

**VILLAGE OF HEFLIN, LOUISIANA**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**VILLAGE OF HEFLIN, LOUISIANA**  
**Financial Statements**  
**As of and for the year ended December 31, 2023**

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CERTIFIED PUBLIC ACCOUNTANTS

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MEMBERS  
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CERTIFIED PUBLIC ACCOUNTANTS

To the Honorable Todd Leake, Mayor  
and the members of the Board of Alderman  
Village of Heflin, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Heflin, Louisiana, as of and for the year ended December 31, 2023, which collectively comprise the Village's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

## Supplementary Information

The accompanying schedule of compensation paid board members and schedule of compensation, benefits, and other payments the agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the responsibility of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance 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 not performed an audit, review or compilation on the required supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on such information.

## Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information on pages 14-15 be presented to supplement the basic financial statements:

### Budgetary Comparison Schedules

Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who

considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the representation of management. We have not performed an audit, review or compilation on the required supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted Management Discussion & 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.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Village of Heflin, Louisiana.

*Wise Martin & Cole LLC*

Minden, Louisiana  
January 29, 2025

## **BASIC FINANCIAL STATEMENTS**

## VILLAGE OF HEFLIN, LOUISIANA

Statement of Net Position  
December 31, 2023

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business-type</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 106,136	\$ 42,489	\$ 148,625
Investments	-	41,612	41,612
Receivable, net	-	7,653	7,653
Internal balances	1,496	(1,496)	-
Restricted assets - noncurrent:			
Cash	-	6,897	6,897
Capital assets:			
Land	6,150	-	6,150
Capital assets, net of depreciation	222,289	366,460	588,749
<b>TOTAL ASSETS</b>	<u>336,071</u>	<u>463,615</u>	<u>799,686</u>
<b>LIABILITIES</b>			
Accounts, salaries, and other payables	4,351	4,389	8,740
Deposit payable	-	6,897	6,897
Unearned revenues	38,075	-	38,075
<b>TOTAL LIABILITIES</b>	<u>42,426</u>	<u>11,286</u>	<u>53,712</u>
<b>NET POSITION</b>			
Net investment in capital assets	228,439	366,460	594,899
Unrestricted	65,206	85,869	151,075
<b>TOTAL NET POSITION</b>	<u>\$ 293,645</u>	<u>\$ 452,329</u>	<u>\$ 745,974</u>

See accountants' report.

**STATEMENT B**

**VILLAGE OF HEFLIN, LOUISIANA**

Statement of Activities  
For the year Ended December 31, 2023

	Expenses	Program Revenues		Net (Expenses)/ Revenue	Net (Expenses) Revenues and Changes of Primary Government		
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Business-type Activities	Total
<b>Functions:</b>							
<b>Governmental activities:</b>							
General government	\$ (54,007)	\$ 7,100	\$ 788	\$ (46,119)	\$ (46,119)	\$ -	\$ (46,119)
Public safety	(24,703)	13,138	7,200	(4,365)	(4,365)	-	(4,365)
Total governmental activities	(78,710)	20,238	7,988	(50,484)	(50,484)	-	(50,484)
<b>Business-type activities:</b>							
Water	(73,975)	51,350	-	(22,625)	-	(22,625)	(22,625)
Total primary government	<u>\$ (152,685)</u>	<u>\$ 71,588</u>	<u>\$ 7,988</u>	<u>\$ (73,109)</u>	<u>\$ (50,484)</u>	<u>\$ (22,625)</u>	<u>\$ (73,109)</u>
General revenues:							
Franchise taxes					32,714	-	32,714
Interest income					311	565	876
Miscellaneous					771	-	771
Total general revenues and transfers					<u>33,796</u>	<u>565</u>	<u>34,361</u>
Change in net position					(16,688)	(22,060)	(38,748)
Net position-beginning					<u>310,333</u>	<u>474,389</u>	<u>784,722</u>
Net position-ending					<u>\$ 293,645</u>	<u>\$ 452,329</u>	<u>\$ 745,974</u>

See accountants' report.

