

**TOWN OF WISNER**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2019**

***ROZIER, MCKAY, AND WILLIS***  
***Certified Public Accountants***  
***Alexandria, Louisiana***

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December 20, 2019

Independent Auditors' Report

The Honorable Mayor  
and Members of the Town Council  
Town of Wisner, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wisner, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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-type activities, each major fund, and the aggregate remaining fund information of the Town of Wisner, as of June 30, 2019, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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*Town of Wisner*  
*December 20, 2019*

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information listed below supplement the basic financial statements.

- Management's Discussion and Analysis
- Budgetary Comparison Information
- Schedule of Net Pension Liability Data
- Schedule of Employer Contributions

Such information, 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 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.

*Other Supplemental Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Wisner's basic financial statements. The other supplemental information listed below is presented for purposes of additional analysis and are not a required part of the basic financial statements.

- Schedule of Compensation Paid to Board Members
- Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer

The other supplementary information is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standard

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of the Town of Wisner'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 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 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 Town of Wisner's internal control over financial reporting and compliance.

  
ROZIER, MCKAY & WILLIS  
Certified Public Accountants

# **TOWN OF WISNER**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2019**

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This section of the Town of Wisner's annual financial report presents our discussion and analysis of the Town's financial performance during the fiscal year ended June 30, 2019.

### **Overview of Financial Statements**

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Town's financial position and results of operations from differing perspectives which are described as follows:

#### **Government –Wide Financial Statements**

The government-wide financial statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Town's assets (including infrastructure acquired after July 1, 2003) and all of the Town's liabilities (including long-term debt).

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including police protection, fire protection, culture, recreation, public works, and general administration are reported as governmental activities. The governmental activities are financed by taxes, license fees, fines, court cost, interest, grants, and contributions.
- **Business-Type Activities** – Expenses associated with providing water and sewer services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with water and sewer services are reported as business type activities.

#### **Fund Financial Statements**

Fund financial statements provide detailed information regarding the Town's most significant activities and are not intended to provide information for the Town as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Town has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Town's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.
- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Town's water and sewer services. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

#### **Financial Analysis of the Town as a Whole**

A comparative analysis of government-wide data is presented as follows:

# **TOWN OF WISNER**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2019**

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### **Net Position**

A condensed version of the government-wide Statement of Net Position is presented as follows:

	<u>June 30, 2019</u>			<u>For the Year Ended June 30, 2018</u>
	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	
<b><u>Assets:</u></b>				
Current and Other Assets	\$ 47,653	\$ 155,322	\$ 202,975	\$ 224,101
Capital Assets	807,868	1,962,912	2,770,780	2,535,279
Total Assets	<u>855,521</u>	<u>2,118,234</u>	<u>2,973,755</u>	<u>2,759,380</u>
<b><u>Deferred Outflows:</u></b>				
Pension Funding Deferrals	<u>14,864</u>	<u>24,028</u>	<u>38,892</u>	<u>33,607</u>
<b><u>Liabilities:</u></b>				
Current and Other Liabilities	30,184	101,884	132,068	136,334
Long-term Liabilities	9,483	984,929	994,412	1,023,106
Total Liabilities	<u>39,667</u>	<u>1,086,813</u>	<u>1,126,480</u>	<u>1,159,440</u>
<b><u>Deferred Inflows:</u></b>				
Pension Funding Deferrals	<u>5,291</u>	<u>8,009</u>	<u>13,300</u>	<u>18,583</u>
<b><u>Net Position:</u></b>				
Invested in Capital Assets (Net)	807,868	1,043,376	1,851,244	1,575,508
Restricted	50	53,039	53,089	88,798
Unrestricted	17,509	(48,975)	(31,466)	(49,342)
Total Net Position	<u>\$ 825,427</u>	<u>\$1,047,440</u>	<u>\$ 1,872,867</u>	<u>\$ 1,614,964</u>

As the presentation appearing above demonstrates, the largest portion of the Town's net position is invested in capital assets. Net position invested in capital assets consist of land, buildings, equipment, construction in process, and infrastructure less any debt used to acquire the assets. The Town uses these capital assets to provide services to its citizens; consequently, these amounts are not available for future spending.

An additional portion of the net position represents resources that are subject to restrictions that are imposed by agreements with the Town's bondholders or requirements imposed by various revenue sources.

The Town's unrestricted net position improved during the year due to prudent use of the Town's resources. The liabilities associated with providing retirement benefits have eliminated the Town's remaining net position. Despite the absence of net position, the Town has sufficient resources to meet these obligations for the foreseeable future.

### **Changes in Net Position**

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows:

# **TOWN OF WISNER**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2019**

	<u>For the Year Ended June 30, 2019</u>			<u>For the</u>
	<u>Govern-</u>	<u>Business-</u>		<u>Year</u>
	<u>mental</u>	<u>Type</u>	<u>Total</u>	<u>Ended June</u>
	<u>Activities</u>	<u>Activities</u>		<u>30, 2018</u>
<b><u>Revenues:</u></b>				
<b>Program Revenue:</b>				
Charges for Services	\$ 150,276	\$ 334,466	\$ 484,742	\$ 376,382
Operating Grants and Contributions	4,314	----	4,314	4,307
Capital Grants and Contributions	----	374,375	374,375	64,793
<b>General Revenue:</b>				
Sales Taxes	83,368	----	83,368	100,712
Property Taxes	21,618	----	21,618	22,763
Insurance Premium Taxes	23,041	----	23,041	23,242
Franchise Taxes	14,705	----	14,705	17,410
Occupational Licenses	12,978	----	12,978	17,123
Miscellaneous	13,888	38	13,926	7,939
<b>Total Revenue</b>	<b>324,188</b>	<b>708,879</b>	<b>1,033,067</b>	<b>634,671</b>
<b><u>Program Expenses:</u></b>				
General Government	83,119	----	83,119	88,323
<b>Public Safety</b>				
Police Department	140,899	----	140,899	110,831
Fire Department	8,941	----	8,941	9,088
Public Works	86,788	425,319	512,107	474,198
Recreation	30,098	----	30,098	28,740
<b>Total Expenses</b>	<b>349,845</b>	<b>425,319</b>	<b>775,164</b>	<b>711,180</b>
<b>Increase (Decrease) in Net</b>				
<b>Position Before Transfers</b>	<b>(25,657)</b>	<b>283,560</b>	<b>257,903</b>	<b>(76,509)</b>
<b>Transfers</b>	<b>(1,161)</b>	<b>1,161</b>	<b>----</b>	<b>----</b>
<b>Change in Net Position</b>	<b>(26,818)</b>	<b>284,721</b>	<b>257,903</b>	<b>(76,509)</b>
<b>Net Position Beginning:</b>	<b>852,245</b>	<b>762,719</b>	<b>1,614,964</b>	<b>1,691,473</b>
<b>Net Position Ending</b>	<b>\$ 825,427</b>	<b>\$1,047,440</b>	<b>\$ 1,872,867</b>	<b>\$ 1,614,964</b>

Governmental activities before transfers experienced a decrease of \$25,657. This decrease resulted due to an increase in current year expenses.

