

Village of Saline
Saline, Louisiana

Financial Statements

For the Year Ended June 30, 2021

Village of Saline
 Financial Statements
 For the Year Ended June 30, 2021

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WADE & PERRY

Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Accountants' Review Report

Board of Commissioners
Village of Saline
Saline, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Saline, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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.

Accountant's Conclusion

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

Other Matters

Supplementary information

The accompanying schedule of compensation, benefits, and other payments to the agency head, is presented for purposes of additional analysis and is 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 accounting

principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information on pages 24-25 be presented to supplement the basic financial statements.

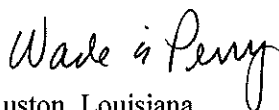
Budgetary Comparison Schedule
Act 87 - Justice System Funding Schedule

Such information, although not a required part of the basic financial statements, is required by the Government 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 historic context. The information is the responsibility 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 accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United State of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government 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 content.

Report on Agreed-Upon Procedures

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated December 8, 2021, on the results of the agreed-upon procedures.



Ruston, Louisiana
December 8, 2021

Village of Saline, Louisiana
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash investments	\$104,519	\$48,013	\$152,532
Receivables	16,375	8,113	24,488
Interfunds	15,034	(15,034)	0
Restricted cash		2,706	2,706
Capital assets (net)	9,961	1,157,048	1,167,009
TOTAL ASSETS	<u>\$145,889</u>	<u>\$1,200,846</u>	<u>\$1,346,735</u>
Deferred outflows of resources	0	0	0
LIABILITIES			
Accounts, salaries, and other payables	\$437	\$1,394	\$1,831
Noncurrent liabilities		2,300	2,300
TOTAL LIABILITIES	<u>437</u>	<u>3,694</u>	<u>4,131</u>
Deferred inflows of resources	2,834	0	2,834
NET POSITION			
Invested in capital assets, net of related debt	9,961	1,157,048	1,167,009
Unrestricted	132,657	40,104	172,761
TOTAL NET POSITION	<u>\$142,618</u>	<u>\$1,197,152</u>	<u>\$1,339,770</u>

The accompanying notes are an integral part of this statement.

Village of Saline, Louisiana
 Statement of Activities
 Year Ended June 30, 2021

	Program Revenues			Net (Expenses) Revenues and Changes of Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities
Governmental Activities:						
General government	\$42,364	\$14,455			(\$27,909)	(\$27,909)
Public safety	14,784				(14,784)	(14,784)
Total governmental activities	57,148	14,455	0	0	(42,693)	(42,693)
Business-type activities						
Water utilities	155,636	96,665		\$51,731		(\$7,240)
Total business-type activities	155,636	96,665	0	51,731	0	(7,240)
Total primary government	\$212,784	\$111,120	\$0	\$51,731	(\$42,693)	(\$7,240)
General revenues:						
Ad valorem taxes					\$6,164	\$6,164
Sales taxes					38,842	38,842
Transfers In/Out					1,876	(1,876)
Investment earnings					1	1
Franchise fees					6,455	6,455
Other revenues					18,772	18,772
Total general revenues and transfers					72,110	(1,876)
Change in Net Position					29,417	(9,116)
Net Position - beginning					113,201	1,206,268
Net Position - ending					\$142,618	\$1,197,152

The accompanying notes are an integral part of this statement.

Village of Saline, Louisiana
 Balance Sheet, Governmental Funds
 June 30, 2021

General
Fund

ASSETS

Cash and equivalents		\$104,519
Receivables		16,375
Due from other funds		15,034
TOTAL ASSETS		<u>\$135,928</u>

LIABILITIES AND FUND BALANCES

Liabilities:		
Accounts, salaries, and other payables		\$437
Deferred inflows		2,834
Total liabilities and deferred inflows		<u>3,271</u>
Fund balance - unassigned		<u>132,657</u>
TOTAL LIABILITIES AND FUND BALANCES		<u>\$135,928</u>

The accompanying notes are an integral part of this statement.

Village of Saline, Louisiana
 Reconciliation of The Governmental Funds Balance Sheet
 to The Government-Wide Financial Statement of Net Position
 June 30, 2021

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

Fund balances, Total governmental funds (Statement C)		\$132,657
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	\$19,750	
Less accumulated depreciation	<u>(9,789)</u>	<u>9,961</u>
Net Position of Governmental Activities (Statement A)		<u>\$142,618</u>

The accompanying notes are an integral part of this statement.

