

VILLAGE OF HALL SUMMIT, LOUISIANA

FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

VILLAGE OF HALL SUMMIT, LOUISIANA

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VILLAGE OF HALL SUMMIT, LOUISIANA

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Independent Accountant's Review Report

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

Report on the Financial Statements

We have reviewed the accompanying financial statements of the governmental activities, the business-type activity, the discretely presented component unit, and the major fund of the Village of Hall Summit, Louisiana, as of and for the year ended December 31, 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 procedures to management's financial data and making inquiries of the management of the Village of Hall Summit, Louisiana. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

The Village's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

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

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

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements of the Village of Hall Summit, Louisiana, for the year ended December 31, 2022, in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Other Matters Paragraphs

Required Supplemental Information Part I and Part II

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. We have not audited or reviewed the information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted the Management's Discussion and Analysis that Government Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements is required by Governmental Accounting Standards Board who considers them to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic or historical context.

Other Supplemental Information

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

Report on Other Legal and Regulatory Requirements

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated July 28, 2023 on the results of our agreed-upon procedures. Also presented as required is the Louisiana Attestation Questionnaire.

Dees Gardner, Certified Public Accountants, LLC

Mansfield, Louisiana
July 28, 2023

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF HALL SUMMIT, LOUISIANA

STATEMENT OF NET POSITION

December 31, 2022

ASSETS	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Cash and cash equivalents	\$ 34,580	\$ 17,308	\$ 51,888	\$ 98,747
Investments	158,611	102,631	261,242	36,348
Receivables, net	6,557	13,083	19,640	-
Due from other funds	22,424	285,162	307,586	-
Prepaid expenses	3,638	1,933	5,571	1,432
Restricted cash and cash equivalents	-	32,850	32,850	-
Deposits	-	-	-	450
Capital assets, net	91,357	610,487	701,844	18,281
TOTAL ASSETS	\$ 317,167	\$ 1,063,454	\$ 1,380,621	\$ 155,258
LIABILITIES				
Accounts, payroll, and other payables	\$ 2,383	\$ 15,051	\$ 17,434	\$ 1,378
Due to other funds	191,748	-	191,748	115,839
Meter Deposits	-	32,850	-	-
TOTAL LIABILITIES	\$ 194,131	\$ 47,901	\$ 242,032	\$ 117,217
NET POSITION				
Net investment in capital assets	\$ 91,357	\$ 610,487	\$ 701,844	\$ 18,281
Restricted	-	32,850	32,850	-
Unrestricted	31,679	372,216	403,895	19,760
TOTAL NET POSITION	\$ 123,036	\$ 1,015,553	\$ 1,138,589	\$ 38,041

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

VILLAGE OF HALL SUMMIT, LOUISIANA

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

Functions	Expenses	Program Revenues			Net (Expenses), Revenues, and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 76,598	\$ -	\$ -	\$ -	\$ (76,598)	\$ -	\$ (76,598)	\$ -
Public safety	17,024	9,706	-	-	(7,318)	-	(7,318)	-
Total Governmental Activities	93,622	9,706	-	-	(83,916)	-	(83,916)	-
Business-Type Activities								
Water and sewer	212,490	168,752	-	-	-	(43,738)	(43,738)	-
Total Business-type Activities	212,490	168,752	-	-	-	(43,738)	(43,738)	\$ -
Total Primary Government	\$ 306,112	\$ 178,458	\$ -	\$ -	\$ (83,916)	\$ (43,738)	\$ (127,654)	
Component Unit	\$ 32,775	\$ 33,416	\$ -	\$ -				\$ 641

General Revenues:

Sales tax	44,135	-	44,135	-
Franchise taxes	7,224	-	7,224	-
Licenses and permits	8,401	-	8,401	-
Investment earnings	399	317	716	134
Miscellaneous income	5,000	-	5,000	100
Total general revenues	65,159	317	65,476	234
Change in Net Position	(18,757)	(43,421)	(62,178)	875
Net position - beginning	141,793	1,058,974	1,200,767	37,166
Net position - ending	\$ 123,036	\$ 1,015,553	\$ 1,138,589	\$ 38,041

