

VILLAGE OF KILBOURNE, LOUISIANA

*Financial Statements
For the Year Ended June 30, 2022*



MAXWELL CPA, LLC, *Certified Public Accountant*, Sterlington, Louisiana

VILLAGE OF KILBOURNE, LOUISIANA
FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

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VILLAGE OF KILBOURNE, LOUISIANA
FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Mayor and Board of Aldermen
Village of Kilbourne
Kilbourne, Louisiana

I have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Kilbourne, Louisiana (the Village), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. 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, I 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

My 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, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am 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. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of the Village of Kilbourne and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

Accountant's Conclusion

Based on my review, I am 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.



To the Mayor and Board of Aldermen
Village of Kilbourne
Kilbourne, Louisiana

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 7 and pages 25 and 26, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the information and, accordingly, do not express an opinion on such information.

Other Information

The accompanying schedules of compensation, reimbursements, benefits, and other payments to agency head, compensation to the elected officials, LCDBG sewer improvement project – balance sheet, LCDBG sewer improvement project – schedule of revenues, expenditures, and changes in net position, and the justice system funding schedule on pages 28-32 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. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Maxwell CPA, LLC

Sterlington, Louisiana
August 31, 2023

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF KILBOURNE, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

As management of the Village of Kilbourne, we offer readers of the Village of Kilbourne's financial statements this narrative overview and analysis of the financial activities of the Village of Kilbourne for the year ended June 30, 2022. It is designed to assist the reader in focusing on significant financial issues, identify changes in the Village's financial position, and identify material deviations and individual fund issues or concerns.

As with other sections of the financial report, the information contained within the MD&A should be considered only a part of the greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplementary Information ("RSI") that is provided in addition to this Management Discussion and Analysis.

FINANCIAL HIGHLIGHTS

- The assets of the Village exceeded its liabilities at the close of the fiscal year by \$401,228 (net position). Of this amount, \$199,823 (unrestricted net position) represents the portion of net position that is not invested in capital assets or otherwise restricted.
- The government's total net position increased by \$136,341.
- As of the close of the current fiscal year, the Village's governmental activities reported combined ending net position of \$196,500, an increase of \$99,595 in comparison with the prior year. Of this total amount, \$152,962 is available for spending at the government's discretion (unrestricted net position).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Village of Kilbourne's basic financial statements. The Village of Kilbourne's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Kilbourne's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the Village of Kilbourne's assets and liabilities, with the difference between the two reported as net position may serve as a useful indicator of whether the financial position of the Village of Kilbourne is improving or deteriorating.

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expense are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Village of Kilbourne that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of the costs through user fees and charges (business-type activities). The governmental activities of the Village of Kilbourne include general government, public safety, sanitation, and public works. The business-type activities of the Village of Kilbourne include water and sewer.

Village of Kilbourne, Louisiana
Management Discussion and Analysis (continued)

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

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Kilbourne, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Kilbourne can be divided into two categories: governmental funds and proprietary funds.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Kilbourne maintains one governmental fund which is the General Fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund. The General Fund is considered to be a major fund.

The Village of Kilbourne adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

PROPRIETARY FUNDS

The Village of Kilbourne maintains one proprietary fund. Enterprise funds are used to report the same functions presented as a business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information the government-wide financial statements, only in more detail.

NOTES TO FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Kilbourne's compliance with budgets for its major funds.

Village of Kilbourne, Louisiana
Management Discussion and Analysis (continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Kilbourne, assets exceeded liabilities by \$401,228, at the close of the most recent fiscal year.

The largest amount of the Village of Kilbourne's net assets (\$201,405) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Village of Kilbourne uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Kilbourne's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-Type Activities		Total	
	6/30/2022	6/30/2021	6/30/2022	6/30/2021	6/30/2022	6/30/2021
Current & Other assets	\$154,642	\$ 67,797	\$ 42,643	\$ 18,566	\$197,285	\$ 86,363
Receivables (Net of Allowance)	550	5,338	4,218	4,218	4,768	9,556
Capital Assets	43,538	26,720	201,054	152,108	244,592	178,828
Total Assets	<u>\$198,730</u>	<u>\$ 99,855</u>	<u>\$ 247,915</u>	<u>\$ 174,892</u>	<u>\$446,645</u>	<u>\$274,747</u>
Current Liabilities	\$ 2,230	\$ 2,950	\$ 3,998	\$ 6,910	\$ 6,228	\$ 9,860
Long-Term Liabilities	-	-	39,189	-	39,189	-
Total Liabilities	\$ 2,230	\$ 2,950	\$ 43,187	\$ 6,910	\$ 45,417	\$ 9,860
Net Position:						
Invested in Capital Assets, Net of Related Debt	\$ 43,538	\$ 26,720	\$ 157,867	\$152,108	\$201,405	\$178,828
Unrestricted	<u>152,962</u>	<u>70,185</u>	<u>46,861</u>	<u>15,874</u>	<u>199,823</u>	<u>86,059</u>
Total Net Position	<u>\$196,500</u>	<u>\$ 96,905</u>	<u>\$ 204,728</u>	<u>\$ 167,982</u>	<u>\$401,228</u>	<u>\$264,887</u>