Business-type activities before transfers experienced an increase in net position of \$283,560. This increase is due to the Town receiving grant funds for sewer system improvements.

### **Financial Analysis of the Town's Funds**

An analysis of significant matters affecting the Town's funds is presented as follows:

# **TOWN OF WISNER**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2019**

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- The Town's governmental funds reported combined fund balances of \$17,469 which represents an increase of \$6,181 in comparison to the previous balance. This increase is due to an increase in revenues.
- Amounts reported for business-type activities in the Town's individual funds are identical to the business-type activities reported in the government-wide presentation.

### **General Fund Budget Highlights**

The general fund is the only fund required by law to adopt a budget and the budget is amended as necessary.

### **Capital Asset Administration**

The Town completed sewer system improvements during the latter portion of the fiscal year. These funds will help improve sewer lift stations within the Town.

### **Debt Administration**

Debt activity was limited to payment of principal and interest on current debt obligations. There was no new debt issued during the current year.

### **Factors Expected to Affect Future Operations**

During the previous year, the Town received a Community Development Block Grant of \$427,475 to improve sewer lift stations. This project has been completed.

# **TOWN OF WISNER**

## **Statement of Net Position**

**June 30, 2019**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>ASSETS:</u></b>			
Cash and cash equivalents	\$ 31,991	\$ 53,032	\$ 85,023
Receivables (net)	15,612	49,251	64,863
Restricted assets			
Cash and cash equivalents	50	53,039	53,089
Capital Assets			
Non depreciable capital assets			
Land	57,000	13,200	70,200
Depreciable capital assets (net)	<u>750,868</u>	<u>1,949,712</u>	<u>2,700,580</u>
<b>Total assets</b>	<u>855,521</u>	<u>2,118,234</u>	<u>2,973,755</u>
<b><u>DEFERRED OUTFLOWS:</u></b>			
Pension funding deferrals	<u>14,864</u>	<u>24,028</u>	<u>38,892</u>
<b><u>LIABILITIES:</u></b>			
Accounts payable	30,184	22,495	52,679
Deposits due others	-	59,397	59,397
Accrued interest payable	-	19,992	19,992
Long-term liabilities			
Notes Payable			
Due within one year	-	41,336	41,336
Due in more than one year	-	858,208	858,208
Net pension liability	<u>9,483</u>	<u>85,385</u>	<u>94,868</u>
<b>Total liabilities</b>	<u>39,667</u>	<u>1,086,813</u>	<u>1,126,480</u>
<b><u>DEFERRED INFLOWS:</u></b>			
Pension funding deferrals	<u>5,291</u>	<u>8,009</u>	<u>13,300</u>
<b><u>NET POSITION:</u></b>			
Invested in capital assets, net of related debt	807,868	1,043,376	1,851,244
Restricted for Capital Projects			
Capital Projects	50	-	50
Debt Service	-	53,039	53,039
Unrestricted	<u>17,509</u>	<u>(48,975)</u>	<u>(31,466)</u>
<b>Total net position</b>	<u>\$ 825,427</u>	<u>\$ 1,047,440</u>	<u>\$ 1,872,867</u>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## **Statement of Activities**

**Year Ended June 30, 2019**

	Expenses	Program Revenues			Net (Expenses) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
<b><u>Governmental Activities:</u></b>					
General government	83,119	\$ -	\$ -	\$ -	\$ (83,119)
Public safety					
Police department	140,899	139,551	-	-	(1,348)
Fire department	8,941	-	4,314	-	(4,627)
Public works	86,788	-	-	-	(86,788)
Recreation	30,098	10,725	-	-	(19,373)
Total governmental activities	<u>349,845</u>	<u>150,276</u>	<u>4,314</u>	<u>-</u>	<u>(195,255)</u>
<b><u>Business-Type Activities:</u></b>					
Water and sewer	425,319	334,466	-	374,375	283,522
Total Business-Type Activities	<u>425,319</u>	<u>334,466</u>	<u>-</u>	<u>374,375</u>	<u>283,522</u>
Total Primary Government	<u>\$ 775,164</u>	<u>\$ 484,742</u>	<u>\$ 4,314</u>	<u>\$ 374,375</u>	<u>\$ 88,267</u>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## **Statement of Activities (Continued)**

**Year Ended June 30, 2019**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business- Type Activities	Net (Expenses) Revenue
Net (Expense) Revenues (Continued From Previous Page)	\$ (195,255)	\$ 283,522	\$ 88,267
<b>General Revenues:</b>			
Taxes:			
Ad Valorem	21,618	-	21,618
Sales Taxes	83,368	-	83,368
Franchise	14,705	-	14,705
Insurance Premium Taxes	23,041	-	23,041
Occupational Licenses	12,978	-	12,978
Miscellaneous	13,888	38	13,926
Transfers	(1,161)	1,161	-
Total General Revenues and Transfers	168,437	1,199	169,636
Change in Net Position	(26,818)	284,721	257,903
Net Position Beginning	852,245	762,719	1,614,964
Net Position Ending	\$ 825,427	\$ 1,047,440	\$ 1,872,867

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## **Balance Sheet**

### **Governmental Funds - June 30, 2019**

	General	Non-Major Fund	Total Governmental Funds
<b><u>Assets</u></b>			
Cash and cash equivalents	\$ 31,991	\$ -	\$ 31,991
Receivables (net)	15,612	-	15,612
Restricted assets:			
Cash and cash equivalents	-	50	50
<b>Total assets</b>	<b>\$ 47,603</b>	<b>\$ 50</b>	<b>\$ 47,653</b>
<b><u>Liabilities and Fund Equity</u></b>			
<b><u>Liabilities:</u></b>			
Accounts and other payables	30,184	\$ -	\$ 30,184
<b>Total liabilities</b>	<b>30,184</b>	<b>-</b>	<b>30,184</b>
<b><u>Fund Balance:</u></b>			
Unassigned	17,419	-	17,419
Assigned	-	50	50
<b>Total fund equity</b>	<b>17,419</b>	<b>50</b>	<b>17,469</b>
<b>Total liabilities and fund equity</b>	<b>\$ 47,603</b>	<b>\$ 50</b>	<b>\$ 47,653</b>

### **Reconciliation of the Governmental Funds Balance Sheets to the Statement of Net Assets**

Total Fund Balances - Governmental Funds	\$ 17,469
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	807,868
Liabilities not due and payable in the current period are excluded from the Governmental Fund Balance Sheet	90
Net Assets of Governmental Activities	<b>\$ 825,427</b>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## **Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds - Year Ended June 30, 2019**

