

Village of Tangipahoa
Basic Financial Statements
As of and For the Year Ended June 30, 2021
With Supplemental Information Schedules

Minda B. Raybourn

Certified Public Accountant

Limited Liability Company

820 11th Avenue

Franklinton, Louisiana 70438

(985) 839-4413

Fax (985) 839-4402

Village of Tangipahoa
Annual Financial Statements
As of and for the Year Ended June 30, 2021
With Supplemental Information Schedules

TABLE OF CONTENTS

	Statement	Page
Independent Accountant’s Report.....		5
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A	8
Statement of Activities.....	B	9
Fund Financial Statements:		
Governmental Funds Financial Statements:		
Balance Sheet, Governmental Funds	C	11
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Financial Statement of Net Position	D	12
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances of Governmental funds to the Statement of Activities	F	14
Proprietary Fund Financial Statements:		
Statement of Net Position	G	15
Statement of Revenues, Expenses and Changes in Net Position	H	16
Statement of Cash Flows	I	17
Notes to the Financial Statements.....		19

Village of Tangipahoa
Annual Financial Statements
As of and for the Year Ended June 30, 2021
With Supplemental Information Schedules

TABLE OF CONTENTS

	Schedule	Page
Required Supplementary Information (Part II):		
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – General Fund – Detail	1	40
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – Sales Tax Fund.....	2	43
Other Supplementary Information:		
Schedule of Revenues, Expenses and Changes in Net Position Budget (GAAP Basis) and Actual – Water.....	3	45
Schedule of Revenues, Expenses and Changes in Net Position Budget (GAAP Basis) and Actual – Sewer	4	46
Utility Rate Schedule	5	47
Schedule of Number of Utility Customers.....	5	47
Schedule of Compensation Paid to Mayor and Council Members	6	48
Schedule of Compensation, Benefits, and Other Payments to Agency Head.....	7	49
Justice Funding Schedule Collecting/Disbursing Entity.....	8	50
Independent Accountant’s Review Report on Agreed-Upon Procedures...		51
Schedule of Current Year Findings and Responses		56
Schedule of Prior Year Findings.....		60
Louisiana Attestation Questionnaire.....		72

This Page Intentionally Left Blank

Minda B. Raybourn

Certified Public Accountant

Limited Liability Company

820 11th Avenue

Franklinton, Louisiana 70438

(985) 839-4413

Fax (985) 839-4402

Member
AICPA

Member
LCPA

INDEPENDENT ACCOUNTANT’S REVIEW REPORT

To the Honorable Shelia Martin, Mayor,
And Members of the Board of Aldermen
Village of Tangipahoa, LA

I have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and each major fund, Village of Tangipahoa, Louisiana, 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, I do not express such an opinion.

Management’s Responsibility for the Financial Statements

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

Accountant’s Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am (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. I believe that the results of my procedures provide a reasonable basis for my conclusion.

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

Accountant’s Conclusion

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted the management's discussion and analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The budgetary comparison supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. I have not audited or reviewed the supplementary information and accordingly, I do not express an opinion or provide any assurance on such supplementary information.

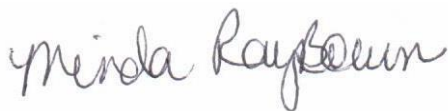
Other Supplemental Information

The supplementary information included in Schedules 3 through 5 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. I have not audited or reviewed such information and I do not express an opinion, a conclusion, nor provide any assurance on it.

Other Information

My review was made primarily for the purposes of expressing a conclusion that there were no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying Schedule of Compensation Paid to Board Members, Schedule of Compensation, Benefits, and Other Payments to Agency Head, and Justice Funding Schedule Collecting/Disbursing Entity are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I did not become aware of any material modifications that should be made to such information.

In accordance with the Louisiana Government Audit Guide and provisions of state law, I have issued a report dated January 20, 2022 on the results of my agreed-upon procedures.



Minda B. Raybourn, CPA
Franklinton, LA
January 20, 2022

Basic Financial Statements
Government-Wide Financial Statements

Statement A

Village of Tangipahoa
Statement of Net Position
As of June 30, 2021

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 5,784	\$ 109,115	\$ 114,899
Receivables, Net:	-	31,603	31,603
Intergovernmental	14,998	-	14,998
Other	3,339	-	3,339
Franchise Taxes	2,356	-	2,356
Taxes on Insurance Premiums	1,630	-	1,630
Prepaid Insurance	7,098	3,398	10,496
Internal	1,101	(1,101)	-
Total Current Assets	36,306	143,015	179,321
<i>Restricted Assets:</i>			
Restricted Cash and Cash Equivalents	-	40,988	40,988
Total Restricted Assets	-	40,988	40,988
<i>Capital Assets:</i>			
Land	26,443	-	26,443
Capital Assets, Net	22,294	1,548,057	1,570,351
Total Capital Assets	48,737	1,548,057	1,596,794
Total Assets	85,043	1,732,060	1,817,103
Liabilities			
<i>Current Liabilities:</i>			
Accounts Payable	16,458	6,108	22,566
Other Accrued Payables	1,266	7	1,273
Unclaimed Properties	-	1,637	1,637
Customer Deposits	-	35,606	35,606
Total Current Liabilities	17,724	43,358	61,082
Total Liabilities	17,724	43,358	61,082
Net Position			
<i>Net Investment in Capital Assets</i>	48,737	1,548,057	1,596,794
Restricted for:			
Customer Deposits	-	40,988	40,988
Sales Tax Ordinance	5,457	-	5,457
Unrestricted	13,125	99,657	112,782
Total Net Position	\$ 67,319	\$ 1,688,702	\$ 1,756,021

See accompanying notes and independent accountant's review report.

Village of Tangipahoa
Statement of Activities
For year ended June 30, 2021

	Program Revenues				Net (Expenses) Revenues	Net (Expense) Revenues and Changes of Primary Government		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions		Governmental Activities	Business- Type Activities	Total
Governmental Activities								
General Government	\$ 47,233	\$ 33,595	\$ -	\$ -	\$ (13,638)	\$ (13,638)	\$ -	\$ (13,638)
Public Safety	78,522	2,405	6,000	-	(70,117)	(70,117)	-	(70,117)
Public Works	32,568	-	-	-	(32,568)	(32,568)	-	(32,568)
Sanitation	41,760	48,313	-	-	6,553	6,553	-	6,553
Total Governmental Activities	<u>200,083</u>	<u>84,313</u>	<u>6,000</u>	<u>-</u>	<u>(109,770)</u>	<u>(109,770)</u>	<u>-</u>	<u>(109,770)</u>
Business- type Activities								
Gas	-	-	-	-	-	-	-	-
Water	128,868	113,907	-	-	(14,961)	-	(14,961)	(14,961)
Sewer	115,178	66,878	-	-	(48,300)	-	(48,300)	(48,300)
Total Business-type Activities	<u>244,046</u>	<u>180,785</u>	<u>-</u>	<u>-</u>	<u>(63,261)</u>	<u>-</u>	<u>(63,261)</u>	<u>(63,261)</u>
Total	<u>\$ 444,129</u>	<u>\$ 265,098</u>	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ (173,031)</u>			
General Revenue								
Taxes:								
Property Taxes						13,973	-	13,973
Sales Taxes						103,041	-	103,041
Franchise Taxes						8,240	-	8,240
Intergovernmental						7,277	-	7,277
Donations						137	-	137
Interest						-	32	32
Miscellaneous						669	-	669
Operating Transfers In (Out)						(21,348)	21,348	-
Total General Revenues and Transfers						<u>111,989</u>	<u>21,380</u>	<u>133,369</u>
Changes in Net Position						<u>2,219</u>	<u>(41,881)</u>	<u>(39,662)</u>
Net Position - Beginning						<u>65,100</u>	<u>1,730,583</u>	<u>1,795,683</u>
Net Position - Ending						<u>\$ 67,319</u>	<u>\$ 1,688,702</u>	<u>\$ 1,756,021</u>

See accompanying notes and independent accountant's review report.

