

# **VILLAGE OF ELIZABETH, LOUISIANA**

ANNUAL FINANCIAL REPORT  
AND INDEPENDENT AUDITOR'S REPORTS

YEAR ENDED JUNE 30, 2025

***Royce T. Scimemi, CPA, APAC***  
Oberlin, LA

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# ROYCE T. SCIMEMI, CPA, APAC



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## INDEPENDENT AUDITOR'S REPORT

December 31, 2025

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business activities, and all major funds of the Village of Elizabeth, Louisiana (the "Village"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business activities, and all major funds of the Village as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Report on Summarized Comparative Information

We have previously audited the Village's financial statements as of and for the year ended June 30, 2024, and we expressed an unmodified audit opinion on those financial statements in our report dated November 14, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### Responsibility of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 32 through 33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the

**Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana  
Independent Auditor's Report  
December 31, 2025  
Page 3.**

basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management of the Village has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this omitted information.

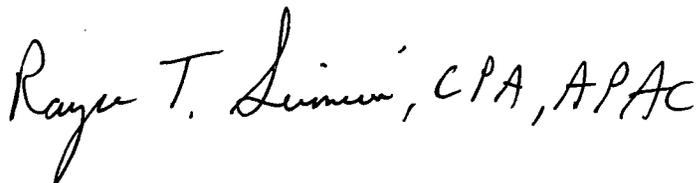
**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The schedule of operating expenses by department for the proprietary fund, the schedule of compensation paid to mayor and council members, the schedule of compensation, benefits and other payments to chief executive officer, the justice system funding schedule for a collecting/dispersing entity as required by Act 87 of the 2020 Louisiana regular legislative session, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented as supplementary information (SI) on pages 36 through 39 and page 49 for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the SI is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Royce T. Scimemi, CPA, APAC  
Oberlin, Louisiana  
December 31, 2025



## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Net Position  
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash	\$ 54,726	\$ 294,230	\$ 348,956
Accounts receivable	15,073	157,578	172,651
Due from other governments	--	113,889	113,889
Investments	--	168,593	168,593
Restricted cash	--	68,334	68,334
Restricted Investments	--	88,427	88,427
Total current assets	69,799	891,051	960,850
Noncurrent assets:			
Land	122,745	33,275	156,020
Construction in progress	--	1,688,464	1,688,464
Capital assets, net	1,343,609	1,566,109	2,909,718
Total noncurrent assets	1,466,354	3,287,848	4,754,202
<b>Total Assets</b>	<b>1,536,153</b>	<b>4,178,899</b>	<b>5,715,052</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Aggregated deferred outflows	--	--	--
<b>Total Deferred Outflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	15,336	162,468	177,804
Accrued interest payable	--	966	966
Payroll taxes payable	1,393	--	1,393
Sales taxes payable	146	2,661	2,807
Retainage payable	--	58,839	58,839
Revenue bonds payable	--	28,140	28,140
Total current liabilities	16,875	253,074	269,949
Noncurrent liabilities:			
Security deposit payable	5,000	--	5,000
Customer deposits payable	--	53,793	53,793
Revenue bonds payable	--	249,855	249,855
Total noncurrent liabilities	5,000	303,648	308,648
<b>Total Liabilities</b>	<b>21,875</b>	<b>556,722</b>	<b>578,597</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Aggregated deferred inflows	--	--	--
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	1,466,354	2,950,048	4,416,402
Restricted - Note J	--	102,968	102,968
Unrestricted	47,924	569,161	617,085
<b>Total Net Position</b>	<b>\$ 1,514,278</b>	<b>\$ 3,622,177</b>	<b>\$ 5,136,455</b>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Activities  
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Primary Government</b>							
<b>Governmental Activities:</b>							
General government	\$ 485,887	\$ 35,481	\$ --	\$ --	\$ (450,406)	\$ --	\$ (450,406)
Public safety	123,535	14,460	63,200	--	(45,875)	--	(45,875)
Public works	117,134	--	124,047	--	6,913	--	6,913
<b>Total Governmental Activities</b>	<b>726,556</b>	<b>49,941</b>	<b>187,247</b>	<b>--</b>	<b>(489,368)</b>	<b>--</b>	<b>(489,368)</b>
<b>Business-Type Activities:</b>							
Utility Fund:							
Gas department	1,386,633	1,691,795	--	--	--	305,162	305,162
Water department	224,873	207,647	--	197,876	--	180,650	180,650
Sewer department	95,430	63,672	--	1,166,858	--	1,135,100	1,135,100
Electricity department	--	30,000	--	--	--	30,000	30,000
Interest and fiscal charges - gas	13,249	--	--	--	--	(13,249)	(13,249)
<b>Total Business-Type Activities</b>	<b>1,720,185</b>	<b>1,993,114</b>	<b>--</b>	<b>1,364,734</b>	<b>--</b>	<b>1,637,663</b>	<b>1,637,663</b>
<b>Total Primary Government</b>	<b>\$ 2,446,741</b>	<b>\$ 2,043,055</b>	<b>\$ 187,247</b>	<b>\$ 1,364,734</b>	<b>(489,368)</b>	<b>1,637,663</b>	<b>1,148,295</b>
<b>General Revenues and Transfers:</b>							
<b>Revenues</b>							
<b>Taxes:</b>							
- Property					11,969	--	11,969
- Franchise					31,293	--	31,293
- Sales					83,734	--	83,734
- Beer					1,044	--	1,044
Intergovernmental - state					7,410	--	7,410
Miscellaneous					53,665	--	53,665
Interest income					10	15,463	15,473
Rent					131,736	--	131,736
<b>Transfers</b>					217,295	(217,295)	--
<b>Total General Revenues and Transfers</b>					<b>538,156</b>	<b>(201,832)</b>	<b>336,324</b>
<b>Change in Net Position</b>					<b>48,788</b>	<b>1,435,831</b>	<b>1,484,619</b>
<i>Net Position at Beginning of Period</i>					<i>1,465,490</i>	<i>2,186,346</i>	<i>3,651,836</i>
<b>Net Position at End of Period</b>					<b>\$ 1,514,278</b>	<b>\$ 3,622,177</b>	<b>\$ 5,136,455</b>

See accompanying notes.