	General	Non-Major Fund	Total Governmental Funds
<b>Revenues:</b>			
<b>Taxes:</b>			
Ad valorem	\$ 21,618	\$ -	\$ 21,618
Sales tax	83,368	-	83,368
Franchise	14,705	-	14,705
Insurance premium taxes	23,041	-	23,041
Licenses and permits:	12,978	-	12,978
Intergovernmental:	5,323	-	5,323
Bonds and fines	139,551	-	139,551
Miscellaneous:	23,605	-	23,605
<b>Total revenues</b>	<b>324,189</b>	<b>-</b>	<b>324,189</b>
<b>Expenditures:</b>			
General government	80,141	-	80,141
Public safety			
Police Department	134,063	-	134,063
Fire Department	5,773	-	5,773
Public works	89,352	-	89,352
Recreation	7,518	-	7,518
<b>Total expenditures</b>	<b>316,847</b>	<b>-</b>	<b>316,847</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>7,342</b>	<b>-</b>	<b>7,342</b>
<b>Other financing sources (uses):</b>			
Operating transfers (net)	(1,161)	-	(1,161)
<b>Total other financing sources (uses)</b>	<b>(1,161)</b>	<b>-</b>	<b>(1,161)</b>
<b>Excess (deficiency) of revenues and expenditures and other uses</b>	<b>6,181</b>	<b>-</b>	<b>6,181</b>
<b>Fund balance - beginning of year</b>	<b>11,238</b>	<b>50</b>	<b>11,288</b>
<b>Fund balance - end of year</b>	<b>\$ 17,419</b>	<b>\$ 50</b>	<b>\$ 17,469</b>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## ***Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities***

***Year Ended June 30, 2019***

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Net change in fund balances of Governmental Funds	\$ 6,181
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays for the period.	(32,834)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds	<u>(165)</u>
Change in net position of governmental activities	<u>\$ (26,818)</u>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## **Statement of Net Position**

**Proprietary Funds - Year Ended June 30, 2019**

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	<u>Business-Type Activities</u>	<u>Utility System</u>
<b><u>ASSETS:</u></b>		
Current assets:		
Cash and cash equivalents	\$	53,032
Receivables (net)		49,251
Total current assets		<u>102,283</u>
Restricted assets:		
Cash and cash equivalents		53,039
Noncurrent assets:		
Non-depreciable capital assets		
Land		13,200
Depreciable capital assets (net)		1,949,712
Total noncurrent assets		<u>1,962,912</u>
<b>Total assets</b>		<u>2,118,234</u>
<b><u>DEFERRED OUTFLOWS:</u></b>		
Pension funding deferrals		<u>24,028</u>
<b><u>LIABILITIES:</u></b>		
Current liabilities:		
Accounts payable		22,495
Accrued interest payable		19,992
Deposits due others		59,397
Current portion of long-term debt		41,336
Total current liabilities		<u>143,220</u>
Noncurrent Liabilities:		
Long-Term Debt		858,208
Net Pension Liability		85,385
Total liabilities		<u>1,086,813</u>
<b><u>DEFERRED INFLOWS:</u></b>		
Pension funding deferrals		<u>8,009</u>
<b><u>NET POSITION</u></b>		
Invested in capital assets, net of related debt		1,043,376
Restricted for debt service		53,039
Unrestricted		(48,975)
<b>Total net position</b>	<b>\$</b>	<b><u>1,047,440</u></b>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## **Statement of Revenues, Expenditures, and Changes in Fund Net Position Proprietary Funds - Year Ended June 30, 2019**

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	Business-Type Activities
	<u>Utility System</u>
<b><u>Operating revenues:</u></b>	
Charges for services	
Water	\$ 183,120
Sewer	120,868
Other	<u>30,478</u>
<b>Total operating revenues</b>	<u>334,466</u>
<b><u>Operating expenses:</u></b>	
Salaries	88,619
Payroll taxes and benefits	17,811
Repairs, maintenance, chemicals, and supplies	83,673
Utilities	35,633
Insurance	19,873
Office expense	2,929
Fuel	6,011
Depreciation	105,731
Other	<u>15,358</u>
<b>Total operating expenses</b>	<u>375,638</u>
<b>Operating income (loss)</b>	(41,172)
<b><u>Non-operating revenues (expenses):</u></b>	
Interest revenue	38
Interest expense	<u>(49,681)</u>
<b>Change in net position before     contributions and transfers</b>	(90,815)
<b><u>Capital Grants and transfers:</u></b>	
Capital Grants	374,375
Operating transfers (net)	<u>1,161</u>
<b>Change in net position</b>	284,721
<b>Total net position - beginning of year</b>	<u>762,719</u>
<b>Total net position - end of year</b>	<u>\$ 1,047,440</u>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## **Statement of Cash Flows (continued)**

### **Proprietary Funds - Year Ended June 30, 2019**

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#### **Cash flow from operating activities:**

Cash received from customers	\$ 339,926
Cash payments to suppliers of goods and services	(194,845)
Cash payments to employees for service	<u>(88,619)</u>
Net cash provided (used) by operating activities	<u>56,462</u>

#### **Cash flows from non-capital financing activities:**

Operating transfers in (out)	<u>1,161</u>
Net cash provided (used) by non-capital financing activities	<u>1,161</u>

#### **Cash flows from capital and related financing activities:**

Capital grant proceeds	370,875
Capital assets acquired	(374,066)
Principle paid on capital debt	(39,092)
Interest paid on capital debt	<u>(50,823)</u>
Net cash provided (used) by capital and related financing activities	<u>(93,106)</u>

#### **Cash flows from investing activities:**

Interest and other income	<u>38</u>
Net cash provided (used) by investing activities	<u>38</u>

Net increase (decrease) in cash	(35,445)
Beginning cash balance	<u>141,516</u>
Ending cash balance	106,071
Cash - restricted	<u>53,039</u>
Cash - unrestricted	<u>\$ 53,032</u>

*The accompanying notes are an integral part of the financial statements.*

# **TOWN OF WISNER**

## ***Statement of Cash Flows (Concluded)*** ***Proprietary Funds - Year Ended June 30, 2019***

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### **Reconciliation of operating income (loss) to net cash**

Operating Income (loss)	\$ (41,172)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	105,731
(Increase) decrease in accounts receivable	500
(Decrease) increase in accounts payable	(13,221)
(Decrease) increase in meter deposits	4,960
(Decrease) increase in net pension liability	<u>(336)</u>
<b>Net cash provided (used) by operating activities</b>	<b><u>\$ 56,462</u></b>

There were no operating, investing, or financing activities during the year that did not result in cash receipts or payments.