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

FUND FINANCIAL STATEMENTS

VILLAGE OF HALL SUMMIT, LOUISIANA

BALANCE SHEET - GENERAL FUND

December 31, 2022

ASSETS	<u>Total</u>
Cash and cash equivalents	\$ 34,580
Investments	158,611
Accounts receivable	6,557
Due from other funds	22,424
Prepaid expenses	<u>3,638</u>
TOTAL ASSETS	\$ <u>225,810</u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts, payroll, and other payables	\$ 2,383
Due to other funds	<u>191,748</u>
Total Liabilities	<u>194,131</u>
Fund Balances:	
Nonspendable	
Prepaid expenses	3,638
Unassigned	<u>28,041</u>
Total Fund Balance	<u>31,679</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>225,810</u>

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

VILLAGE OF HALL SUMMIT, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2022

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

Fund Balance, Total Governmental Funds, Statement C	\$ 31,679
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the government funds	<u>91,357</u>
Net Position of Governmental Activities, Statement A	<u>\$ 123,036</u>

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

VILLAGE OF HALL SUMMIT, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

General Fund

For the Year Ended December 31, 2022

Revenues:

Taxes		
Sales taxes	\$	44,135
Franchise taxes		7,224
Fines and penalties		9,706
Licenses and permits		8,401
Interest		399
Other		5,000
		<hr/>
Total Revenues		74,865
		<hr/>

Expenditures:

General government		63,770
Public safety		17,024
		<hr/>
Total Expenditures		80,794
		<hr/>

Net change in Fund Balances		(5,929)
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Fund balances, beginning of year		37,608
Fund balances, end of year	\$	<hr/> <hr/> 31,679

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

VILLAGE OF HALL SUMMIT, 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 December 31, 2022

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

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ (5,929)
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 (\$12,828) exceeds the capital outlays (\$0) in the current period.	<u>(12,828)</u>
Change in Net Position of Governmental Activities, Statement B	<u><u>\$ (18,757)</u></u>

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

PROPRIETARY FUND

VILLAGE OF HALL SUMMIT, LOUISIANA

STATEMENT OF NET POSITION
PROPRIETARY FUND

December 31, 2022

ASSETS	<u>Business-Type Activity - Sewer</u>
Current assets:	
Cash and cash equivalents	\$ 17,308
Receivables, net	13,083
Prepaid expenses	1,933
Total current assets	<u>32,324</u>
Restricted assets:	
Restricted cash and cash equivalents	<u>32,850</u>
Non-current assets:	
Investments	102,631
Due from other funds	285,162
Capital assets, net of accumulated depreciation	610,487
Total non-current assets	<u>998,280</u>
TOTAL ASSETS	\$ <u>1,063,454</u>
LIABILITIES	
Current liabilities:	
Accounts, payroll, and other payables	\$ <u>15,051</u>
Payable from restricted assets:	
Customer deposits	<u>32,850</u>
TOTAL LIABILITIES	\$ <u>47,901</u>
NET POSITION	
Net investment in capital assets	\$ 610,487
Restricted for meter deposits	32,850
Unrestricted	<u>372,216</u>
TOTAL NET POSITION	\$ <u><u>1,015,553</u></u>

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

VILLAGE OF HALL SUMMIT, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
For the Year Ended December 31, 2022

Operating Revenues

Charges for services	
Water and sewer service fees	\$ 168,752
Total Operating Revenues	<u>168,752</u>

Operating Expenses

Personnel	23,034
General operating expenses	36,439
Repairs and maintenance	96,662
Depreciation	<u>56,355</u>
Total Operating Expenses	212,490

Operating Loss (43,738)

Nonoperating Revenues (Expenses)

Interest income	317
Total Nonoperating Revenues (Expenses)	<u>317</u>

Change in Net Position (43,421)

Total Net Position, beginning of year	<u>1,058,974</u>
Total Net Position, end of year	<u><u>\$ 1,015,553</u></u>

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

VILLAGE OF HALL SUMMIT, LOUISIANA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND**