FUND FINANCIAL STATEMENTS (FFS)

## MAJOR FUND DESCRIPTIONS

### General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

### Proprietary Fund

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

VILLAGE OF ELIZABETH, LOUISIANA

Balance Sheet  
Governmental Fund  
June 30, 2025

	June 30, 2025	June 30, 2024
<b>ASSETS</b>		
Cash	\$ 54,726	\$ 22,712
Accounts receivable	15,073	39,310
Due from other governments	--	9,000
<b>Total Assets</b>	<b>69,799</b>	<b>71,022</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Aggregated deferred outflows	--	--
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 69,799</b>	<b>\$ 71,022</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 15,336	\$ 21,185
Payroll taxes payable	1,393	2,369
Sales taxes payable	146	427
Security deposit payable	5,000	5,000
<b>Total Liabilities</b>	<b>21,875</b>	<b>28,981</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Aggregated deferred inflows	--	--
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>21,875</b>	<b>28,981</b>
<b>FUND BALANCE</b>		
Unassigned	47,924	42,041
<b>Total Fund Balance</b>	<b>47,924</b>	<b>42,041</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 69,799</b>	<b>\$ 71,022</b>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position  
June 30, 2025

Total Fund Balance - Governmental Fund	\$	47,924
Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance.		1,466,354
<b>Total Net Position - Governmental Activities</b>	<b>\$</b>	<b><u>1,514,278</u></b>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Governmental Fund  
 For the Year Ended June 30, 2025

	<u>General Fund</u>
<b>Revenues</b>	
Taxes:	
- Property	\$ 11,969
- Franchise	31,293
- Sales	83,734
- Beer	1,044
Fines and forfeitures	14,460
Interest income	10
Intergovernmental	194,657
Licenses and permits	35,481
Miscellaneous	53,665
Rental income	131,736
<b>Total Revenues</b>	<u>558,049</u>
<b>Expenditures</b>	
Current:	
General government	430,380
Public safety	105,062
Public works	98,872
Capital outlay	135,147
<b>Total Expenditures</b>	<u>769,461</u>
<b>Excess (Deficit) of Revenues Over (Under) Expenditures</b>	(211,412)
<b>Other Financing Sources (Uses)</b>	
Operating transfers	217,295
<b>Net Other Financing Sources (Uses)</b>	<u>217,295</u>
<b>Net Change in Fund Balance</b>	<b>5,883</b>
<b>Fund Balance at Beginning of Period</b>	<u>42,041</u>
<b>Fund Balance at End of Period</b>	<u><u>\$ 47,924</u></u>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and  
Changes in Fund Balance to Statement of Activities  
For the Year Ended June 30, 2025

Total Net Change in Fund Balance - Governmental Fund	\$	5,883
Fixed assets expensed as capital outlay in governmental fund statements, capitalized as fixed assets in Statement of Net Position.		135,147
Depreciation expense reflected in entity-wide statements, not reflected in governmental fund statements.		(92,242)
<b>Changes in Net Position - Governmental Activities</b>	<b>\$</b>	<b><u>48,788</u></b>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Net Position  
Proprietary Fund  
June 30, 2025

	<u>Business-Type Activities - Enterprise Fund</u>	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>
<b>ASSETS</b>		
<i>Current Assets:</i>		
Cash	\$ 294,230	\$ 77,128
Accounts receivable	157,578	144,373
Due from other governments	113,889	--
Investments	168,593	246,078
Restricted cash	68,334	62,777
Restricted Investments	88,427	232,196
<b>Total Current Assets</b>	<b>891,051</b>	<b>762,552</b>
<i>Noncurrent Assets</i>		
Land	33,275	33,275
Construction in progress	1,688,464	270,640
Capital assets, net	1,566,109	1,648,479
<b>Total Noncurrent Assets</b>	<b>3,287,848</b>	<b>1,952,394</b>
<b>Total Assets</b>	<b>4,178,899</b>	<b>2,714,946</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Aggregated deferred outflows	--	--
<b>Total Deferred Outflows of Resources</b>	<b>--</b>	<b>--</b>
<b>LIABILITIES</b>		
<i>Current Liabilities</i>		
Accounts payable	162,468	166,034
Accrued interest payable	966	1,060
Sales taxes payable	2,661	2,403
Retainage payable	58,839	--
Revenue bonds payable	28,140	26,960
<b>Total Current Liabilities</b>	<b>253,074</b>	<b>196,457</b>
<i>Noncurrent Liabilities</i>		
Customer deposits payable	53,793	54,148
Revenue bonds payable	249,855	277,995
<b>Total Noncurrent Liabilities</b>	<b>303,648</b>	<b>332,143</b>
<b>Total Liabilities</b>	<b>556,722</b>	<b>528,600</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Aggregated deferred inflows	--	--
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>
<b>NET POSITION</b>		
<i>Invested in capital assets, net of related debt</i>	2,950,048	1,646,379
<i>Restricted - Note J</i>	102,968	240,825
<i>Unrestricted</i>	569,161	299,142
<b>Total Net Position</b>	<b>\$ 3,622,177</b>	<b>\$ 2,186,346</b>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Fund

For the Year Ended June 30, 2025

	<u>Business-Type Activities - Enterprise Fund</u>
	<u>Utility Fund</u>
<b>Operating Revenues</b>	
Gas department revenues	1,691,795
Water department revenues	207,647
Sewer department revenues	63,672
Electricity department revenues	30,000
<b>Total Operating Revenues</b>	<u>1,993,114</u>
<b>Operating Expenses</b>	
Gas department expenses	1,386,633
Water department expenses	224,873
Sewer department expenses	95,430
<b>Total Operating Expenses</b>	<u>1,706,936</u>
<b>Operating Income (Loss)</b>	286,178
<b>Non-Operating Revenues (Expenses)</b>	
Interest income	15,463
Interest and fiscal charges - gas	(13,249)
<b>Net Non-Operating Revenues (Expenses)</b>	<u>2,214</u>
<b>Income Before Operating Transfers and Capital Grants</b>	288,392
Operating transfers	(217,295)
Capital grant - water	197,876
Capital grants - sewer	1,166,858
<b>Change In Net Position</b>	<u>1,435,831</u>
<i>Net Position at Beginning of Period</i>	<u>2,186,346</u>
<b>Net Position at End of Period</b>	<u><u>\$ 3,622,177</u></u>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Cash Flows  
 Proprietary Fund  
 For the Year Ended June 30, 2025