# **TOWN OF WISNER**

## ***Notes To Financial Statements*** ***June 30, 2019***

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

#### **Organization and Basis of Presentation**

The Town of Wisner (the Town) was incorporated under the provisions of the Lawrason Act and operates under a Mayor-Board of Aldermen form of government. The Town provides various services including public safety (police and fire protection), streets and drainage, recreation, utilities (water and sewerage), and general administrative services.

The accounting and reporting practices of the Town of Wisner, Louisiana conform to generally accepted accounting principles as applicable to governmental units on a consistent basis between periods.

The following is a summary of the more significant accounting policies.

#### **Financial Reporting Entity**

As the municipal governing authority, for reporting purposes, the Town of Wisner, Louisiana, is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, (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.

Governmental Accounting Standards Board (GASB) established criteria for determining which component units should be considered part of the Town of Wisner, Louisiana, 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. This criteria includes:

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 financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the above criteria, the Town of Wisner has no component units for the year ended June 30, 2019.

# **TOWN OF WISNER**

## ***Notes To Financial Statements***

***June 30, 2019***

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### **Basic Financial Statements**

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises.

The government-wide and fund financial statements present the Town's financial position and results of operations from differing perspectives which are described as follows:

### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the Town as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service or business-type activity. Program revenues include charges for services, fines, court cost, contributions associated with a particular function, and most grants.

### **Fund Financial Statements**

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and proprietary funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Town's major funds are described as follows:

#### **Governmental Funds**

**General Fund** – The general fund is the primary operating fund and is used to account for all governmental activities.

#### **Business-Type Funds**

**Utility System** – This fund is used to account for the operations of the Town's Water System and Sewer System. Revenue earned in exchange for providing services is reported as operating income and revenue from other sources is reported as non-operating.

### **Basis of Accounting and Measurement Focus**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described below:

# **TOWN OF WISNER**

## **Notes To Financial Statements June 30, 2019**

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<b><u>Financial Statement Presentation</u></b>	<b><u>Basis of Accounting</u></b>	<b><u>Measurement Focus</u></b>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Proprietary Funds	Accrual Basis	Economic Resources
Fiduciary Funds	Accrual Basis	Economic Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims, and judgments are recorded as expenses when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as an other financing source and repayment of long-term debt is reported as an expenditure.

### **Non-Exchange Transactions**

Revenue from certain non-exchange transactions cannot be properly measured prior to collection. Furthermore, it is not practical to determine the probability of collection resulting from certain non-exchange transactions such as traffic citations. Consequently, revenue from fines and court cost is not recognized until it is collected.

### **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**

Restricted assets represent resources that must be expended in a specific manner. Restrictions of this nature are imposed by various contractual obligations including grant agreements and bond covenants. In situations where it is permissible to spend restricted resources, the Town typically depletes the available restricted resources before consuming unrestricted resources.

### **Budget Practices**

The Mayor prepares an annual budget for the Town's general fund. This budget is submitted to the Town Council Members and an approved budget is adopted before the beginning of each fiscal year. Amended budgets are prepared prior to the conclusion of each fiscal year. The amended budgets are prepared and approved in the same manner as the original budget.

The general fund budget presents revenue and expenditures on a basis which is consistent with generally accepted accounting principles. No annual budget is required for the Town's Utility Fund.

# **TOWN OF WISNER**

## **Notes To Financial Statements June 30, 2019**

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### **Capital Assets**

Infrastructure capital assets consisting of streets, bridges, sidewalks, and drainage systems acquired before July 1, 2003, are excluded from capital assets. Depreciation associated with capital assets is computed using the straight-line method over the estimated useful lives of the assets.

Capital assets, which include property, equipment, and infrastructure, are reported as assets in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Town.

### **Cash and Cash Equivalents and Investments**

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law. Furthermore, interest rate risk associated with certificates of deposits is typically mitigated by purchasing instruments that mature in one year or less.

### **Internal Balances**

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded.

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

### **Statement of Cash Flows**

For the purpose of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in banks, and certificates of deposit.

### **Compensated Absences**

The Town does not accumulate any paid vacation, sick pay, or other employee benefit amounts because employees are not allowed to carry over significant amounts.

### **Fund Balance Classification:**

Approval of the majority of the Board of Aldermen is required to approve the commitment of fund balances. In situations where it is permissible to spend restricted or committed resources, the Town typically depletes the available restricted or committed resources before consuming unrestricted resources.

# **TOWN OF WISNER**

## ***Notes To Financial Statements*** ***June 30, 2019***

### **NOTE 2 - CASH AND CASH EQUIVALENTS**

At June 30, 2019, cash and cash equivalents included the following amounts:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash Deposited in Banks	\$ 31,207	\$ 106,071	\$ 137,278
Cash on Hand	834	----	834
Total Cash	32,041	106,071	138,112
Restricted Cash	50	53,039	53,089
Cash and Cash Equivalents	<u>\$ 31,991</u>	<u>\$ 53,032</u>	<u>\$ 85,023</u>

Cash deposited in banks is stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At June 30, 2019, the Town has \$138,540 in deposits (collected bank balance). These deposits are secured from risk by \$250,000 of federal deposit insurance.

### **NOTE 3 - TAXES**

#### **Ad Valorem Taxes**

The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Franklin Parish. Property taxes are limited to an assessment for general alimony as permitted by State Law. Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from ad valorem taxes are recognized as revenue in the year billed by the Town's General Fund.

#### **Sales Taxes**

Sales taxes are collected by the Parish of Franklin and remitted to the Town. For the year ended June 30, 2019 the Town has levied a 1.0 % sales tax available for general corporate purposes. This sales tax has no expiration.

### **NOTE 4 - RECEIVABLES**

The receivables at June 30, 2019, are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Accounts Receivable</u>			
Utility Customers	\$ ----	\$ 67,579	\$ 67,579
Franchise Fees	3,327	----	3,327
Total Accounts Receivables	<u>3,327</u>	<u>67,579</u>	<u>70,906</u>

# **TOWN OF WISNER**

## **Notes To Financial Statements**

**June 30, 2019**

	Governmental Activities	Business-Type Activities	Total
<u>Due From Other Governmental Units</u>			
Sales Taxes	7,971	----	7,971
Grant Funds	4,314	3,500	7,814
Total Due From Other Governments	12,285	3,500	15,785
Total Receivables	15,612	71,079	86,691
Allowance for Doubtful Accounts	----	(21,828)	(21,828)
Receivables, net of allowance	\$ 15,612	\$ 49,251	\$ 64,863

### **NOTE 5 – CAPITAL ASSETS**

A summary of the property and equipment at June 30, 2019, consists of the following:

	Beginning Balance	Additions	Deletions	Ending Balance
<b><u>Governmental Activities</u></b>				
<u>Non Depreciable Capital Assets</u>				
Land	\$ 57,000	\$ ----	\$ ----	\$ 57,000
<u>Capital Assets Being Depreciated</u>				
Buildings and improvements	926,455	----	----	926,455
Improvements other than buildings	81,557	----	----	81,557
Vehicles & Equipment	487,901	9,156	----	497,057
Total	1,495,913	9,156	----	1,505,069
Less Accumulated Depreciation	(712,212)	(41,989)	----	(754,201)
Total Net of Depreciation	783,701	(32,833)	----	750,868
Total Governmental Activities	\$ 840,701	\$ (32,833)	\$ ----	\$ 807,868
<b><u>Business-Type Activities</u></b>				
<u>Non Depreciable Capital Assets</u>				
Land	\$ 13,200	\$ ----	\$ ----	\$ 13,200
Construction in Process	41,103	374,065	415,168	----
Total Non-Depreciable Capital Assets	54,303	374,065	415,168	13,200
<u>Capital Assets Being Depreciated</u>				
Water Distribution System	3,411,156	----	----	3,411,156
Wastewater System	476,817	415,168	----	891,985
Vehicles & Equipment	79,381	----	----	79,381
Total	3,967,354	415,168	----	4,382,522
Less Accumulated Depreciation	(2,327,079)	(105,731)	----	(2,432,810)
Total Net of Depreciation	1,640,275	309,437	----	1,949,712
Total Business-Type	\$ 1,694,578	\$ 683,502	\$ 415,168	\$ 1,962,912

# **TOWN OF WISNER**

## **Notes To Financial Statements**

**June 30, 2019**

Depreciation expense reported by various functions is presented as follows:

<b><u>Governmental Activities:</u></b>	
General Government	\$ 2,978
Police Department	6,836
Fire Department	3,168
Streets and Drainage	6,427
Recreation	22,580
Total Depreciation – Governmental Activities	<u>\$ 41,989</u>

### **NOTE 6 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Amounts payable to vendors at June 30, 2019 totaled \$52,679.

### **NOTE 7 – LONG TERM DEBT**

Debt attributable to the Town's business-type activities is summarized as follows:

	<b><u>Business-Type Activities</u></b>
Water Revenue Bonds	\$ 325,905
Revenue Bonds-1989	370,555
Revenue Bonds-1992	203,084
Total Long-term Debt	899,544
Due Within One Year	(41,336)
Due in More Than One Year	<u>\$ 858,208</u>

Changes in the Town's long-term debt activity for the year ended June 30, 2019, is summarized as follows:

	<b><u>Beginning Balance</u></b>	<b><u>Additions</u></b>	<b><u>Payments</u></b>	<b><u>Ending Balance</u></b>
<b><u>Business-Type Activities:</u></b>				
Water Revenue Bonds	\$ 331,000	\$ ----	\$ (5,095)	\$ 325,905
Revenue Bonds-1989	394,138	----	(23,583)	370,555
Revenue Bonds-1992	213,498	----	(10,414)	203,084
Total Business-Type Activities	<u>\$ 938,636</u>	<u>\$ ----</u>	<u>\$ (39,092)</u>	<u>\$ 899,544</u>

### **Revenue Bonds**

The Town has issued Water Revenue bonds for the purpose of acquiring and constructing extensions and improvements to the waterworks system and to purchase the lines and connected fixtures of a neighboring water system.

# **TOWN OF WISNER**

## **Notes To Financial Statements June 30, 2019**

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\$367,000 Water Revenue Bonds, Series 2008, due in monthly installments of \$1,666, maturing October, 2048, bearing interest at a rate of 4.5%. Revenue generated by the Town's water system has been pledged to secure these bonds. \$ 325,905

The Utility Revenue Bonds constitute special obligations of the Town secured by a lien on and pledge of the net revenues of the utility system.

\$706,000 Utility Revenue Bonds, dated November 1, 1989, due in annual installments of \$47,231, maturing November, 2029, bearing interest at a rate of 6.5%. Revenue generated by the Town's utility system has been pledged to secure these bonds. \$ 370,555

\$350,000 Utility Revenue Bonds, dated February 27, 1992, due in annual installments of \$22,690, maturing February, 2032, bearing interest at a rate of 5.75%. Revenues generated by the Town's utility system has been pledged to secure these bonds. \$ 203,084

### **Annual Requirements to Retire Debt Obligations**

The annual aggregate maturities for the years subsequent to June 30, 2019, are as follows:

### **Business-type Activities**

	<u>Principal Payments</u>	<u>Interest</u>
2020	\$ 41,336	\$ 48,580
2021	43,709	46,207
2022	46,219	43,697
2023	48,873	41,042
2024	51,682	38,234
2025-2029	306,575	143,005
2030-2034	145,913	64,094
2035-2039	56,374	43,597
2040-2044	70,252	29,719
2045-2049	87,547	12,424
2050	1,064	52
Total Business-Type	<u>\$ 899,544</u>	<u>\$ 510,651</u>

Total interest charged to expense for the year ended June 30, 2019 is \$49,681 for business type activities.

# **TOWN OF WISNER**

## ***Notes To Financial Statements*** ***June 30, 2019***

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### **NOTE 8 - RISK MANAGEMENT**

The Town of Wisner 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. These risks of loss are covered by a comprehensive commercial insurance policy and participation in a public entity risk pool that operates as a common insurance program. Claims resulting from these risks have historically not exceeded insurance coverage.

### **NOTE 9- PENSION PLAN**

All full-time Town employees, except police officers, are eligible to be members of a statewide retirement system. These systems are cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. A summary of amounts reported in connection with participation in this plan is summarized as follows:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Municipal Employees' Retirement System	\$ 94,868	\$ 38,892	\$ 13,300
Portion Applicable to Business Type Activities	<u>85,385</u>	<u>24,028</u>	<u>8,009</u>
Portion Applicable to Government Type Activities	<u>\$ 9,483</u>	<u>\$ 14,864</u>	<u>\$ 5,291</u>

### **Municipal Employees' Retirement System of Louisiana:**

*Plan Description.* The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All full-time employees of the municipality are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final average salary. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

# **TOWN OF WISNER**

## **Notes To Financial Statements June 30, 2019**

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*Funding Policy.* Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 9.5% of the annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Wisner are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the plan were equal to the required contributions for the year.