Village of Saline, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2021

	<u>General Fund</u>
REVENUES	
Taxes:	
Ad valorem	\$6,164
Sales	38,842
Franchise fees	6,455
Interest income	1
Insurance taxes	14,872
Ticket income	14,455
Other revenues	<u>3,900</u>
Total Revenues	84,689
EXPENDITURES	
General government	41,886
Public safety	14,784
Capital outlay	<u>0</u>
Total Expenditures	<u>56,670</u>
Excess (Deficiency) of Revenues over (under) Expenditures	28,019
OTHER FINANCING SOURCES (USES)	
Transfers in	1,927
Transfers out	<u>(51)</u>
Total Other Financing Sources (Uses)	<u>1,876</u>
Net Change in Fund Balance	29,895
Fund Balance – beginning	<u>102,762</u>
Fund Balance – ending	<u>\$132,657</u>

The accompanying notes are an integral part of this statement.

Village of Saline, 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, 2021

Amounts reported for governmental activities in the Statement of Activities are different because:	
Net Change in Fund Balances, Total governmental funds (Statement E)	\$29,895
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:	
Capital outlays (\$0) exceeds depreciation (\$478)	<u>(478)</u>
Change in Net Position of Governmental Activities (Statement B)	<u>\$29,417</u>

The accompanying notes are an integral part of this statement.

Village of Saline, Louisiana
Statement of Net Position, Proprietary Funds
June 30, 2021

	<u>Business-Type Activities - Enterprise Fund</u>
ASSETS	
Current assets:	
Cash and cash investments	\$48,013
Receivables	8,113
Total current assets	<u>56,126</u>
Restricted assets:	
Cash and cash investments	2,706
Non-current assets:	
Capital assets (net of accumulated depreciation)	1,157,048
Total Non-current assets	<u>1,157,048</u>
TOTAL ASSETS	<u><u>\$1,215,880</u></u>
LIABILITIES	
Current Liabilities:	
Accounts, salaries, and other payables	\$1,394
Due to other funds	15,034
Total current liabilities	<u>16,428</u>
Noncurrent liabilities	2,300
Total liabilities	<u>18,728</u>
NET POSITION	
Invested in capital assets, net of related debt	1,157,048
Unrestricted	40,104
TOTAL NET POSITION	<u><u>\$1,197,152</u></u>

The accompanying notes are an integral part of this statement.

Village of Saline, Louisiana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	<u>Business-Type Activities - Enterprise Fund</u>
Operating Revenues	
Charges for services:	
Water sales	\$96,665
Total Operating Revenues	<u>96,665</u>
Operating Expenses	
Cost of sales and services	90,605
Administration	9,216
Depreciation	55,815
Total Operating Expenses	<u>155,636</u>
Operating income (loss)	(58,971)
Nonoperating revenue (expenses)	
Interest income	0
Interest expense	0
Capital Grant	51,731
Total Nonoperating Revenue (Expenses)	<u>51,731</u>
Income before contributions and transfers	(7,240)
Transfers in/(out) net	<u>(1,876)</u>
Change in Net Position	(9,116)
Total Net Position - Beginning	<u>1,206,268</u>
Total Net Position - Ending	<u>\$1,197,152</u>

The accompanying notes are an integral part of this statement.

Village of Saline, Louisiana
Statement of Cash Flows, Proprietary Funds
For the Year Ended June 30, 2021

Cash Flows from Operating Activities	
Receipts from customers and users	\$97,213
Receipts from other funds	2,200
Payments to suppliers	(95,188)
Payments to employees	(9,216)
Payments to other funds	<u>(325)</u>
Net Cash Provided by Operating Activities	<u>(5,316)</u>
Cash Flows from Noncapital Financing Activities	
Grant income	51,731
Transfer from other funds (net)	<u>(1,876)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>49,855</u>
Cash Flows from Capital and Related Financing Activities	
Purchases of capital assets	(51,731)
Principal paid on capital debt	0
Interest paid on capital debt	<u>0</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(51,731)</u>
Cash Flows from Investing Activities	
Interest and dividends received	<u>0</u>
Net Cash Provided by Investing Activities	<u>0</u>
Net Increase in Cash and equivalents	(7,192)
Cash and equivalents, Beginning of Year	<u>57,911</u>
Cash and equivalents, End of Year	<u>\$50,719</u>
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities	
Operating income	(\$58,971)
Depreciation expense	55,815
(Increase) decrease in accounts receivable	548
Increase (decrease) in customer deposits	(325)
Increase (decrease) in interfunds	2,200
Increase (decrease) in accounts payable	<u>(4,583)</u>
Net Cash Provided by Operating Activities	<u>(\$5,316)</u>
Reconciliation of total cash and cash investments:	
Current assets - cash and cash investments	\$48,013
Restricted assets - cash and cash investments	<u>2,706</u>
Total cash and cash investments	<u>\$50,719</u>

The accompanying notes are an integral part of this statement.