	<u>Business-Type Activities</u>
	<u>Utility Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 1,979,554
Payments to suppliers	(1,313,156)
Payments to employees	<u>(224,944)</u>
Net cash from operating activities	441,454
CASH FLOWS FROM INVESTING ACTIVITIES:	
Net proceeds (purchase) of investments	221,254
Interest earnings	<u>15,463</u>
Net cash used by noncapital financing activities	236,717
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from capital grants	1,250,845
Interest paid on gas revenue bonds	(13,343)
Principal paid on gas revenue bonds	(26,960)
Purchase of fixed assets	<u>(1,448,759)</u>
Net cash from capital activities	(238,217)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Operating transfers	<u>(217,295)</u>
Net cash from non-capital financing activities	<u>(217,295)</u>
NET INCREASE (DECREASE) IN CASH	222,659
CASH – BEGINNING	<u>139,905</u>
CASH – ENDING	<u>\$ 362,564</u>
Reconciliation of operating income (loss) to net cash from operating activities:	
Operating income (loss)	\$ 286,178
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation	113,305
(Increase) decrease in receivables	(13,205)
Increase (decrease) in payables	55,531
Increase (decrease) in customer deposits	<u>(355)</u>
Net cash from operating activities	<u>\$ 441,454</u>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Elizabeth, Louisiana (Village) was created under the provisions of the Lawrason Act. The purpose of the Village is to provide services to its citizens, which include gas, electric, sewer and water utilities, police and fire protection and other services. The Village is governed by the Mayor and a board of three elected council members who are compensated. The Village is in Allen Parish, Louisiana and its population is approximately 532. There are approximately 19 employees working for the Village.

The accompanying financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

1. Reporting Entity

As the municipal governing authority for reporting purposes, the Village is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Village for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality to impose its will on that organization, and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As required by GAAP, these financial statements present the financial data of the Village of Elizabeth, Louisiana (the primary government) which has no component units under the above criteria.

2. Basis of Presentation

The accompanying basic financial statements of the Village have been prepared in conformity with GAAP. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. 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, except that management has omitted the otherwise required Management's Discussion and Analysis statement.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Village as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

# VILLAGE OF ELIZABETH, LOUISIANA

## Notes to the Basic Financial Statements For the Year Ended June 30, 2025

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Village's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Village, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

### Fund Financial Statements

The Village uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Village functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Village are classified into two categories: governmental and proprietary. The emphasis of fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village or if the total assets, liabilities, revenues, or expenditures of the individual governmental or proprietary fund are at least 10 percent of the corresponding total for all governmental and proprietary funds of that category or type, or total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

The Village reports the following major funds:

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

The Proprietary Fund is an enterprise fund that is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; 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. The enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All other revenues and expenses are reported as non-operating revenues and expenses. The Village's Proprietary Fund is the utility fund which accounts for gas, water, sewer and electricity services.

### 3. Measurement Focus/Basis of Accounting

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

#### Measurement Focus

On the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the "economic resources" measurement focus as defined in item b. below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.
- b. All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities

# VILLAGE OF ELIZABETH, LOUISIANA

## Notes to the Basic Financial Statements For the Year Ended June 30, 2025

(whether current or non-current) associated with their activities are reported. Proprietary fund equity is classified as net position.

### Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements utilize the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when the payments become due.

The Proprietary Fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. The Village applies all applicable FASB pronouncements in accounting and reporting for its Proprietary Fund.

### Allocation of Indirect Expenses

The Village reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense is specifically identified by function and is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is separately reported on the statement of activities.

### 4. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General and Proprietary Funds. All annual appropriations lapse at fiscal year-end.

Prior to the beginning of each fiscal year, the Mayor submits a budget to the Village Council. The budget is prepared by fund, function, and activity, based on information from the past year, current year estimates and requested appropriations for the next fiscal year.

*The Village Council holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated and the revenue estimates can only be changed by an affirmative vote of a majority of the government's council. Expenditures may not legally exceed budgeted appropriations at the activity level.*

The original General Fund budget and one amendment during the year are reflected in the budget comparisons.

### 5. Deposits

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits as well as those investments with a maturity date of 90 days or less.

Louisiana Revised Statute 33:2955 authorizes the Village to invest in obligations of the U.S. Treasury, U.S. government agencies, or time certificates of deposit of banks domiciled or having a branch office in Louisiana or any other federally insured investment. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana. LAMP generates a local government investment pool.

As of June 30, 2025, the Village had deposits (book balances) totaling \$417,290. These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that, in the event of bank failure, the Village's deposits may not be returned. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit

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### Notes to the Basic Financial Statements For the Year Ended June 30, 2025

insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2025, the Village has \$416,360 in deposits (collected bank balances). These deposits are all secured from risk by federal deposit insurance and pledged collateral held by the custodial bank in the name of the fiscal agent bank.

#### 6. Investments

Local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. LAMP is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term high-quality investments. LAMP is not registered with the SEC as an investment company. LAMP's annual financial statements can be obtained from the Louisiana Legislative Auditor's website.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar-weighted-average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. 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 value of the pool shares.

The LAMP investments totaled \$257,020 on June 30, 2025. In accordance with GASB Codification Section 150.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds (LAMP is a 2a7-like investment pool) and therefore not evidenced by securities that exist in physical or book entry form. Also, pooled investments are excluded from the concentration of credit risk 5 percent disclosure requirement and foreign currency risk is not applicable to 2a7-like pools. LAMP is rated AAAM by Standard & Poors. The Village does not have credit or interest rate risk policies for investments.

#### 7. Interfund Receivables/Payables

During operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet.

#### 8. Accounts Receivable

Uncollectible amounts due for receivables, other than ad valorem taxes, are recognized as bad debts at the time information becomes available which would indicate that the receivable is not collectible.

There appears to be concentration of credit risk about general accounts receivable and more specifically accounts receivable for utility user fees in the Proprietary Fund. The Village's ability to collect the amounts due from the users of the Village utility systems and others (as reflected on the financial statements) may be affected by significant economic fluctuations, natural disaster, or other calamity in this one concentrated geographic location.

#### 9. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In the government-wide statement of net position capital assets are capitalized at historical cost or at 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 \$1,000 or more for capitalization of asset purchases.

