

**VILLAGE OF WILSON, LOUISIANA**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Village of Wilson, Louisiana**  
**Basic Financial Statements**  
**June 30, 2018**  
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**Village of Wilson, Louisiana**  
**Basic Financial Statements**  
**June 30, 2018**  
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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Honorable Marilyn Broadway, Mayor  
And Board of Aldermen  
Village of Wilson  
Wilson, Louisiana 70789

I have reviewed the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Wilson, Louisiana as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountant's Responsibility**

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my (our) conclusion.

**Accountant's Conclusion**

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

**Required Supplementary Information**

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

**Other Information**

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

In accordance with the *Louisiana Government Audit Guide* and provisions of state law, I have issued a report dated March 20, 2019 on the results of my agreed-upon procedures.



Minda Raybourn  
Franklinton ,La

March 20, 2019

**VILLAGE OF WILSON, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

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The purpose of this section is to offer management's discussion and analysis of the Village of Wilson, Louisiana's (hereafter referred to as the Village) financial performance during the year.

**OVERVIEW OF THE BASIC FINANCIAL STATEMENT PRESENTATION**

These basic financial statements are comprised of three components - (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements.

**Government-wide Financial Statements.** The government-wide financial statements present financial information for all activities of the Village from an economic resources measurement focus using the accrual basis of accounting. These provide both short-term and long-term information about the Village's overall financial status. They include the following two statements:

*Statement of Net Position.* This statement presents information on all of the Village's assets, deferred outflows of resources, liabilities and inflows of resources with the difference between them reported as net position. It shows the financial condition of the Village at a specific point in time.

*Statement of Activities.* This statement presents information showing how the Village's net position changed during the most recent fiscal year. This statement is designed to show the Village's financial reliance on general revenues.

Both government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Village has two categories of funds: governmental and proprietary funds.

*Governmental Funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the focus with fund statements is to provide a distinct view of the governmental funds only. These statements report short-term fiscal accountability emphasizing the use of spendable resources during the year and balances of spendable resources available at the end of the year.

*Proprietary Funds.* The Village maintains only one type of proprietary fund - enterprise fund. Enterprise funds are used to report the functions financed/operated in a manner like private business where the intent of the governing body is that the cost of providing services on a continuing basis be financed or recovered primarily through user charges.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**VILLAGE OF WILSON, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

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**GOVERNMENTAL ACTIVITIES**

Governmental funds, which include general government, public safety and streets and sidewalks, ended the current year with \$408,281 in net position, a decrease of \$40,388. A summary of net position and the changes thereof are presented below.

**SUMMARY OF NET POSITION**

	2018	2017
Current and Other Assets	172,183	237,842
Capital Assets, Net	295,505	228,001
Total Assets	<u>467,688</u>	<u>465,843</u>
Current and Other Liabilities	<u>59,407</u>	<u>17,173</u>
Net Position		
Net investment in capital assets	245,846	228,001
Restricted	33,218	27,090
Unrestricted	129,217	193,579
Total Net Position	<u>408,281</u>	<u>448,670</u>

**SUMMARY OF CHANGES IN NET POSITION**

	2018	2017
Charges For Services	54,706	21,499
Grants and Contributions	51,960	-
General Revenues and Transfers	145,136	156,645
Total Revenues	<u>251,802</u>	<u>178,144</u>
General Government	92,416	117,388
Public Safety	84,455	67,818
Public Works	115,319	83,126
Total Expenditures	<u>292,190</u>	<u>268,332</u>
Change in Net Position	<u>(40,388)</u>	<u>(90,188)</u>

**VILLAGE OF WILSON, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

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**BUSINESS-TYPE ACTIVITIES**

Proprietary funds, that include water and sewer services, experienced an operating profit of \$7,702. In the prior year, the Village received grant funding of \$216,303. Activity is summarized below.

**SUMMARY OF NET POSITION**

	2018	2017
Current and Other Assets	33,863	34,117
Capital Assets, Net	1,413,209	1,419,152
Total Assets	<u>1,447,072</u>	<u>1,453,269</u>
Current and Other Liabilities	<u>228,784</u>	<u>242,684</u>
Net Position		
Net investment in capital assets	1,319,474	1,309,655
Restricted	20,585	18,723
Unrestricted	<u>(121,771)</u>	<u>(117,792)</u>
Total Net Position	<u>1,218,288</u>	<u>1,210,586</u>

**SUMMARY OF CHANGES IN NET POSITION**

	2018	2017
Charges For Services	125,906	147,819
Grants and Contributions	-	216,303
Nonoperating revenues	26	42
Total Revenues	<u>125,932</u>	<u>364,164</u>
Operating Expenses	<u>118,230</u>	<u>146,982</u>
Transfers	<u>-</u>	<u>(135,162)</u>
Change in Net Position	<u>7,702</u>	<u>82,020</u>

**VILLAGE OF WILSON, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

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**ADDITIONAL INFORMATION**

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations and demonstrate the Village's commitment to public accountability. Any questions or requests for additional information can be obtained by calling (225) 629-5415 or writing to P. O. Box 40, Wilson, Louisiana 70789.

**GOVERNMENT WIDE FINANCIAL STATEMENTS**

**VILLAGE OF WILSON, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and cash equivalents	12,606	1,352	13,958
Due from other funds	111,416	-	111,416
Receivables, net	13,372	11,926	25,298
Restricted assets	34,790	20,585	55,375
Capital assets, net	295,505	1,413,209	1,708,714
Total Assets	467,688	1,447,072	1,914,761
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	-	-	-
<u>LIABILITIES</u>			
Accounts payable	5,091	3,048	8,139
Due to other funds	-	111,416	111,416
Payroll tax withholdings/payable	3,086	-	3,086
Payables from restricted assets	1,572	-	1,572
Customer deposits	-	20,585	20,585
Lease payable-current	8,642	-	8,642
Lease payable-noncurrent	41,017	-	41,017
Certificates of Indebtness-Short Term	-	17,529	17,529
Certificates of Indebtness-Long Term	-	76,206	76,206
Total Liabilities	59,407	228,784	288,191
<u>DEFERRED INFLOWS RESOURCES</u>	-	-	-
<u>NET POSITION</u>			
Net investment in capital assets	245,846	1,319,474	1,565,320
Restricted-Streets and Sidewalks	33,218	-	33,218
Restricted-Meter Deposits	-	20,585	20,585
Unrestricted	129,217	(121,771)	7,446
Total Net Position	408,281	1,218,289	1,626,570

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2018**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenues (Expenses)</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Governmental Activities</b>							
General government	92,416	9,450	-	51,960	(31,005)	-	(31,005)
Public safety	84,455	45,255			(39,200)		(39,200)
Public works	115,319	-			(115,319)		(115,319)
Total Governmental Activities	292,189	54,706	-	51,960	(185,524)	-	(185,524)
<b>Business-type Activities</b>							
Water	96,800	116,844	-		-	20,045	20,045
Sewer	21,430	9,062	-	-	-	(12,368)	(12,368)
Total Business-type Activities	118,230	125,906	-	-	-	7,676	7,676
Total Primary Government	410,419	180,612	-	51,960	(185,524)	7,676	(177,847)

**General Revenues and Transfers**

Sales taxes	111,748	-	111,748
Franchise taxes	28,373	-	28,373
Occupational License	4,980	-	4,980
Interest earned	34	26	61
Other general revenues/transfers, net	-	-	-
Total General Revenues and Transfers	145,136	26	145,162
Change in Net Position	(40,388)	7,703	(32,686)
Net Position, beginning	448,670	1,210,586	1,659,255
Net Position, ending	408,281	1,218,289	1,626,570

See accompanying notes and independent accountant's review report.