**STATEMENT C****VILLAGE OF HEFLIN, LOUISIANA****Balance Sheet - Governmental Funds  
December 31, 2023**

	<u>General Fund</u>	<u>American Rescue Plan Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 68,061	\$ 38,075	\$ 106,136
Due from other funds	<u>1,496</u>	<u>-</u>	<u>1,496</u>
<b>TOTAL ASSETS</b>	<u>\$ 69,557</u>	<u>\$ 38,075</u>	<u>\$ 107,632</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts, salaries, and other payables	\$ 4,351	\$ -	\$ 4,351
Unearned revenues	<u>-</u>	<u>38,075</u>	<u>38,075</u>
<b>TOTAL LIABILITIES</b>	<u>4,351</u>	<u>38,075</u>	<u>42,426</u>
<b>FUND BALANCES</b>			
Unassigned	<u>65,206</u>	<u>-</u>	<u>65,206</u>
<b>TOTAL FUND BALANCES</b>	<u>65,206</u>	<u>-</u>	<u>65,206</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 69,557</u>	<u>\$ 38,075</u>	<u>\$ 107,632</u>

See accountants' report.



## VILLAGE OF HEFLIN, LOUISIANA

Reconciliation of the Governmental Fund Balance Sheet  
to the Government-Wide Financial Statement of Net Position  
December 31, 2023

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

Fund balances, total governmental funds (Statement C)	\$ 65,206
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements	<u>228,439</u>
Net position of governmental activities (Statement A)	<u>\$ 293,645</u>

See accountants' report.

**STATEMENT E****VILLAGE OF HEFLIN, LOUISIANA**

**Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds**  
**For the year ended December 31, 2023**

	General Fund	American Rescue Plan Fund	Total
<b>REVENUES</b>			
Franchise taxes	\$ 32,716	\$ -	\$ 32,716
Intergovernmental revenues:			
State	7,200	788	7,988
Fines and forfeitures	13,138	-	13,138
Investment earnings	311	-	311
Other revenues	7,871	-	7,871
Total revenues	<u>61,236</u>	<u>788</u>	<u>62,024</u>
<b>EXPENDITURES</b>			
General government:			
Utilities	17,274	-	17,274
Salaries and related expenditures	4,676	-	4,676
Office supplies	1,467	-	1,467
Advertising	1,307	-	1,307
Insurance	11,458	-	11,458
Repairs and maintenance	7,539	-	7,539
Accounting	2,891	-	2,891
Miscellaneous	740	-	740
Public safety:			
Salaries and related expenditures	12,925	-	12,925
Miscellaneous	7,408	-	7,408
Total expenditures	<u>67,685</u>	<u>-</u>	<u>67,685</u>
Excess (deficiency) of revenues over expenditures	(6,449)	788	(5,661)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	788	-	788
Transfers out	<u>-</u>	<u>(788)</u>	<u>(788)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>788</u>	<u>(788)</u>	<u>-</u>
Net change in fund balances	(5,661)	-	(5,661)
Fund balance - beginning	<u>70,867</u>	<u>-</u>	<u>70,867</u>
Fund balance - ending	<u>\$ 65,206</u>	<u>\$ -</u>	<u>\$ 65,206</u>

See accountants' report.

## VILLAGE OF HEFLIN, 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, 2023

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

Net change in fund balances, total governmental funds, (Statement E)	\$ (5,661)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	<u>(11,027)</u>
Change in Net Position of Governmental Activities, (Statement B)	<u>\$ (16,688)</u>

See accountants' report.