# VILLAGE OF ELIZABETH, LOUISIANA

## Notes to the Basic Financial Statements For the Year Ended June 30, 2025

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is expensed over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by asset type is as follows:

Buildings and improvements	40 years
Equipment and furniture	3-20 years
Utility systems	20-50 years
Vehicles	5 years
Infrastructure	20-50 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in Proprietary Fund operations are accounted for the same as in the government-wide statements.

### 10. Statement of Cash Flows

For the statement of cash flows, for the Proprietary Fund, the Village considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. The statement reflects ending cash and cash equivalents of \$362,564 which represents unrestricted and restricted amounts of \$294,230 and \$68,334, respectively.

### 11. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is usually reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are usually reported as long-term liabilities. No expenditure or liability is reported for these amounts as they are not material. Vested or accumulated vacation leave of the Proprietary Fund is recorded as an expense and liability of that fund as the benefits accrue to employees. In accordance with the provisions of Statement of Financial Accounting Standards No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits for police personnel that is estimated will be taken as "terminal leave" prior to retirement.

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

Vacation is earned at a rate of one day per calendar month of employment not to exceed ten days per calendar year. Vacation is cumulative up to five days. Eight hours of sick leave is earned each month worked not to exceed eighty hours per year. Upon termination, the employee is entitled to any unused vacation leave accrued during the previous calendar year. Sick leave is not payable upon termination.

On June 30, 2025, employees of the Village have accumulated \$12,712 in leave privileges, computed in accordance with GASB Statement No. 16. This amount was deemed immaterial and no provision for compensated absences has been recorded.

### 12. Long-Term Debt

The accounting treatment of long-term debt depends on whether the underlying financed assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debts to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists of gas revenue bonds.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

## VILLAGE OF ELIZABETH, LOUISIANA

### Notes to the Basic Financial Statements For the Year Ended June 30, 2025

#### 13. Equity Classification

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Consists of all other net position that has not been classified within the above components.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Village's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

In the fund statements, governmental fund equity is classified as fund balance and is further classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Mayor and Council, who are the highest level of decision-making authority for the Village. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Mayor and Council.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Council's adopted policy, only Council members may assign amounts for specific purposes.
- e. Unassigned – includes positive fund balance within the General Fund which has not been classified with the above-mentioned categories.

In governmental funds, when appropriate, the Village's policy is to first apply the expenditures toward restricted fund balance and then to other, less-restrictive classifications (committed and then assigned fund balances) before using unassigned fund balances.

#### 14. Interfund Transactions

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

All other interfund transactions are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

#### 15. Sales Taxes

Proceeds of a one percent (1%) sales and use tax levied by the Village are dedicated to and used for constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal works, waterworks facilities,

VILLAGE OF ELIZABETH, LOUISIANA

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

streets, alleys, bridges, drains and drainage facilities; public buildings, purchasing and acquiring the necessary land, equipment and furnishings for the aforesaid public works, buildings or improvements and facilities; or for any one or more of said purposes; and for the purpose of paying principal and interest on any bonded or funded indebtedness of the Village incurred for any of said purposes; and such tax to be subject to funding into bonds by the Village, maturing not more than 25 years from the date of the first levy of said tax.

Proceeds of the three-tenths of one percent (0.3%) sales and use tax levied by the Village are dedicated to and used for the upkeep, maintenance, and improvement of the Elizabeth fire department.

16. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

17. Revenues, Expenditures, and Expenses

Program Revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Village's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Village's general revenues.

Revenues

Ad valorem taxes are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent after December 31. The taxes are generally collected in December, January, and February of the fiscal year. Sales taxes are considered as "measurable" when in the hands of the tax collector and are recognized as revenue at that time. Interest on interest-bearing deposits is recorded and accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures/expenses

The Village's primary expenditures include gas purchases, salaries, materials and supplies, and insurance, which are recorded when the liabilities are incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfers are authorized by the Village.

18. Environmental Remediation Costs

The Village accrues for losses associated with environmental remediation obligations when such losses are probable and reasonably estimable. Accruals for estimated losses from environmental remediation obligations generally are recognized no later than completion of the remedial feasibility study. Such accruals are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted to their present value.

19. Subsequent Events

Management has evaluated subsequent events through December 31, 2025, the date the financial statements were issued.

VILLAGE OF ELIZABETH, LOUISIANA

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

NOTE B - PROPERTY TAXES

For the year ended June 30, 2025, taxes of 6.59 mills were levied on property with assessed valuations totaling \$1,751,770 and were dedicated as follows:

General corporate purposes                      6.59 mills with no expiration

Total taxes levied were \$11,544.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien.

NOTE C - RECEIVABLES

Receivables on June 30, 2025, consisted of the following:

General Fund:			
Sales tax receivable		\$	4,406
Franchise tax receivable			7,924
Intergovernmental			2,470
Beer tax receivable			<u>273</u>
Total governmental-type accounts receivable			15,073
Utility System Enterprise Fund:			
Accounts receivable - customers			<u>157,578</u>
Total business-type accounts receivable			<u>157,578</u>
Total accounts receivable		\$	<u>172,651</u>

Note D – CAPITAL ASSETS

	Balance 06/30/24	Additions	Deletions	Balance 06/30/25
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 122,745	\$ -	\$ -	\$ 122,745
Other capital assets:				
Vehicles	196,340	-	-	196,340
Buildings	1,058,761	30,743	-	1,089,504
Infrastructure	598,821	28,700	-	627,521
Equipment	<u>484,990</u>	<u>75,704</u>	<u>4,495</u>	<u>556,199</u>
Total capital assets	2,461,657	135,147	4,495	2,592,309
Less accumulated depreciation:				
Vehicles	164,020	7,902	-	171,922
Buildings	441,401	36,890	-	478,291
Infrastructure	72,854	11,976	-	84,830
Equipment	<u>359,933</u>	<u>35,474</u>	<u>4,495</u>	<u>390,912</u>
Total accumulated depreciation	<u>1,038,208</u>	<u>92,242</u>	<u>4,495</u>	<u>1,125,955</u>
Governmental Activities, Capital assets, net	<u>\$ 1,423,449</u>	<u>\$ 42,905</u>	<u>\$ -</u>	<u>\$ 1,466,354</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 33,275	\$ -	\$ -	\$ 33,275
Construction in progress	270,640	1,417,824	-	1,688,464
Other capital assets:				
Gas system	2,031,397	26,936	-	2,058,333
Water system	1,474,889	3,999	-	1,478,888
Electricity system	196,900	-	-	196,900
Sewer system	<u>641,357</u>	<u>-</u>	<u>-</u>	<u>641,357</u>
Total capital assets	4,648,458	1,448,759	-	6,097,217