The balance of \$152,962 in unrestricted net position in the governmental activities represents the accumulated results of all past year's operations. Net position increased by \$136,341 overall from the prior year. The changes in net position are discussed later in this MD&A.

GOVERNMENTAL ACTIVITIES

Governmental activities increased the Village of Kilbourne's net position by \$99,595. Key elements of the changes in net position are as follows:

Village of Kilbourne, Louisiana
Management Discussion and Analysis (continued)

	Governmental Activities		Business-Type Activities		Totals	
	6/30/2022	6/30/2021	6/30/2022	6/30/2021	6/30/2022	6/30/2021
Revenues						
Program Revenues						
Charges for Services	\$ 164,924	\$108,983	\$ 50,980	\$ 39,658	\$215,904	\$148,641
Grants	27,417	-	37,860	-	65,277	-
General Revenues						
Franchise Taxes	-	1,167	-	-	-	1,167
Sales Taxes	14,884	1,925	-	-	14,884	1,925
Other Revenues	10,474	15,670	2	-	10,476	15,670
Transfers	(243)	(255)	243	255	-	-
Total Revenues	217,456	127,490	89,085	39,913	306,541	167,403
Expenses						
General Government	78,249	48,601	-	-	78,249	48,601
Public Safety	39,612	24,090	-	-	39,612	24,090
Operating	-	-	52,339	45,416	52,339	45,416
Total Expenses	117,861	72,691	52,339	45,416	170,200	118,107
Increase (Decrease) in Net Position	\$ 99,595	\$ 54,799	\$ 36,746	\$ (5,503)	\$136,341	\$ 49,296

Expenses are classified by functions/programs. Public Safety and Protection accounts for \$39,612, while general government accounts for \$78,249 for the fiscal year 2022. The related program revenues for the fiscal year 2022 directly related to these expenses totaled \$195,141 which resulted in net increase of approximately \$77,280. The remaining balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- Traffic Citation revenues are the largest and most significant source of revenue for the Village of Kilbourne. It provides \$151,946 of general fund revenues.
- An ARPA grant paid through Homeland Security is the second largest revenue source for the Village, generating \$27,417 of general fund revenues.

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the Village of Kilbourne's net position by \$36,746. The increase was primarily attributable to an increase in grants.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village of Kilbourne uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Village of Kilbourne's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Kilbourne's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Village of Kilbourne, Louisiana

Management Discussion and Analysis (continued)

As of the end of the current fiscal year, the Village of Kilbourne's governmental funds reported a combined ending fund balance of \$152,962, an increase of \$82,777 in comparison with the prior year. Of this total amount \$125,545 constitutes unassigned fund balance, which is available for spending at the Village's discretion.

GENERAL FUND BUDGETARY HIGHLIGHTS

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S 39:1301 et seq), the Village of Kilbourne must adopt a budget for the General Fund and all Special Revenue funds prior to June 30.

The General Fund actual revenues had an unfavorable variance of \$5,618 compared to budgeted revenues. Actual expenditures were more than budgeted by \$23,179.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Village of Kilbourne's investment in capital assets for its governmental and business type activities as of June 30, 2022, amounts to \$244,592 (net of accumulated depreciation). This investment in capital assets includes land, Construction in Process, buildings and system improvements, machinery and equipment, and street improvements.

Village of Kilbourne Capital Assets			
		<u>06/30/2022</u>	<u>06/30/2021</u>
Buildings and Improvements	\$	94,000	\$ 94,000
Vehicles and Equipment		77,605	81,055
Construction in Process		55,860	-
Sewer System		1,511,678	1,511,678
Total		1,739,143	1,686,733
Less Accumulated Depreciation		(1,494,551)	(1,507,905)
Total Capital Assets	\$	244,592	\$ 178,828
Village of Kilbourne Outstanding Debt			
Bond Payable	\$	43,187	\$ -

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Factors considered in preparing the Village of Kilbourne's budget for the 2023 fiscal year included the impact that ARPA funding would have on expenditures. With current economic conditions, property tax and sales tax revenues are projected to remain flat for the next fiscal year. All other revenues should remain fairly constant.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Kilbourne's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village Clerk, 125 Carnell St, PO Box 395, Kilbourne, Louisiana 71253.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2022