## **FUND FINANCIAL STATEMENTS**

**VILLAGE OF WILSON, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	<u>General</u>	<u>Street and Sidewalks</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 12,606	\$ 34,790	\$ 47,396
Due from other funds	90,600	20,816	111,416
Receivables, net			
Franchise fees	3,880	-	3,880
Sales taxes	4,027	5,465	9,492
<b>TOTAL ASSETS</b>	<b>111,113</b>	<b>61,070</b>	<b>172,183</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b>Liabilities</b>			
Accounts payable	5,091	1,572	6,663
Due to other governmental agencies	-	-	-
Due to other funds	-	-	-
Payroll tax withholdings/payable	3,086	-	3,086
Deferred revenue	-	-	-
<b>Total Liabilities</b>	<b>8,177</b>	<b>1,572</b>	<b>9,748</b>
<b>Fund Balances</b>			
Restricted	-	59,498	59,498
Committed for police protection	1,955	-	1,955
Unassigned	100,982	-	100,982
<b>Total Fund Balances</b>	<b>102,937</b>	<b>59,498</b>	<b>162,435</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>111,113</b>	<b>61,070</b>	<b>172,183</b>

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

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Total Fund Balances - Total Governmental Funds \$ 162,435

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheets. 295,505

Long- term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds (49,659)

Total Net Position of Governmental Activities \$ 408,281

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

<u>REVENUES</u>	<u>General</u>	<u>Streets and Sidewalks</u>	<u>Total Governmental Funds</u>
Sales taxes	48,728	63,021	111,749
Franchise fees	28,373	-	28,373
Occupational licenses	4,980	-	4,980
Fines	45,255	-	45,255
Interest earned	29	5	34
Other revenues	1,385	8,065	9,451
Total Revenues	128,751	71,091	199,842
<u>EXPENDITURES</u>			
General government	143,123	-	143,123
Public safety			
Police	80,954	-	80,954
Public works	-	139,960	139,960
Total Expenditures	224,076	139,960	364,036
Deficiency of Revenues over Expenditures	(95,326)	(68,868)	(164,194)
<u>OTHER FINANCING SOURCES (USES)</u>			
Grants and other contributions	51,960	-	51,960
Lease Payments	-	(3,044)	(3,044)
Proceeds from Lease	-	52,703	52,703
Transfers	-	-	-
Total Other Financing Sources (Uses)	51,960	49,659	101,619
Change in Fund Balances	(43,366)	(19,209)	(62,575)
Fund Balances, beginning	154,479	80,279	234,758
Fund Balances, ending	111,113	61,070	172,183

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2018**

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Net Change in Fund Balances - Total Governmental Funds \$ (62,575)

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

Governmental funds report capital outlay as expenditure. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense

Depreciation	(45,865)
Capital outlay	117,712

Long term lease proceeds provide current financial resources to Governmental Funds, but issuing debt increases long term liabilities in the Government Wide Statement of Net Position. Repayment of capital lease principal is an expenditure in the governmental Funds, but the repayment reduces long-term liabilities in the Government Wide statements.

Lease issued during the period	(52,704)
Lease principal payments during the current period	3,044

Change in Net Position - Governmental Activities \$ (40,388)

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA  
BALANCE SHEET  
PROPRIETARY FUNDS  
JUNE 30, 2018**

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		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
<b><u>ASSETS</u></b>		
Current Assets		
Cash and cash equivalents	\$	1,352
Accounts receivable, net		11,926
Total Current Assets		13,279
Restricted Assets		
Cash and cash equivalents		20,585
Non-Current Assets		
Capital Assets:		
Water system		1,592,342
Sewer system		745,423
Less: Accumulated depreciation		(924,556)
Total Non-Current Assets		1,413,209
<b>TOTAL ASSETS</b>		<b>1,447,072</b>

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA**  
**BALANCE SHEET (Continued)**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2018**

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	<u>Business-type Activities</u> <u>Enterprise Funds</u> <u>Water and Sewer</u>
<b><u>LIABILITIES</u></b>	
<b>Current Liabilities</b>	
Accounts Payable	3,048
Payroll tax withholdings/payables	-
Due to other funds	111,416
Notes Payable-Current Portion	17,529
	131,993
<b>Total Current Liabilities</b>	
<b>Long-Term Liabilities</b>	
Payable from restricted assets	
Customer deposits	20,585
Notes Payable-Long Term Portion	76,206
	96,791
<b>Total Long-Term Liabilities</b>	
	228,784
<b>Total Liabilities</b>	
<b><u>NET POSITION</u></b>	
Net investment in capital assets	1,319,474
Restricted-customer deposits	20,585
Unrestricted	(121,770)
	1,218,289
<b>Total Net Position</b>	
	\$ 1,447,072
<b>TOTAL LIABILITIES AND NET POSITION</b>	

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEARS ENDED JUNE 30, 2017**

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		<u>Enterprise Funds</u> <u>Water and Sewer</u>
<u>OPERATING REVENUES</u>		
Water sales and service	\$	116,844
Sewer sales and service		9,062
		<hr/>
Total Operating Revenues		125,906
 <u>OPERATING EXPENSES</u>		
Administrative		1,035
Depreciation		59,581
Employee and related expenses		15,152
Occupancy		9,568
Personal services		25,027
		<hr/>
Total Operating Expenses		110,364
		<hr/>
Operating Loss		15,542
 <u>NON-OPERATING REVENUES (EXPENSES)</u>		
Grants and other contributions		-
Interest income		26
Bad Debt Expense		(4,666)
Interest paid		(3,199)
Transfers		-
		<hr/>
Total Non-Operating Revenues (Expenses)		(7,839)
		<hr/>
Change in Net Position		7,703
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Total Net Position, beginning		1,210,586
		<hr/>
Total Net Position, ending		1,218,289
		<hr/> <hr/>