## VILLAGE OF HEFLIN, LOUISIANA

Statement of Net Position, Proprietary Fund  
December 31, 2023

	Business-type Activity <u>Water Fund</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 42,489
Investments	41,612
Accounts receivable, net of allowance	<u>7,653</u>
Total current assets	<u>91,754</u>
Noncurrent assets:	
Restricted assets:	
Cash	6,897
Capital assets:	
Plant and equipment	1,029,949
Less: accumulated depreciation	<u>(663,489)</u>
Total noncurrent assets	<u>373,357</u>
<b>TOTAL ASSETS</b>	<u>465,111</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts, salaries, and other payables	4,389
Deposit payable	6,897
Due to other funds	<u>1,496</u>
Total current liabilities	<u>12,782</u>
<b>TOTAL LIABILITIES</b>	<u>12,782</u>
<b>NET POSITION</b>	
Invested in capital assets	366,460
Unrestricted	<u>85,869</u>
<b>TOTAL NET POSITION</b>	<u>\$ 452,329</u>

See accountants' report.

## VILLAGE OF HEFLIN, LOUISIANA

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund  
For the year ended December 31, 2023

	Business-type Activity
	<u>Water Fund</u>
Operating revenues	
Charges for services	
Water sales	\$ 51,350
Total operating revenues	<u>51,350</u>
Operating expenses	
Salaries	12,900
Electricity	5,209
Office supplies	2,195
Accounting	2,419
Depreciation	22,924
Equipment repairs and maintenance	7,062
Taxes	1,060
Insurance	13,907
Other	6,299
Total operating expenses	<u>73,975</u>
Operating income (loss)	<u>(22,625)</u>
Nonoperating revenues (expenses)	
Interest income	<u>565</u>
Total nonoperating revenues (expenses)	<u>565</u>
Change in net position	(22,060)
Net position - beginning	<u>474,389</u>
Net position - ending	<u>\$ 452,329</u>

See accountants' report.

**STATEMENT I****VILLAGE OF HEFLIN, LOUISIANA****Statement of Cash Flows, Proprietary Fund  
For the year ended December 31, 2023**

	<u>Business-type Activity Water Fund</u>
<b>Cash flows from operating activities</b>	
Receipts from customers	\$ 48,690
Payments to employees	(12,900)
Payments to suppliers	<u>(34,827)</u>
Net cash provided (used) by operating activities	<u>963</u>
 <b>Cash flows from investing activities</b>	
Interest and dividends received	<u>37</u>
Net cash provided (used) by investing activities	<u>37</u>
 Net increase (decrease) in cash and cash equivalents	1,000
 Cash and cash equivalents, beginning of year	<u>48,386</u>
 Cash and cash equivalents, end of year	<u>\$ 49,386</u>
 <b>Reconciliation of operating income to net cash provided (used) by operating activities</b>	
Operating income (loss)	<u>\$ (22,625)</u>
 Depreciation	22,924
(Increase) decrease in accounts receivable	(3,160)
Increase (decrease) in accounts payable	3,324
Increase (decrease) in customer deposits	<u>500</u>
Total adjustments	<u>23,588</u>
Net cash provided (used) by operating activities	<u>\$ 963</u>

See accountants' report.