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 154,642	\$ 42,643	\$ 197,285
Receivables, net of allowance	550	4,218	4,768
Capital Assets (net)	43,538	201,054	244,592
<u>TOTAL ASSETS</u>	<u>\$ 198,730</u>	<u>\$ 247,915</u>	<u>\$ 446,645</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 961	\$ -	\$ 961
Payroll Liabilities Payable	1,269	-	1,269
Bonds Payable - Current Portion	-	3,998	3,998
Total Current Liabilities	2,230	3,998	6,228
Bonds Payable, Long-term Portion	-	39,189	39,189
<u>TOTAL LIABILITIES</u>	<u>2,230</u>	<u>43,187</u>	<u>45,417</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	43,538	157,867	201,405
Unrestricted	152,962	46,861	199,823
<u>TOTAL NET POSITION</u>	<u>\$ 196,500</u>	<u>\$ 204,728</u>	<u>\$ 401,228</u>

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

		Program Revenues			Net (Expenses) Revenue
		Charges for	Operating	Capital	
	Expenses	Services	Grants and Contributions	Grants and Contributions	
<u>Functions/Programs</u>					
Governmental Activities					
General Government	\$ 78,249	\$ 12,428	\$ 27,417	\$ -	\$ (38,404)
Public Safety	39,612	152,496	-	-	112,884
Total Governmental Activities	117,861	164,924	27,417	-	74,480
<u>Business-Type Activities:</u>					
Sewer Service	52,339	50,980	-	37,860	36,501
<u>Total Primary Government</u>	<u>\$ 170,200</u>	<u>\$ 215,904</u>	<u>\$ 27,417</u>	<u>\$ 37,860</u>	<u>\$ 110,981</u>

General Revenues:

Interest Income

Sales Taxes

Transfers In (Out)

Other Revenues

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

See independent accountant's review report and notes to financial statements.

Net (Expense) Revenue and Changes in Net Position of Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (38,404)	\$ -	\$ (38,404)
112,884	-	112,884
74,480	-	74,480
-	36,501	36,501
74,480	36,501	110,981
-	2	2
14,884	-	14,884
(243)	243	-
10,474	-	10,474
25,115	245	25,360
99,595	36,746	136,341
96,905	167,982	264,887
<u>\$ 196,500</u>	<u>\$ 204,728</u>	<u>\$ 401,228</u>

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	ARPA Fund	Total Governmental Funds
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 154,642	\$ -	\$ 154,642
Receivables Net	550	-	550
Due From (To) Other Funds	(27,417)	27,417	-
<u>TOTAL ASSETS</u>	<u>\$ 127,775</u>	<u>\$ 27,417</u>	<u>\$ 155,192</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 961	\$ -	\$ 961
Payroll Liabilities Payable	1,269	-	1,269
Total Liabilities	2,230	-	2,230
<u>FUND BALANCES</u>			
Restricted	-	27,417	27,417
Unassigned	125,545	-	125,545
Total Fund Balances	125,545	27,417	152,962
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 127,775</u>	<u>\$ 27,417</u>	<u>\$ 155,192</u>

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
RECONCILIATION OF GOVERNMENTAL
FUND BALANCES TO STATEMENT OF NET POSITION
JUNE 30, 2022

Total Governmental Fund Balances	\$ 152,962
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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.

Governmental Capital Assets	171,605	
Less: Accumulated Depreciation	<u>(128,067)</u>	<u>43,538</u>

Net Position of Governmental Activities	<u>\$ 196,500</u>
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See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	ARPA Fund	Total
<u>Revenues</u>			
Sales Tax	\$ 14,884	\$ -	\$ 14,884
Licenses and Permits	12,428	-	12,428
Fines and Tickets	152,496	-	152,496
Intergovernmental			
Federal Grants	-	27,417	27,417
Other Revenues	10,474	-	10,474
Total Revenues	<u>190,282</u>	<u>27,417</u>	<u>217,699</u>
<u>Expenditures</u>			
General Government	74,317	-	74,317
Public Safety and Protection	39,612	-	39,612
Capital Outlay	20,750	-	20,750
Total Expenditures	<u>134,679</u>	<u>-</u>	<u>134,679</u>
<u>Excess (Deficiency) of Revenues</u>			
<u>Over Expenditures</u>	55,603	27,417	83,020
<u>Other Financing Sources and (Uses)</u>			
Transfers In	-	-	-
Transfers Out	(243)	-	(243)
Total Other Financing	<u>(243)</u>	<u>-</u>	<u>(243)</u>
<u>Net Change in Fund Balance</u>	55,360	27,417	82,777
<u>Fund Balance - Beginning</u>	<u>70,185</u>	<u>-</u>	<u>70,185</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ 125,545</u>	<u>\$ 27,417</u>	<u>\$ 152,962</u>