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEARS ENDED JUNE 30, 2018**

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		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$	122,176
Cash paid to employees for services		(15,152)
Cash paid to suppliers for goods and services		(33,015)
		(33,015)
Net Cash Used for Operating Activities		74,009
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Proceeds from grantors		-
Transfers between funds		-
		-
Net Cash Provided by Non-Capital Financing Activities		-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets		(53,189)
Principal payments		(16,878)
Interest paid		(3,199)
		(3,199)
Net Cash Provided by Capital and Related Financing Activities		(73,266)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment earnings		26
		26
Net Cash Used for Investing Activities		26
Net Increase in Cash and Cash Equivalents		769
Cash and Cash Equivalents, Beginning of Year		21,168
		21,168
Cash and Cash Equivalents, End of Year		21,937
		21,937
Currents Assets:		
Cash and cash equivalents		1,352
Restricted Assets:		
Cash and cash equivalents		20,585
		20,585
Cash and Cash Equivalents, end of year		21,937

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA**  
**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**  
**YEARS ENDED JUNE 30, 2017**

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		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES:</b>		
Net operating change	\$	15,542
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:		
Depreciation		59,131
(Increase) decrease in assets:		
Accounts receivable		1,203
Increase (decrease) in liabilities:		
Accounts and other payables		(3,729)
Customer deposits		1,862
		1,862
Net Cash Used for Operating Activities		74,009

BALANCE SHEET PRESENTATION OF CASH

See accompanying notes and independent accountant's review report.

## **NOTES TO THE FINANCIAL STATEMENTS**

**VILLAGE OF WILSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**INTRODUCTION**

The Village of Wilson, Louisiana (hereafter referred to as the Village) was created under the provisions of the Lawrason Act, La. Revised Statute 33:321-463, in 1960. Therefore, it operates under a Mayor-Board of Aldermen form of government.

The Mayor and three Alderpersons are elected at large every four years by the citizens of the Village. They are compensated for their services.

The purpose of the municipality is to promote the general welfare and the safety, health, peace, good order, comfort, convenience and morals of its inhabitants.

The Village is situated in the northwest part of East Feliciana Parish. It is approximately 28.5 square miles in size with a population of 579 persons. Within the boundaries are approximately 10 miles of roads maintained by the Village. It serves an average of 304 water and sewer customers and employs 8 persons.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting practice of the Village conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of La. Revised Statute 24:513 and to the guidelines set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

**Financial Reporting Entity:** Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Village includes all funds which are controlled by or dependent on the Village which was determined on the basis of oversight responsibility, including accountability for fiscal and budget matters, designation of management or governing authority and authority to issue debt. Certain units of local government over which the Village exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected officials, and other municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Village.

**Government-Wide Accounting:** In accordance with Government Accounting Standards Boards Statement No. 34, the Village has presented a Statement of Net Position and Statement of Activities for the Village as a whole. These statements include the primary government and its component units, if applicable, with the exception of fiduciary funds. Those funds are reported separately. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental-type and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

**VILLAGE OF WILSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Policies specific to the government-wide statements are as follows:

*Eliminating Internal Activity*

Inter-fund receivables and payables are eliminated in the statement of net assets except for the net residual amounts due to between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the statement of activities. Allocated expenses are reported by the function to which they were allocated.

*Capitalizing Assets*

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the statement of net position.

*Program Revenues*

The statement of activities presents three categories of program revenues - (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the Village. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are restricted for a specific use.

*Direct/Indirect Expenses*

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the Village of Wilson has chosen not to do so.

*Operating Revenues*

Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of an entity's main operation are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, are reported as non-operating revenues.

*Restricted Net Position*

Restricted net assets are those for which a constraint has been imposed either externally or by law. The Public Defender recognizes the use of restricted resources for expenditures that comply with specific restrictions. Restricted resources are exhausted before restricted net assets are used.

**Fund Accounting:** The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions and activities.

A fund is separate entity with a self-balancing set of accounts. Funds of the Village are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**VILLAGE OF WILSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Governmental Funds:** Governmental funds account for all or most of the Village's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General Fund – is the general operating fund of the Village and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special Revenue Funds – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**Proprietary Funds:** Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

Proprietary funds include:

1. Enterprises Funds – account for operations (a) where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user 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.

**Basis of Accounting/Measurement Focus:** The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation.

The government-wide statements are reported using economic resources measurement focus and the accrual basis of accounting. With the measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of governmental-type and business-type activities are included in the statement of net position. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the statement of activities. In these statements, capital assets are reported and depreciated in each fund.

This same measurement focus and basis of accounting is used by proprietary funds in the fund statements. However, all governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in the net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated.

**Budgets and Budgetary Accounting:** The Village adopts an annual budget for the General Fund, Special Revenue Fund and Enterprise Funds. It is prepared in accordance with the basis of accounting utilized by that fund. Any revisions that alter the total expenditures must be approved by the Board of Alderpersons. Budgeted amounts shown are as originally adopted or as amended by the Board. Budget amendments are passed on an as-needed basis. A balanced budget is required.

**Cash and Cash Equivalents:** Cash includes amounts in demand deposits, interest bearing demand deposits and certificates of deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Village may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**VILLAGE OF WILSON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Investments:** The Village of Wilson categorizes the fair value of its investments on the hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 are significant unobservable inputs. All of the Village's investment are Level 1 inputs.

**Inventory:** Inventory is reported at cost. It includes only office supplies, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statement.

**Receivables:** Receivables are recorded net of any allowance for uncollectible amounts in both governmental and business-type activities. Revenues become susceptible to accrual when they become both measureable and available.

**Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Restricted Assets:** Certain proceeds of enterprise funds are classified as restricted assets on the balance sheet because their use is limited.

**Capital Assets:** The Village's assets are recorded at historical cost. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Buildings	40 years	Vehicles	7-10 years
Equipment	4-10 years	Infrastructure	40-50 years
Office furniture	5-7 years		

Beginning in June 1999, in accordance with Governmental Accounting Standards Board issued Statement No. 34 the Village has used the basic approach to infrastructure reporting for its governmental activities.

**Compensated Absences:** The Village does not have any compensated absences.

**Long-Term Obligations:** In the government-wide financial statements, debt principal payments of both government and business-type activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

**Net Position/Fund Balances:** In the statement of net position, the difference between a government's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is recorded as net position. The three components of net position are as follows:

*Net Investment in Capital Assets*

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

**VILLAGE OF WILSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

*Restricted Net Position*

Net position that are reserved by external sources, such as banks or by law, are reported separately as restricted net position. When assets are required to be retained in perpetuity, these non-expendable net position are recorded separately from expendable net position. These are components of restricted net position.

*Unrestricted Net Position*

This category represents net position not appropriable for expenditures or legally segregated for a specific future use.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

*Non-spendable*

This includes amounts in permanent funds and inventories that are permanently precluded from conversion to cash.

*Restricted*

Fund balances that are restricted include those resources constrained to a specific purpose by enabling legislation, external parties or constitutional provisions.

*Committed*

Fund balances may be committed for a specific purpose by the highest level of decision-making authority through a formal action such as the adoption of an ordinance. The removal of or change in this commitment can only be accomplished by the same level of authority through the same type of action taken to commit the fund balances initially.