For the Year Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in net position	\$ (43,421)
Adjustments to reconcile change in net position to net cash provided by operating activities:	
Depreciation	56,355
(Increase) decrease in net position:	
Accounts receivable	2,914
Prepaid expenses	830
Increase(decrease) in liabilities:	
Accounts payable and accrued expenses	11,953
Meter deposits	1,475
Net cash provided by operating activities	<u>30,106</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer in (out) from (to) general fund and discretely presented component unit	<u>(25,838)</u>
Net cash provided by non capital financing activities	<u>(25,838)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>329</u>
Net cash provided by investing activities	<u>329</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,597
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>45,561</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 50,158</u>
Reconciliation of total cash and cash equivalents:	
Current Assets - Cash and cash equivalents	\$ 17,308
Restricted cash and cash equivalents	<u>32,850</u>
	<u>\$ 50,158</u>

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

NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

INTRODUCTION

The Village of Hall Summit, Louisiana, was incorporated under the provisions of the Lawrason Act on September 11, 1961. The Village is governed by the mayor – board of aldermen form of government. The mayor and three aldermen are elected and serve four-year terms. The Village's major operations include general administrative services, public safety, and utilities. The Village has a population of approximately 270 and is located in northwest Louisiana in Red River Parish.

The Development Corporation of Hall Summit, a component unit of the Village of Hall Summit, is presented in the financial statements in conformity with accounting principles generally accepted in the United States of America.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

B. Basis of Presentation

The Village of Hall Summit's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. GAAP as applicable to governments also conforms to the requirements of Louisiana R.S. 24:517 and the guides set forth in the *Louisiana Municipal Audit and Accounting Guide* and to the industry guide, *Audits of State and Local Government Units*, published by the American Institute of Certified Public Accountants.

C. Fund Accounting

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

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

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

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting (continued)

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

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

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

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

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to the government-wide view of the Village's operations.

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus and Basis of Accounting (continued)

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

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

Proprietary Fund Financial Statements

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

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

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

E. Cash and Cash Equivalents and Investments

Cash and cash equivalents include cash on hand, amounts in demand deposits, interest bearing demand deposits and certificates of deposit. Under state law the Village may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Village may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These are classified as investments if their original maturities exceed 90 days. All investments are recorded at fair value based on quoted market prices.

F. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. The receivables for the governmental activities include sales tax. Business-type activities report customer's utility service charges as its major receivable. Allowances are reported when accounts are proven to be uncollectible. At December 31, 2022, \$1,361 of Business-Type Activities receivables were considered to be uncollectible.

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2022 are recorded as prepaid expenses.

H. Capital Assets

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

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

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

I. Fund Equity

NET POSITION

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

- *Net investment in capital assets*—consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted net position*—consists of net position with constraints placed on the use by a) external groups, such as creditors, grantors, or laws or regulations of other government; or b) law through constitutional provisions or enabling legislation.
- *Unrestricted net position*—consists of all other assets that do not meet the definition of “restricted” or “net investment in capital assets”.

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

FUND BALANCES

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

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

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Fund Equity (continued)

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

The Village would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

J. Sales and Use Tax

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

K. Interfund Transactions and Balances

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

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

L. Estimates

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

M. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss the Village maintains commercial insurance policies and surety bond coverage. There have been no claims filed in the last three years.

N. Change in Accounting Principles and Restatement

For December 31, 2022, the Village implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government’s leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the Village’s 2022 financial statements. The Village had no leases at year end.

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

At December 31, 2022, the Village has cash and cash equivalents and investments (book balances) in deposits totaling \$481,075. These deposits are stated at cost, which approximates market.

	General Fund	Utility Fund	Development Corporation	Total
Cash	\$ 200	\$ 1,000	\$ -	\$ 1,200
Demand deposits	-	1,785	-	1,785
Interest-bearing demand deposits	34,380	14,523	98,747	147,650
CD (Investments)	158,611	135,481	36,348	330,440
Total	<u>\$ 193,191</u>	<u>\$ 152,789</u>	<u>\$ 135,095</u>	<u>\$ 481,075</u>

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

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities with 10 days of being notified by the Village that the fiscal agent bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Village's name.

At December 31, 2022, the Village has collected bank balances of deposits totaling \$487,403. These deposits are fully secured from risk by \$372,132 of federal deposit insurance and by pledged securities held by the custodial bank in the name of the Village (GASB Category 2) with a market value of \$141,107.