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total		
Governmental Funds	\$	82,777

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

Government funds report capital outlays as expenditures
while governmental activities report depreciation
expense to allocate those expenditures over the life of
the assets:

Capital asset purchases capitalized	20,750	
Depreciation expense	(3,932)	16,818

Change in Net Position in Governmental Activities		\$ 99,595
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See independent accountant's review report and notes to financial statements

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Sewer Enterprise Fund
<u>ASSETS</u>	
<u>Current Assets</u>	
Cash and Cash Equivalents	\$ 42,643
Receivables, net of allowance	4,218
Total Current Assets	<u>46,861</u>
<u>Non-Current Assets</u>	
Capital Assets (net of accumulated depreciation)	<u>201,054</u>
<u>TOTAL ASSETS</u>	<u><u>\$ 247,915</u></u>
<u>LIABILITIES</u>	
<u>Current Liabilities</u>	
Bonds Payable - Current Portion	\$ 3,998
<u>Long Term Liabilities</u>	
Bond Payable - Long-Term	<u>39,189</u>
<u>TOTAL LIABILITIES</u>	43,187
<u>NET POSITION</u>	
Net Investment in Capital Assets	157,867
Unrestricted (Deficit)	<u>46,861</u>
<u>TOTAL NET POSITION</u>	<u><u>\$ 204,728</u></u>

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Sewer Enterprise Fund
<u>Operating Revenues</u>	
Charges for Services:	
Sewer Fees	\$ 50,980
<u>Operating Expenses</u>	
Utilities	5,645
Payroll Expense	1,299
Repairs and Maintenance	6,929
Office Expense	99
Dues and Fees	524
Testing Fees	965
Professional Services	6,270
Management Fees	21,400
Depreciation	6,914
Miscellaneous	200
Total Operating Expenses	50,245
<u>Operating Income (Loss)</u>	735
<u>Non-Operating Income (Expense)</u>	
Interest Income	2
Grant Proceeds	37,860
Interest Expense	(2,094)
Total Non-Operating Income (Expense)	35,768
<u>Income Before Transfers</u>	36,503
<u>Capital Contributions and Transfers</u>	
Transfers In(Out)	243
<u>Change in Net Position</u>	36,746
<u>Net Position - Beginning</u>	167,982
<u>NET POSITION - ENDING</u>	\$ 204,728

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Sewer Enterprise Fund
<u>Cash Flows from Operating Activities</u>	
Receipts from Customers and Users	\$ 50,980
Payments for Services and Supplies	(48,942)
Payments to Employees for Services and Benefits	(1,299)
Net Cash Provided by Operating Activities	739
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers from General Fund	243
<u>Cash Flows from Capital and Related Financing Activities</u>	
Proceeds from Grant	37,860
Proceeds from Bond Issuance	48,000
Principal Paid on Debt	(4,813)
Interest Paid on Debt	(2,094)
Net Cash Provided by Capital and Related Financing Activities	78,953
<u>Cash Flows from Investing Activities</u>	
Construction-in-Progress	(55,860)
Interest Received	2
Net Cash Used by Investing Activities	(55,858)
<u>Net Increase in Cash and Cash Equivalents</u>	24,077
<u>Cash and Cash Equivalents, Beginning of the Year</u>	18,566
<u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u>	\$ 42,643
<u>Shown on the Accompanying Statement of Net Position as:</u>	
Cash	\$ 42,643
Restricted Assets - Cash	-
Total Cash	\$ 42,643
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>	
Operating Income	\$ 735
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities	
Depreciation Expense	6,914
Decrease in Current Liabilities	(6,910)
Total Adjustments	4
Net Cash Provided by Operating Activities	\$ 739

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Introduction

The Village of Kilbourne, Louisiana was incorporated under the provisions of the Lawrason Act in 1939. The Village operates under a Board of Alderman-Mayor form of government and provides the following services as authorized by its charter: public safety, highways and streets, sanitation, public improvements and general administrative services. The Village has an elected Chief of Police and one other part-time employee.

GASB Statement No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No 14* established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions 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 or local governments. As used in GASB Statement No 14 and 39, 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. The Village of Kilbourne has no component units as of June 30, 2022.

Note 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 changes in net position) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund 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 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.

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)

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

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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under 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.

Sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Village reports the following major proprietary fund:

The Sewer Enterprise Fund provides water and sewer services to the citizens inside the Village's boundaries. It accounts for all revenues and expenses associated with providing sewer service.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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

Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)

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

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 non-operating 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 principle operating revenues derived from the proprietary funds include water and sewer fees along with new installation fees. 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 non-operating revenues and expenses.