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Less accumulated depreciation:				
Gas system	951,523	78,115	-	1,029,638
Water system	963,816	15,680	-	979,496
Electricity system	196,900	-	-	196,900
Sewer system	583,825	19,510	-	603,335
Total accumulated depreciation	<u>2,696,064</u>	<u>113,305</u>	<u>-</u>	<u>2,809,369</u>
Business-Type Activities, Capital assets, net	<u>\$ 1,952,394</u>	<u>\$ 1,335,454</u>	<u>\$ -</u>	<u>\$ 3,287,848</u>

Depreciation expense for the year ended June 30, 2025 was \$92,242 and \$113,305 for the governmental activities and the business-type activities, respectively. Construction in progress was ongoing in three different projects in the business-type activities. The water well improvement project construction in progress additions for this fiscal year include contractor payments of \$177,901 and engineering fees of \$11,050. The wastewater treatment plant improvement project construction in progress additions for this fiscal year included contractor payments of \$1,073,710, engineering fees of \$51,015, and grant writer compensation of \$11,000. The wastewater improvement project construction in progress additions for this fiscal year included \$93,148 in contractor payments.

Depreciation expense was charged to governmental activities as follows:

General government	\$ 54,203
Public safety	18,473
Public works	19,566
Total depreciation expense	<u>\$ 92,242</u>

Depreciation expense was charged to business-type activities as follows:

Gas	\$ 78,115
Water	15,680
Sewer	19,510
Total depreciation expense	<u>\$ 113,305</u>

NOTE E - LONG-TERM DEBT

The following is a summary of revenue bonds and other long-term debts owed by the Village for the year ended June 30, 2025:

	June 30, 2024	Additions	Deletions	June 30, 2025
USDA gas revenue bonds	\$ 304,955	\$ -	\$ (26,960)	\$ 277,995
	<u>\$ 304,955</u>	<u>\$ -</u>	<u>\$ (26,960)</u>	<u>\$ 277,995</u>

Gas Revenue Bonds Payable-Proprietary:

\$655,000 USDA gas revenue bonds dated July 21, 2006, bearing interest at a rate of 4.375% per annum, maturing over a period beginning July 2012 through July 2033 in annual installments of \$40,302, and secured by and payable from income and revenues derived by the gas system after paying reasonable and necessary expenses of operation.

	<u>277,995</u>
Total	<u>\$ 277,995</u>

The annual requirements to amortize all debt outstanding as of June 30, 2025, including interest payments of \$59,640 are as follows:

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Year Ending June 30,	Enterprise Activities		
	Principal Payments	Interest Payments	Totals
2026	\$ 28,140	\$ 12,162	\$ 40,302
2027	29,371	10,931	40,302
2028	30,656	9,646	40,302
2029	31,997	8,305	40,302
2030	33,397	6,905	40,302
2030-2033	124,434	11,691	136,125
Totals	<u>\$ 277,995</u>	<u>\$ 59,640</u>	<u>\$ 337,635</u>

In accordance with La. R.S. 39:562, the Village is legally restricted from incurring long-term bonded debt (payable solely from ad valorem taxes) in excess of 35% of the assessed value of taxable property in the Village. On June 30, 2025 the statutory limit is \$613,119.

NOTE F – RESTRICTED ASSETS

Restricted assets on June 30, 2025, consisted of the following:

	Restricted Cash and Investments
Grant account	\$ 1,778
Customers' deposit accounts	59,371
Gas replacement accounts	75,282
Debt service sinking account	<u>20,330</u>
Total restricted assets - proprietary fund	<u>\$ 156,761</u>

	Actual	Required	Over (Under)
Requirements consisted of the following on June 30, 2025:			
Grant account	\$ 1,778	\$ 1,778	-
Gas revenue bond debt service sinking account	20,330	-	\$ 20,330
Gas revenue bond debt service reserve account	37,641	37,280	361
Gas revenue bond debt service depreciation and contingency account	37,641	37,280	361
Customer deposits – gas, water, and sewer	<u>59,371</u>	<u>53,793</u>	<u>5,578</u>
Total restricted assets - proprietary fund	<u>\$ 156,761</u>	<u>\$ 130,131</u>	<u>\$ 26,630</u>

NOTE G - DEFERRED COMPENSATION PLAN

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees who have been employed by the Village for 12 consecutive months, permits them to defer a portion of their salaries until future years. The Village will match one hundred percent (100%) of the employee's contribution to a maximum of three percent (3%) of the employee's salary. The deferred compensation is not available to employees until termination, retirement, or unforeseeable emergency. Deferred compensation is available to employees' beneficiaries in case of death. The amount of deferred compensation reported as expense during the reporting period was \$9,198. The balance due to the plan for both employer and employee contributions at the end of the reporting period was \$-0-.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Village (without being restricted to the provisions of benefits under the

VILLAGE OF ELIZABETH, LOUISIANA

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

plan), subject only to the claims of the Village's general creditors. Participants' rights under the plan are equal to those of general creditors of the Village in an amount equal to the fair market value of the deferred account for each participant.

In management's opinion, the Village has no liability for losses under the plan. However, the Village does have the duty of due care that would be required of an ordinary prudent investor. The Village believes it is unlikely that it will use the plan assets to satisfy the claims of general creditors in the future.

NOTE H - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE I - CONTINGENCIES

The Village participates in a few federal and state grant programs that are either partially or fully funded by grants received from other governmental units. Such grants are subject to audit by the grantor agencies which could result in requests for reimbursement to the granting agency for expenditures that are disallowed under the terms of the grant. Based on experience, the Village believes that any disallowed costs because of such audits would be immaterial.

NOTE J – RESTRICTED NET POSITION

Restricted net position consists of cash and investments in the reserve account, depreciation and contingency accounts, and debt service account which are all set aside in accordance with bond restrictions. It also consists of grant proceeds that have yet to be spent.