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

INTRODUCTION

Village of Saline (the Village), Louisiana was incorporated on October 3, 1905, under the provisions of the Lawrason Act. (Louisiana Revised Statutes 33:321-463) The Village operates under a Mayor-Board of Aldermen form of government. Members of the board are all elected and serve a four year term.

GASB Statement No. 14, *The Reporting Entity*, 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 and local governments. As used in GASB Statement No. 14, 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Village have been prepared in conformity with U.S. generally accepted accounting principles 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.

In June, 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Village's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Village's activities, including infrastructure (if any).
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

A. GOVERNMENT-WIDE & 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 nonfiduciary 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

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charge 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 instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. 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 & FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered 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.

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 receivables 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 cash is received by the government.

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

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 funds:

The Utility fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, but not limited to, administration, operations, maintenance, financing, and related debt service and billing.

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 governments enterprise operations. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Principal operating revenues of the proprietary funds include water and sewer services to the residents of the Village. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

C. DEPOSITS & INVESTMENTS

The Village's cash and cash equivalents are considered to be demand deposits, interest-bearing demand deposits, and investments with original maturities of three months or less from the date of acquisition. State law and the Village's investment policy allow the Village to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

D. RECEIVABLES & PAYABLES

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."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectives. The Village calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

E. CAPITAL ASSETS

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. The Village maintains a threshold level of \$600 or more for capitalizing capital assets.

Capital assets and related expenses are recorded in the Statement of Net Position and Statement of Activities, respectively, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method.

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

F. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of Statements A and B are accounted for using a current financial resources measurement focus. 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 balances 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 a government-wide view of the Village's operations.

The amounts reflected in the General Fund of Statements A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January through the tax sale of the ensuing year. Interest income on interest bearing demand deposits is recorded at the end of the month when credited by the bank. Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

Based on the above criteria, ad valorem taxes and state revenue sharing have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for compensated absences, which are recognized when paid.

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Village as a whole. These statements include all the financial activities of the Village. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Reconciliation

The reconciliation of the items reflected in the funds columns to the Statement of Activities (Statement B) and Statement of Net Position (Statement A) are as follows:

Net change in fund balance	\$29,895
Capital outlay recorded as expenditures	0
Depreciation expense	<u>(478)</u>
Change in Net Position	<u>\$29,417</u>

G. CASH AND CASH EQUIVALENTS

Under state law, the Village may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Village may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 2019, the Village has cash and cash equivalents (book balances) totaling \$155,238, as follows:

Demand deposits	\$155,188
Petty cash	<u>50</u>
Total	<u>\$155,238</u>

These deposits are stated at cost, which approximates market. These deposits are secured from risk by \$165,832 of federal deposit insurance and \$0 of pledged securities held by the custodial bank in the name of the fiscal agent bank. (GASB Category 3).

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

H. RISK MANAGEMENT

The Village is exposed to various risk of loss related to torts; thefts 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 covering: property and commercial general liability insurance, crime, and inland marine. Also, the Village maintains director and officer liability, worker's compensation, a mobile home policy, and employers liability insurance. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amount.

I. FUND EQUITY

In the government wide statements, net position is displayed in three components:

- a. Net invested 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 and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Proprietary fund equity is classified in the same manner as in the government-wide statements. In the fund financial statements, governmental fund equity is classified as fund balance.

The Village adopted GASB 54 in the year ended December 31, 2012. As such, fund balances of the governmental funds are classified as follow:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors contributors, or laws or regulations of other governments.

Committed - amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

Assigned - amounts the government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned - all other spendable amounts.

J. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

2. LEVIED TAXES

The Village has an authorized tax millage of 8.11 mills which is restricted by tax proposition, to operation and maintenance of the Village. For the year ended June 30, 2019, the Village levied 7.99 mills as a result of reassessments of taxable property as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

The following are the principal taxpayers for the village and their 2020 assessed valuation (amounts expressed in thousands):

Taxpayer	Type of business	Assessed Valuation	% of Total Assessed Valuation
Saline Branch - Sabine State Bank	financial institution	75,370	9.23%
Centerpoint energy	utility	50,032	6.13%
Total		<u>125,402</u>	<u>15.36%</u>

3. RECEIVABLES

The receivables of \$24,488 at June 30, 2021 consist of sales taxes for \$6,926, franchise taxes for \$1,336, insurance taxes for \$5,279 and tickets for \$2,834 in the General fund, and accounts receivable-trade of \$8,113 in the Proprietary fund.

4. CHANGES IN GENERAL FIXED ASSETS

The following schedule presents changes in capital assets for the year ended June 30, 2019:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$4,500			\$4,500
Total capital assets not being depreciated	<u>4,500</u>	<u>0</u>	<u>0</u>	<u>4,500</u>

Village of Saline
Notes to the Financial Statements
For the Year Ended June 30, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Buildings and other improvements	15,250			15,250
Total capital assets being depreciated	<u>15,250</u>	<u>0</u>	<u>0</u>	<u>15,250</u>
Less:				
accumulated depreciation	9,311	\$478		9,789
Total capital assets being depreciated, net	<u>\$10,439</u>	<u>(\$478)</u>	<u>\$0</u>	<u>\$9,961</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Proprietary activities:				
Capital assets, not being depreciated:				
Construction in progress	\$0	\$51,731		\$51,731
Land	0			0
Total capital assets not being depreciated	<u>0</u>	<u>51,731</u>	<u>0</u>	<u>51,731</u>
Capital assets being depreciated:				
Improvements	428,723			428,723
Distribution system	1,803,886			1,803,886
Total capital assets being depreciated	<u>2,232,609</u>	<u>0</u>	<u>0</u>	<u>2,232,609</u>
Less:				
accumulated depreciation	1,071,477	\$55,815		1,127,292
Total capital assets being depreciated, net	<u>\$1,161,132</u>	<u>(\$4,084)</u>	<u>\$0</u>	<u>\$1,157,048</u>

5. LITIGATION AND CLAIMS

The Village is not involved in any litigation at June 30, 2021, nor is it aware of any unasserted claims.

6. MANAGEMENT REVIEW

Subsequent events have been evaluated through December 8, 2021. This date represents the date the financial statements were available to be issued.

OTHER SUPPLEMENTAL INFORMATION

Village of Saline
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2021

Agency Head Name: Mayor Dorothy Satcher

Purpose	<u>Amount</u>
Salary	\$10,800
Benefits - medicare	157
Benefits - social security	670
Reimbursements	39
Travel	35

See independent accountant's review report.

Village of Saline
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2021

Schedule 2

<u>Board Member</u>	<u>Amount</u>
Dorothy Satcher, Mayor	\$10,800
RD Slayton	360
Bert Hood	150
Brenda Matthews	360
Curtis Garrett	60
Patricia Sullivan	<u>360</u>
Total	<u>\$12,090</u>

REQUIRED SUPPLEMENTAL INFORMATION

Village of Saline
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget and Actual (GAAP)
 For the Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Favorable (Unfavorable) Variance
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Ad valorem taxes	\$2,281	\$2,281	\$6,164	\$3,883
Sales taxes	16,000	16,000	38,842	22,842
Franchise fees	10,592	10,592	6,455	(4,137)
Insurance taxes	18,950	18,950	14,872	(4,078)
Ticket income	14,952	14,952	14,455	(497)
Other revenues	1,700	1,700	3,901	2,201
Total Revenues	<u>64,475</u>	<u>64,475</u>	<u>84,689</u>	<u>20,214</u>
EXPENDITURES				
General government				
Personnel services	26,600	26,600	11,701	14,899
Operating services	18,558	18,558	29,902	(11,344)
Materials and supplies	800	800	147	653
Travel and other charges	1,500	1,500	136	1,364
Public safety	14,952	14,952	14,784	168
Capital outlay	0	0	0	0
Total Expenditures	<u>62,410</u>	<u>62,410</u>	<u>56,670</u>	<u>5,740</u>
Excess (Deficiency) of Revenues over (under) Expenditures	2,065	2,065	28,019	25,954
OTHER FINANCING SOURCES (USES)				
Operating transfers in			1,927	1,927
Operating transfers out			(51)	(51)
Total Other financing sources (uses)	<u>0</u>	<u>0</u>	<u>1,876</u>	<u>1,876</u>
Net change in Fund Balance	2,065	2,065	29,895	27,830
Fund Balance (Deficit) at Beginning of Year	<u>52,677</u>	<u>52,677</u>	<u>102,762</u>	<u>50,085</u>
Fund Balance (Deficit) at End of Year	<u>\$54,742</u>	<u>\$54,742</u>	<u>\$134,533</u>	<u>\$79,791</u>

Notes to the schedule

(1) method of budgetary accounting - GAAP

See independent accountant's review report.