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

C. Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand and demand deposits. State law allows the Village to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. If the original maturities of the investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

D. Receivables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are generally shown net of an allowance for uncollectible accounts. These statements show no provision for uncollectible accounts. The Village is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole. The Village uses the allowance method for uncollectible sewer fees and writes off accounts when it deems them to be totally uncollectible.

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Approximately 96 percent of the Village's capital assets have been capitalized at cost and the remaining 4 percent have been capitalized at estimated cost based on the historical cost of similar assets. The Village maintains a threshold level of \$500 or more capitalizing capital assets.

As permitted by GASB 34, the Village has elected not to report infrastructure assets retroactively.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The Village had no interest to capitalize under construction.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	40 Years
Equipment	5-10 Years
Infrastructure– Sewer System and Improvements	25 Years

F. Compensated Absences

The Village has no compensated absences for its employees.

G. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

H. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. Property taxes that are received before the period for which the taxes are levied are reported as deferred inflows of resources.

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)

I. Net Position/Fund Balance

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form- prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted Fund Balance—This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance—These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the village aldermen – the government’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the village aldermen remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance—This classification reflects the amounts constrained by the Village’s “intent” to be used for specific purposes but are neither restricted nor committed. The village aldermen and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed.

Unassigned Fund Balance—This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

The General Fund has an unassigned fund balance of \$125,545. If applicable, the Village would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

J. 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 2 – Stewardship, Compliance, and Accountability

Budget Information. The Village uses the following budget practices:

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting is normally presented to the board of aldermen in June each year. The budget is legally adopted by the board of aldermen and amended during the year as necessary. Budgets are established and controlled by the board at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Their budget was amended one time during the year ended June 30, 2022.

The budget comparison statements included in the accompanying financial statements reflect the original proposed budget. Accounting principles applied for purposes of developing data on a budgetary basis and those used to present financial statements in conformity with generally accepted accounting principles are the same and no adjustment is necessary to convert the actual GAAP data to the budgetary basis.

Note 3 – Cash and Cash Equivalents

At June 30, 2022, the Village has cash and cash equivalents (book balances) totaling \$197,285 as follows:

	Governmental Funds	Sewer Fund	Totals
Cash and Cash Equivalents	\$ 154,642	\$ 42,643	\$ 197,285

Custodial Credit Risk – Deposits. The 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's policy to ensure there is not exposure to this risk is to require the financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Accordingly, the Village had no custodial credit risk related to its deposits at June 30, 2022.

These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually accepted to both parties.

Note 4 – Receivables

The receivables of \$550 at June 30, 2022. are as follows:

Class of Receivable	General Fund	Sewer Fund	Totals
Fines	\$ 550	\$ -	\$ 550
Sewer Fees	-	4,218	4,218
	\$ 550	\$ 4,218	\$ 4,768

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 5 – Capital Assets

Capital Assets and depreciation activity as of and for the year ended June 30, 2022, for the primary government is as follows:

	Balance <u>6/30/2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/2022</u>
Government Activities:				
Depreciable Assets:				
Buildings & Improvements	\$ 94,000	\$ -	\$ -	\$ 94,000
Vehicles & Equipment	<u>81,055</u>	<u>20,750</u>	<u>24,200</u>	<u>77,605</u>
Total Capital Assets Being Depreciated	175,055	-	-	171,605
Less Accumulated Depreciation	<u>148,335</u>	<u>3,932</u>	<u>24,200</u>	<u>128,067</u>
Total Governmental Activities Capital Assets, net	<u>\$ 26,720</u>	<u>\$ 16,818</u>	<u>\$ -</u>	<u>\$ 43,538</u>
Business-Type Activities:				
Non-Depreciable Assets:				
Construction in Process	\$ -	\$ 55,860	\$ -	\$55,860
Depreciable Assets:				
Water & Sewer Systems and Improvements	<u>\$ 1,511,678</u>	<u>-</u>	<u>-</u>	<u>\$ 1,511,678</u>
Total Capital Assets	1,511,678	55,860	-	1,567,358
Less Accumulated Depreciation	<u>1,359,570</u>	<u>6,914</u>	<u>-</u>	<u>1,366,484</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 152,108</u>	<u>\$ 48,946</u>	<u>\$ -</u>	<u>\$ 201,054</u>

Depreciation expense of \$3,932 was charged to the general government functions and \$6,914 was charged to the business-type activities function for the year ended June 30, 2022.