NOTE K - ON-BEHALF PAYMENTS FOR SALARIES

The State of Louisiana pays a portion of the Village's police salaries. These on-behalf payments have been recorded in the accompanying financial statements in accordance with GASB Statement 24 as intergovernmental revenues and expenditures as follows:

Intergovernmental Revenues:	
State-Police	\$ 7,200
Expenditures:	
Salaries-Police	\$ 7,200

NOTE L – OPERATING TRANSFERS

The Village's proprietary fund transferred a net amount of \$217,295 to the General Fund during the year. These operating transfers are required to support the general fund operations.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual  
General Fund  
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable) Final to Actual
<b>Revenues</b>				
Taxes:				
- Property	\$ 12,700	\$ 11,964	\$ 11,969	\$ 5
- Franchise	37,000	50,253	31,293	(18,960)
- Sales	83,300	90,651	83,734	(6,917)
- Beer	1,100	1,111	1,044	(67)
Total taxes	<u>134,100</u>	<u>153,979</u>	<u>128,040</u>	<u>(25,939)</u>
Intergovernmental:				
- Federal	-	164,047	124,047	(40,000)
- State of Louisiana	13,400	12,140	70,610	58,470
- Local	3,800	3,847	-	(3,847)
Total intergovernmental	<u>17,200</u>	<u>180,034</u>	<u>194,657</u>	<u>14,623</u>
Licenses and permits	7,600	13,205	35,481	22,276
Fines and forfeitures	16,500	13,965	14,460	495
Miscellaneous	51,500	58,295	53,665	(4,630)
Rental income	107,000	137,670	131,736	(5,934)
Interest income	-	-	10	10
<b>Total Revenues</b>	<u>333,900</u>	<u>557,148</u>	<u>558,049</u>	<u>901</u>
<b>Expenditures</b>				
General government:				
Current:				
Advertising	4,000	2,996	5,008	(2,012)
Contract labor	30,000	87,258	39,498	47,760
Dues and subscriptions	5,000	9,988	7,502	2,486
Insurance	76,000	41,100	40,244	856
Materials and supplies	30,000	88,529	74,037	14,492
Miscellaneous	1,100	708	2,524	(1,816)
Office supplies	4,000	4,148	4,726	(578)
Payroll taxes	20,200	22,188	11,515	10,673
Professional fees	12,400	7,534	12,111	(4,577)
Repairs and maintenance	8,900	17,304	15,711	1,593
Retirement	1,100	1,150	1,882	(732)
Salaries	129,350	144,649	138,322	6,327
Travel	1,500	1,944	2,115	(171)
Uniforms	300	-	-	-
Utilities	70,600	72,849	75,185	(2,336)
Subtotal	<u>394,450</u>	<u>502,345</u>	<u>430,380</u>	<u>71,965</u>
Capital outlays	5,000	45,982	109,349	(63,367)
<b>Total General Government</b>	<u>399,450</u>	<u>548,327</u>	<u>539,729</u>	<u>8,598</u>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual  
General Fund  
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable) Final to Actual
Public safety:				
Current:				
Advertising	\$ 200	\$ 377	\$ 445	\$ (68)
Contract labor	9,500	13,374	11,405	1,969
Dues and subscriptions	6,600	7,592	6,233	1,359
Insurance	24,000	24,726	10,668	14,058
Materials and supplies	6,100	6,299	7,628	(1,329)
Miscellaneous	500	650	2,240	(1,590)
Office supplies	--	--	446	(446)
Payroll taxes	1,800	2,617	2,621	(4)
Professional fees	3,000	3,951	5,497	(1,546)
Repairs and maintenance	11,300	30,938	7,457	23,481
Retirement	--	--	--	--
Salaries	32,200	34,212	34,255	(43)
Travel	500	404	575	(171)
Uniforms	600	1,076	1,035	41
Utilities	14,100	15,779	14,557	1,222
Subtotal	110,400	141,995	105,062	36,933
Capital outlays	--	--	25,798	(25,798)
<b>Total Public Safety</b>	110,400	141,995	130,860	11,135
Public works:				
Current:				
Insurance	--	--	9,448	(9,448)
Payroll taxes	--	--	6,262	(6,262)
Retirement	--	--	1,304	(1,304)
Salaries	94,000	85,454	81,858	3,596
<b>Total Public Works</b>	94,000	85,454	98,872	(13,418)
<b>Total Expenditures</b>	<b>\$ 603,850</b>	<b>\$ 775,776</b>	<b>\$ 769,461</b>	<b>\$ 6,315</b>

See accompanying notes.

**VILLAGE OF ELIZABETH, LOUISIANA**

**Notes to Required Supplementary Information  
for the Year Ended June 30, 2024**

(1) Budget and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Village Clerk prepares a proposed budget and presents it to the Mayor and Council prior to ninety days before the beginning of each fiscal year.
2. After the proposed budget is presented to the Mayor and Council, the Mayor publishes the proposed budget and notifies the public that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held by the Mayor and Council on the proposed budget at least ten days after publication of the call for the hearing.
4. Any changes in the proposed annual operating budget require a majority vote of the Mayor and Council.
5. No later than the last regular meeting of the fiscal year, the Mayor and Council adopt the annual operating budget for the ensuing fiscal year.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budget appropriations lapse at year-end.

(2) Excess of Expenditures Over Appropriations

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the Village. Budgeted amounts included in the accompanying financial statements include the original adopted and final budget amounts. The budget was amended once during the year.

(3) Pension Information

The schedule of the Village's proportionate share of the net pension liability and the schedule of the Village's pension contributions show information for 10 years.

**SUPPLEMENTARY INFORMATION**

VILLAGE OF ELIZABETH, LOUISIANA

Schedule of Operating Expenses by Department  
 Proprietary Fund  
 For the Year Ended June 30, 2025

Gas Department:	
Advertising	\$ 743
Contract Labor	9,466
Depreciation	78,115
Gas purchases	1,091,976
Insurance	26,253
Materials and supplies	30,516
Miscellaneous	9,657
Payroll taxes	8,313
Professional fees	9,467
Repairs and maintenance	4,392
Retirement	3,978
Salaries	108,662
Travel	1,039
Utilities and telephone	<u>4,056</u>
Total Gas Department	1,386,633
Water Department:	
Advertising	993
Contract Labor	34,384
Depreciation	15,680
Insurance	17,457
Materials and supplies	52,355
Miscellaneous	4,979
Payroll taxes	5,327
Professional fees	8,154
Repairs and maintenance	2,110
Retirement	1,652
Salaries	69,636
Utilities and telephone	<u>12,146</u>
Total Water Department	224,873
Sewer Department:	
Advertising	683
Contract Labor	13,166
Depreciation	19,510
Insurance	6,846
Materials and supplies	8,472
Miscellaneous	3,379
Payroll taxes	1,918
Professional fees	4,911
Repairs and maintenance	2,446
Retirement	382
Salaries	25,076
Utilities and telephone	<u>8,641</u>
Total Sewer Department	<u>95,430</u>
Total Operating Expenses	<u>\$1,706,936</u>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Schedule of Compensation Paid to Mayor and Council Members  
For The Year Ended June 30, 2025