*Financial Summary* – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available standalone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at [mersla.com](http://mersla.com). The plans net pension liability was determined at June 30, 2018 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 245,867,981
Plan Fiduciary Net Position	161,284,802
Net Pension Liability	<u>84,583,179</u>
Town's Proportionate Share (Percentage)	0.112157%
Town's Proportionate Share (Amount)	<u>\$ 94,868</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2018 are provided as follows:

Beginning Net Pension Liability	\$ 84,470
Employer Contributions	(11,078)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	19,888
Changes in Proportion	(4,529)
Employee Contributions	<u>(2,815)</u>
Changes in Deferred Outflows of Resources	12,544
Changes in Deferred Inflows of Resources	3,650
	<u>5,282</u>
Ending Net Pension Liability	<u>\$ 94,868</u>

There were no changes between June 30, 2019 and the Plan's measurement date that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

# **TOWN OF WISNER**

## **Notes To Financial Statements June 30, 2019**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences Between Expected and Actual Experience	\$ 254	\$ 4,272	\$ (4,018)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	15,420	----	15,420
Changes of Assumptions	3,550	----	3,550
Changes in Proportion	6,383	9,028	(2,645)
Employer Contributions Made After the Measurement Date	13,283	----	13,283
Total Deferrals	38,890	13,300	25,590
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	13,283	----	13,283
Deferrals Subject to Amortization	<u>\$ 25,607</u>	<u>\$ 13,300</u>	<u>\$ 12,307</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending:</u>	
June 30, 2019	\$ 6,304
June 30, 2020	4,127
June 30, 2021	1,398
June 30, 2022	478
Total	<u>\$ 12,307</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment Rate of Return	7.275%, net of investment expense
Projected Salary Increases	5.0%
Inflation rate	2.6%
Mortality Rates	RP-2000 Employees Sex Distinct Table (set back 2 years for males and females) RP-2000 Healthy Annuitant Sex Distinct Mortality Table (set forward 2 years for males and 1 year for females projected to 2028 using scale AA) RP-2000 Disabled Lives Mortality Tables for disabled annuitants set back 5 years for males and 3 years for females)
Expected Remaining Service Lives	3 years

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce a credible experience. The

# **TOWN OF WISNER**

## **Notes To Financial Statements June 30, 2019**

aggregated data was collected over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public Equity	50%	2.20%
Public Fixed Income	35%	1.50%
Alternatives	15%	0.60%
Totals	<u>100%</u>	<u>4.30%</u>
Inflation		<u>2.70%</u>
Expected Arithmetic Nominal Return		<u>7.00%</u>

The discount rate used to measure the total pension liability was 7.275%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	<u>1% Decrease 6.275% Discount Rate</u>	<u>Current Discount Rate 7.275%</u>	<u>1% Increase 8.275% Discount</u>
Net Pension Liability	\$ 124,500	\$ 94,868	\$ 69,674

### **NOTE 10 – RESTRICTIONS AND COMMITMENTS**

Bond covenants require the Town to establish bank accounts which serve as debt service and depreciation reserves. Funds may be disbursed from these accounts only under specific circumstances described by the bond covenants. Amounts on deposit in these accounts are reported as restricted cash. In addition the corresponding amounts of net position are also presented as restricted net position.

# **TOWN OF WISNER**

## ***Notes To Financial Statements*** ***June 30, 2019***

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### **NOTE 11 – TRANSFERS**

In the ordinary course of business, the Town routinely transfers resources between its funds to cover payroll, related liabilities, and other expenses. A description of the transfers is presented below:

	<u>Operating Transfers In/(Out)</u>
<b><u>Governmental Funds</u></b>	
General Fund	\$ 1,161
<b><u>Business Type Funds</u></b>	
Utility System	<u>(1,161)</u>
Total	<u>\$ ----</u>

### **NOTE 12 – CONTINGENCIES**

Existing conditions that may have financial consequences in the future are referred to as contingencies. Contingencies existing at June 30, 2019, are described as follows:

#### **Litigation**

Like most governmental units with extensive and diverse operations, the Town is occasionally named as a defendant in litigation. Based on consultation with Town Attorney, there are no anticipated claims that are expected to exceed available insurance coverage.

#### **Grant Compliance**

The Town receives state and federal assistance through various grant programs. Management is confident that all significant grant conditions have been met; however, grantor agencies routinely review grant activity and could request reimbursement if a dispute occurs regarding compliance with grant conditions.

# **TOWN OF WISNER**

## **General Fund**

### **Schedule of Revenues, Expenditures, and Changes in Fund Balances**

#### **Budget and Actual**

**Year ended June 30, 2019**

	Budget Amounts		Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Total revenues</b>	<u>\$ 244,000</u>	<u>\$ 300,436</u>	<u>\$ 324,189</u>	<u>\$ 23,753</u>
<b>Expenditures:</b>				
General government	64,000	85,000	80,141	4,859
Public safety				
Police Department	100,000	120,028	134,063	(14,035)
Fire Department	9,000	8,800	5,773	3,027
Public works	64,000	90,000	89,352	648
Recreation	-	7,000	7,518	(518)
<b>Total expenditures</b>	<u>237,000</u>	<u>310,828</u>	<u>316,847</u>	<u>(6,019)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>7,000</u>	<u>(10,392)</u>	<u>7,342</u>	<u>17,734</u>
<b>Other financing sources (uses):</b>				
Operating transfers (net)	-	14,000	(1,161)	(15,161)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>14,000</u>	<u>(1,161)</u>	<u>(15,161)</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other uses</b>	<u>7,000</u>	<u>3,608</u>	<u>6,181</u>	<u>2,573</u>
<b>Fund balance - beginning of year</b>	<u>11,238</u>	<u>11,238</u>	<u>11,238</u>	<u>-</u>
<b>Fund balance - end of year</b>	<u>\$ 18,238</u>	<u>\$ 14,846</u>	<u>\$ 17,419</u>	<u>\$ 2,573</u>

# **Town of Wisner**

## **Schedule of Net Pension Liability Data**

### **Cost Sharing Retirement Systems**

Retirement System / Measurement Date	Share of Collective Net Pension Liability		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Percent	Amount			
	<b>Municipal Employees' Retirement System</b>				
June 30, 2015	0.15%	71,965	104,251	69.0%	76.90%
June 30, 2016	0.14%	92,403	102,423	90.2%	76.90%
June 30, 2017	0.12%	101,005	72,108	140.1%	63.34%
June 30, 2018	0.10%	84,470	81,788	103.3%	63.49%
June 30, 2019	0.11%	94,868	94,647	100.2%	65.60%

**Notes to Schedule:**

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

# **Town of Wisner**

## ***Schedule of Employer Contributions Cost Sharing Retirement Systems***

---

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Municipal Employees' Retirement System					
June 30, 2015	9,122	9,122	-	104,251	8.75%
June 30, 2016	8,556	8,962	(406)	102,423	8.75%
June 30, 2017	7,932	8,505	(573)	72,108	11.79%
June 30, 2018	10,837	7,993	2,844	81,788	9.77%
June 30, 2019	13,251	11,078	2,173	94,647	11.70%

