

**VILLAGE OF CREOLA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2017**

***ROZIER, HARRINGTON & MCKAY***  
***Certified Public Accountants***  
***Alexandria, Louisiana***

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# ROZIER, HARRINGTON & MCKAY

## CERTIFIED PUBLIC ACCOUNTANTS

1407 PETERMAN DRIVE • ALEXANDRIA, LOUISIANA 71301

**JOHN S. ROZIER, IV, CPA**  
**MARK S. MCKAY, CPA**  
**LEE W. WILLIS, CPA**  
**RHONDA L. RACHAL, CPA**  
**STEVEN E. KIMBALL, CPA**  
**RICHARD BESSON, CPA**

**MAILING ADDRESS**  
POST OFFICE BOX 12178  
ALEXANDRIA, LOUISIANA 71315-2178  
TELEPHONE (318) 442-1608

**M. DALE HARRINGTON, CPA**  
**RETIRED - 2005**

December 21, 2017

### INDEPENDENT ACCOUNTANT'S REPORT

To the Mayor and Board of Aldermen  
Village of Creola, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Village of Creola, as of and for the year ended June 30, 2017, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquires of the management of Village of Creola. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Village of Creola is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying basic financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The Schedule of Per Diem Paid to Board Members is supplemental information presented for purpose of additional analysis and

**-Members-**

**American Institute of Certified Public Accountants • Society of Louisiana, CPAs**

is not a required part of the basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is also supplemental information presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Furthermore, the management's discussion and analysis, and budget comparison information listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or provide any assurance on such supplementary information.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated December 21, 2017, on the results of our agreed-upon procedures.



ROZIER, HARRINGTON, & MCKAY  
Certified Public Accountants  
Alexandria, Louisiana

# **Village of Creola**

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

**June 30, 2017**

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This section of the annual financial report presents our discussion and analysis of the Village's financial performance during the fiscal year ended June 30, 2017.

### **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 Village'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 Village as a whole using accounting methods similar to those used by private-sector companies. These financial statements report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Village's assets and all of the Village's liabilities.

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 and general governmental operations 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 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 sewer services are reported as business type activities.

#### **Fund Financial Statements**

Fund financial statements provide detailed information regarding the Village's most significant activities and are not intended to provide information for the Village as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Village 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 Village'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 Village's sewer services. Proprietary fund financial statements typically provide a more

# **Village of Creola**

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

**June 30, 2017**

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detail presentation of the information reported in the business-type activities portion of the government-wide financial statements.

### **FINANCIAL ANALYSIS OF THE VILLAGE**

A comparative analysis of the government-wide data for the current and previous year is presented as follows:

#### **Net Position**

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

	<u>June 30, 2017</u>			<u>June 30,</u>
	<u>Governmental</u>	<u>Business-</u>	<u>Total</u>	<u>2016</u>
	<u>Activities</u>	<u>Type</u>		
		<u>Activities</u>		
<b><u>Assets:</u></b>				
Current and Other Assets	\$ 52,985	\$ 952	\$ 53,937	\$ 19,216
Capital Assets	43,999	144,690	188,689	196,547
Total Assets	<u>96,984</u>	<u>145,642</u>	<u>242,626</u>	<u>215,763</u>
<b><u>Liabilities:</u></b>				
Current and Other Liabilities	24,286	750	25,036	80,185
Total Liabilities	<u>24,286</u>	<u>750</u>	<u>25,036</u>	<u>80,185</u>
<b><u>Net Position:</u></b>				
Invested in Capital Assets (Net)	43,999	144,690	188,689	196,547
Unrestricted	28,699	202	28,901	(60,969)
Total Net Position	<u>\$ 72,698</u>	<u>\$ 144,892</u>	<u>\$ 217,590</u>	<u>\$ 135,578</u>