Basic Financial Statements
Fund Financial Statements

Village of Tangipahoa
Balance Sheet, Governmental Funds
As of June 30, 2021

	General Fund	Sales Tax Fund	Capital Projects Fund (LCDBG)	Total Government al Funds
Assets				
Cash and Equivalents	\$ 5,328	\$ 167	\$ 289	\$ 5,784
Due From Other Funds	7,398	-	-	7,398
Receivables, Net:				
Intergovernmental	3,411	11,587	-	14,998
Employees	3,339	-	-	3,339
Franchise Taxes	2,356	-	-	2,356
Taxes on Insurance Premiums	1,630	-	-	1,630
Prepaid Insurance	7,098	-	-	7,098
Total Assets	\$ 30,560	\$ 11,754	\$ 289	\$ 42,603
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	\$ 16,458	\$ -	\$ -	\$ 16,458
Other Accrued Payables	1,266	-	-	1,266
Due to Other Funds	-	6,297	-	6,297
Due To Other Governments	-	-	-	-
Total Liabilities	17,724	6,297	-	24,021
Fund Balance:				
Nonspendable, Fund Balances	7,098	-	-	7,098
Restricted Fund Balances	-	5,457	-	5,457
Unassigned Fund Balance	5,738	-	289	6,027
Total Fund Balances (Deficit)	12,836	5,457	289	18,582
Total Liabilities and Fund Balances	\$ 30,560	\$ 11,754	\$ 289	\$ 42,603

See accompanying notes and independent accountant's review report.

Village of Tangipahoa
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position
As of June 30, 2021

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

Fund Balances, Total Governmental Funds (Statement C)	\$	18,582
--	----	--------

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

Governmental capital assets net of depreciation		48,737
---	--	--------

Long-term liabilities including bonds payable, loans payable, and compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Bonds Payable		-
Capital Leases Payable		-
Compensated Absences Payable		-

Net Position of Governmental Activities (Statement A)	\$	67,319
--	-----------	---------------

See accompanying notes and independent accountant's review report.

Village of Tangipahoa
Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2021

	General Fund	Sales Tax Fund	Capital Projects Fund (LCDBG)	Total Governmental Funds
Revenues				
Taxes	\$ 22,213	\$ 103,041	\$ -	\$ 125,254
License and Permits	33,595	-	-	33,595
Intergovernmental	7,277	-	-	7,277
Sanitation	48,313	-	-	48,313
Fines and Forfeitures	2,405	-	-	2,405
Donations	137	-	-	137
Supplemental Pay Income	6,000	-	-	6,000
Miscellaneous	669	-	-	669
Total Revenues	120,609	103,041	-	223,650
Expenditures				
General Government	45,888	345	-	46,233
Public Safety:				
Police	64,492	-	-	64,492
Fire	8,200	-	-	8,200
Public Works	30,036	-	-	30,036
Sanitation	41,760	-	-	41,760
Capital Outlays	8,000	-	-	8,000
Total Expenditures	198,376	345	-	198,721
Excess (Deficiency) of Revenues Over (Under) (Expenditures)	(77,767)	102,696	-	24,929
Other Financing Sources (Uses)				
Interest Income	-	-	-	-
Operating Transfers In	81,348	-	-	81,348
Operating Transfers (Out)	-	(102,696)	-	(102,696)
Total Other Financing Sources (Uses)	81,348	(102,696)	-	(21,348)
Net Change in Fund Balances	3,581	-	-	3,581
Fund Balances, Beginning	9,255	5,457	289	15,001
Fund Balances, Ending	\$ 12,836	\$ 5,457	\$ 289	\$ 18,582

See accompanying notes and independent accountant's review report.

Village of Tangipahoa

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
As of June 30, 2021**

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

Net Change in Fund Balance, Total Governmental Funds, Statement E		\$ 3,581
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets are 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.</p>		
Expenditures for capital assets	\$ 8,000	
Less:		
Current year depreciation	(9,362)	(1,362)
 Changes in Net Position of Governmental Activities, Statement B		 \$ 2,219

See accompanying notes and independent accountant's review report.

Statement G

**Village of Tangipahoa
Statement of Net Position - Proprietary Funds
As of June 30, 2021**

Assets

Current Assets:

Cash and Cash Equivalents	\$ 109,115
Receivables, Net:	
Accounts	30,822
N Court	781
Prepaid Insurance	3,398
Due From Other Funds	2,939

Total Current Assets

147,055

Restricted Assets:

Restricted Cash and Cash Equivalents	40,988
--------------------------------------	--------

Total Restricted Assets

40,988

Property, Plant, and Equipment

Property, Plant and Equipment, Net	1,548,057
------------------------------------	-----------

Total Property, Plant and Equipment

1,548,057

Total Assets

1,736,100

Liabilities

Current Liabilities (Payable From Current Assets):

Accounts Payable	6,108
Unclaimed Properties	1,637
Other Accrued Payables	7
Due to Other Funds	4,040

Total Current Liabilities (Payable From Current Assets):

11,792

Current Liabilities (Payable From Restricted Assets):

Customer Deposits	35,606
-------------------	--------

Total Current Liabilities (Payable From Restricted Assets)

35,606

Total Liabilities

47,398

Net Position

Net Investment in Capital Assets	1,548,057
----------------------------------	-----------

Restricted for:

Customer Deposits	40,988
-------------------	--------

Unrestricted	99,657
--------------	--------

Total Net Position

\$ 1,688,702

See accompanying notes and independent accountant's review report.

Village of Tangipahoa
Statement of Revenues, Expenses and
Changes in Net Position - Proprietary Funds
For the year ended June 30, 2021

	<u>Water/Utility System</u>	<u>Sewer/Utility System</u>	<u>Total</u>
Operating Revenues			
Water Sales	\$ 104,109	\$ -	\$ 104,109
Sewer Service Charges	-	61,273	61,273
Connection Fees	-	-	-
Delinquent Charges	6,469	5,605	12,074
Other	3,329	-	3,329
Total Operating Revenues	<u>113,907</u>	<u>66,878</u>	<u>180,785</u>
Operating Expenses			
Accounting	8,700	8,103	16,803
Bad Debts	1,082	1,082	2,164
Bank Charges	300	110	410
Billing Costs	1,909	1,909	3,818
Chlorine	6,742	-	6,742
Depreciation	39,009	45,741	84,750
Grant Writer	750	750	1,500
Insurance	3,114	3,114	6,228
Licenses & Fees	785	1,200	1,985
Payroll Taxes	1,088	1,088	2,176
Professional Review Engagement	2,500	2,500	5,000
Repairs and Maintenance	32,845	11,501	44,346
Safe Drinking Water Fees	3,660	-	3,660
Salaries and Wages	14,220	14,220	28,440
Sewer Treatment Operations	-	12,350	12,350
Supplies	641	642	1,283
Utilities	11,152	10,356	21,508
Other	371	512	883
Total Operating Expenses	<u>128,868</u>	<u>115,178</u>	<u>244,046</u>
Operating Income (Loss)	<u>(14,961)</u>	<u>(48,300)</u>	<u>(63,261)</u>
Nonoperating Revenues (Expenses)			
Interest Income	-	32	32
Grants	-	-	-
Transfer Out General Fund	(15,000)	(15,000)	(30,000)
Transfer In Sales Tax Fund	-	51,348	51,348
Total Nonoperating Revenues (Expenses)	<u>\$ (15,000)</u>	<u>\$ 36,380</u>	<u>\$ 21,380</u>
Change in Net Position			(41,881)
Total Net Position, Beginning			<u>1,730,583</u>
Total Net Position, Ending			<u><u>\$ 1,688,702</u></u>

See accompanying notes and independent accountant's review report.

Statement I

**Village of Tangipahoa
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2021**

	Enterprise Fund
	<u> </u>
Cash Flow From Operating Activities	
Received From Customers	\$ 176,589
Payments for Operations	(122,806)
Payments to Employees	(30,616)
Net Cash Provided (Used) by Operating Activities	<u>23,167</u>
Cash Flow From Noncapital Financing Activities	
Transfer From (To) Other Funds	21,348
Change in Due (From) To Other Funds	5,950
Change in Due (From) To Other Governments	(3,538)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>23,760</u>
Cash Flows From Capital and Related Financing Activities	
Proceeds from Capital Grants	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>
Cash Flows From Investing Activities	
Receipt of Interest	32
Net Cash Provided (Used) by Investing Activities	<u>32</u>
Net Cash Increase (Decrease) in Cash and Cash Equivalents	46,959
Cash and Cash Equivalents, Beginning of Year	<u>103,144</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 150,103</u></u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:	
Cash and Cash Equivalents, Unrestricted	109,115
Cash and Cash Equivalents, Restricted	40,988
Total Cash and Cash Equivalents	<u><u>\$ 150,103</u></u>

See accompanying notes and independent accountant's review report.

