



TOWN OF HOMER  
*FINANCIAL*  
*REPORTING*

*Council Members: Linda Hardaway - District I • Johnny West - District II • Keldron Johnson - District III  
• Brandon Rich - District IV • Patricia Jenkins - District V*

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**TOWN OF HOMER**

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**DR. XANTHE SEALS**  
MAYOR

**TOWN OF HOMER  
FINANCIAL REPORTING  
POLICY**

Financial reporting is the primary tool used by management to monitor income and expenditures and to make decisions. The municipality, as a public body, is accountable for the manner in which funds are spent. It is essential to monitor actual progress against the budget (financial plan for the year) to ensure that the desired fiscal result will be achieved.

An accounting system should be maintained that provides timely information and an accurate picture of the municipality's financial condition. Accounting practices should be in accordance with generally accepted accounting principles (GAAP) and generally accepted government auditing standards (GAGAS). Furthermore, management should ensure there is an adequate separation of functions to ensure assets are safeguarded and the potential for errors in the records are minimized.

**Monthly Reporting**

The municipal clerk, town treasurer, financial advisor, and CPA is responsible for overseeing the preparation of the monthly financial statements, including budget-to-actual comparisons, on all funds (e.g., general fund, utility fund, special revenue fund, etc.) of the municipality. If necessary, the municipality may contract with an external accounting firm to provide assistance to ensure the preparation of timely and accurate financial statements.

The mayor or clerk is to formally present the monthly financial statements and budget comparisons to the board/council, including any warnings of corrective/remedial action needed (e.g., amend the budget).

**Annual Reporting**

Annual financial reporting provides accountability and is required by state law [Louisiana Revised Statute (R.S.) 24:513]. Annually, the board is to approve the engagement of an independent certified public accountant to perform the municipality's audit which is also subject to the approval of the Louisiana Legislative Auditor.

State law requires that the auditor be provided with all the books and records needed to perform the audit and R.S. 24:518 provides penalties for failure to do so. The audit must be completed and submitted to the Legislative Auditor no later than six months after the close of the fiscal year [R.S.

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