All Funds	<u>\$ 11,849</u>	<u>\$ 11,849</u>

12. Risk Management

The Village is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Village purchases commercial insurance policies and bonds for any and all claims related to the aforementioned risks. The Village's payment of the insurance policy deductible is the only liability associated with these policies and bonds. There has been no significant decrease in insurance coverage from the prior year, and the amount of settlements has not exceeded the insurance coverage for the past three fiscal years.

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

13. Contingent Liabilities

At June 30, 2024, the Village was not involved in any outstanding litigation or claims.

14. Major Supplier

The Village purchases approximately 98% of its natural gas through the Louisiana Municipal Gas Authority (LMGA). A change in suppliers could have a negative impact on the cost and terms currently obtained through the LMGA.

15 Prior Period Adjustment

A prior period adjustment was made to record the Gas Inventory at June 30, 2023.

Net Position - Gas Fund, Beginning	\$ 135,010
Gas Inventory	3,332
Net Position - Gas Fund, Beginning, Restated	<u>\$ 138,342</u>

16 Pension Plan

Some of the police department employees of the Village of Montpelier are members of the Municipal Police Employees' Retirement System of Louisiana (System). This system is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

Funding Policy. Plan members are required by state statute to contribute 10% of their annual covered salary and the Village of Tangipahoa is required to contribute at an actuarially determined rate. The contribution rate for the fiscal year ended June 30, 2023 was 31.25% of annual covered payroll. The contribution requirements of plan members and the Village of Tangipahoa are established and may be

Village of Montpelier, Louisiana
Notes to the Financial Statements
For the Year Ended June 30, 2024

amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Village of Tangipahoa's contributions to the System for the years ending June 30, 2024, was \$12,229 equal to the required contributions for the year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the Employer did not report a liability for its proportionate share of the Net Pension liability. The Net Pension Liability is measured as of June 30, 2023 and the total pension liability used to calculate the Net Pension Liability is determined by an actuarial valuation as of that date. Since the Village did not participate in the retirement system as of June 30, 2023 a net pension liability was not determined.

17. Cooperative Endeavor Agreement

The Village of Montpelier entered into a cooperative endeavor agreement between with the State of Louisiana to purchase a water tank and work with a contractor to connect to the village's existing system. The project is projected to cost as much as \$300,000. The State has allocated \$100,000 towards this project. The Village received fifty thousand dollars of the \$100,000 during the fiscal year ending June 30, 2024.

18. On-Behalf Payments by the State of Louisiana

For the year ended June 30, 2024, the State of Louisiana made on behalf payments in the form of supplemental pay to the Village's policemen. In accordance with GASB 24, the Village has recorded \$7,200 of on behalf payments as revenue and as expense in the general fund.

19. Subsequent Events

Management has evaluated subsequent events through November 19, 2024, the date the financial statements were available to be issued. The following events were noted that require disclosure in the financial statements for the fiscal year ending June 30, 2024.

Water Storage Tank

On August 12, 2024, the Council awarded the contract for the purchase of the water storage tank.

Natural Gas Distribution Infrastructure Safety and Modernization Grant

In April 2023, the Village was awarded a grant through the Natural Gas Distribution Infrastructure Safety and Modernization Grant Program in the amount of \$872,613. The grant is to be used to modernize the existing gas system by replacing existing gas lines and gas meters. In a special meeting on October 22, 2024 the board awarded the contract for the work included in the construction plans, including all addendums for \$549,000.

Required Supplemental Information:

Budgetary Comparison Schedule

Village of Montpelier, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget (Non-GAAP Basis) and Actual – General Fund
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual Amounts - Budgetary Basis	Final Budget Variance - Favorable / (Unfavorable)
Revenues:				
Taxes, Licenses, and Permits	\$ 60,500	\$ 50,500	\$ 57,853	\$ 7,353
Interest Income	2,000	12,075	11,683	(392)
Grant Revenue	78,000	-	50,000	50,000
Other Income	7,200	7,200	3,722	(3,478)
Police Fines	100,000	135,000	146,405	11,405
Supplemental Pay	-	-	7,200	7,200
Total Revenues	<u>247,700</u>	<u>204,775</u>	<u>276,863</u>	<u>72,088</u>
Expenditures:				
Advertising	500	500	336	164
Automobile - Police	5,000	5,000	10,966	(5,966)
Capital Outlay	-	-	4,468	(4,468)
Fees	9,600	6,100	6,040	60
Insurance	10,000	10,000	14,390	(4,390)
Legal & Accounting	20,000	20,000	19,854	146
Maintenance & Repairs	8,250	14,750	10,751	3,999
Miscellaneous	4,000	8,500	7,928	572
Office	5,100	7,100	8,454	(1,354)
Salaries and Payroll Tax Expenses	73,700	73,700	52,673	21,027
Phone & Utilities	12,500	12,500	11,609	891
Retirement	-	-	1,643	(1,643)
Travel & Training	2,300	2,300	1,752	548
Total Expenditures	<u>150,950</u>	<u>160,450</u>	<u>150,864</u>	<u>9,586</u>
Excess (Deficiency) of Revenues over Expenditures	96,750	44,325	125,999	81,674
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	(10,951)	(10,951)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(10,951)</u>	<u>(10,951)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	96,750	44,325	115,047	70,722
Cash - Beginning of the Year	<u>224,529</u>	<u>199,362</u>	<u>369,040</u>	<u>169,678</u>
Cash - End of the Year	<u>\$ 321,279</u>	<u>\$ 243,687</u>	<u>\$ 484,087</u>	<u>\$ 240,400</u>

See independent accountant's review report.