## **REQUIRED SUPPLEMENTARY INFORMATION**

## VILLAGE OF HEFLIN, LOUISIANA

Budgetary Comparison Schedule - General Fund  
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Cash Basis	Final Budget Over (Under)
<b>Revenues</b>				
Utility and franchise taxes	\$ 39,000	\$ 39,000	\$ 32,715	\$ (6,285)
Intergovernmental revenues	38,843	38,843	7,200	(31,643)
Fines and forfeitures	25,100	25,100	13,138	(11,962)
Investment earnings	-	-	311	311
Other	16,930	16,930	7,871	(9,059)
Total revenues	<u>119,873</u>	<u>119,873</u>	<u>61,235</u>	<u>(58,638)</u>
<b>Expenditures</b>				
General government:				
Utilities	16,000	16,000	17,062	(1,062)
Salaries and related expenses	10,600	10,600	5,165	5,435
Office supplies	2,400	2,400	1,467	933
Advertising	2,000	2,000	1,307	693
Insurance	7,000	7,000	11,458	(4,458)
Repairs and maintenance	19,000	19,000	7,506	11,494
Legal and accounting	3,800	3,800	1,950	1,850
Dues and subscriptions	1,000	1,000	-	1,000
Travel	5,000	5,000	614	4,386
Miscellaneous	2,500	2,500	128	2,372
Public safety:				
Salary and related expenses	6,000	6,000	12,889	(6,889)
Miscellaneous	9,000	9,000	7,408	1,592
Total expenditures	<u>84,300</u>	<u>84,300</u>	<u>66,954</u>	<u>17,346</u>
Excess (deficiency) of revenues over (under) expenditures	<u>35,573</u>	<u>35,573</u>	<u>(5,719)</u>	<u>(41,292)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	788	788
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>788</u>	<u>788</u>
Excess (deficiency) of revenues over (under) expenditures and other uses	<u>35,573</u>	<u>35,573</u>	<u>(4,931)</u>	<u>(40,504)</u>
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>74,146</u>	<u>74,146</u>
Fund balance at end of year	<u>\$ 35,573</u>	<u>\$ 35,573</u>	<u>\$ 69,215</u>	<u>\$ 33,642</u>



## VILLAGE OF HEFLIN, LOUISIANA

Budgetary Comparison Schedule - Special Revenue Fund - American Rescue Plan Fund  
 For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Cash Basis</u>	<u>Final Budget Over (Under)</u>
Revenues				
Intergovernmental revenues	\$ -	\$ -	\$ 788	\$ 788
Total revenues	-	-	788	788
Expenditures				
General government:				
Office supplies	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	788	788
Other Financing Sources (Uses)				
Transfers out	-	-	(788)	(788)
Total Other Financing Sources (Uses)	-	-	(788)	(788)
Excess of revenues over expenditures and other uses	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

**VILLAGE OF HEFLIN, LOUISIANA**

**Notes to Budgetary Comparison Schedules  
For the year ended December 31, 2023**

01) The Village of Heflin's budget is adopted on a cash basis.

02) The following schedule reconciles the excess of revenues of expenditures on cash basis with the excess of revenues over expenditures on GAAP basis.

Excess of revenues over expenditures, GAAP basis	\$ (5,661)
To adjust for payables	<u>730</u>
Excess of revenues over expenditure, cash basis	<u>\$ (4,931)</u>

03) A budget was not adopted for the Special Revenue Fund - American Rescue Plan Fund.

## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF HEFLIN, LOUISIANA**

Schedule of Compensation Paid Board Members  
As of and for the year ended December 31, 2023

The following served on the Board without compensation or other benefits:

Ralph James	Mayor
Hallie DeMoss	Alderman
Matt Austin	Alderman
Robert Stachowicz	Alderman

**SCHEDULE 3**

**VILLAGE OF HEFLIN, LOUISIANA**



Schedule of Compensation, Benefits and Other  
Payments to Agency Head  
As of and for the year ended December 31, 2023

Agency Head: Ralph James, Mayor

No payments made as of and for the year ended December 31, 2023.

**VILLAGE OF HEFLIN, LOUISIANA**

Justice System Funding Schedule - Receiving Entity  
For the year ended December 31, 2023

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended 6/30/2023</b>	<b>Second Six Month Period Ended 12/31/2023</b>
<b>Receipts From:</b>		
<i>Louisiana Department of Public Safety - Other</i>	\$ 13	\$ 25
<b>Subtotal Receipts</b>	<u>\$ 13</u>	<u>\$ 25</u>
<b>Ending Balance of Amounts Assessed but Not Received</b>		