Village of Tangipahoa
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2021

**Reconciliation of Operating Income (Loss) to Net Cash Provided
(Used) by Operating Activities**

Operating Income (Loss)	\$ (63,261)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Depreciation	84,750
(Increase) decrease in Accounts Receivable	(5,236)
Increase (decrease) in Accounts Payable	2,454
Increase (decrease) in Prepaid Expense	3,420
Increase (decrease) in Customer Deposits	1,040
Net Cash Provided (Used) by Operating Activities	\$ 23,167

See accompanying notes and independent accountant's review report.

Basic Financial Statements
Notes to the Financial Statements

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

Introduction

The Village of Tangipahoa, Louisiana was incorporated on July 1, 1959 under the provisions of the Lawrason Act. The Village is located approximately four miles south of Kentwood, Louisiana, on Highway 51 east of Interstate 55. The total population of the Village of Tangipahoa, Louisiana is 748, as reported by the U.S. Census Bureau, Census 2020.

The Village operates under a Mayor/Board of Aldermen form of government, with the Mayor and each of three aldermen elected at large for four-year terms. The Village provides police protection services, services to maintain or develop street, drainage, sanitation, support of recreation activities, general and administrative services, and utilities services for area residents. The Village provides water to 278 customers, garbage service to 233 customers, and sewer utility services to 211 customers. The Village employs three full-time employees and one part-time employee in addition to the Mayor and Board of Aldermen.

The accounting and reporting policies of the Village conform with accounting principles generally accepted in the United States of America 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. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the Louisiana *Governmental Audit Guide* and to industry audit guide, *Audits of State and Local Governmental Units*.

The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements, and Management's Discussion and Analysis-for State and Local Governments, issued in June 1999. Management has elected to not present the Management's Discussion and Analysis.

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

This report includes all funds which are controlled by or dependent on the Village's Mayor and Village's Aldermen. Control by or dependence on the Village was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, fiscal interdependency, imposition of will, and whether a financial benefit/burden relationship existed between the Village and potential component unit. Also, consideration of a component unit was determined based on whether the nature and significance of the organization's relationship with the Village is such that exclusion would cause the Village's financial statements to be misleading or incomplete. The criteria in GASB No. 61 have been considered.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

Governmental Accounting Standards Board (GASB) Statement NO. 61 established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Village of Tangipahoa is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement No. 61, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Since the Village of Tangipahoa has no component units, these financial statements include only information on the primary government.

B. Government-Wide and Fund Financial statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges 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, if any, even though the latter are excluded from the government-wide financial statements.

The focus of governmental and proprietary fund financial statements is on “major” funds. Fund statements present in separate columns the General Fund, followed by major funds, if any, with non-major funds aggregated and displayed in a separate column. GASB 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise fund combined) for determination of major funds. In addition to the funds that meet the major fund criteria, any other governmental or enterprise fund that the government’s officials believe is particularly important so financial statement users may be reported as major fund.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered 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 sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, 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.

The Village reports the following major governmental funds:

The *General Funds* 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 *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. For the fiscal year ending June 30, 2021, the Village elected to report all special revenue funds, including the *Sales Tax Fund* as major governmental funds.

The *Capital Project Fund* accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in other governmental funds.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

The Village reports the following major proprietary funds:

The *Enterprise Funds* account for operations (a) that are financed and operated in a manner similar to private business enterprise 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 be financed or recovered primarily through user fees, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule, if applicable, are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

The business-type activities and the proprietary fund financial statements follow guidance included in GASB Statement No. 62-*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements*.

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.

When restricted, committed, assigned, or unassigned fund balances are available for use, the Village considers amounts to have been spend first out of restricted funds, committed funds, then assigned funds, and finally unassigned funds as needed unless the Village has provided otherwise in commitment or assignment actions.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

D. Deposits and Investments

The Village’s cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Village’s investment policy allows the Village to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool, and mutual funds consisting solely of government-backed securities.

E. Receivables and 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 government funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage
General Corporate Purposes	5.95 mills	5.95 mills
Fire Protection	10.00 mills	10.00 mills

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Restricted Assets

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

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

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 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 \$500 or more for capitalizing capital assets.

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:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	15 - 30 Years
Improvements	20 - 45 Years
Vehicles and Equipment	5 - 15 Years
Infrastructure	20 - 45 Years
Water System	20 - 45 Years
Sewer System	20 - 45 Years

I. Compensated Absences

The Village has the following policy related to vacation and sick leave:

All regular employees of the Village of Tangipahoa earn one day of sick leave each month. Vacation and sick leave must be used in the year earned.

In accordance with GASB-16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

J. Net Position

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

- **Net Investment in Capital Assets Component of Net Position** – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
- **Restricted Component of Net Position** – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- **Unrestricted Component of Net Position** – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

In the fund statements, governmental fund equity is classified as fund balance. The Village adopted GASB 54 for the year ended December 31, 2011. As such, fund balances of governmental funds are classified as follows:

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

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Village, which are either unusual in nature or infrequent in occurrence.

L. Estimates

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

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

M. Reconciliations of Government-Wide and Fund Financial Statements

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

2. Stewardship, Compliance and Accountability

The Village uses the following budget practices:

1. The Village Clerk prepares a proposed budget and submits it to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving the increase in expenditures resulting from revenues exceeding estimated amounts require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the general and enterprise funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for enterprise funds are presented on the accrual basis of accounting. Other governmental funds are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

**Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021**

The Sales Tax Funds expenditures and other financing uses exceed the budgeted amount by \$9,411 or 10.05%.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Sales Tax Fund	\$93,600	\$103,041	\$9,411

3. Levied Taxes

On May 3, 1972, the Village adopted Ordinance 62 authorizing the Village to levy a one cent sales and use tax. The proceeds of this one cent sales and use tax, levied by the Village, are for the purposes of purchasing and or constructing sewers, drains, drainage canals, pumping plants, sewerage disposal works, and all facilities necessary or convenient for the completion and maintenance of an adequate sewerage disposal system. In addition, the proceeds are for the purposes of acquiring necessary property or equipment, or for any one or more of any such purposes, or for any lawful corporate purpose in connection with the acquisition, construction, and or maintenance of such a sewerage system.

On April 10, 1985, the Village adopted Ordinance 1, authorizing the collection of an additional one cent sales tax. Up to fifty percent of the proceeds was restricted for the purpose of establishing the regular collection of garbage, and acquiring necessary equipment for the maintenance of such garbage systems and the remainder of the proceeds is to be used for the purpose of constructing and improving streets and street lights and acquiring necessary equipment for maintenance. This sales tax expired in 2005. Starting in May 2014, since the Village was still collecting this tax, the school board began holding the collected taxes in an escrow account until a new tax was passed. This one percent sales tax for perpetuity was passed during the election November 4, 2014 and can be used for any lawful corporate purpose of the Village of Tangipahoa from and after January 1, 2015. The amount held by the school board was paid to the Village of Tangipahoa during the fiscal year ended June 30, 2021.

On July 21, 2014, the Village adopted a resolution levying an ad valorem tax of 5.95 mills on the assessed valuation of all property subject to taxation within the Village. The millage of 5.95 is for “general corporate purposes”. The Village also collects 10.00 mills for fire protection that is to be transferred to the Tangipahoa Parish Rural Fire #2. The amount paid for fire protection for 2020 was \$8,200.

For the year ending June 30, 2021, the Village assessed Entergy, Inc. public utilities franchise taxes totaling \$8,240 for the privilege of providing services to the Village’s citizens.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

4. Cash and Cash Equivalents

At June 30, 2021, the Village has cash and cash equivalents (book balances) as follows:

	<u>June 30, 2021</u>
Demand Deposits	\$ 114,550
Louisiana Asset Management Pool	41,048
	<u>\$ 155,598</u>

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

Custodial credit risk as it relates to cash deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. At June 30, 2021 the Village has \$115,845 in bank deposits. These demand deposits are secured from risk by \$250,000 of federal deposit insurance.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The Village records its LAMP deposits within cash and cash equivalents.

5. Investments

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Village or its agent in the Village's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Village's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Village's name

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

In accordance with GASB Codification Section I50.165, the investment in LAMP at June 30, 2021, is not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The investment in LAMP is stated at the value of the pool share, which is the same as the fair value, and has been categorized as cash equivalents. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprised of the State Treasurer, representatives from various organizations of local government, the Government Finance Office Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest.

LAMP is subject to the regulator oversight of the state treasurer and board of directors. LAMP is not registered with the SEC as an investment company.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7 like investment pools:

1. Credit risk: LAMP is rated AAA by Standard and Poor's
2. Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment pool is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.