Cash Basis Presentation

	First Six Month Period Ended 12/31/20	Second Six Month Period Ended 6/30/21
Beginning Balance of Amounts Collected (i.e. cash on hand)	12,465.29	12,970.29
Add: Collections		
Criminal Fines - Other	610.00	405.50
Other (do not include collections that fit into more specific categories above)	-	-
Subtotal Collections	610.00	405.50
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 Judicial college	5.00	11.50
LDH - THSC trust	50.00	85.00
Louisiana Commission on Law Enforcement	20.00	60.00
Treasurer, State of Louisiana - CMIS	30.00	30.00
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency (must include a separate line for each collection type, as applicable) - Example: Criminal Fines - Other (Additional rows may be added as necessary)	-	-
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	-	-
Payments to 3rd Party Collection/Processing Agencies		
Subtotal Disbursements/Retainage	105.00	186.50
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	12,970.29	13,189.29
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.	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	-	8,612.50
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)	-	-

WADE & PERRY

Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Board of Commissioners
Village of Saline

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Village of Saline and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the year ended June 30, 2021 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with 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 users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$250,000. Compare the documentation for these expenditures to LSA-RS 38:2211-2296 (the public bid law) or RS 39:1551-1775 (state procurement code), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year within the above scope.

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 LSA-RS 42:1101-1124 (the code of ethics).

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

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

Management provided us with the required list.

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

No exceptions.

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.

No vendors appeared on both lists provided by management except as noted in #4 above.

Budgeting

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

Management provided us with a copy of the original budget.

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

We traced the adoption of the original budget to the minutes of a meeting held in June, 2020. There was no budget amendment during the year.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures did not exceed budgeted expenditures by more than 5%. Budgeted revenues did not exceed actual revenues by more than 5%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

(a) report whether the six disbursements agree to the amount and payee;

We examined supporting documentation for all six of the selected disbursements and found that payment was for the proper amount for all six disbursements.

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

Payments were properly coded to the correct fund and general ledger account for all six selected disbursements.

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

One of the six disbursements only showed 1 signature. Policies and procedures state 2 signatures are required.

Meetings

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

We inquired of management whether agendas for meetings were posted at the meeting place at least 24 hours prior to the meeting. Management stated that agendas were posted and a copy is retained by the clerk.

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 banks 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 copies of all bank deposit slips and statements for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness. A Louisiana DEQ grant for clean water state revolving fund loan program was started in June, 2021. The \$635,000 total funding was offered in the form of 0% interest with 100% principal forgiveness upon completion of the project.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes for 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, advance or gifts.

A reading of the minutes of the village for the year indicated approval for all monthly disbursements. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advance or gifts.

State Audit Law

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

The agency's report was submitted to the Legislative Auditor before the statutory due date of December 31, 2021.

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

Management represented that the Village entered in to the contract with Louisiana DEQ as stated above but the village was not in noncompliance with the audit law.

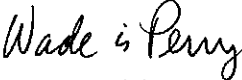
Prior Comments and Recommendations

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

Our prior year report, dated October 9, 2020, included no findings, suggestions, exceptions, recommendations, and/or comments.

This agreed-upon procedures engagement was conducted 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, the objective of which would be the expression of an opinion on management's compliance with the foregoing matters. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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 LRS 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.



Ruston, Louisiana
December 8, 2021

Village of Saline
PO Box 118
Saline, LA 71070

Management's Response

Procedure #9 Accounting and Reporting

One of the six selected disbursements was not approved in accordance with management's policies and procedures and only had 1 signature on the check.

Management: We will adhere to procedures for having 2 signatures on each check.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

11/22/21 (Date Transmitted)

Wade + Perry, CPA's (CPA Firm Name)
116 N. Pinecrest Drive (CPA Firm Address)
Ruston, LA 71270 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 6/30/21 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the 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.

Dorothy Satche Mayor 11-22-21 Date