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

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

3. RECEIVABLES

The following is a summary of receivables at December 31, 2022:

	General	Utility	Total
Sales and use tax	\$ 6,557	\$ -	\$ 6,557
Utility Fees	-	14,445	14,445
Allowance for Doubtful Accounts	-	(1,362)	(1,362)
	<u>\$ 6,557</u>	<u>\$ 13,083</u>	<u>\$ 19,640</u>

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2022, for the primary government is as follows:

Governmental Activities:	Balance 12/31/21	Increases	Reclassifications/ Decreases	Balance 12/31/22
Capital assets, not being depreciated				
Land	\$ 21,334	\$ -	\$ -	\$ 21,334
Capital assets, being depreciated				
Buildings & improvements	398,491	-	-	398,491
Equipment	78,650	-	-	78,650
Total capital assets, being depreciated	<u>\$ 477,141</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 477,141</u>
Less accumulated depreciation for				
Buildings & improvements	\$ (315,640)	\$ -	\$ -	\$ (315,640)
Equipment	(78,650)	(12,828)	-	(91,478)
Total accumulated depreciation	<u>(394,290)</u>	<u>(12,828)</u>	<u>-</u>	<u>(407,118)</u>
Total Capital assets being depreciated net	<u>82,851</u>	<u>(12,828)</u>	<u>-</u>	<u>70,023</u>
Total Capital assets, Governmental Activities	<u>\$ 104,185</u>	<u>\$ (12,828)</u>	<u>\$ -</u>	<u>\$ 91,357</u>
Business type Activity:	Balance 12/31/21	Increases	Reclassifications/ Decreases	Balance 12/31/22
Capital assets, not being depreciated				
Land	\$ 30,776	\$ -	\$ -	\$ 30,776
Capital assets being depreciated				
Water system	960,395	-	-	960,395
Sewer system	1,149,203	-	-	1,149,203
Equipment	33,599	-	-	33,599
Total capital assets being depreciated	<u>\$ 2,143,197</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,143,197</u>
Less accumulated depreciation for				
Water system	(602,730)	(25,259)	-	(627,989)
Sewer system	(870,802)	(31,096)	-	(901,898)
Equipment	(33,599)	-	-	(33,599)
Total accumulated depreciation	<u>(1,507,131)</u>	<u>(56,355)</u>	<u>-</u>	<u>(1,563,486)</u>
Total Capital assets being depreciated net	<u>636,066</u>	<u>(56,355)</u>	<u>-</u>	<u>579,711</u>
Total Capital assets, Business type Activity	<u>\$ 666,842</u>	<u>\$ (56,355)</u>	<u>\$ -</u>	<u>\$ 610,487</u>

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composite of interfund receivable/payable as of December 31, 2022 was:

	General	Sewer	Development Corporation	Total
Due to	\$ 22,424	\$ 285,163	\$ -	\$ 307,587
Due from	(191,748)	-	(115,839)	(307,587)
	<u>\$ (169,324)</u>	<u>\$ 285,163</u>	<u>\$ (115,839)</u>	<u>\$ -</u>

VILLAGE OF HALL SUMMIT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

6. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The following is a summary of payables at December 31, 2022:

	General	Sewer	Total
Trade payables	\$ 2,383	\$ 4,157	\$ 6,540
Accrued payroll taxes	-	10,894	10,894
Total	\$ 2,383	\$ 15,051	17,434

7. PENSION PLAN

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

8. PAYMENT TO ALDERMEN

	Per Diem
Anthony Thomas	\$ 500
Barbara Perrin	3,000
Kathleen Quick	3,000
Jason Briggs	2,000
Total	\$ 8,500

9. RELATED PARTY TRANSACTIONS

Procedures, observations, and inquiries did not disclose any material related party transactions for the fiscal year ended December 31, 2022.