Interest rate risk: 2a7-like investments pools are excluded from this disclosure requirement per paragraph 15 of the GASB 40 statement. However, LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM of LAMP's total investments, as provided by LAMP, is 50 days as of June 30, 2021.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

4. Foreign currency risk: Not applicable to 2a7-like pools.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with SEC as an investment company. LAMP, Inc. issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by calling (800) 249-5267.

In the current year, the Village did not have any assets classified as investments. The Village records its LAMP deposits within cash and cash equivalents.

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

5. Receivables

The Governmental Fund receivables at June 30, 2021 consist of the following:

Government Receivables	General Fund	Sales Tax Fund	Capital Projects Fund (LCDBG)	Total Governmental Funds
Public Utility Franchise	\$ 2,356	\$ -	\$ -	\$ 2,356
Taxes on Insurance Premiums	1,630	-	-	1,630
Intergovernmental:	-	-	-	-
Sales and Use Tax	-	11,587	-	11,587
State of Louisiana, Beer Tax	3,411	-	-	3,411
Total Government Receivables	\$ 7,397	\$ 11,587	\$ -	\$ 18,984

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

The Enterprise Fund accounts receivable at June 30, 2021 consist of the following:

Accounts Receivables	Year Ended June 30, 2021
Current	\$ -
31 - 60 Days	9,614
61 - 90 Days	6,272
Over 90 Days	4,587
120 Day and Over	39,990
Subtotal	60,463
Less Allowance for Bad Debt	(29,641)
Total Accounts Receivables, Net	\$ 30,822

6. Interfund Receivables/Payables

The Village had the following interfund receivables and payables outstanding for the Village's fund financial statements at June 30, 2021.

General Fund	Due From	Due To
Sales Tax Fund	\$ 3,357	\$ -
Enterprise Fund	4,041	-
Special Revenue Fund		
Sales Tax Fund	-	-
General Fund	-	3,357
Enterprise Fund	-	2,939
Enterprise Fund		
General Fund	-	4,041
Sales Tax Fund	2,939	-
Totals	<u>\$ 10,337</u>	<u>\$ 10,337</u>

The interfund receivable from the sales tax fund is due to the transfer of sales tax to the General Fund and Enterprise Fund and is payable within one year. The interfund receivable from the Enterprise Fund is for the reimbursement of salary, benefits and garbage collections and is payable within one year.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

8. Restricted Assets

Restricted assets for the Enterprise Fund at June 30, 2021 is as follows:

	June 30, 2021
Restricted Cash and Cash Equivalents	
Customer Deposits	\$ 40,988
Total Restricted Assets	\$ 40,988

9. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2021 for governmental activities is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities Capital Assets:				
Capital Assets Not Being Depreciated				
Land	\$ 26,443	\$ -	\$ -	\$ 26,443
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	26,443	-	-	26,443
Capital Assets Being Depreciated:				
Buildings and Improvements	23,000	-	-	23,000
Furniture and Fixtures	1,246	-	-	1,246
Vehicles	30,599	-	-	30,599
Equipment	60,723	8,000	-	68,723
Total Capital Assets Being Depreciated	115,568	8,000	-	123,568
Less Accumulated Depreciation for:				
Building and Improvements	(14,391)	(1,001)	-	(15,392)
Furniture and Fixtures	(1,246)	-	-	(1,246)
Vehicles	(17,696)	(5,651)	-	(23,347)
Equipment	(58,579)	(2,710)	-	(61,289)
Total Accumulated Depreciation	(91,912)	(9,362)	-	(101,274)
Total Capital Assets Being Depreciated Net	23,656	(1,362)	-	22,294
Total Governmental Activities Capital Assets, Net of Depreciation	\$ 50,099	\$ (1,362)	\$ -	\$ 48,737

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

Depreciation was charged to governmental functions as follows:

General Government	\$ 1,000
Public Safety	5,830
Public Works	2,532
	\$ 9,362

Capital assets and depreciation activity as of and for the year ended June 30, 2021 for business-type activities is as follows:

	Beginning Balance	Increase	Decreases	Ending Balance
Business - Type Activities Capital Assets:				
Capital Assets Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	-	-	-	-
Capital Assets Being Depreciated:				
Buildings and Improvements	31,414	-	-	31,414
Vehicles and Equipment	89,285	-	-	89,285
Water Utility System	1,648,741	-	-	1,648,741
Sewer Utility System	1,779,190	-	-	1,779,190
Total Capital Assets Being Depreciated	3,548,630	-	-	3,548,630
Less Accumulated Depreciation for:				
Buildings and Improvements	20,127	1,068	-	21,195
Vehicles and Equipment	89,286	-	-	89,286
Water Utility System	646,458	38,475	-	684,933
Sewer Utility System	1,159,951	45,207	-	1,205,158
Total Accumulated Depreciation	1,915,822	84,750	-	2,000,572
Total Capital Assets Being Depreciated, Net	1,632,808	(84,750)	-	1,548,058
Total Business - Type Activities Capital Assets, Net of Depreciation	\$ 1,632,808	\$ (84,750)	\$ -	\$ 1,548,058

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

10. Interfund Transfers

The following is a detailed list of interfund transfers reported in the fund financial statements on June 30, 2021:

Interfund Transfers	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
Sales Tax Fund	\$ 51,348	\$ -
Enterprise Fund	30,000	-
Special Revenue Funds		
Sales Tax Fund		
General Fund	-	51,348
Enterprise Fund	-	51,348
Enterprise Fund		
General Fund	-	30,000
Sales Tax Fund	51,348	-
Total Interfund Transfers	<u><u>\$ 132,696</u></u>	<u><u>\$ 132,696</u></u>

The primary reason for the interfund transfers is expenditures in the General Fund exceed General Fund revenues.

11. Accounts, Salaries, and Other Payables

The Governmental Fund payables at June 30, 2021 are as follows:

Current Payables	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Enterprise Fund</u>	<u>Total</u>
Accounts	\$ 16,383	\$ -	\$ -	\$ 6,108	\$ 22,491
Due to Other Governments	-	-	-	1,637	1,637
Customer Deposits	-	-	-	35,606	35,606
Payroll Taxes	486	-	-	-	486
Other	855	-	-	7	862
Total Current Payables	<u><u>\$ 17,724</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 43,358</u></u>	<u><u>\$ 61,082</u></u>

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

12. Intergovernmental Cooperative Agreement

On December 12, 1984, the Village entered into an agreement with the Tangipahoa Parish Council to allow the Parish Housing Choice Voucher Program to operate within its corporate limits. The U.S. Department of Housing and Urban Development (HUD) allows these programs to operate within communities without such programs. The Village has attempted to find such assistance through federal and state rental subsidy programs, but has been turned down for such assistance because of its small size.

13. Sanitation Contract

The Village has a contract with a company to pick up and dispose of solid waste. Sales tax in the amount of one half of one percent is dedicated to pay for the cost of this contract.

14. Fund Balances/Net Position

At June 30, 2021, the Village reported positive fund balances in all funds.

15. Risk Management

The Village is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Village purchases commercial insurance policies and bonds for any and all claims related to the aforementioned risks. The Village's payment of the insurance policy deductible is the only liability associated with these policies and bonds. There was no significant decrease in insurance coverage from the prior year. There were no settlements that exceeded the insurance coverage for the past three fiscal years.

16. On-behalf Payments

For 2021, the State of Louisiana made on-behalf payments in the form of supplemental pay to the Village's policemen. In accordance with GASB 24, the Village recorded \$6,000 of on-behalf payments as revenue and as an expenditure in the General Fund.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2021

17. Contingent Liabilities

At June 30, 2021, the Village was not involved in any outstanding litigation or claims.

18. Subsequent Events

Subsequent events were evaluated by management through January 20, 2022 the date the financial statements were available for issuance.

In July 2021, the Village was awarded \$315,484.07 under the American Rescue Program. On August 20, 2021, the Village received a payment for one half of the amount equal to \$157,742.04.