*Assigned*

Resources earmarked for a specific purpose by government's management are reported as assigned fund balances.

*Unassigned*

This category represents that portion of equity that are available for any purpose.

The Village of Wilson applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within the unrestricted fund balance, committed amounts are reduced first by assigned and then unassigned when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The Village of Wilson does not have a formal fund balance policy.

**Interfund Transactions:** All interfund transactions, except quasi-external transactions, are reported as operating transfers. These are eliminated in the government-wide statements.

**Sales Taxes:** Sales taxes are levied by the Police Jury of East Feliciana Parish and allocated to the Village according to their population within the parish.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

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

**VILLAGE OF WILSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Village has no deposits (bank balances) that are considered uninsured and uncollateralized at June 30, 2018.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, La Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

A summary of cash and cash equivalents (book balances) at June 30, 2018 is as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
Demand deposits	36,834	21,937
Interest-bearing demand deposits	10,562	-
Total	36,834	21,937

**NOTE 3 – RECEIVABLES**

The following is a summary of receivables, not including interfund or intergovernmental transactions, at June 30, 2018:

	General	Special Revenue	Enterprise	Total
<u>Class</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	
Accounts			11,926	11,926
Franchise Taxes	3,879			3,879
Sales Tax	4,027	5,465		9,492
Total	7,906	5,465	11,926	25,297

Utility meters are read on the 15<sup>th</sup> of each month and bills are computed and mailed by the 25<sup>th</sup> of each month. The amount of water used from the date the meter is read until the end of the month is an unbilled receivable in the Enterprise Fund. These receivables, included in the above totals, were \$3,474 June 30, 2018.

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2018, was as follows:

**VILLAGE OF WILSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

	<u>Beginning</u>	<u>Additions</u>	<u>Retirement</u>	<u>Ending</u>
<b>Governmental Activities</b>				
Capital Assets, not being depreciated				
Land	20,069	-	-	20,069
Capital Assets, being depreciated				-
Building and Improvements	35,121	57,146	-	92,267
Less: accumulated depreciation	<u>(22,862)</u>	<u>(3,977)</u>	-	<u>(26,839)</u>
Net Buildings and Improvements	12,259	53,169	-	65,428
Equipment	143,078	52,703	-	195,781
Less: accumulated depreciation	<u>(142,005)</u>	<u>(11,614)</u>	-	<u>(153,619)</u>
Net Equipment	1,073	41,089	-	42,162
Office furniture	4,343	-	-	4,343
Less: accumulated depreciation	<u>(4,343)</u>	-	-	<u>(4,343)</u>
Net Office furniture	-	-	-	-
Vehicles	46,166	-	-	46,166
Less: accumulated depreciation	<u>(35,897)</u>	<u>(9,234)</u>	-	<u>(45,131)</u>
Net Vehicles	10,269	(9,234)	-	1,035
Infrastructure	417,307	3,520	-	420,827
Less: accumulated depreciation	<u>(232,976)</u>	<u>(21,042)</u>	-	<u>(254,018)</u>
Net Infrastructure	184,331	(17,522)	-	166,809
Total Capital Assets, being depreciated, net	<u>207,932</u>	<u>67,502</u>	-	<u>275,434</u>
Capital Assets, Net	<u>228,001</u>	<u>67,502</u>	-	<u>295,503</u>
<b>Business-type Activities</b>				
Capital Assets, being depreciated				
Equipment	45,793	-	-	45,793
Less: accumulated depreciation	<u>(40,119)</u>	<u>(1,832)</u>	-	<u>(41,951)</u>
Net Equipment	5,674	(1,832)	-	3,842
Water system	1,493,360	53,189	-	1,546,548
Less: accumulated depreciation	<u>(493,592)</u>	<u>(38,663)</u>	-	<u>(532,255)</u>
Net Water System	999,768	14,525	-	1,014,293
Sewer system	745,423	-	-	745,423
Less: accumulated depreciation	<u>(331,712)</u>	<u>(18,634)</u>	-	<u>(350,346)</u>
Net Sewer System	413,711	(18,634)	-	395,077
Capital Assets, net	<u>1,419,153</u>	<u>(5,941)</u>	-	<u>1,413,212</u>

**VILLAGE OF WILSON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

Depreciation expense was charged to governmental functions as follows:

General Government	3,617
Public Safety	10,666
Public Works	<u>31,582</u>
 Total	 <u><u>45,865</u></u>

Depreciation expense was charged for business type activities as follows:

Water	40,495
Sewer	18,634
 Total	 <u><u>59,129</u></u>

In the enterprise fund, the Village did water well improvements of \$53,189. Renovations were done at town hall for \$57,146. The Village lease purchased a tractor for \$52,703 and made sidewalk improvements for \$3,520.

**NOTE 5 – RETIREMENT SYSTEM**

The Village has no retirement system in place other than social security.

**NOTE 6 – ACCOUNTS AND OTHER PAYABLES**

The following is a summary of payables by fund at June 30, 2018:

Class	Special		Enterprise Fund	Total
	General Fund	Revenue Fund		
Accounts Payable	5,091	1,572	3,048	9,711
Payroll Taxes	3,086	-	-	3,086
Customer Deposits	-	-	20,585	20,585
<b>Total</b>	<u><u>8,177</u></u>	<u><u>1,572</u></u>	<u><u>23,633</u></u>	<u><u>33,382</u></u>

**NOTE 7 – LONG-TERM OBLIGATIONS**

As part of its water system enhancement project, the Village incurred debt through a certificate of indebtedness dated April 19, 2018, in the amount of \$127,000 for 84 months at an interest rate of 3.791%. Payments in the amount of \$1,723.25 began in May of 2018. The activity for the year is as disclosed below:

**VILLAGE OF WILSON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Indebtedness	109,497	-	(16,878)	92,619	17,529

The maturity schedule is as follows:

Year Ended			
June 30	Principal	Interest	Total
2019	17,529	3,156	20,685
2020	18,206	2,480	20,686
2021	18,908	1,777	20,685
2022	19,637	1,048	20,685
2023	18,339	296	18,635
Total	<u>92,619</u>	<u>8,757</u>	<u>101,376</u>

**NOTE 8-INTERFUND RECEIVABLES AND PAYABLES**

The Village had the following interfund receivables and payables for June 30, 2018:

	Interfund Receivables	Interfund Payables
General Fund	90,600	
Streets and Sidewalk Fund	20,816	
Enterprise Fund		111,416
Total	<u>111,416</u>	<u>111,416</u>

**NOTE 9-LEASE PAYABLE**

On June 22, 2018 the Village entered into a lease purchase agreement for the acquisition of a tractor with implements for \$52,703. A down payment of \$3,044 was made in June 2018. The first payment due on the lease will be on July 1, 2018. The last lease payment is on April 1, 2023. The Village has the option at the end of the lease term to purchase all of the machinery at a fixed price of \$1.