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

#### **Changes in Net Position**

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

# **Village of Creola**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2017**

	For the Year Ended June 30, 2017			For the Year Ended June 30, 2016
	Govern- mental Activities	Business- Type Activities	Total	
<b><u>Revenues:</u></b>				
Program Revenue:				
Charges for Services	\$ 260,839	\$ 11,424	\$ 272,263	\$ 83,395
Operating Grants and Contributions	----	----	----	200
General Revenue:				
Property Taxes	3,493	----	3,493	3,361
Sales Taxes	65,044	----	65,044	55,549
Franchise Taxes	8,615	----	8,615	8,882
Miscellaneous	8,728	----	8,728	8,319
Total Revenue	<u>346,719</u>	<u>11,424</u>	<u>358,143</u>	<u>159,706</u>
<b><u>Program Expenses:</u></b>				
General Government	187,337	----	187,337	85,667
Public Safety				
Police Department	75,524	----	75,524	79,354
Sewer	----	13,270	13,270	14,367
Total Expenses	<u>262,861</u>	<u>13,270</u>	<u>276,131</u>	<u>179,388</u>
Increase in Net Position Before Transfers and Special Items	83,858	(1,846)	82,012	(19,682)
Transfers	1,929	(1,929)	----	----
Change in Net Position	<u>85,787</u>	<u>(3,775)</u>	<u>82,012</u>	<u>(19,682)</u>
Net Position Beginning	<u>(13,089)</u>	<u>148,667</u>	<u>135,578</u>	<u>155,260</u>
Net Position Ending	<u>\$ 72,698</u>	<u>\$ 144,892</u>	<u>\$ 217,590</u>	<u>\$ 135,578</u>

Governmental activities increased the Village's net position, before transfers, by \$83,858. This increase is attributable to an increase in revenues, mainly due to increases in traffic fines and court costs revenue due to the Village creating a legal Mayor's Court in the current year.

Business-type activities decreased the Village's net position, before transfers, by \$1,846. This decrease is attributable to the Village having more sewer expenses in the current year.

### **FINANCIAL ANALYSIS OF THE VILLAGE'S FUND**

For the year ended June 30, 2017, activity in governmental funds was limited to the general fund. The only differences between amounts reported by the general fund and governmental activities reported in the government-wide financial statements are attributable to including fixed assets in the government-wide presentation.

Amounts reported for business-type activities in the Village's individual fund are identical to the business-type activities reported in the government-wide presentation.

# **Village of Creola**

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

***June 30, 2017***

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### **BUDGET HIGHLIGHTS**

For the year ended June 30, 2017, the Village experienced favorable revenue variances. However, Village expenditures resulted in unfavorable budget variances.

### **CAPITAL ASSET ADMINISTRATION**

For the year ended June 30, 2017, capital asset activity was limited to depreciating assets acquired during previous years.

### **DEBT ADMINISTRATION**

For the year ended June 30, 2017, the Village had no debt activity.

### **FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS**

At the present time, management is not aware of any matters expected to have a substantial impact on future operations.

# **VILLAGE OF CREOLA**

## **STATEMENT OF NET POSITION**

**June 30, 2017**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 40,265	\$ -	\$ 40,265
Receivables (net)	12,720	952	13,672
Land	9,700	20,000	29,700
Depreciable capital assets, net	<u>34,299</u>	<u>124,690</u>	<u>158,989</u>
<b>Total assets</b>	<u>96,984</u>	<u>145,642</u>	<u>242,626</u>
<b><u>LIABILITIES</u></b>			
Accounts payable	7,644	750	8,394
Accrued expenses	<u>16,642</u>	<u>-</u>	<u>16,642</u>
<b>Total liabilities</b>	<u>24,286</u>	<u>750</u>	<u>25,036</u>
<b><u>NET POSITION</u></b>			
Invested in capital assets, net of related debt	43,999	144,690	188,689
Unrestricted	<u>28,699</u>	<u>202</u>	<u>28,901</u>
<b>Total net position (deficit)</b>	<u>\$ 72,698</u>	<u>\$ 144,892</u>	<u>\$ 217,590</u>

See accompanying notes and independent accountant's review report.