Required Supplementary Information (Part II)

Schedule 1

Village of Tangipahoa
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Detail
For the year ended June 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable
			GAAP Basis	(Unfavorable)
Revenues				
Taxes				
Ad Valorem	\$ 15,700	\$ 15,700	\$ 13,973	\$ (1,727)
Franchise Taxes	8,700	8,700	8,240	(460)
Total Taxes	<u>24,400</u>	<u>24,400</u>	<u>22,213</u>	<u>(2,187)</u>
Licenses and Permits				
Licenses and Permits	2,400	4,900	4,284	(616)
Tax on Insurance Premiums	25,200	25,500	29,311	3,811
Total Licenses and Permits	<u>27,600</u>	<u>30,400</u>	<u>33,595</u>	<u>3,195</u>
Intergovernmental				
Supplemental Pay	6,000	6,000	6,000	-
Louisiana Beer Tax Distribution	5,800	5,900	7,277	1,377
Total Intergovernmental	<u>11,800</u>	<u>11,900</u>	<u>13,277</u>	<u>1,377</u>
Miscellaneous Revenues				
Fines and Forfeitures	2,900	2,000	2,405	405
Donations	3,500	700	137	(563)
Miscellaneous Revenues	2,500	1,400	669	(731)
Sanitation	45,800	47,400	48,313	913
Total Miscellaneous Revenues	<u>54,700</u>	<u>51,500</u>	<u>51,524</u>	<u>24</u>
Total Revenues	<u>118,500</u>	<u>118,200</u>	<u>120,609</u>	<u>2,409</u>

Continued

See independent accountant's review report.

Schedule 1

Village of Tangipahoa
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Detail
For the year ended June 30, 2021

Expenditures	Budget Amounts		Actual	Variance
	Original	Final	Amounts GAAP Basis	Favorable (Unfavorable)
General Government				
Salaries	\$ 12,600	\$ 14,900	\$ 13,922	\$ 978
Payroll Taxes	3,900	1,100	1,087	13
Animal Shelter	4,500	4,500	-	4,500
General and Administrative	5,800	4,300	4,315	(15)
Capital Expenditure	-	2,000	-	2,000
Insurance	9,800	10,000	9,071	929
Legal Expenses	5,100	1,800	3,384	(1,584)
Office Expense	3,900	1,000	3,594	(2,594)
Professional Fees	400	3,400	-	3,400
Repairs and Maintenance	500	2,600	2,240	360
Miscellaneous	100	-	-	-
Dues and Subscription	900	700	583	117
Telephone	4,700	6,600	6,512	88
Utilities	1,400	1,300	1,180	120
Total General Government	53,600	54,200	45,888	8,312
Public Safety:				
Police				
Salaries	34,800	34,300	35,060	(760)
Payroll Taxes	2,600	3,100	3,141	(41)
Capital Outlay Equipment	-	1,600	1,296	304
Insurance	8,100	9,500	8,946	554
Vehicle Expenses	4,500	3,200	3,928	(728)
Supplies	200	-	-	-
Supplemental Pay Income	6,000	6,000	6,000	-
Other Operating	600	-	70	(70)
Telephone	4,300	5,700	6,051	(351)
Total Police	61,100	63,400	64,492	(1,092)
Fire				
Other Operating	8,200	8,200	8,200	-
Total Fire	8,200	8,200	8,200	-
Total Public Safety	69,300	71,600	72,692	(1,092)

Continued

See independent accountant's review report.

Village of Tangipahoa
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Detail
For the year ended June 30, 2021

	Budget Amounts		Actual	Variance
	Original	Final	Amounts GAAP Basis	Favorable (Unfavorable)
Public Works				
Salaries	\$ 7,300	\$ 7,300	\$ 7,691	\$ (391)
Payroll Taxes	400	600	566	34
Capital Expenditure	-	8,000	8,000	-
Insurance	700	1,800	1,678	122
Sanitation	41,800	41,800	41,760	40
Repairs and Maintenance	100	100	50	50
Supplies	100	-	173	(173)
Street Lights	15,100	16,400	16,642	(242)
Telephone	900	1,000	1,108	(108)
Vehicle Expense	1,700	2,200	2,128	72
Total Public Works	<u>68,100</u>	<u>79,200</u>	<u>79,796</u>	<u>(596)</u>
Total Expenditures	<u>191,000</u>	<u>205,000</u>	<u>198,376</u>	<u>6,624</u>
Excess Revenues (Expenditures)	<u>(72,500)</u>	<u>(86,800)</u>	<u>(77,767)</u>	<u>9,033</u>
Other Financing Sources (Uses)				
Operating Transfers In Sales Tax Fund	43,200	46,800	51,348	4,548
Operating Transfers In Utility Fund	42,400	40,000	30,000	(10,000)
Total Other Financing Sources (Uses)	<u>85,600</u>	<u>86,800</u>	<u>81,348</u>	<u>(5,452)</u>
Net Changes in Fund Balance	<u>13,100</u>	<u>-</u>	<u>3,581</u>	<u>3,581</u>
Fund Balances, Beginning	<u>9,255</u>	<u>9,255</u>	<u>9,255</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 22,355</u>	<u>\$ 9,255</u>	<u>\$ 12,836</u>	<u>\$ 3,581</u>

Concluded

See independent accountant's review report.

Village of Tangipahoa
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Fund - Sales Tax Fund
For the year ended June 30, 2021

	Budget Amounts		Actual Amounts GAAP Basis	Variance Favorable (Unfavorable)
Revenues				
Sales Taxes	\$ 86,700	\$ 93,600	\$ 103,041	\$ 9,441
Total Revenues	<u>86,700</u>	<u>93,600</u>	<u>103,041</u>	<u>9,441</u>
Expenditures				
General and Administrative	400	300	345	(45)
Total Expenditures	<u>400</u>	<u>300</u>	<u>345</u>	<u>(45)</u>
Excess Revenue (Expenditures)	<u>86,300</u>	<u>93,300</u>	<u>102,696</u>	<u>9,396</u>
Other Financing Sources (Uses)				
Interest Income	-	-	-	-
Operating Transfers (Out)	(86,400)	(93,300)	(102,696)	(9,396)
Total Other Financing Sources (Uses)	<u>(86,400)</u>	<u>(93,300)</u>	<u>(102,696)</u>	<u>(9,396)</u>
Net Change in Fund Balances	(100)	-	-	-
Fund Balances, Beginning	<u>5,457</u>	<u>5,457</u>	<u>5,457</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 5,357</u>	<u>\$ 5,457</u>	<u>\$ 5,457</u>	<u>\$ -</u>

See independent accountant's review report.

Other Supplementary Information

Village of Tangipahoa
Schedule of Revenue, Expenses, and Changes in Net Position
Budget (GAAP Basic) and Actual, Proprietary Fund Type, Water Utility System
For the year ended June 30, 2021

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues			
Water Sales	\$ 104,500	\$ 104,109	\$ (391)
Connection Fees	-	-	-
Delinquent Charges	6,200	6,469	269
Safe Drinking Water	3,300	3,329	29
Total Operating Revenues	<u>114,000</u>	<u>113,907</u>	<u>(93)</u>
Operating Expenses			
Accounting	8,100	8,700	(600)
Bad Debts	500	1,082	(582)
Bank Charges	300	300	-
Billing Costs	1,900	1,909	(9)
Chlorine	6,400	6,742	(342)
Depreciation	39,000	39,009	(9)
Dues and Registration	100	-	100
Grant Writer	3,300	750	2,550
Insurance	3,200	3,114	86
Licenses & Fees	900	785	115
Payroll Taxes	1,100	1,088	12
Professional Review Engagement	3,000	2,500	500
Repairs and Maintenance	42,500	32,845	9,655
Safe Drinking Water Fees	4,300	3,660	640
Salaries and Wages	14,100	14,220	(120)
Supplies	-	641	(641)
Utilities	11,400	11,152	248
Water Testing	1,300	-	1,300
Other	800	371	429
Total Operating Expenses	<u>142,200</u>	<u>128,868</u>	<u>13,332</u>
Operating Income (Loss)	<u>(28,200)</u>	<u>(14,961)</u>	<u>13,239</u>
Nonoperating Revenues (Expenses)			
Grants	-	-	-
Transfer Out General Fund	(20,000)	(15,000)	5,000
Total Nonoperating Revenues (Expenses)	<u>(20,000)</u>	<u>(15,000)</u>	<u>5,000</u>
Change in Net Position	<u>\$ (48,200)</u>	<u>\$ (29,961)</u>	<u>\$ 18,239</u>

See independent accountant's review report.