The activity for the year is disclosed as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease Payable	-	52,703	(3,044)	49,659	8,642

**VILLAGE OF WILSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

The maturity schedule is as follows:

Year Ended			
June 30	Principal	Interest	Total
2019	8,641	3,535	12,176
2020	9,067	3,109	12,176
2021	9,918	2,258	12,176
2022	10,848	1,328	12,176
2023	11,185	486	11,671
Total	<u>49,659</u>	<u>10,716</u>	<u>60,375</u>

**NOTE 10 – RELATED PARTY TRANSACTIONS**

There were no related party transactions that are require disclosure.

**NOTE 11 – LITIGATION**

There is no litigation against or on behalf of the Village that would require disclosure in the accompanying financial statements.

**NOTE 12 – SUBSEQUENT EVENTS**

There were no events between the close of the year through March 20, 2019, the date on which this report was available to be issued, would materially impact the accompanying financial statements.

## **REQUIRED SUPPLEMENTAL INFORMATION**

**VILLAGE OF WILSON, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEARS ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Sales tax	\$ 45,000	\$ 45,000	\$ 48,728	\$ 3,728
Franchise fees	22,000	22,000	28,373	6,373
Occupational licenses	18,000	18,000	4,980	(13,020)
Fines	35,000	35,000	44,950	9,950
Other revenues	1,000	1,000	1,719	719
<b>Total Revenues</b>	<b>121,000</b>	<b>121,000</b>	<b>128,750</b>	<b>7,750</b>
<b>EXPENDITURES</b>				
General government	82,955	82,955	143,122	(60,167)
Public Safety:				
Police	48,480	48,480	80,954	(32,474)
<b>Total Expenditures</b>	<b>131,435</b>	<b>131,435</b>	<b>224,076</b>	<b>(92,641)</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(10,435)</b>	<b>(10,435)</b>	<b>(95,326)</b>	<b>100,391</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Grants and other contributions	52,000	52,000	51,960	(40)
Transfers	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>52,000</b>	<b>52,000</b>	<b>51,960</b>	<b>(40)</b>
Change in Fund Balances	41,565	41,565	(43,366)	100,351
Fund Balances, beginning	154,479	154,479	154,479	-
Fund Balances, ending	196,044	196,044	111,113	100,351

See Independent Accountant's Report

**VILLAGE OF WILSON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
YEARS ENDED JUNE 30, 2018**

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	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 65,000	\$ 65,000	\$ 71,092	\$ 6,092
Investment earnings	-	-	-	-
<b>Total Revenues</b>	65,000	65,000	71,092	6,092
<b>EXPENDITURES</b>				
Public Works	57,130	57,130	139,960	(82,830)
<b>Total Expenditures</b>	57,130	57,130	139,960	(82,830)
<b>Excess (Deficiency) of Revenues over Expenditures</b>	7,870	7,870	(68,868)	88,922
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Lease Issuance	-	-	52,703	52,703
Lease Payments	-	-	(3,044)	(3,044)
<b>Total Other Financing Sources (Uses)</b>	-	-	49,659	49,659
Change in Fund Balances	7,870	7,870	(19,209)	27,079
Fund Balances, beginning	80,279	80,279	80,279	-
Fund Balances, ending	88,149	88,149	61,070	27,079

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## **SUPPLEMENTAL INFORMATION**

**VILLAGE OF WILSON, LOUISIANA**  
**SCHEDULE OF COMPENSATION PAID TO GOVERNING MEMBERS**  
**YEARS ENDED JUNE 30, 2018**

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The following information is provided in compliance with House Concurrent Resolution No. 54 of the Louisiana Legislature.

<u>Name</u>	<u>Amount</u>
Alderwoman Yvonne Allen	\$ 2,205
Alderwoman Georgia Honore	2,205
Alderwoman Harriett Sensley	<u>2,205</u>
Total	<u><u>\$ 6,614</u></u>

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**VILLAGE OF WILSON, LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS AND**  
**OTHER PAYMENTS TO AGENCY HEAD**  
**YEARS ENDED JUNE 30, 2018**

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**Agency Head**

Marilyn Broadway  
Mayor

**Purpose**

Salary  
Reimbursements - office supplies

**Amount**

\$	6,000
	-
	<hr/>
	6,000
	<hr/> <hr/>

Total Compensation, Benefits and Other Payments

See Independent Accountant's Report

**VILLAGE OF WILSON, LOUISIANA**  
**SCHEDULE OF OPERATING EXPENSES**  
**PROPRIETARY FUNDS**  
**YEARS ENDED JUNE 30, 2018**

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Administrative:

Dues and memberships	355
Insurance	-
Office expense	681
Postage	-
<b>Total Administrative</b>	<b>1,035</b>

Depreciation:

Depreciation - sewer	18,636
Depreciation - water	40,946
<b>Total Depreciation</b>	<b>59,581</b>

Employee and Related Expenses:

Payroll taxes	1,025
Salaries	14,127
Training	-
<b>Total Employee and Related Expenses</b>	<b>15,152</b>

Occupancy:

Utilities and telephone	9,568
<b>Total Occupancy</b>	<b>9,568</b>

Personal Services:

Chemicals and supplies	6,890
Safe Drinking Water Fees	3,420
Gas/oil	-
Miscellaneous	476
Professional fees	3,113
Repairs and maintenance	11,128
<b>Total Personal Services</b>	<b>25,027</b>

<b>Total Operating Expenses</b>	<b>110,364</b>
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See Independent Accountant's Report

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

# ***Minda B. Raybourn***

*Certified Public Accountant*

*Limited Liability Company*

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Franklinton, Louisiana 70438

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Fax (985)839-4402

Member  
AICPA

Member  
LCPA

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

The Honorable Marilyn Broadway, Mayor  
And Members of the Board of Aldermen  
Village of Wilson, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Village Of Wilson, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the period ended June 30, 2018 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representations regarding the sufficiency of the procedures described below neither for the purpose for which this report has been requested nor for any other purpose.

### **Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$154,450, and determine whether such purchases were made in accordance with LAS-RS 38:2211-2251 (the public bid law).

The Village entered in to a lease purchase agreement for the acquisition of a tractor with implements for \$52,703 in June 2018. The lease purchase was not put out for public bid. The Village did not have any public works purchases that exceeded \$154,450.

### **Code of Ethics for Public Officials and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list of board members. I did not get a complete list of outside business interests. I scanned cash disbursements journals for any related-party transactions. There were none that came to my attention.

3. Obtain from management a listing of all employees paid during the period under examination.

The Village provided me with a list of all employees paid during the fiscal year ended June 30, 2018.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in procedure (2) as immediate family members.

There were no exceptions to this procedure.

### **Accounting and Reporting**

5. Randomly select six disbursements made during the period under examination and:

- (a) Trace payments to supporting documentation as to proper amount and payee:

One of the six disbursements selected did not have supporting documentation..