# **VILLAGE OF CREOLA**

## **STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2017**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business- Type Activities	Total
<b><u>Governmental Activities:</u></b>							
General Government	\$ 187,337	\$ -	\$ -	\$ -	\$ (187,337)	\$ -	\$ (187,337)
Public Safety							
Law Enforcement	75,524	260,839	-	-	185,315	-	185,315
Total Governmental Activities	<u>262,861</u>	<u>260,839</u>	<u>-</u>	<u>-</u>	<u>(2,022)</u>	<u>-</u>	<u>(2,022)</u>
<b><u>Business-Type Activities:</u></b>							
Sewer	13,270	11,424	-	-	-	(1,846)	(1,846)
Total Business-Type Activities	<u>13,270</u>	<u>11,424</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,846)</u>	<u>(1,846)</u>
Total Primary Government	<u>\$ 276,131</u>	<u>\$ 272,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(2,022)</u>	<u>(1,846)</u>	<u>(3,868)</u>
<b><u>General Revenues:</u></b>							
Taxes:							
Ad Valorem					3,493	-	3,493
Sales Tax					65,044	-	65,044
Franchise					8,615	-	8,615
Miscellaneous					8,728	-	8,728
Transfers					1,929	(1,929)	-
Total General Revenues and Transfers					<u>87,809</u>	<u>(1,929)</u>	<u>85,880</u>
Change in Net Position					85,787	(3,775)	82,012
Net Position - Beginning:					(13,089)	148,667	135,578
Net Position - Ending					<u>\$ 72,698</u>	<u>\$ 144,892</u>	<u>\$ 217,590</u>

See accompanying notes and independent accountant's review report.

# **VILLAGE OF CREOLA**

## **BALANCE SHEET**

### **GOVERNMENTAL FUNDS**

**June 30, 2017**

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	<u>Governmental Funds</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 40,265
Accounts receivable	12,720
<b>Total assets</b>	<b>\$ 52,985</b>
<b>Liabilities and Fund Balance</b>	
<b><u>Liabilities</u></b>	
Accounts payable	\$ 7,644
Accrued expenses	16,642
<b>Total liabilities</b>	<b>24,286</b>
<b><u>Fund Balance</u></b>	
Unassigned	28,699
<b>Total Fund Balances</b>	<b>28,699</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 52,985</b>

#### **Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position**

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Total Fund Balances - Governmental Funds	\$ 28,699
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	43,999
Net Position of Governmental Activities	<b>\$ 72,698</b>

See accompanying notes and independent accountant's review report.

# **VILLAGE OF CREOLA**

## **Statement of Revenue, Expenditures and Changes in Fund Balance Governmental Funds**

**Year Ended June 30, 2017**

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	<u>Governmental Funds</u>
<b>Revenues:</b>	
Taxes:	
Ad valorem	\$ 3,493
Sales Tax	65,044
Franchise	8,615
Fines and Court Cost	260,839
Miscellaneous	8,728
<b>Total revenues</b>	<u>346,719</u>
<b>Expenditures:</b>	
Current	
General government	185,869
Public Safety	
Law Enforcement	72,909
Capital Outlay	-
<b>Total expenditures</b>	<u>258,778</u>
<b>Excess (deficiency) of revenues over expenditures</b>	87,941
<b>Other sources (uses)</b>	
Operating transfers in (out)	<u>1,929</u>
<b>Excess (deficiency) of revenues and other resources over expenditures and other uses</b>	89,870
<b>Fund balance - beginning of year</b>	<u>(61,171)</u>
<b>Fund balance - end of year</b>	<u>\$ 28,699</u>

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

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Net change in fund balances of Governmental Funds	\$ 89,870
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 outlay in the current period	<u>(4,083)</u>
Change in net assets of governmental activities	<u>\$ 85,787</u>

See accompanying notes and independent accountant's review report.

# **VILLAGE OF CREOLA**

## **Statement of Net Position**

### **Proprietary Funds**

**June 30, 2017**

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	<u>Business-Type Activities</u>
	<u>Enterprise Funds</u>
<b><u>ASSETS:</u></b>	
Current Assets:	
Cash and cash equivalents	\$ -
Receivables (net)	952
Total current assets	<u>952</u>
Noncurrent Assets:	
Capital Assets:	
Land	20,000
Depreciable capital assets, net	<u>124,690</u>
Total noncurrent assets	<u>144,690</u>
<b>Total assets</b>	<u>145,642</u>
<b><u>LIABILITIES:</u></b>	
Current Liabilities:	
Accounts payable	<u>750</u>
Total current liabilities	750
<b>Total liabilities</b>	<u>750</u>
<b><u>NET POSITION:</u></b>	
Invested in capital assets, net of related debt	144,690
Unrestricted	<u>202</u>
<b>Total net position (deficit)</b>	<u>\$ 144,892</u>

See accompanying notes and independent accountant's review report.