Note 6 – Interfund Receivables/Payables

Short-term cash loans between funds are considered temporary in nature. These amounts are reported as “due from/to other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Note 7 – Bond Payable

The following is a summary of the long-term obligation transactions for the year ended June 30, 2022:

	Revenue Bonds <u>Payable</u>
Balance June 30, 2021	\$ -
Additions	48,000
Reductions	<u>(4,813)</u>
Balance June 30, 2022	\$ 43,187

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 7 – Bond Payable (continued)

Interest expense of \$2,094 was charged to the sewer business-type activities function for the year ended June 30, 2022.

The following is a summary of the current (due in one year or less) and long-term (due in more than one year) portions of long-term obligations as of June 30, 2022.

	Revenue Bonds Payable
Current	\$ 3,998
Long-Term	<u>39,189</u>
Total	\$ 43,187

Revenue bonds payable in the amount of \$43,187 matures July 15, 2031 and has an interest rate of 4.5%.

The bonds are due as follows:

	Principal Payments
Year Ending June 30, 2023	3,998
2024	4,178
2025	4,366
2026	4,562
2027	4,768
2028-2031	<u>21,315</u>
Total	<u>\$ 43,187</u>

Note 10 – Risk Management and Contingent Liabilities

The Village purchases commercial insurance to reduce the risk of loss resulting from property damage or liability claims. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

Note 11 – Subsequent Events

Subsequent events have been evaluated through August 31, 2023, the date that the financial statements were available to be issued. All subsequent events determined to be relevant and material to the financial statements have been appropriately recorded or disclosed.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Memorial Income	\$ -	\$ -	\$ 2,774	\$ 2,774
Sales Tax	14,500	14,500	14,884	384
Licenses and Permits	11,000	12,500	12,428	(72)
Fines and Tickets	125,000	151,000	152,496	1,496
Atmos Energy	1,000	1,300	-	(1,300)
AT&T	600	600	-	(600)
Miscellaneous	10,000	16,000	-	(16,000)
Rent	-	-	2,800	2,800
Gain on Sale of Equipment	-	-	4,900	4,900
Total Revenues	<u>162,100</u>	<u>195,900</u>	<u>190,282</u>	<u>(5,618)</u>
<u>Expenditures</u>				
General Government:			-	-
Personal Services	6,600	6,600	7,359	(759)
Operating Services	20,500	19,800	66,958	(47,158)
Other Charges	47,800	45,800	-	45,800
Public Safety and Protection:				
Personal Services	37,000	35,000	24,077	10,923
Operating Services	4,500	4,300	15,535	(11,235)
Capital Outlay	-	-	20,750	(20,750)
Total Expenditures	<u>116,400</u>	<u>111,500</u>	<u>134,679</u>	<u>(23,179)</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	<u>45,700</u>	<u>84,400</u>	<u>55,603</u>	<u>(28,797)</u>
<u>Other Financing Sources and (Uses)</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	243	(243)
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>243</u>	<u>(243)</u>
<u>Net Change in Fund Balance</u>	<u>45,700</u>	<u>84,400</u>	<u>55,360</u>	<u>(29,040)</u>
<u>Fund Balance at Beginning of Year</u>	<u>200</u>	<u>45,600</u>	<u>70,185</u>	<u>24,585</u>
<u>Fund Balance at End of Year</u>	<u>\$ 45,900</u>	<u>\$ 130,000</u>	<u>\$ 125,545</u>	<u>\$ (4,455)</u>

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
KILBOURNE, LOUISIANA
ARPA FUND
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	Variance With Final Budget Favorable (Unfavorable)
<u>Revenues</u>			
Federal Grants	\$ -	\$ 27,417	\$ 27,417
Total Revenues	<u>-</u>	<u>27,417</u>	<u>27,417</u>
<u>Expenditures</u>			
Disbursement of Grant Funds	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	-	27,417	27,417
<u>Other Financing Sources and (Uses)</u>			
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Change in Fund Balance</u>	-	27,417	27,417
<u>Fund Balance at Beginning of Year</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund Balance at End of Year</u>	<u>\$ -</u>	<u>\$ 27,417</u>	<u>\$ 27,417</u>

See independent accountant's review report and notes to financial statements.

VILLAGE OF KILBOURNE, LOUISIANA
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

Budget Information. The Village uses the following budget practices:

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is normally presented to the board of aldermen in June each year. The budget is legally adopted by the board of aldermen and amended during the year as necessary. Budgets are established and controlled by the board at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. The budget was amended once during the year ended June 30, 2022.

The budget comparison statements included in the accompanying financial statements reflect the original proposed budget. Accounting principles applied for purposes of developing data on a budgetary basis and those used to present financial statements in conformity with generally accepted accounting principles are the same and no adjustment is necessary to convert the actual GAAP data to the budgetary basis.