**Notes to Schedule:**

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

# **Town of Wisner**

## **Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer Year Ended June 30, 2019**

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	<u>Agency Head (Mayor)</u>
	Marc McCarty
Compensation	\$ 7,900
Benefits	-
Reimbursements	-
	<u>\$ 7,900</u>

# **Town of Wisner**

## ***Schedule of Compensation Paid to Board Members Year Ended June 30, 2019***

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<u>Name</u>	<u>Position</u>	<u>Compensation</u>
Marc McCarty	Mayor	\$ 7,900
Jo Caldwell	Council Member	1,200
Nettie B. Brown	Council Member	700
Roger Hilliard	Council Member	1,200
Thomas Lemle	Council Member	1,200
Elliot Britt	Council Member	600
		<u>\$ 12,800</u>



December 20, 2019

**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**

The Honorable Mayor  
And the Board of Alderman  
Town of Wisner, Louisiana

We have audited, in accordance with the 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, each major fund, and the aggregate remaining fund information of the Town of Wisner, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Wisner's basic financial statements, and have issued our report thereon dated December 20, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Wisner's internal control over financial reporting (internal control) to determine the 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 Town of Wisner's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Wisner'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 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. Given these limitations, during our audit we did not identify



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any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Wisner's financial statements are free from 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 statement amounts. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and as items 2019-1.

**Town of Wisner's Response to Findings**

The Town of Wisner's response to the findings identified in our audit is described in the accompanying Management's Corrective Action Plan. The Town of Wisner's response is 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



ROZIER, McKAY & WILLIS  
Certified Public Accountants

**Town of Wisner, Louisiana**  
**Schedule of Findings**  
**For the Year Ended June 30, 2019**

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**Part I - Summary of Auditor's Results:**

- The Independent Auditor's Report on the financial statements for the Town of Wisner as of June 30, 2019, and for the year then ended expressed an unmodified opinion.
- The results of the audit disclosed one instance of noncompliance (2019-1) that are considered to be material to the financial statements of the Town of Wisner.
- The results of the audit did not disclose any instances of material weaknesses that are considered to be material to the financial statements of the Town of Wisner.

**Part II - Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:**

**2019-1: Non Compliance with Bond Covenants**

In exchange for fees, the Town provides residents with utility service including water and sewage disposal. Operation of the utility system has not produced sufficient income to recover the costs of operations and service debt incurred to construct the utility system. In order to provide income necessary to sustain operations and repay creditors, we suggest altering the Town's utility rate structure to provide additional the revenue needed to meet the utility system's obligations.

**Town of Wisner, Louisiana  
Management's Corrective Action Plan  
For the Year Ended June 30, 2019**

<b>SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
<p><b><u>2019-1: Non Compliance with Bond Covenants</u></b> In exchange for fees, the Town provides residents with utility service including water and sewage disposal. Operation of the utility system has not produced sufficient income to recover the costs of operations and service debt incurred to construct the utility system.</p>	<p><b><u>2019-1: Response</u></b> There has been substantial improvement in our utility revenues. We have cut costs and will continue to review the possibility of a utility rate increase.</p>
<b>SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
Finding - N/A – There were no findings in this area.	Response - N/A
<b>SECTION III – MANAGEMENT LETTER</b>	
Finding - N/A – There were no findings in this area.	Response - N/A

**Town of Wisner, Louisiana  
Schedule of Prior Year Findings  
For the Year Ended June 30, 2019**

<b>SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
<p><b><u>Finding 2018-1 Budget Violations:</u></b> The Town's General Fund expenditures exceeded budgeted appropriations by more than the variances allowed by law. This variance occurred due to management failing to properly budget expenditures and operating transfers. Management should review the budget to actual expenditures each month and amend the budget when actual expenditures exceed budgeted expenditures by more than 5%. This will allow management to closely monitor the Town's expenditures and reduce the risk of purchases that were not properly authorized.</p>	<p><b><u>Resolved:</u></b> The current year budget variances were within the limits allowed.</p>
<b>SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
<p>Finding - N/A – There were no findings in this area.</p>	<p>Response - N/A</p>
<b>SECTION III – MANAGEMENT LETTER</b>	
<p>Finding - N/A – There were no findings in this area.</p>	<p>Response - N/A</p>

**APPENDIX A**  
**State-Wide Agreed Upon Procedures**



**Rozier McKay  
& Willis** | CERTIFIED PUBLIC  
ACCOUNTANTS

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

To the Honorable Mayor and  
Members of the Town Council and  
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Town of Wisner (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated results are presented in the accompanying Schedule of Procedures, Results and Managements' Response.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Rozier, McKay & Willis  
Certified Public Accountants  
Alexandria, Louisiana  
December 23, 2019

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Written Policies and Procedures</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>1 Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions:</p> <ul style="list-style-type: none"><li>• Budgeting</li><li>• Purchasing</li><li>• Disbursements</li><li>• Receipts</li><li>• Payroll/Personnel</li><li>• Contracting</li><li>• Credit Cards</li><li>• Travel and expense reimbursements</li><li>• Ethics</li><li>• Debt</li><li>• Disaster Recovery/Business Continuity</li></ul>	<p>An analysis of written policies and procedures has resulted in the following conclusions:</p> <ul style="list-style-type: none"><li>• Details related to the following functions were limited and did not specifically address suggested components.<ul style="list-style-type: none"><li>○ Budgeting</li><li>○ Purchasing</li><li>○ Disbursements</li><li>○ Receipts</li><li>○ Payroll/Personnel</li><li>○ Contracting</li><li>○ Credit Cards</li><li>○ Travel and expense reimbursements</li><li>○ Ethics</li><li>○ Debt Service</li><li>○ Disaster Recovery/Business Continuity</li></ul></li></ul>	<p>Despite the absence of written details, the Town has established policies and procedures that are clearly understood by personnel responsible for execution. In addition, we will consider the need to formally adopt the procedures that are in place and performing as intended.</p>

# **Town of Wisner**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response**

<b>Board (or Finance Committee)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>2 Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:</p> <p>a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.</p> <p>b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. <i>Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.</i></p> <p>c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.</p>	<p>The Town council meet monthly with a quorum</p> <p>The Town Council reviewed and approved financial statements as part of the monthly activity report that they received. The financial statements did not include budget comparisons.</p> <p>The general fund did not have a negative fund balance in the prior year.</p>	<p><i>The results did not include findings or criticisms.</i></p> <p><b>We will begin reviewing budget to actual financial statements as part of our monthly meetings.</b></p> <p><b>The results did not include findings or criticisms.</b></p>