10. SUBSEQUENT EVENT

Management has performed an evaluation of the Village of Hall Summit's activities through July 28, 2023, and has concluded that there are no significant events requiring recognition or disclosure through that date and time these financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF HALL SUMMIT, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes				
Sales taxes	\$ 19,000	\$ 19,000	\$ 44,135	\$ 25,135
Franchise taxes	6,000	6,000	7,224	1,224
Fines and penalties	1,500	1,500	9,706	8,206
Licenses and permits	9,000	9,000	8,401	(599)
Interest	-	-	399	399
Other	200	200	5,000	4,800
Total Revenues	<u>35,700</u>	<u>35,700</u>	<u>74,865</u>	<u>39,165</u>
Expenditures:				
General government	26,000	26,000	63,770	(37,770)
Public safety	-	-	17,024	(17,024)
Total Expenditures	<u>26,000</u>	<u>26,000</u>	<u>80,794</u>	<u>(54,794)</u>
Excess (Deficiency) of Revenues over Expenditures/ Net change in Fund Balances	<u>9,700</u>	<u>9,700</u>	<u>(5,929)</u>	<u>(15,629)</u>
Fund balance, beginning of year	<u>37,608</u>	<u>37,608</u>	<u>37,608</u>	<u>-</u>
Fund balance, end of year	<u>\$ 47,308</u>	<u>\$ 47,308</u>	<u>\$ 31,679</u>	<u>\$ (15,629)</u>

See the accompanying notes and independent accountant's review report

VILLAGE OF HALL SUMMIT, LOUISIANA

NOTES TO BUDGETARY COMPARISON SCHEDULES

As of and for the Year Ended December 31, 2022

Budgetary Information

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

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

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

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

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

In the General Fund, actual revenues were more than budgeted revenues. Actual expenditures were more than budgeted expenditures by 211%. The budget was not amended during the year ended December 31, 2022. The original budget was passed May 2, 2022. The Village is not in compliance with the Louisiana Local Government Budget Act.

OTHER SUPPLEMENTAL INFORMATION

VILLAGE OF HALL SUMMIT, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEADS OR CHIEF EXECUTIVE OFFICER
 For the Year Ended December 31, 2022

	Danny Scott Mayor
Purpose:	
Salary	2,400
Benefits-insurance (Medicare)	35
Benefits- retirement (Social Security)	149
Reimbursements	70
Cell phone	600
Total	3,254

See accompanying independent accountant's review report.

Village of Hall Summit, Louisiana

Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
 For the year ended December 31, 2022

Cash Basis Presentation	First Six Month Period Ended 06/30/22	Second Six Month Period Ended 12/31/22
Beginning Balance of Amounts Collected	\$ -	\$ -
Add: Collections		
Criminal Fines - Other	7,748	1,913
Subtotal Collections	<u>7,748</u>	<u>1,913</u>
Less: Disbursements To Governments & Nonprofits:		
North Louisiana Crime Fund - Criminal Court Costs/Fees	750	210
Louisiana Supreme Court - Criminal Court Costs/Fees	14	4
State of Louisiana - CMIS Assessment	27	7
Louisiana Commission on Law Enforcement - Court Costs	248	66
La DHH - TH/SCI Trust Fund - Criminal Courts Costs/Fees	95	35
Ware Youth Center	<u>195</u>	<u>53</u>
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency	6,419	1,538
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies	-	-
Subtotal Disbursements/Retainage	<u>6,419</u>	<u>1,538</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ -</u>	<u>\$ -</u>
Ending Balance of "Partial Payments" Collected but not Disbursed - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.	-	-

Supplemental information.

See the accompanying independent auditor's report.

DISCRETELY PRESENTED COMPONENT UNIT

VILLAGE OF HALL SUMMIT, LOUISIANA
DISCRETELY PRESENTED COMPONENT UNIT -
HALL SUMMIT DEVELOPMENT CORPORATION
STATEMENT OF NET POSITION
December 31, 2022

ASSETS		<u>Total</u>
Cash and cash equivalents	\$	98,747
Investments		36,348
Prepaid expenses		1,432
Deposits		450
Capital assets, net		<u>18,281</u>
Total Assets	\$	<u>155,258</u>
LIABILITIES AND NET POSITION		
Liabilities:		
Accounts, payroll, and other payables	\$	1,378
Due to other funds		<u>115,839</u>
Total Liabilities	\$	<u>117,217</u>
Net Position:		
Net investment in capital assets	\$	18,281
Unrestricted		<u>19,760</u>
Total Net Position	\$	<u><u>38,041</u></u>

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

VILLAGE OF HALL SUMMIT, LOUISIANA
DISCRETELY PRESENTED COMPONENT UNIT -
HALL SUMMIT DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