OTHER INFORMATION

VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS
AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2022

Agency Head		
Toni Shumate, Mayor		
Salary		\$ 1,800
Benefits		
Benefits - Retirement	-	
Benefits - Insurance	-	
Travel	-	
Total Benefits	<hr/>	<hr/> -
Total		<hr/> <hr/> \$ 1,800

VILLAGE OF KILBOURNE, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO THE ELECTED OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2022

Aldermen:

J.L. Allen

Donal Robinson

Jerry Thomas

The Board of Aldermen did not receive any compensation or other payments
for the year ending June 30, 2022.

See independent accountant's review report and notes to the financial statements.

VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA
LCDBG SEWER IMPROVEMENT PROJECT
BALANCE SHEET
JUNE 30, 2022

Assets

Cash	\$ 393
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<u>Total Assets</u>	<u>\$ 393</u>
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Liabilities and Fund Balance

Accounts Payable	\$ -
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Total Liabilities	-
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<u>Fund Balance</u>	<u>393</u>
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<u>Total Liabilities and Fund Balance</u>	<u>\$ 393</u>
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See independent auditor's report

VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA
LCDBG SEWER IMPROVEMENT PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

Revenues

Grant Proceeds	\$	37,860
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Expenses

Bank Fees		84
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Contract Service		37,860
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Total Expenses		<div style="border-top: 1px solid black; display: inline-block; width: 100%;">37,944</div>
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<u>Excess Revenues Over Expenditures</u>		(84)
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<u>Fund Balance - Beginning</u>		<div style="border-top: 1px solid black; display: inline-block; width: 100%;">477</div>
--	--	---

<u>Fund Balance - Ending</u>	\$	<div style="border-top: 1px solid black; border-bottom: 3px double black; display: inline-block; width: 100%;">393</div>
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See independent auditor's report.

Justice System Funding Schedule - Collecting/Disbursing Entity			
As Required by Act 87 of the 2020 Regular Legislative Session			
Identifying Information			
Entity Name		Village of Kilbourne	
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)		2396	
Date that reporting period ended		06/30/22	
Cash Basis Presentation		First Six Month Period Ended 12/31/2021	Second Six Month Period Ended 06/30/2022
Beginning Balance of Amounts Collected (i.e. cash on hand)		15,300	-
Add: Collections			
Criminal Fines - Other		100,169	51,777
Other (do not include collections that fit into more specific categories above)			
Subtotal Collections		100,169	51,777
Less: Disbursements To Governments & Nonprofits: (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.)			
La. Commission on Law Enforcement Court Cost Fees		1,137	678
CMIS Trial Court Case Management Info System Court Cost Fees		655	303
North La. Crime Lab Court Cost Fees		320	80
La. Traumatic Head and Spinal Cord Injury Court Cost Fees		2,085	1,095
La. Judicial College Court Cost Fees		327	151
Less: Amounts Retained by Collecting Agency			
Criminal Court Costs/Fees		110,935	49,450
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies			
West Carroll Clerk of Court - Oaths		10	20
Subtotal Disbursements/Retainage		115,469	51,777
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)		-	-
Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.		0	0
Other Information:			
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)		0	550
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)			-

VILLAGE OF KILBOURNE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2022

2022-01 Compliance with Annual Filing Deadline

Criteria

Louisiana Revised Statute 24:513 requires timely filing of annual reports within six months after the end of the fiscal year.

Condition

The Village did not timely file its annual reports for the year ending June 30, 2022.

Cause

The Village did not file its report for June 30, 2022, within six months of the end of its fiscal year.

Effect

The Village was not in compliance with state statute.

Recommendation

The Village should work with its outside accounting firm to get the financial information ready earlier so that it can be submitted to the Legislative Auditor in a timely manner.

Response

In the future the Village will work with its contracted accounting firm to make sure that all financial information is available earlier in the year.

2022-02 Compliance with Local Government Budget Act

Criteria

Louisiana Revised Statute 39:1311 requires that the Village budget should be amended if there is a 5% or greater overage in budgeted revenues as compared to actual revenues or a 5% or greater overage in actual expenditures as compare to budgeted expenditures.

Condition

For the year ended June 30, 2022, the Village's General Fund actual expenditures exceeded its budgeted expenditures by more than 5%.

Cause

The Village amended the budget but still had a variance in expenditures greater than 5%.

Effect

The Village was not in compliance with the Local Government Budget Act.

Recommendation

The Village should monitor the budget so that it can be amended as needed. The contracted accounting firm should assist the Village with budget amendments.

Response

The Village will closely monitor its revenues and expenditures and compare regularly to the budget.