Schedule 4

Village of Tangipahoa
Schedule of Revenue, Expenses, and Changes in Net Position
Budget (GAAP Basic) and Actual, Proprietary Fund Type, Sewer Utility System
For the year ended June 30, 2021

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues			
Sewer Charges	\$ 61,600	\$ 61,273	\$ (327)
Sewer Penalties	6,200	5,605	(595)
Other	-	-	-
Total Operating Revenues	<u>67,800</u>	<u>66,878</u>	<u>(922)</u>
Operating Expenses			
Accounting	8,700	8,103	597
Bad Debts	500	1,082	(582)
Bank Charges	100	110	(10)
Billing Costs	1,900	1,909	(9)
Depreciation	45,800	45,741	59
Grant Writer	3,300	750	2,550
Insurance	3,200	3,114	86
Lab Tests	1,200	1,200	-
Payroll Taxes	1,100	1,088	12
Professional Review Engagement	3,000	2,500	500
Repairs and Maintenance	10,000	11,501	(1,501)
Salaries and Wages	14,100	14,220	(120)
Sewer Treatment Operations	11,400	12,350	(950)
Supplies	100	642	(542)
Utilities	10,200	10,356	(156)
Other	200	512	(312)
Total Operating Expenses	<u>114,800</u>	<u>115,178</u>	<u>(378)</u>
Operating Income (Loss)	<u>(47,000)</u>	<u>(48,300)</u>	<u>(1,300)</u>
Nonoperating Revenues (Expenses)			
Interest Income	400	32	(368)
Transfer In Sales Tax Fund	46,650	51,348	4,698
Transfer Out General Fund	(20,000)	(15,000)	5,000
Total Nonoperating Revenues (Expenses)	<u>27,050</u>	<u>36,380</u>	<u>9,330</u>
Change in Net Position	<u>\$ (19,950)</u>	<u>\$ (11,920)</u>	<u>\$ 8,030</u>

See independent accountant's review report.

Schedule 5

**Village of Tangipahoa
Utility Rate Schedule
Proprietary Fund Type
For the year ended June 30, 2021**

Water		
\$ 30.75	-	Flat Monthly Fee

Sewer		
\$ 23.75	-	Flat Monthly Fee

Garbage		
\$ 16.50	-	Flat Monthly Fee

**Schedule of Number of Customers
Proprietary Fund Type
For the year ended June 30, 2021**

Water	278
Sewer	211
Garbage	233

See independent accountant's review report.

Schedule 6

Village of Tangipahoa
Schedule of Compensation Paid to Mayor and Council Members
For the year ended June 30, 2021

<u>Name and Title/Contact Number</u>	<u>Address</u>	<u>Term Expires</u>	<u>Compensation Received</u>
Shelia Martin, Mayor (985) 229-2820	P.O. Box 5 Tangipahoa, LA 70465	12/31/2024	\$ 1,750
Trashica Robinson, Former Mayor (985) 507-8130	70218 Soule Street Tangipahoa, LA 70465	12/31/2020	1,500
Margarett Morris, Alderwoman (985) 614-0450	P.O. Box 331 Tangipahoa, LA 70465	12/31/2024	600
Shanita McKnight, Alderwoman (985) 614-9605	P.O. Box 515 Tangipahoa, LA 70465	12/31/2024	600
Willis Smith, Alderman (985) 520-7602	P.O. Box 252 Tangipahoa, LA 70465	12/31/2024	600
Shelia Martin, Alderwoman (985) 229-2820	P.O. Box 5 Tangipahoa, LA 70465	12/31/2020	600
Ricky Coleman, Alderman (985) 351-7409	13046 Claiborne Street Tangipahoa, LA 70465	12/31/2020	600
Debrah Scott-Cyprian, Alderwoman (985) 327-9118	70196 N. Rainey Tangipahoa, LA 70465	12/31/2020	600
			<u>\$ 6,850</u>

See independent accountant's review report.

Schedule 7

Village of Tangipahoa
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the year ended June 30, 2021

Agency Head Name: Sheila Martin, Mayor

Purpose	Amount
Salary/Compensation	\$ 1,750
Travel-Mileage	-
Registration Fees	-
Total	<u>\$ 1,750</u>

Agency Head Name: Trashica Robinson, Former Mayor

Purpose	Amount
Salary/Compensation	\$ 1,500
Travel-Mileage	-
Registration Fees	-
Total	<u>\$ 1,500</u>

See independent accountant's review report.

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 6/30/2021
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	-	201
Add: Collections		
Criminal Fines - Other	201	2,205
Subtotal Collections	201	2,205
Less: Disbursements To Governments & Nonprofits: <i>(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.)</i>		
Less: Amounts Retained by Collecting Agency		
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Subtotal Disbursements/Retainage	-	-
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	201	2,406
Ending Balance of "Partial Payments" Collected but not Disbursed <i>(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</i>	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected <i>(i.e. receivable balance)</i>	-	-
Total Waivers During the Fiscal Period <i>(i.e. non-cash reduction of receivable balances, such as time served or community service)</i>	-	-

See independent accountant's review report.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Minda B. Raybourn

Certified Public Accountant

Limited Liability Company

820 11th Avenue

Franklinton, Louisiana 70438

(985)839-4413

Fax (985)839-4402

Member
AICPA

Member
LCPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Shelia Martin, Mayor
And Members of the Board of Aldermen
Village of Tangipahoa, Louisiana

I 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 Tangipahoa, 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 period 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. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representations regarding the sufficiency of the procedures described below neither for the purpose for which this report has been requested nor for any other purpose.

Public Bid Law

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

The Village had no expenditures that were over the public bid threshold.

Code of Ethics for Public Officials and Public Employees

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

Management provided me with the required list of board members.

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

Management provided me with a list of all employees paid during the fiscal year.

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

In previous years' reports, one of the members of the board and the chief of police are married. The chief of police was elected on November 6, 2012. The alderwoman who is his wife qualified in August 2012 and was automatically elected as there was no opposition. She officially became an alderwoman on January 2013.

In 2020, the alderwoman was elected Mayor and the chief of police was reelected.

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.

I did not get a complete list of outside business interests. I scanned cash disbursements journals for any related-party transactions. There were none that came to my attention.

Budgeting

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

Original and amended budgets were provided to me.

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 amended budget for 2020 and original budget for 2021 were adopted on July 9, 2020 and were reflected in the minutes. The June 16, 2021 minutes reflect the adoption of the amended 2021 and original 2022 proposed budgets.

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

The Village's actual revenues and actual expenditures were within the 5% requirement with the exception of the special revenue fund. The special revenue fund expenditures were over budget by 10.09%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and: (a) report whether the six disbursements agree to the amount and payee in the supporting documentation, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

There were no exceptions to the procedures in number 9.

Meetings

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

Agendas and minutes were provided for all months except July 2020 – December 2020. The village asserted the agendas are posted on the door of Village Hall.

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.

No deposits were noted which appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

There appear to be no payments that 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 2020 report was submitted timely with a COVID extension.

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).

There were no exceptions to this procedure.

Prior-Year Comments

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

Resolved

Utility Accounts Receivable

Utility Customer Deposits

Fuel Purchases and Allegations of Fuel Theft

Lack of Documentation on Credit Cards

Allegations of Illegal Water Tie-ins

Allegations of Employee Working on Residents Homes on Village Time

Allegations of Receiving Utility Bills Late

Adoption of Budget

Allegation of Improper Meeting (Open Meetings Law)

Unresolved

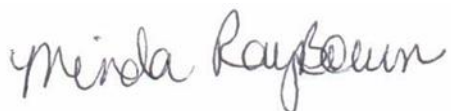
Contributions to Social Security and Municipal Police Employee's Retirement System

Other Current Year Findings

Current year findings are included in the accompanying schedule on page 55.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures; other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Village of Tangipahoa, the Legislative Auditor, the State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Minda B. Raybourn
Certified Public Accountant
Franklinton, LA
January 20, 2022

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2021**

Noncompliance Findings

Finding 2021-1 Noncompliance with Local Government Budget Act

Criteria:

Per the Local Government Budget Act, actual revenues cannot be under budget by 5% or more. Actual expenditures cannot exceed budgeted amounts by 5% or more.

Condition:

The sales tax fund or special revenue fund expenditures are over budget by 10.09%.

Cause:

The Village's sales tax fund expenditures were over budget by \$9,441 or 10.09%.

Effect:

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

Recommendation:

The Village needs to ensure it is in compliance with budget requirements by reviewing actual and budget comparisons each month.

Management Response:

We will follow the recommendation.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2021**

Finding 2021-2 Agendas and Minutes of Board Meetings

Criteria:

Per Louisiana R.S. 42:11 through 42:28: Meetings of public bodies are required to have notice of the meeting at least 24 hours before the meeting via placement of a copy of the notice at the place of the meeting or at the body's official office. Public bodies are required to keep written minutes of all of their open meetings.

Condition:

Agendas and minutes were not provided for July 2020 through December 2020. Agendas and minutes were provided for January 2021 through December 2021.

Cause:

The Village did not provide the requested agendas and meeting minutes.

Effect:

The Village may have not complied with the Open Meetings Laws.