- (b) Determine if payments were properly coded to the correct fund and general ledger account.

Of the six payments I examined, one payment did not have supporting documentation. Without this information, I cannot determine if the payment was coded to the correct fund and general ledger account.

- (c) Determine whether payments received approval from proper authorities.

Five of the six disbursements selected did have purchase orders. However, the invoices were not stamped with approval from management.

### **Meetings**

6. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (the open meetings law).

The Village's mayor and board of aldermen meet monthly. The notice of meeting and agenda is posted on the door of the Town Hall two days prior to each meeting. Management has asserted that the agenda was properly posted.

### **Debt**

7. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or like indebtedness.

I inspected copies of all bank deposits for the period under examination and did not detect any deposits, which appeared to be proceeds of bank loans, bonds or like indebtedness.

### **Advances and Bonuses**

8. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances, or gifts.

I scanned cash disbursement records and minutes for evidence of any payments, which may constitute employee bonuses, employee advances, or gifts to Board members. None were noted.

### **Budgeting**

9. Examine the minutes and compare the actual and amended budgets to determine that the Village complied with the Local Government Budget Act (LRS- RS 39:1301-1315).

The original budget was adopted on May 17, 2017. The budget was not amended for 2018. General fund expenditures were over budget 70% due to town hall renovations of \$54,324 not budgeted. Street and sidewalk expenditures were over budget by 150% due to the Village entering into a lease purchase agreement for the acquisition of a tractor for \$56,223. Revenues appear to be compliant.

### **Prior Year Findings**

10. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

Prior year findings are included in the accompanying schedule. None of the prior year findings are resolved.

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

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

*Minda B. Raybourn*

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Minda B. Raybourn  
Certified Public Accountant

March 20, 2019

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF CURRENT YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2018**

**Finding 2018-001 Violation of public bid law.**

**Criteria:** Expenditures for materials and supplies exceeding \$30,000 must be made in accordance with the Louisiana public bid law. Lease contracts with an option to purchase at the end of the lease term is must be treated as a contract to purchase that is subject to the public bid law.

**Condition:** The village entered into a lease purchase agreement for the acquisition of a tractor with implements for \$52,703 in June 2018. It was acquired according to the state public bid law.

**Effect:** The village is in violation of the public bid law.

**Cause:** Unknown.

**Recommendation:** The village must put policies and procedures in place to ensure all purchases of equipment over \$30,000 are handled according to the state public bid law.

**Management Response:** We agree with the auditor's recommendation:

**Finding 2018-002 Noncompliance with the Local Government Budget Act**

**Criteria:** The Village must comply with certain provisions of the Local Government Budget Act set forth in state law, LSA R.S. 39:1301-1314. The Act contains various budget requirements for the General Fund and special revenue funds regarding public notification and disclosure, and requires budget to be amended when:

- 1) Total revenues, or other sources plus project revenue and other sources for the remainder of the year are failing to meet total budgeted expenditures and other sources by five percent or more.
- 2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year are failing to meet total budgeted expenditures and other uses by five percent or more
- 3) Actual beginning fund balance within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures.

**Condition:** The original budget was adopted on May 17, 2017. The budget was not amended for 2018. General fund expenditures were over budget 70% due to town hall renovations of \$54,324 not budgeted. Street and sidewalk expenditures were over budget by 150% due to the Village entering into a lease purchase agreement for the acquisition of a tractor for \$56,223. Revenues appear to be compliant.

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF CURRENT YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2018**

**Effect:** If the budget is not monitored on a monthly basis and amended as required and if expenditures exceed available funds, an entity is in violation of the Local Government Budget Act.

**Cause:** The village did not amend the budget.

**Recommendation:** The Village needs to ensure before year end that the budget is amended properly for all revenue, expenditures and transfer items.

**Management Response:** We agree with the auditor's recommendation.

**Finding 2018-003 Lack of Controls over Disbursements**

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

**Condition:** Out of six disbursements, one did not have an invoice as support. The invoices were not stamped with approval from management.

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

**Cause:** The village lacks internal controls to require management approval of disbursements. The village lack of internal controls allowed payments to be done without proper supporting documentation.

**Recommendation:** The Village should put in place internal controls to ensure that proper documentation is provided to support all disbursements. Internal controls need to be put in place to ensure that management reviews and approves all disbursements

**Management Response:** We agree with the auditor's recommendation

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017**

I have audited the financial statements for the Village of Wilson as of and for the year ended June 30, 2017, and have issued my reported dated January 6, 2019. I conducted my 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. My audit of the financial statements as of June 30, 2017, resulted in an unmodified opinion.

**Section I Summary of Auditor's Report**

A. Report on Compliance and Internal Control Material to the Financial Statements

Internal Control	Significant Deficiencies	No
	Material Weaknesses	Yes
Compliance	Material to Financial Statements	Yes

B. Federal Awards            Not Applicable

**Section II Federal Award Findings and Questioned Costs**

None

**Section III Management Letter**

None

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017**

**Finding 2017-001 Lack of Controls over Utility Collections**

**Criteria:** Utility collections should be recorded daily in the utility billing system and accounting records. Deposits should be made daily. Supporting documentation from the utility billing system on collections should correspond with bank deposits. Adjustments to customer accounts should be made only with management approval.

**Condition:** In the two months of July and August 2016, \$2,822.35 in utility collections could not be traced to the Village bank accounts. This finding is further detailed in the following disclosure. Adjustments for July and August 2016 were done to customer accounts in the amount of \$ 2,565.57 with no proof of management approval or documentation as to why they were recorded to the customer accounts. Accounts receivable transactions are not balanced between the utility billing system and the general ledger. Monthly reconciliations between the accounting records and the utility billing system are not being performed. Collections are being posted to revenue accounts instead of accounts receivable. Reports from the utility billing system are not being used to record revenues and adjustments to the general ledger. Adjustments from the utility billing system are not being recorded in the general ledger.

#	ELEMENT OF FINDING	RESPONSE
1	A general statement describing the fraud or misappropriation that occurred.	It appears that utility collections have been misappropriated.
2	A description of the funds or assets that were the subject of the fraud or misappropriation (ex., utility receipts, petty cash, computer equipment).	The utility receipts of the village have been misappropriated.
3	The amount of funds or approximate value of assets involved.	\$2,822.35
4	The department or office in which the fraud or misappropriation occurred.	The misappropriation occurred in the village clerk office.
5	The period of time over which the fraud or misappropriation occurred.	July 2016 and August 2016
6	The title/agency affiliation of the person who committed or is believed to have committed the act of fraud or misappropriation.	The act was believed to have originated in the village clerk office.
7	The name of the person who committed or is believed to have committed the act of fraud or misappropriation, if formal charges have been brought against the person and/or the matter has been adjudicated.	No formal charges have been brought against any individual as of the date of this person.
8	Is the person who committed or is believed to have committed the act of fraud still employed by the agency?	The person of suspect is no longer employed with the Village.
9	If the person who committed or is believed to have committed the act of	Not applicable.