Mandy Green, Mayor	\$ 31,200
Kenneth Kelly	2,100
Mea Dillehay	2,100
Stacy Weldon	<u>2,100</u>

Total Compensation Paid to Mayor and Council Members \$ 37,500

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Schedule of Compensation, Benefits and Other Payments to  
Chief Executive Officer  
For The Year Ended June 30, 2025

Chief Executive Officer: Mandy Green, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$31,200
Benefits-insurance	-0-
Benefits-retirement	936
Benefits-cell phone	784
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	140
Travel	1,136
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
As Required by Act 87 of the 2020 Regular Legislative Session  
For the Year Ended June 30, 2025

	First Six Month Period Ended 12/31/2024	Second Six Month Period Ended 06/30/2025
<b>Beginning Balance of Amounts Collected but Not Disbursed (PY Payable)</b>	\$ 1,523	\$ 1,163
<b>Add: Collections</b>		
Criminal Court Costs/Fees	1,050	750
Criminal Fines - Contempt	-	-
Criminal Fines - Other	7,250	4,310
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Other	60	168
	<hr/>	<hr/>
<b>Subtotal Collections</b>	<b>8,360</b>	<b>5,228</b>
<b>Less: Disbursements To Governments &amp; Nonprofits:</b>		
Court Management Information System - Criminal Court Costs/Fees	35	25
Traumatic Head and Spinal Cord Injury Trust Fund - Criminal Court Costs/Fees	145	65
Louisiana Judicial College - Criminal Court Costs/Fees	88	63
Crime Stoppers - Criminal Court Costs/Fees	70	50
POST Law Enforcement Training & Assistance Fund - Criminal Court Costs/Fees	70	50
<b>Less: Amounts Retained by Collecting Agency</b>		
Village of Elizabeth - Criminal Court Costs/Fees	900	900
Village of Elizabeth - Criminal Fines	7,353	4,685
Village of Elizabeth - Service/Collection Fees	60	168
<b>Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies</b>		
Other Disbursements to Individuals	-	-
Payments to 3rd Party Collection/Processing Agencies	-	-
	<hr/>	<hr/>
<b>Subtotal Disbursements/Retainage</b>	<b>8,721</b>	<b>6,006</b>
<b>Total: Ending Balance of Amounts Collected But Not Disbursed/Retained</b>	<b>\$ 1,163</b>	<b>\$ 385</b>
<b>Other Information:</b>		
Ending Balance of Total Amounts Assessed But Not Yet Collected	<u>\$ 278</u>	<u>\$ 1,196</u>

See accompanying notes.

# ROYCE T. SCIMEMI, CPA, APAC



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### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT

December 31, 2025

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Village of Elizabeth, Louisiana, on the schedule of net position and schedule of revenues, expenses and changes in net position for the 2022 LCDBG sewer system improvements as of and for the year ended June 30, 2025. The Village of Elizabeth, Louisiana is responsible for the presentation of the schedule of net position and schedule of revenues, expenditures, and changes in net position for the 2022 LCDBG sewer system improvements as of and for the year ended June 30, 2025 in accordance with accounting standards generally accepted in the United States of America. The sufficiency of these procedures is solely the responsibility of the responsibility of the Village of Elizabeth, Louisiana. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

1. Trace balances per the schedule of net position and schedule of revenues, expenditures, and changes in net position for the 2022 LCDBG sewer system improvements as of and for the year ended June 30, 2025 to the underlying records used in the audit of the financial statements of the Village of Elizabeth, Louisiana as of and for the year ended June 30, 2025.

*No exceptions were noted.*

2. Verify the mathematical accuracy of the schedule of net position and schedule of revenues, expenditures, and changes in net position for the 2022 LCDBG sewer system improvements as of and for the year ended June 30, 2025.

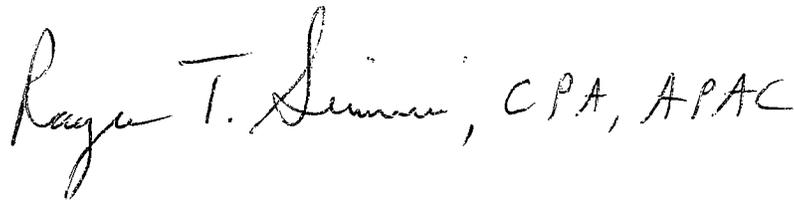
*No exceptions were noted.*

This agreed-upon procedures engagement was conducted in accordance with attestation standards contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of those parties specified in the report.

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana  
December 31, 2025  
Page 2

We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion on the schedule of net position and schedule of revenues, expenditures and changes in net position for the 2022 LCDBG sewer system improvements as of and for the year ended June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Village of Elizabeth, Louisiana and is not intended to be and should not be used for any other purpose.

A handwritten signature in black ink that reads "Royce T. Scimemi, CPA, APAC". The signature is written in a cursive style with a large initial 'R'.

Royce T. Scimemi, CPA, APAC

VILLAGE OF ELIZABETH, LOUISIANA

Schedule of Net Position  
2022 LCDBG Sewer System Improvements  
June 30, 2025

<b>Assets</b>	
Cash	\$ -
Due from other fund	-
Due from other governments-LCDBG	-
Total Assets	<u>-</u>
<b>Liabilities</b>	
Accounts payable	-
Due to other fund	-
Total Liabilities	<u>-</u>
<b>Net Position</b>	<u>\$ -</u>

See accompanying notes.

VILLAGE OF ELIZABETH, LOUISIANA

Schedule of Revenues, Expenditures, and Changes in Net Position  
2022 LCDBG Sewer System Improvements  
For the Year Ended June 30, 2025

<b>Revenues</b>	
LCDBG program revenues	\$1,073,710
Intergovernmental revenues	-
Local revenues	-
Total Revenue	<u>1,073,710</u>
<b>Expenditures</b>	
Administration	-
Acquisition	-
Engineering	-
Construction	1,073,710
For profit business assistance	-
Rehabilitation activities	-
Clearance/demolition	-
Planning	-
Total Expenditures	<u>1,073,710</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-
<b>Other Financing Sources (Uses)</b>	
Operating transfers	-
Total Other Financing Sources (Uses)	<u>-</u>
<b>Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	-
<b>Net Position</b>	
Beginning of year	-
End of year	<u>\$ -</u>

See accompanying notes.