Recommendation:

Immediately, the Village needs to become familiar with the requirements of the Open Meetings Laws. In particular, the Village needs to become familiar with the requirements of agendas, minutes, and the required posting and advertising.

Management Response:

We will follow the recommendation.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2021**

Finding 2021-3 Mayor's Court Costs

Criteria:

Mandatory costs that must be paid by all Mayor's courts in all cases include fees for the following:

1. Law Enforcement Officer Training
2. Trial Court Management Information System
3. Judicial College
4. Crime Stoppers Organizations

Mandatory costs that must be paid by all Mayor's courts in all cases, except traffic cases, include fees for the following:

1. Crime Victims Reparations Fund

Mandatory costs that must be paid by all Mayor's courts in cases involving traffic violations include fees for the following:

1. Traumatic Head and Spinal Cord Injuries Services
2. Disability Affairs Trust Fund
3. Fees concerning a defendant who failed to appear at a Traffic Citation Summons
4. Fees concerning license renewal or reissuance
5. Traffic Violations/Fees to cover submitting abstract or conviction of Office of Motor Vehicles

Mandatory costs that are to be assessed by only some or specific Mayor's courts to all types of cases include fees for the following:

1. Witness Fees
2. Florida Parishes Juvenile Justice Commission

Condition:

The Village has not submitted court costs to various agencies as required by law during the fiscal year of June 30, 2021.

Cause:

Due to the numerous changes in the position of Village clerk, the court costs were not paid.

Effect:

The Village did not comply with the regulations regarding the payment and reporting of Mayor's court costs.

Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2021

Recommendation:

Immediately, management needs to calculate the mandatory costs from through to date that is owed for each agency. Management should utilize a records management system to track the required costs that are to be paid to each agency.

Management Response:

We will follow the recommendation.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Internal Control over Reporting

2020-1 Utility Accounts Receivable (Repeat Finding)

Criteria:

Strong internal controls over utility billing accounts receivable will ensure the delinquency of utility accounts are kept to a minimum.

Condition:

In 2020, the Village wrote off delinquent accounts in the amount of \$50,566. This is 31% of revenues.

In 2019, the Village wrote off delinquent accounts in the amount of \$27,903. This is approximately 19% of the total utility revenues. In 2018, the Village wrote off \$16,604 or 11% of utility revenues. In 2017, the Village wrote off \$25,057 or 15% of utility revenues.

Cause:

The Village lack enforcement of timely collection of utility accounts. This is a repeat finding (2017-2, 2018-2 and 2019-1).

Effect:

Lack of timely collection of utility accounts impacts the cash flows and stability of the Village's utility system in a negative way. The utilities are to be maintained and operated in a way to earn a surplus at the end of the fiscal year for the Village. Failure to enforce good collection practices will result in the Village losing money every year.

Recommendation:

I recommend the Village review it policies and procedures and develop practices to ensure timely collection of utility accounts. This includes cut off of services of delinquent accounts. The Village needs to enforce cut off practices to ensure that delinquent accounts can be managed. I also recommend the Village review a listing of aged accounts receivable and determine what accounts are uncollectible.

Management Response:

The Mayor concurs with the recommendation.

Status:

Resolved.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Internal Control over Reporting

2020-2 Utility Customer Deposits (Repeat Finding)

Criteria:

Strong internal controls over the processing of utility customer deposits are essential to help ensure written policies and procedures are followed, to ensure that customer deposit listing in the utility billing system is accurate, that customer deposit payments are processed correctly, and refunds of customer deposits are processed accurately and correctly.

Condition:

The Village discontinued the sale of gas in October 2014. While some of the customer deposits for the gas customers have been refunded to the appropriate customers, not all have been refunded. As of June 30, 2015, the Village had \$6,609 in gas customer deposits recorded. Of this amount, \$2,875 has been refunded. As of June 30, 2016, \$3,734 of the gas deposits have not been refunded.

During the year June 30, 2017, only \$195 in gas deposits have been refunded. This leaves a balance of \$3,538 in utility deposits for gas customers that still need to be refunded. In 2019 and 2020, there were no gas customer deposits refunded as the balance in the liability account is still \$3,538.

In addition, there appears to be no progress in reconciling the customer deposits per the general ledger to the utility billing system deposit listing.

Cause:

Gas customers were not refunded the deposits after the gas services were discontinued. In addition, there was no reconciliation of the customer deposits. This is a repeat finding (2016-3, 2017-3, 2018-3, and 2019-2) that has yet to be resolved.

Effect:

Failure to maintain adequate records of customer deposits on the utility billing system creates an environment in which customer deposits are not being refunded correctly, payments and refunds are not being processed adequately in the utility billing system, and reconciliations are not performed on the customer deposit listing and accounting records.

Recommendation:

I recommend the deposit listing in the utility billing system be reviewed for active and inactive customers. Inactive customers who are still on the deposit register should be researched to see if their deposit has actually been remitted back to the customer. If so, they should be cleared from

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

the deposit registers. Inactive customers who are still due a refund should have their refund of the deposit processed as soon as possible. I recommend the Village implement procedures to reconcile the customer deposit listing from the utility system to the accounting records each month. Immediately, the gas customers should have their deposits refunded to them.

Management Response:

The Mayor concurs with the recommendation.

Status:

Resolved.

Internal Control over Fuel Purchases

2020-3 Fuel Purchases and Allegations of Fuel Theft (Repeat Finding)

Criteria:

Strong internal controls over fuel card purchases are essential to the purchase and usage is reasonable, authorized, and that only municipality-owned vehicles and equipment are receiving fuel. Management should review the fuel card statement each month for dates, odometer readings, gallons purchased, and location of purchase to ensure that the purchases are valid and reasonable. The total number of gallons purchases, the total number of miles traveled, and the miles per gallon should be calculated each month to determine if the purchases are reasonable.

Condition:

I received an allegation regarding misuse of the Village's fuel card. The card is assigned to a 2017 Ford Explorer that the police department uses. A review of the monthly fuel statements from July 2017 through June 2018 showed purchases nearly every week at an average cost of \$28 to \$36. The purchases occur between 2 and 4 times a week.

A review of the monthly fuel statements showed that the average fuel cost per month for this card was \$324 and that the average miles per gallon was between 11 and 13. The fuel economy on this particular vehicle is 19 miles to the gallon in the city and 29 miles to the gallon on the highway (source: www.fueleconomy.gov). The total land area of the Village is 1 square mile. Considering the small size of the Village and the number of times the vehicle is fueled, the fuel costs appear to be excessive.

The Village uses a fuel card for all fuel purchases of police and maintenance vehicles. Upon inspection of some the statements provided, some of the odometer meetings were missing. There was no approval from anyone in management for payment and no proof of

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

review was provided. Management is not calculating the miles per gallon each month on all purchases and vehicles to determine if purchases are reasonable.

In addition, further analysis was done on the ticket revenues and vehicle expense for the police department for the last 3 years as shown below. While fuel expense increased between 2017 and 2018, the revenues from fines and forfeitures have not changed.

	2018	2017	2016
Fines and Forfeitures	3,619	2,310	5,491
Vehicle Expense	5,145	3,461	3,046

This is a prior year finding (2017-4, 2018-4, and 2019-3) that has not been resolved.

Cause:

The Village has no procedures in place to monitor fuel purchases.

Effect:

Failure to monitor fuel purchases could result in unauthorized purchases of fuel. Failure to monitor fuel purchases on the fuel card could result in large purchases going undetected. Purchases of fuel that are not related to the public purpose of the Village may be a violation of state law.

Recommendation:

The Village should put in place procedures to review all fuel purchases before payment, review of completeness be ensuring odometer readings (beginning and ending) are on the statement, and obtaining explanation for any unusual purchases. The Village should put in place procedures to calculate the total number of gallons purchases, the number of miles traveled, and the miles per gallon on each vehicle each month.

The Village also needs to do a further review of all travel that is occurring on the vehicles. Mileage logs could be implemented to account for the miles traveled on the vehicle.

Management’s Response:

The Mayor concurs with the recommendation.

Status:

Resolved.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Internal Controls over Disbursements

Finding 2020-4 Lack of Documentation on Credit Cards (Repeat Finding)

Criteria:

Adequately designed and operating internal controls over financial reporting provides adequate documentation to support transactions and to allow for proper review and approval of transactions including disbursements.

Condition:

I tested the credit card statements for supporting receipts and invoices. Not all of the statements had supporting receipts and invoices to support the credit card charges. This is a repeating finding (2017-6, 2018-6 and 2019-4)

Cause:

The Village did not have invoices or receipts attached to the credit card statement.