**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.</p>	<p>The Town Clerk does not collect cash and is responsible for posting collection entries to the general ledger.</p>	<p><i>The results did not include any findings or criticisms.</i></p>
<p>d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.</p>	<p>The Town Clerk does not collect cash and is responsible for reconciling cash collections to the general ledger.</p>	<p><i>The results did not include any findings or criticisms.</i></p>
<p>6 Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.</p>	<p>Coverage for employee theft with a loss limit is maintained</p>	<p><i>The results did not include any findings or criticisms.</i></p>
<p>7 Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:</p>		
<p>a. Observe that receipts are sequentially pre-numbered.</p>	<p>Customers are given prenumbered receipts.</p>	<p><i>The results did not include any findings or criticisms.</i></p>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.	The pre numbered receipts agreed with the amounts reported on the deposit slip.	<i>The results did not include any findings or criticisms.</i>
c. Trace the deposit slip total to the actual deposit per the bank statement.	The deposit slip agreed with the actual deposit per the bank statement.	<i>The results did not include any findings or criticisms.</i>
d. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).	Deposits are made within one business day of receipt.	<i>The results did not include any findings or criticisms.</i>
e. Trace the actual deposit per the bank statement to the general ledger.	The deposit per the bank statement agreed to the general ledger.	<i>The results did not include any findings or criticisms.</i>

# **Town of Wisner**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>8 Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).</p>	<p>All payments are processed at Town Hall, 9530 Natchez Street, Wisner, LA</p>	<p><i>The results did not include findings or criticisms.</i></p>
<p>9 For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:</p> <p>a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.</p> <p>b) At least two employees are involved in processing and approving payments to vendors.</p> <p>c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.</p> <p>d) Either the employee/official responsible for signing checks mails the payment or gives the</p>	<p>Two employees are not involved in initiating a purchase request.</p> <p>An employee and a council member or the mayor are involved in processing and approving payments</p> <p>There are no formal restrictions associated with adding vendors.</p> <p>The checks require dual signatures. The employee that signs the checks mails the payment.</p>	<p>Due to the size of the workforce, we are not able to have two employees involved in initiating a purchase request. However, the Mayor and Council are typically involved in all nonroutine purchases.</p> <p><i>The results did not include any findings or criticisms.</i></p> <p>Unrestricted access to vendor files is mitigated by requiring each check to be signed by two parties that are independent of the purchasing process.</p> <p>Any conflicts resulting from the Clerk's responsibility for mailing checks is mitigated by</p>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>signed checks to an employee to mail who is not responsible for processing payments.</p> <p>10 For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:</p> <p>a. Observe that the disbursement matched the related original invoice/billing statement.</p> <p>b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.</p>	<p>For each item selected, the disbursement matched the original invoice.</p> <p>Each item selected included evidence of the segregation of duties.</p>	<p>the check signors familiarity with the Town's vendors.</p> <p><b><i>The results did not include any findings or criticisms.</i></b></p> <p><b><i>The results did not include any findings or criticisms.</i></b></p>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
11 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.	The town does not have any credit cards.	<b><u>Not Applicable:</u></b>
12 Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:  a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.  b. Observe that finance charges and late fees were not assessed on the selected statements.	The town does not have any credit cards.  The town does not have any credit cards.	<b><u>Not Applicable:</u></b>  <b><u>Not Applicable:</u></b>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
13 Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).	The Town does not have any credit cards.	<b><u>Not Applicable:</u></b>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Travel and Expense Reimbursement</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>14 Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:</p> <p>a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (<a href="http://www.gsa.gov">www.gsa.gov</a>).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).</p> <p>d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.</p>	<p>The list was supplied by the Town Clerk.</p> <p>Rates agreed to those established.</p> <p>There was only one reimbursement that did not have support with an itemized receipt.</p> <p>Each reimbursement had documentation detailing its purpose.</p> <p>The Mayor, approved two travel reimbursements to himself.</p>	<p><i>The results did not include any findings or criticisms.</i></p> <p><i>The results did not include any findings or criticisms.</i></p> <p>We will improve our procedures to ensure we maintain each receipt for travel.</p> <p><i>The results did not include any findings or criticisms.</i></p> <p>We will improve our procedures to ensure the person getting reimbursed will not approve the check.</p>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Contracts</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>15 Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:</p> <p>a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.</p> <p>b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).</p> <p>c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.</p> <p>d. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.</p>	<p>We obtained a list of contract vendors from the general ledger and inquired of management as to whether there were any contracts for the vendors. Management has asserted that there were only two contracts on file.</p> <p>The contracts are for professional services. Therefore, a public bid is not required.</p> <p>The contract was approved by the council.</p> <p>There were no contract amendments.</p> <p>The payment selected agreed with the contract terms.</p>	<p>We will review our vendors and obtain contracts for services as necessary.</p> <p><i>The results did not include any findings or criticisms.</i></p> <p><i>The results did not include any findings or criticisms.</i></p> <p>N/A</p> <p><i>The results did not include any findings or criticisms.</i></p>

# **Town of Wisner**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response**

<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>16 Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.</p>	<p>A listing of employees was obtained from management and verified through Quickbooks.</p> <p>Based on review of the personnel files, there is no formal documentation of the payrates for employees documented.</p>	<p>We will formally document payrates for all employees in their employee file.</p>
<p>17 Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:</p> <p>a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).</p> <p>b. Observe that supervisors approved the attendance and leave of the selected employees/officials.</p> <p>c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.</p>	<p>Daily attendance and leave were documented except for those on salary.</p> <p>The supervisor signs each timesheet. However, she also signs her own time sheet.</p> <p>Leave taken agreed with cumulative leave records.</p>	<p><b><i>The results did not include any findings or criticisms.</i></b></p> <p>We will change our policies and have the Mayor or Council Member sign the supervisor's time sheet.</p> <p><b><i>The results did not include any findings or criticisms.</i></b></p>
<p>18 Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials'</p>	<p>There were no termination benefits paid.</p>	<p><b><i>The results did not include any findings or criticisms.</i></b></p>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
authorized pay rates in the employee/officials' personnel files.  19 Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.	Management represents that all payroll taxes, retirement, and workers compensation premiums have been paid.	<i>The results did not include any findings or criticisms.</i>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

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<b>Ethics</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
20 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:  a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.  b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.	For the five employees selected none of them had ethics compliance documentation on file.  The Town does not have an ethics policy.	<i>We will require all employees to obtain ethics training during the year.</i>  <i>We will work on a written ethics policy for each employee.</i>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

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<b>Debt Service</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
21 Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.	Due to an absence of findings resulting from the previous engagement, the procedures appearing in this section were not applicable for the current period.	<b><u>Not Applicable:</u></b>
22 Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.	Due to an absence of findings resulting from the previous engagement, the procedures appearing in this section were not applicable for the current period.	<b><u>Not Applicable:</u></b>

**Town of Wisner**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

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Other		
Agreed-Upon Procedure	Results	Managements' Response
23 Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.	No misappropriations were identified.	<i>The results did not include findings or criticisms.</i>
24 Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.	The notice was posted.	<i>The results did not include findings or criticisms.</i>