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017**

	fraud is still employed by the agency, do they have access to assets that may be subject to fraud or misappropriation?	
10	Has the agency notified the appropriate law enforcement body about the fraud or misappropriation?	The parish sheriff's office was notified. No other law enforcement bodies have been notified.
11	What is the status of the investigation at the date of the auditor's/accountant's report?	The status is unresolved as of the date of the audit report.
12	If the investigation is complete and the person believed to have committed the act of fraud or misappropriation has been identified, has the agency filed charges against that person?	The investigation is not complete and no charge have been filed.
13	What is the status of any related adjudication at the date of the auditor's/accountant's report?	There is no related adjudication as of the time of the audit report.
14	Has restitution been made or has an insurance claim been filed?	None at the time of the audit report.
15	Has the agency notified the Louisiana Legislative Auditor and the District Attorney in writing, as required by Louisiana Revised Statute 24:523 (Applicable to local governments only)	The Louisiana Legislative Auditor's office has been notified. The District Attorney has not been notified.
16	Did the agency's internal controls allow the detection of the fraud or misappropriation in a timely manner?	There was a lack of internal control that did not allow the detection of the misappropriation in a timely manner.
17	If the answer to the last question is "no," describe the control deficiency/significant deficiency/material weakness that allowed the fraud or misappropriation to occur and not be detected in a timely manner.	One person handled the billing, collections, adjustments, and recording. There was a lack of separation of duties between village personnel.
18	Management's plan to ensure that the fraud or misappropriation does not occur in the future	The village has hired an external accountant to perform reconciliations. Policies and procedures have been adopted to ensure that internal controls over collections are followed.

**Effect:** Lack of internal controls resulted in misappropriations of utility collections, misstatement of receivables and revenues, and adjustments being performed without proper approvals.

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017**

**Cause:** The Village does not have adequate internal controls over utility collections, utility receivables, and customer account adjustments.

**Recommendation:** The Village needs to put policies and procedures in place to require daily deposits, reconciliations of utility system collection documentation with the general ledger, adjustments to be performed with adequate documentation and management approval, month end reconciliation of the accounts receivable between the general ledger and utility billing system, appropriate recording of billings, payments, and adjustments,

**Management Response:** Management response is attached.

**Status:** Not resolved.

**Finding 2017-002 Lack of Controls over Disbursements**

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

**Condition:** Some of the disbursements tested did not have supporting documentation. Approval by management of the disbursement is haphazard. Some were approved and others were not.

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

**Cause:** The village lacks internal controls to require management approval of disbursements. The village lack of internal controls allowed payments to be done without proper supporting documentation.

**Recommendation:** The Village should put in place internal controls to ensure that proper documentation is provided to support all disbursements. Internal controls need to be put in place to ensure that management reviews and approves all disbursements

**Management Response:** Management response is attached.

**Status:** Not resolved.

**Finding 2017-003 Noncompliance with Local Government Budget Act**

**Criteria:** The Village must comply with certain provisions of the Local Government Budget Act set forth in state law, LSA R.S. 39:1301-1314. The Act contains various budget requirements for the General Fund and special revenue funds regarding public notification and disclosure, and requires budget to be amended when:

- 1) Total revenues, or other sources plus project revenue and other sources for the remainder of the year are failing to meet total budgeted expenditures and other sources by five percent or more.
- 2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year are failing to meet total budgeted expenditures and other uses by five percent or more

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017**

3) Actual beginning fund balance within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures.

**Condition:** For the fiscal year ended June 30, 2017 in the general fund revenues were under budget by 6.77% and expenditures were over budget by 28.39%. In the street and sidewalk fund, expenditures were over budget by 11.37%.

**Effect:** If the budget is not monitored on a monthly basis and amended as required and if expenditures exceed available funds, an entity is in violation of the Local Government Budget Act.

**Cause:** The Village failed to amend the budget appropriately.

**Recommendation:** The Village needs to insure before year end that the budget is amended properly for all revenue, expenditure and transfer items.

**Management Response:** Management response is attached.

**Status:** Not resolved.

**Finding 2017-004 Monthly Bank Reconciliations**

**Criteria:** Strong internal controls provide that bank reconciliations are done timely so that all transactions are included in the accounting records and that bank accounts are correctly stated.

**Condition:** The bank reconciliations were not done monthly. The monthly bank reconciliations had outstanding checks older than one year. The village hired a new external accountant that had to redo the reconciliations.

**Effect:** If bank reconciliations are not done timely, transactions could go undetected and not be recorded properly and cash balances could be misstated.

**Cause:** Management lacked internal controls to ensure the reconciliations were done monthly and be approved by someone other than the one doing the reconciliation.

**Recommendation:** The village needs to adopt policies and procedures to require reconciliations each month and require approval by someone other than the person doing the reconciliation. Outstanding checks more than one year old need to be researched and corrected.

**Management Response:** Management response is attached.

**Status:** Not resolved.

**Finding 2017-005 Lack of Controls over Customer Deposits**

**Criteria:** Strong internal controls over the processing of utility customer deposits is essential to help ensure written policies and procedures are followed, to ensure that customer deposit listing in the utility billing

**VILLAGE OF WILSON, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017**

system is accurate, that customer deposit payments are processed correctly, and refunds of customer deposits are processed accurately and correctly.

**Condition:** The village did not have adequate documentation to support customer deposits. Reconciliations are not being done monthly between the utility billing system and the accounting system.

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

**Cause:** The village lacks internal controls over customer deposits.

**Recommendation:** The village needs to review its customer deposit listing and reconcile with the accounting records. Monthly reconciliations between the listing and accounting records needs to be done.

**Management Response:** Management response is attached.

**Status:** Not resolved.

**Finding 2017-006 Late Submittal of Audit**

**Criteria:** Per Louisiana law, a municipality must submit an annual report no later than six months after the end of the entity's fiscal year.

**Condition:** The Village's report was submitted in January 2019.

**Cause:** The Village was late submitting accounting records to the auditor..

**Effect:** The Village was in violation of state audit law.

**Recommendation:** The Village must ensure that the accounting records are submitted to the auditor in a timely manner to ensure there is time for review procedures to be completed.