Effect:

Without adequate documentation to support disbursements, there is no proof the expenditure was properly initiated, approved for payment, and reviewed for adequacy. There is no proof that the disbursements were paid to the appropriate vendors. Lack of adequate documentation demonstrates the Village's lack of internal controls over disbursements. Lack of proper documentation exposes the Village to possible fraud and misappropriation of assets.

Recommendation:

The Village should put in place internal controls to ensure that proper documentation is provided to support charges on the credit card statement. Internal controls need to be put in place to ensure that management reviews and approves the charges and the statement.

Management's Response:

The Mayor concurs with the recommendation.

Status:

Resolved.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Internal Controls over Utilities

Finding 2020-5 Allegations of Illegal Water Tie-ins (Repeat Finding)

Criteria:

Strong controls over the use of the utility resources are needed to ensure that the Village's utilities are being managed responsibly and effectively.

Condition:

I received four separate allegations that there are some people that have multiple locations tied into one water line. This is a repeating finding (2018-7 and 2019-5) that has not been resolved.

Effect:

The Village will incur loss of revenues and cash flows if multiple locations are illegally tied into one water line. If more than property is tied into one water line, theft of Village resources may have occurred and this may be a violation of state law.

Cause:

The Village failed to effectively manage the utility system.

Recommendation:

I recommend the Village consult with an outside contractor to evaluate the entire water system for illegal tie-ins to the Village's water system. I recommend these sites be inspected by an independent contractor. The illegal tie-ins to the water and sewer system should be immediately shut down.

Management's Response:

The Mayor concurs with the recommendation.

Status:

Resolved.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Finding 2020-6 Allegations of Employee Working on Residents Homes On Village Time (Repeat Finding)

Criteria:

Employees should not be doing private work on resident's homes on Village time. This is a violation of federal and state law.

Condition:

received allegations that Village staff has done repair work on resident's homes while on Village time. The allegation stated that the employee installed sheetrock one morning while working for the Village. Pictures of the homes where work was done were provided. I asked for time sheets or work orders for the last six months of the fiscal year. However, I was provided pay stubs. The employee is paid a salary every two weeks. This is a repeating finding (2019-6) that has not been resolved.

Effect:

Without internal controls over payroll expenditures, fraud and misappropriation of Village assets will occur.

Cause:

The Village lacks documentation to support the work the employee is performing.

Recommendation:

The Village needs to put in place a system of documentation to support the work the public works staff are performing. This includes work orders completed and time sheets documenting the time at the Village.

Management's Response:

The Mayor concurs with the recommendation.

Status:

Resolved.

Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020

Finding 2020-7 Allegations of Receiving Utility Bills Late from the Village (Repeat Finding)

Criteria:

Utility billing processes must include the timely remittal of bills to customers. If this is not performed, inadequate cash flows and inaccurate data in billing systems will be the result. Strong internal controls include processes for the monthly processing of the bills on time.

Condition:

I received allegations that the Village utility bills are mailed two or three months late. Inquiries with the Mayor last year had revealed the Village had switched billing systems. Data conversion from the old to the new did was not seamless. There were accounts with multiple names with the same address, missing data, and issues with balances. In addition, the Village went through several municipal clerks in the past year. As a result, the utility billing was delayed several times.

For the fiscal year ended June 30, 2019 and 2020, it appears the Village is sending utility bills to customers monthly. However, policies and procedures have not been implemented for monthly billing and reporting (2018-10 and 2019-7).

Effect:

If customer bills are mailed late, there will be cash flow issues. In addition, without strong internal controls over billing (including policies and procedures), fraud and misappropriation of Village assets will occur.

Cause:

The Village's conversion to the new utility system was not effective.

Recommendation:

The Village needs to put in place policies and procedures for monthly billing of all services. Monthly reporting from the system needs to be submitted to the accountant each month for balancing.

Management's Response:

The Mayor concurs with the recommendation

.

Status:

Resolved.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Finding 2020-10 Contributions to Social Security and Municipal Police Employees' Retirement System (MPERS)

Criteria:

Under R.S. 11:2214(A)(1) any person who becomes an employee as defined in R.S. 11:2213 on and after September 9, 1977 “shall become a member as a condition of his employment, provided he is under 50 years of age at the date of employment.”

For employers who mandate Social Security participation, a person falling within the definition of “employee” is mandated to be enrolled in MPERS by the municipality unless the municipality on or before January 1, 1978, enacted an ordinance exempting the municipality from the provisions. Under R.S. 11:157 (C)(1), any member who elects not to become a member of MPERS shall, before such an election can become valid, execute and file with MPERS an affidavit stating that his election not to be a member is of his own free will and is his own voluntary act and deed. Until then, the employer and employee owe contributions to MPERS.

In addition, persons employed as fulltime police officers by a municipality which is mandatorily covered by social security and has not excluded its police officers from such coverage are not mandated to become members. Again, membership is at the sole option of the employee and an affidavit opting out of MPERS will be required.

Condition:

MPERS sent a letter dated October 18, 2019 stating they have not received any affidavits from the Village where the police employees are opting out. This prior year finding (2019-10) has not been resolved.

Cause:

Unknown.

Effect:

It is possible the Village may owe contributions to MPERS if the affidavits were not filed. This would financially devastate the Village. The Village has a going concern disclosure on the review report.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Recommendation:

I suggest that the Village discuss with the employees the option to enroll or opt out of MPERS. If the employee elects to opt out of MPERS, the employee will need to complete the affidavit per R.S. 11:157I(1).

I also strongly suggest that the Village research its ordinances regarding participation in MPERS to see if one exists.

Management's Response:

The Mayor concurs with the recommendation.

Status:

Unresolved.

Finding 2020-11 Adoption of Budget

Criteria:

Per La. R.S. 39:1307, political subdivisions that propose to spend less than \$500,000 from the general fund and special revenue funds in a fiscal year do not have to advertise nor provide for the public hearing on the proposed budget. However, all other public participation rules apply, including adoption of the budget and any amendments

Per La. R.S 42:20, all public bodies are required to keep written minutes of all of their open meetings. All votes made by members of a public body shall be orally and shall be recorded in the minutes.

Condition:

The original budget for 2020, amended budget for 2020, and original budget for 2021 were not noted in the Village minutes as being adopted.

Cause:

Unknown.

**Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020**

Effect:

Noncompliance with state law.

Recommendation:

The Village mayor and board need to become familiar with the open meeting laws and the Local Government Budget Act.

Management Response:

We will implement the recommendation.

Status:

Resolved.

Finding 2020-12 Allegation of Improper Meeting (Open Meeting Law)

Criteria:

On September 29, 2020 I received an allegation the board of aldermen attempted to have a special meeting to discuss the allocation of legal funds to reimburse council members for out-of-pocket legal expenses in appealing personal fines assessed and the allocation of addition funds to the legal expense in the budget.

In addition, it was alleged that the meeting was not advertised in accordance with the Open Meetings Laws. Per R.S. 42:19, all public bodies shall give written notice of the meeting no later than 24 hours before any regular, special, or re-scheduled meeting. The 24-hour notice before each meeting must be 1) place at the place of the meeting, or 2) at the official office of the body, or 3) published in the official journal of the public body.

Condition:

No evidence was presented to me to that the meeting was advertised as required. In addition, no public funds can be allocated to pay personal fines assessed against an elected official. This includes legal fees and court costs.

I was invited to the attend the meeting. There was a handwritten notice on the Village Hall door. The notice mentioned the subject as "Audit". The meeting was not held due to the board not being able to get in to the Village Hall. The doors were locked.

Cause:

The effect of an ongoing lawsuit against the board of aldermen and recurring findings from previous financial review reports.

Village of Tangipahoa
Schedule of Current Year Findings and Responses
For the Year Ended June 30, 2020

Effect:

Possible violations of Open Meetings Laws (R.S. 42:11-42:29) and possible violations with the Local Government Budget Act (R.S 39:1301-1315).

Recommendation:

The board and mayor need to become familiar with the Open Meetings Laws.

Management Response:

We agree with the recommendation.

Status:

Resolved.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)
September 14, 2021 (Date Transmitted)

Minda Raybourn, CPA LLC
820 11th Ave
Franklinton, LA 70438

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2021 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 public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [X] 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 [X] 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 [X] 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 [X] 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 [X] No [] N/A []

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

Yes [X] No [] N/A []

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

Yes [X] 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 [X] 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 are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

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 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 have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No N/A

We have provided 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 that may occur up to the date of your report.

Yes No N/A

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

Shelea Martin Mayor 9/14/2021 Date