## VILLAGE OF HEFLIN, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
For the year ended December 31, 2023

	First Six Month Period Ended 6/30/2023	Second Six Month Period Ended 12/31/2023
<b>Cash Basis Presentation</b>		
<b>Beginning Balance of Amounts Collected</b>		
<b>Add: Collections</b>		
Other	8,129	4,971
<b>Subtotal Collections</b>	8,129	
<b>Less: Disbursements To Governments &amp; Nonprofits</b>		
Louisiana Commission on Law Enforcement - Other	253	170
Louisiana State Treasurer - Other	41	18
Louisiana Supreme Court - Other	21	9
Louisiana Traumatic Head and Spinal Cord Injury Trust Fund-Act 654- 1993 Legislative Session - Other	205	90
North Louisiana Criminalistics Laboratory Commission - Other	200	110
Ware Youth Center - Other	307	135
<b>Less: Amounts Retained by Collecting Agency</b>		
Amounts self-disbursed to collecting agency - Other	7,102	4,439
<b>Subtotal Disbursements/Retainage</b>		
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained</b>		
<b>Ending Balance of "Partial Payments" Collected but not Disbursed</b>		
<b>Other Information:</b>		
Ending Balance of Total Amounts Assessed but not yet Collected		
Total Waivers During the Fiscal Period		

**SCHEDULES FOR LOUISIANA LEGISLATIVE AUDITOR**



## **VILLAGE OF HEFLIN, LOUISIANA**

### **Summary Schedule of Prior Year Findings As of and for the year ended December 31, 2023**

#### **2022-01 Late filing**

**Condition:** The Village did not file its annual report for the year ended December 31, 2022, by the due date.

**Status:** Not resolved, see comment 2023-01

#### **2022-02 Budget Compliance**

**Condition:** A budget was not adopted for the Special Revenue fund by the Village for the year ended December 31, 2022. Budgeted revenues exceeded actual revenues for the General fund by more than 5% and actual expenditures exceeded budgeted expenditures for both funds by more than 5%.

**Status:** Not resolved, see comment 2023-02

## VILLAGE OF HEFLIN, LOUISIANA

### Schedule of Current Year Findings As of and for the year ended December 31, 2023

#### **2023-01 Late filing**

**Criteria:** Louisiana Revised Statute 24:513 requires the compilation of the Village of Heflin to be submitted to the Louisiana Legislative Auditor (LLA) no later than six months after the Village's year end. The due date for the report with a December 31, 2023, year end was June 30, 2024.

**Condition:** The Village did not file its annual report for the year ended December 31, 2023, by the due date.

**Cause:** Records were not provided to accountant performing review in time to file annual report timely.

**Effect:** Compilation was not able to be completed for submission by June 30, 2024, resulting in noncompliance with the requirements of Louisiana Revised Statute 24:513.

**Recommendation:** We recommend that the Village of Heflin ensure that records are maintained to allow timely performance of annual reporting.

**Management's response:** The Village of Heflin is aware of the filing requirements and will ensure records are made available to submit the annual report by the due date.

#### **2023-02 Budget Compliance**

**Criteria:** R.S 39:1301-1315 sets forth compliance requirements concerning the Local Government Budget Act including the following:

- A budget should be adopted for general and special revenue funds showing the estimated fund balances at the beginning of the year; estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures itemized by agency, department, function, and character; other financing sources and uses by source and use; and the estimated fund balance at the end of the fiscal year.
- Budgets should be amended when expected budgeted revenues will exceed actual revenues by more than 5% and when actual expenditures exceed budgeted expenditures by more than 5%.

**Condition:** A budget was not adopted for the Special Revenue fund by the Village for the year ended December 31, 2023. Budgeted revenues exceeded actual revenues for the General fund by more than 5% and actual expenditures exceeded budgeted expenditures for both funds by more than 5%.

**Cause:** Unknown

**Effect:** Budget does not meet requirements of Local Government Budget Act.

**Recommendation:** The Village should adopt an annual budget in accordance with Louisiana law.

**Management's response:** We will take steps to adopt the required budget, in the future. Budget will be reviewed and amended to make sure in compliance with the 5% rule.