**Management's Response:** Management response is attached.

**Status:** Not resolved.

VILLAGE OF WILSON  
MANAGEMENT'S RESPONSE TO FINDINGS  
JUNE 30, 2017

**2017 – 001 Lack of Controls over Utility Collections-**

- *We have added procedures for entering utility deposits. The Town Clerk who serves as Utility Clerk, must record all payments into the Utility Program and in Quick Books. The Town Clerk is required to record all deposits daily in Quick Books, before making the actual deposit.*
- *Bills will also be entered as a Receivable in QuickBooks and payments posted against accordingly to maintain a collection report for proper follow up actions, overseen by an outside accountant.*
- *The Village of Wilson has contracted an outside accounting firm to oversee daily financial transactions. In the event a customer's utility bill should need any form of adjustment, the Town Clerk must complete the "Customer Adjustment Form", attach a copy of the customer's financial report from the Utility program, be approved by the Mayor and filed with current monthly utility reports once completed.*

*Policy Number B.04.001 Financial Reporting – attached*

*Policy Number C.01.001 Purchasing and Disbursements – attached*

*Policy Number D.01.001 Customer Utility Accounts Policy*

- *Note: Town Clerk is the only person who has pass words to QuickBooks, and the Utility Program. The Town Clerk is the only person approved to make deposits on behalf of the Village of Wilson. All office staff are bonded, as they may receive a payment, which is logged in the daily receipt book, customer is given the original copy of receipt, yellow receipt is placed with payment and given to the town clerk for further recording and deposit.  
August 24, 2014 the Village of Wilson appointed Andera M. Adams, to serve as Town Clerk, who was dismissed on October 7, 2016. September 30, 2016, it was found by running a customer adjustment report to capture August 1, 2014 through September 30, 2016 there were a total of \$18,312.19 adjustments made, which the Mayor had not been made aware of. It was noted that additional funds could not be verified in numerous accounts for the Village of Wilson. Immediately both the 20<sup>th</sup> JDC District Attorney, and East Feliciana Parish Sheriff were both verbally notified. The Board of Alderman approved to hire Mary Sue Staggs, CPA to review all accounts, for possible misuse of funds. Although upon several request, Stages never provided a written report of her findings to the Mayor and Board of Alderman, she along with the 20<sup>th</sup> JDC District Attorney met with the Mayor and Board of alderman on January 30, 2017 and verbally reported that over \$18,000 in adjustments had been made to customer utility accounts, where it appeared cash was being accepted (against office policy) and not deposited, unauthorized use of a fuel card, unauthorized personnel purchases. February 9, 2017 was sent to advise him of possible misuse of funds had occurred within the Village of Wilson. No action to date.*

VILLAGE OF WILSON  
MANAGEMENT'S RESPONSE TO FINDINGS  
JUNE 30, 2017

**2017 -002 Lacks of Controls over Disbursements**

- *Amendments have been made to the Village of Wilson Policy Number C.01.001 Purchasing and Disbursements. Internal controls have been put into place to ensure proper documentation is provided before a disbursement is made. Documentation is to be an Approved Purchase Requisition, Approved Purchase Order, Receiving Report, Original Invoice, and Request Invoice Payment that has been reviewed and approved by the Mayor and Board of Alderman before disbursement is made. The Village of Wilson has contracted an outside accounting firm, who will make all disbursements electronically, while ensuring documentation is in order. Original Disbursement documentation will be maintained in each vendors file.*

*Policy Number C.01.001 Purchasing and Disbursements – attached*

**2017 - 003 Noncompliance with Local Government Budget Act**

- *The Village of Wilson has contracted an outside account to ensure the we are in compliance with LA R. S. 1301-1314.*
- *The Village of Wilson had engaged the services Mary S. Stages, CPA for fiscal year 2016-2017, where they failed to perform according to state laws. Ms. Stages and staff where approached numerous times, to assist the Mayor and Board of Alderman in acquiring a sound budget, in which they failed to do comply.*
- *The Village of Wilson operated adopted the previous year 2015-2016 budget, while trying to comply with state laws and recover from missing funds, that were reported to all local official's September 30, 2016 and state official's February 9, 2017.*

*Policy Number B.001.001 Budget - attached*

**2017-004 Monthly Bank Reconciliations**

- *The Village of Wilson has amended Policy Number B.02.001 Bank Reconciliation, as we now have contracted an outside accounting firm to ensure all monthly bank statements are reconciled by the 30<sup>th</sup> of the following month. All statements must be reviewed, signed and dated by the Accountant, Town clerk and Mayor. All statements are to be filed by month and current fiscal year.*
- *The Village of Wilson had inquired the services Mary S. Stages, CPA for fiscal year 2016-2017, where they failed to perform according to state laws. It was found in November 2017, Mary S. Stages, CPA and staff had failed to reconcile bank statements for 2016-2017 fiscal year for the Village of Wilson.*

*Policy Number B.02.001 Bank Reconciliation*

VILLAGE OF WILSON  
MANAGEMENT'S RESPONSE TO FINDINGS  
JUNE 30, 2017

**2017 – 005 Lack of Controls over Customer Deposits**

- *We have added procedures to our current banking/utility program, to ensure proper documentation is provided to support all deposits/ disbursements. The Town Clerk who serves as Utility Clerk, must record all payments into the Utility Program and in Quick Books. The Town Clerk is required to record all deposits daily in Quick Books, before making the actual deposit. The Village of Wilson has contracted an outside accounting firm to oversee and audit customer deposits.*

**2017-006 Late Submittal Audit**

- *The Village of Wilson signed an Engagement Letter on August 16, 2016 with William P. Gaines, Jr., CPA to review and audit all documents for fiscal year ending June 2016. Mr. Gaines failed to comply with the terms in his engagement letter. The Town Clerk made numerous phone calls to secure dates for the audit in question, after leaving several messages, he reported to the Village of Wilson Town Hall to begin the audit the week of May 1, 2017. Mr. Gaines submitted his final report on May 19, 2017.*
- *The Village of Wilson discovered November 2017 that bank statements had not been reconciled since July 2016, therefore the audit Mr. Gaines performed was not accurate. The failure to perform monthly bank reconciliations should have been identified during the audit process.*
- *When the Mayor and Board of Alderman were made aware, they immediately engaged with another accounting firm. The accounting firm had to reconcile banks for fiscal years 2016-2017, 2017-2018. Once all statements were reconciled, and the village of Wilson Mayor and Board of Alderman could get a sound financial figures, we made contact with Minda Raybourn, CPA LLC.*

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

March 20, 2019 (Date Transmitted)

Minda B. Raybourn CPA LLC  
820 11<sup>th</sup> Ave  
Franklinton, LA 70438

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2018 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [ X ] No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [ X ] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [ X ] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [ ] No [ X ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [ X ] No [ ]

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

Yes [ X ] No [ ]

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

Yes [ X ] No [ ]

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

Yes [ X ] No [ ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [ X ] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.  
Yes [ X ] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.  
Yes [ X ] No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.  
Yes [ X ] No [ ]

**Prior-Year Comments**

We have resolved all prior-year recommendations and/or comments.  
Yes [ ] No [ X ]

**General**

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.  
Yes [ X ] No [ ]

We have evaluated our compliance with these laws and regulations prior to making these representations.  
Yes [ X ] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.  
Yes [ X ] No [ ]

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.  
Yes [ X ] No [ ]

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.  
Yes [ X ] No [ ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.  
Yes [ X ] No [ ]

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

Mayor Muelly Brantley Mayor 3/22/2013 Date