Program Expenses	
Personnel	\$ 3,393
General operating expenses	19,051
Repairs and maintenance	8,568
Depreciation	1,763
Total Program Expenses	32,775
 Program Revenues	
Rents	31,920
Washateria income	1,496
Total Program Revenues	33,416
Net Program Income	641
 General Revenues	
Interest income	134
Miscellaneous income	100
Total General Revenues	234
Change in Net Position	875
Total Net Position, beginning of year	37,166
Total Net Position, end of year	\$ 38,041

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

VILLAGE OF HALL SUMMIT, LOUISIANA
DISCRETELY PRESENTED COMPONENT UNIT -
HALL SUMMIT DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	2022
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in net position	\$ 875
Adjustments to reconcile change in net position to net cash provided by operating activities:	
Depreciation	1,763
(Increase) decrease in net position:	
Prepaid expenses	830
Increase(decrease) in liabilities:	
Accounts payable and accrued expenses	(986)
Net cash provided by operating activities	2,482
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer in (out) from (to) general fund and utility fund	(9,894)
Net cash provided by non capital financing activities	(9,894)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7,412)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	106,159
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 98,747

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

OTHER REPORTS REQUIRED BY LOUISIANA STATE
AUDIT LAW



Dees Gardner, Certified Public Accountants, LLC

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Independent Accountant's Report on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below on the Village of Hall Summit's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2022, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Village of Hall Summit's management is responsible for its financial records and compliance with applicable laws and regulations.

The Village of Hall Summit has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Village's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2022. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Public Bid Law

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

No expenditures were made during the year for materials and supplies exceeding \$30,000 or public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

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

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

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

Management provided us with the required list.

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

None of the employees included on the list of employees provided by management (agreed-upon procedure No. 3) appeared on the list provided by management in agreed-upon procedure No. 2.

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

A list of disbursements was obtained. None of the business interests were also found as a vendor.

Budgeting

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

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

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

The Board adopted the original budget on May 2, 2022. It was not amended.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

In the General Fund, we compared the revenues and expenditures of the final budget to actual revenue and expenditures. Budgeted revenues for the year exceeded actual amounts. Total actual expenditures were more than budgeted amounts by 211%. Actual expenditures exceeded budgeted expenditures by 5% or more.

Recommendation: Management should be diligent about making sure the budget is passed in a timely manner. They should also be more watchful in comparing budget to actual during the year.

Management response: We agree with the recommendation.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and

- (a) Report whether the six disbursements agree to the amount and payee in the supporting documentation.

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

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

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

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

Documentation supporting each of the six selected disbursements included approval.

Meetings

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

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

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected deposits for the period under examination and found no indication of new bank loans, bonds, or like indebtedness in 2022.

Advances and Bonuses

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

We inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

State Audit Law

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

The report was filed timely.

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

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

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

15. Discuss any other matters, concerns, suggestions, recommendations and/ or comments determined during the performance of attestation procedures.
 - a. The Utility Fund checking account has over 30 outstanding items dating as far back as 2012. The Village needs to review old outstanding item to ensure the account is fairly stated.
 - b. The Utility Fund has a designated checking account for customer meter deposits. The account balance is not sufficient to cover the meter liability.
 - c. All Village expenses are paid from the Utility Fund checking account. This results in convoluted, complex transactions to maintain the accuracy of the due to/ from accounts. The

due to/from balances between the accounts are not reconciled. Expenses paid by the Utility Fund for the General Fund and Development Corporation were not posted to the accounting system for those respective funds. The council was not reviewing financial statements for those funds.

Prior-Year Comments and Recommendations

16. Review any prior-year suggestions, recommendations, and or comments to determine the extent to which such matters have been resolved.
 - a. The Village has a continued finding for an inadequate segregation of duties that management does not see as cost beneficial to correct. The segregation of duties continues to be unresolved.
 - b. Budget violation for failure to amend the budget when revenues fail to meet budgeted amounts by 5% or more and when actual expenditures exceed budgeted amounts by 5% or more. The matter continues to be unresolved.

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

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

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC
Mansfield, Louisiana
July 28, 2023

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

April 27, 2023 (Date Transmitted)

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

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 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 with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [] No [] N/A []

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

Brian Briggs _____ Mayor 5/3/23 _____ Date
Rachael Henry _____ Town Clerk 5-3-23 _____ Date