VILLAGE OF KILBOURNE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

2022-03 Prohibited Contractual Arrangements

Criteria

Louisiana Revised Statute 42:1113 prohibits the Village from entering into any contract, subcontract, or other transaction that is under the supervision or jurisdiction of the Village with a public servant or a member of a public servant's immediate family.

Condition

An employee of the Village was contracted to do work outside of his duties as an employee and was paid \$12,300 in addition to being paid as an employee of the Village. This appears to be a violation of Louisiana Revised Statute 42:1113. It is unclear if the employee was contracted to do the work while being paid by the Village, which could be a violation of payroll laws.

Cause

Management and the board were unaware of the provisions of Louisiana Revised Statute 42:1113. This transaction was approved by the mayor, police chief and board.

Effect

The Village appears to be in violation of state law.

Recommendation

The Village should be aware of laws regarding public employees and not enter into any contracts, subcontracts, or other transactions that would violate state law.

Response

The employee in question was an appointed part-time employee of the police department. He worked only two days a week for approximately 30 to 53 hours a month. There was an emergency because of rain damage to the house and the house was occupied at the time. All of the repairs done at the Village's rental property were done during the employee's off hours when he was not working for the Village.

The previous mayor and management were unaware of the provisions of Louisiana Revised Statute 42:1113. As of June 30, 2023, the Village of Kilbourne has been made aware of the statute.



INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and Board of Alderman
Village of Kilbourne
Kilbourne, Louisiana

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Village of Kilbourne (the Village) and the Louisiana Legislative Auditor, on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2022, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Village is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, I make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code) or R.S.38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

The Village had no expenditures for materials and supplies exceeding \$30,000 and no expenditures exceeding \$250,000 for public works.

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 RS 42:1101-1124 (the ethics law).

Management provided me with the requested information.



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

Management provided me with the requested information.

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

No names appeared on both lists provided in #3 and #2.

- 5. Obtain a list of all disbursements made during the year; and a list of outside business interest of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.**

The Assistant Chief of Police received payments for services provided in the amount of \$12,300.

Budgeting

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

Management provided me with the requested information.

- 7. Trace documentation for the adoption of the budget and approval of any amendments to the minutes book, and report whether there are any exceptions.**

I traced adoption of the original budget to the minutes.

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

The Village expenditures exceeded the budgeted expenditures by more than 5%.

Accounting and Reporting

- 9. Obtain the list of all disbursements made during the 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.**

No exceptions noted.

- b. Report whether the six disbursements were coded to the correct fund and general ledger account.**

No exceptions noted.

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

No exceptions noted.

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 represented that meeting agendas were posted as required by R.S. 42:11 through 42:28.

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.

I scanned copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

Scanned board meeting minutes and payroll disbursements and found no evidence of payments or approval of payments that would constitute bonuses, advances, or gifts.

State Audit Law

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

The Village did not provide for a timely report.

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).

N/A

Village of Kilbourne
Kilbourne, Louisiana
August 31, 2023

Prior-Year Comments

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

N/A

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

I am required to be independent of the Village and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Maxwell CPA, LLC

Sterlington, Louisiana
August 31, 2023

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

3/29/2023 (Date Transmitted)

Jeff Madwell (CPA Firm Name)
3049 Huntley North Suite 1 (CPA Firm Address)
Monroe, LA 71203 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 6/30/2022 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

☒ Yes [] No [] N/A []

Code of Ethics for Public Officials and Public Employees

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

☒ Yes [] No [] N/A []

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

☒ Yes [] No [] N/A []

Budgeting

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

☒ Yes [] No [] N/A []

Accounting and Reporting

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

☒ Yes [] No [] N/A []

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

☒ Yes [] No [] N/A []

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

☒ Yes [] No [] N/A []

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

☒ Yes [] No [] N/A []

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

☒ Yes [] No [] N/A []

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

Yes ☒] No ☐] N/A ☐]

Meetings

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

Yes ☒] No ☐] N/A ☐]

Debt

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

Yes ☒] No ☐] N/A ☐]

Advances and Bonuses

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

Yes ☒] No ☐] N/A ☐]

Prior-Year Comments

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

Yes ☒] No ☐] N/A ☐]

General

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

Yes ☒] No ☐] N/A ☐]

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

Yes ☒] No ☐] N/A ☐]

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

Yes ☒] No ☐] N/A ☐]

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

Yes ☒] No ☐] N/A ☐]

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

Yes ☒] No ☐] N/A ☐]

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

Yes ☒] No ☐] N/A ☐]

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

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

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

<u>Nisan Hodgkins, Clerk</u>	Secretary	<u>3/14/2023</u>	Date
<u>_____</u>	Treasurer	_____	Date
<u>_____</u>	President	<u>5-28-23</u>	Date
	MAYOR		