Other Supplemental Information

Village of Montpelier, Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended June 30, 2024

Schedule 2

Agency Head: Kenneth G. Giardina, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 4,200
Benefits - Health Insurance	-
Benefits - Other Insurance	-
Benefits - Retirement	-
Deferred Compensation	-
Benefits - Other - Supplemental Pay	-
Car Allowance	-
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone	-
Dues	-
Per Diem	-
Reimbursements	-
Travel	316
Registration Fees	-
Conference Travel	-
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ 4,516</u>

See independent accountant's review report.

Village of Montpelier, Louisiana
Schedule of Justice System Funding – Collecting / Disbursing Entity
For the Year Ended June 30, 2024

Schedule 3

	First Six- Month Period Ended <u>12/31/23</u>	Second Six- Month Period Ended <u>06/30/24</u>
Beginning Balance of Amounts Collected	\$ -	\$ -
Add: Collections		
Criminal Fines - Other	<u>78,858</u>	<u>67,547</u>
Subtotal Collections	78,858	67,547
Less: Disbursements to Governments & Nonprofits		
Crimestoppers of Tangipahoa, Criminal Fines - Other	-	150
DHH Traumatic Head & Spinal Cord Injury Trust, Criminal Fines - Other	2,500	1,875
Florida Parishes Juvenile Justice Commission, Criminal Fines - Other	1,745	1,525
Louisiana Association of Chiefs of Police, Criminal Fines - Other	1,360	750
Louisiana Commission on Law Enforcement, Criminal Fines - Other	980	736
Louisiana Judicial College, Criminal Fines - Other	36	-
Louisiana Supreme Court, Criminal Fines - Other	202	63
Treasury State of Louisiana CMIS, Criminal Fines - Other	500	375
Less: Amount Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Other	71,535	62,073
Less: Disbursements to Individuals / 3rd Party Collection of Processing Agencies		
Other Disbursements to Individual	<u>-</u>	<u>-</u>
Subtotal Disbursements / Retainage	<u>78,858</u>	<u>67,547</u>
Ending Balance of Amounts Collected but not Disbursed / Retained	<u>\$ -</u>	<u>\$ -</u>
Other Information:		
Ending Balance of Amounts Assessed but Not Collected	\$ -	\$ -
Total Waivers During the Fiscal Period	\$ -	\$ -

See independent accountant's review report.

CHARLES P. HEBERT, CPA

CHRISTOPHER S. JOHNSON, CPA, MBA

ADAM C. HEBERT, CPA

MEMBER

American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

18435 HIGHWAY 22, STE. 2
P.O. BOX 1151
PONCHATOULA, LA 70454
(985) 386-5740 • FAX (985) 386-5742

18890 FLORIDA BLVD., STE A
P.O. BOX 520
ALBANY, LA 70711
(225) 209-6627 • FAX (225) 209-6625

A PROFESSIONAL ACCOUNTING CORPORATION

Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Kenneth Giardina, Mayor
and Members of the Board of Aldermen
and the Louisiana Legislative Auditor
Village of Montpelier, Louisiana

We have performed the procedures enumerated below on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2024, 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 fiscal year ended June, 30 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.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures for materials and supplies that exceeded \$60,000 nor public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

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

Management has provided us with a list of all the family members of each board member.

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

We have obtained a list of all employees paid during the fiscal year.

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

No employees' names appear on both lists obtained in procedures 2 & 3.

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.

Budgeting

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

Management provided me with a copy of the original budget and the 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.

We traced the adoption of the original budget to a meeting held on June 12, 2023 and traced the budget amendment to a meeting held on June 10, 2024.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues were more than the budgeted amounts. The actual expenditures were less than the budgeted expenditures.

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, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

All disbursements agree to the amount in the supporting documentation. All checks agree to the payee. All six disbursements were coded to the correct general ledger account. All six disbursements were approved in accordance with management's policies and procedures.

Meetings

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

Management provided us with the Notice of Public Meeting for the meeting on June 10, 2024. This is in compliance with 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 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 examined all bank deposit slips for the fiscal year and identified 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.

We reviewed minutes and the general ledger and did not identify any payments that constituted bonuses, advances, or gifts.

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The report will be timely submitted.

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).

The village did not utilize state funds that were subject to public bid law.

Prior-Year Comments

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

There was one prior year suggestion related to timely amending the budget. This has been resolved.

Sincerely,

Chris Johnson

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Albany, Louisiana
November 19, 2024

Village of Montpelier, Louisiana
Schedule of Prior Year Findings, Recommendations and Responses
For the Year Ended June 30, 2024

2023-01 Budget Adoption

Condition:

The operating budget for the general fund was adopted at a meeting on July 12, 2022, which is after the start of the current fiscal year.

Recommendation:

The town should comply with the requirements set forth in Louisiana Revised Statute 39:1309

Management's Response:

The Village will ensure that the budget will be adopted and amended, timely.
The responsible party is Mayor Kenny Giardina, 225-777-4400.

Resolved: Fully

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

_____ (Date Transmitted)

Hebert Johnson & Associates

18890 Florida Blvd Ste A

Albany, LA 70711

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2024 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes [] No [] N/A []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

Budgeting

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

Yes [] No [] N/A []

Accounting and Reporting

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

Meetings

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

Yes [] No [] N/A []

Debt

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

Yes [] No [] N/A []

Advances and Bonuses

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

Yes [] No [] N/A []

Prior-Year Comments

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

Yes [] No [] N/A []

General

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

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

Yes No N/A

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

Yes No N/A

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

<u>Kenneth B. Hunter</u>	Mayor	<u>8-15-2024</u>	Date
<u>Larry Roberts</u>	Clerk	<u>8/15/24</u>	Date