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### INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

December 31, 2025

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and all major funds of the Village of Elizabeth, Louisiana, (the "Village") as of and for the year ended June 30, 2025 and the related notes to the basic financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated December 31, 2025.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or to detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify one deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-1 I/C that we consider to be a significant deficiency.

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana  
December 31, 2025  
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

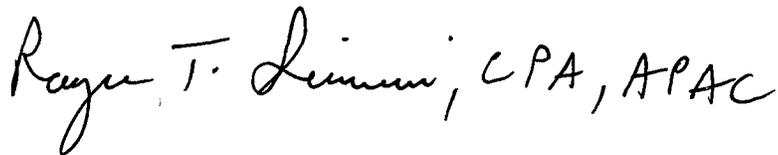
Village of Elizabeth, Louisiana's Response to Findings

*Government Auditing Standards* require the auditor to perform limited procedures to the Village's response to the findings in our audit and described in the accompanying schedule of findings and questioned costs. The Village's response to the findings identified in our audit is described in the accompanying management's corrective action plan for the current year audit findings and questioned costs. The Village's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.

Royce T. Scimemi, CPA, APAC  
Oberlin, Louisiana  
December 31, 2025



# ROYCE T. SCIMEMI, CPA, APAC



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### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

December 31, 2025

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited the Village of Elizabeth, Louisiana's ("Village") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Village's major federal programs for the year ended June 30, 2025. The Village's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Village complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Village's compliance with the compliance requirements referred to above.

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana  
December 31, 2025  
Page 2

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Village's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Village's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Village's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Village's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Village's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Honorable Mandy Green, Mayor  
and the Village Council  
Village of Elizabeth, Louisiana  
December 31, 2025  
Page 3

### Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

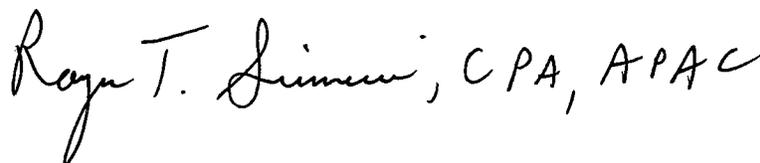
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Royce T. Scimemi, CPA, APAC  
Oberlin, Louisiana  
December 31, 2025



**VILLAGE OF ELIZABETH, LOUISIANA**  
**Schedule of Expenditures of Federal Awards**  
**For The Year Ended June 30, 2025**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development: Passed through State of Louisiana Division of Administration: Louisiana Community Development Block Grant*	14.228	\$1,073,710
U.S. Department of Agriculture: Passed through State of Louisiana Department of Health: Water and Waste Disposal Systems for Rural Communities Grant	10.760	197,876
U.S. Department of Treasury: Coronavirus State and Local Fiscal Recovery Funds-COVID-19 Passed through State of Louisiana Division of Administration: American Rescue Plan Act Grant	21.027	105,736
U.S. Environmental Protection Agency: Passed through State of Louisiana Department of Environmental Quality: Clean Water State Revolving Funds Grant	66.458	<u>93,148</u>
Total expenditures of federal awards		<u>\$1,470,470</u>

\* Denotes a major federal program

VILLAGE OF ELIZABETH, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards  
For The Year Ended June 30, 2025

(1) General

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the activity of all federal awards programs of the Village of Elizabeth, Louisiana (the "Village"). The Village is the reporting entity as defined in Note A(1) to the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other governments agencies, are included on the Schedule.

(2) Basis of Accounting

The Schedule includes the federal award activity of the Village under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the Village's operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the Village.

(3) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note A(3) to the financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(4) Relationship to the financial statements

Federal award revenues are reported in the Village's financial statements as follows:

Utility Fund:	
Louisiana Community Development Block Grant	\$1,073,710
Water and Waste Disposal Systems for Rural Communities	197,876
Clean Water State Revolving Funds Grant	93,148
General Fund:	
Federal Emergency Management Assistance Grant	<u>124,047</u>
Total federal awards revenues	<u>\$1,488,781</u>

(5) Indirect Cost Rate

The Village has not elected to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

VILLAGE OF ELIZABETH, LOUISIANA

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  no
- Control deficiency(ies) identified that is/are not considered to be material weakness(es)?  yes  none reported
- Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  no

Major programs and type of auditor's report issued:

Assistance Listing Number	Federal Agency and Name of Major Program	Type of Opinion
14.228	U.S. Department of Housing and Urban Development Louisiana Community Development Block Grant	Unmodified

Audit findings required to be reported in accordance with 2 CFR §200.516(a)?  yes  no

Threshold for distinguishing type A and B programs? \$750,000

Qualified as a low-risk auditee?  yes  no

Other

Management letter issued?  yes  no

Findings:

Finding #2025-1 I/C:

Inadequate Segregation of Duties

Condition: The small number of employees renders sufficient segregation of duties impractical.

Criteria: Sufficient staff for adequate segregation of duties.

Cause: Insufficient staff to adequately segregate cash flow functions.

Effect: Possible internal control deficiency.

Recommendation: Ensure that management is involved in daily operating activities to ensure adequate oversight.

Response: See Corrective Action Plan

**VILLAGE OF ELIZABETH, LOUISIANA**

**Management's Corrective Action Plan for  
Current Year Audit Findings and  
Questioned Costs (Unaudited)  
For the Year Ended June 30, 2025**

Finding #2025-1 I/C:

Inadequate Segregation of Duties

This is an ongoing finding that cannot be corrected due to lack of financial resources and the size of the entity.

**VILLAGE OF ELIZABETH, LOUISIANA**

**Summary Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2025**

Finding #2024-1 I/C:

Inadequate Segregation of Duties

This is an ongoing finding that cannot be corrected due to lack of financial resources and the size of the entity.

Finding #2024-2 C:

Louisiana Public Bid Law Compliance

Management is now aware of the requirements of the Louisiana Public Bid Law and will comply in the future.