# **VILLAGE OF CREOLA**

## ***Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds Year Ended June 30, 2017***

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	Business-Type Activities
	<u>Enterprise Funds</u>
<b><u>Operating revenues:</u></b>	
Charges for services	\$ 11,424
<b>Total Operating Revenues</b>	<u>11,424</u>
<b><u>Operating expenses:</u></b>	
Professional fees	9,495
Depreciation	<u>3,775</u>
<b>Total operating expenses</b>	<u>13,270</u>
<b>Operating Income (Loss)</b>	(1,846)
<b><u>Transfers and Contributions:</u></b>	
Other sources (uses) - operating transfers in (out)	(1,929)
Capital Grants	<u>-</u>
<b>Change in net position</b>	(3,775)
<b>Total net position - beginning</b>	<u>148,667</u>
<b>Total net position - ending</b>	<u>\$ 144,892</u>

See accompanying notes and independent accountant's review report.

# **VILLAGE OF CREOLA**

## **Statement of Cash Flows**

### **Proprietary Funds**

**Year Ended June 30, 2017**

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	Business-Type Activities
	<u>Enterprise Funds</u>
<b><u>Cash flow from operating activities:</u></b>	
Cash received from customers	\$ 11,424
Cash payments to suppliers of goods and services	(9,495)
<b>Net cash provided (used) by operating activities</b>	<u>1,929</u>
<b><u>Cash flows from non-capital financing activities:</u></b>	
Operating transfers	(1,929)
<b>Net cash provided (used) by non-capital financing activities</b>	<u>(1,929)</u>
<b><u>Cash flows from capital and related financing activities:</u></b>	
Capital Grants	-
Capital Expenditures	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u>-</u>
<b>Net increase (decrease) in cash</b>	-
<b>Beginning cash balance</b>	-
<b>Ending cash balance</b>	<u>\$ -</u>
<b><u>Reconciliation of operating income (loss) to net cash</u></b>	
Operating income (loss)	\$ (1,846)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	3,775
(Increase) decrease in accounts receivable	-
(Decrease) increase in accounts payable	-
<b>Net cash provided (used) by operating activities</b>	<u>\$ 1,929</u>

#### **Supplemental disclosures of cash flow information:**

For the year ended June 30, 2017, there were no operating, financing, or investing activities that did not result in cash receipts or payments.

See accompanying notes and independent accountant's review report.

# **Village of Creola**

## **Notes to Financial Statements June 30, 2017**

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

The Village of Creola (the Village) was incorporated under the provisions of the Lawrason Act. The Village is governed by a Mayor and a Board of Aldermen consisting of three (3) members. Services provided by the Village include police protection and general administrative functions. The Village also operates a sewer system.

The accompanying policies conform to generally accepted accounting principles for governmental units.

#### **Financial Reporting Entity**

As the municipal governing authority, for reporting purposes, the Village is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the Village), (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 establishes criteria for determining which component units should be considered part of the Village of Creola 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 Village 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 Village.
2. Organizations for which the Village does not appoint a voting majority but are fiscally dependent on the Village.
3. Organizations for which the Village's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon application of these criteria, there were no potential component units and all of the Village's activities were included in the primary government reporting entity.

# **Village of Creola**

## ***Notes to Financial Statements*** ***June 30, 2017***

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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 Village'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 Village 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 governmental service or business-type activity. Program revenues include any 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 Village's major funds are described as follows:

- Governmental Funds – The general fund is the Village's only active major governmental fund. The general fund is the primary operating fund and is used to account for all governmental activities except those required to be reported in another fund.
- Proprietary Funds – Are used to account for business type activities. The operations of the Village's Sewer System utilize a proprietary fund. Revenue earned in exchange for providing services is reported as operating income and revenue from other sources is reported as non-operating. Since proprietary funds operate in a manner similar to business enterprises, these funds follow certain pronouncements that are developed by the Financial Accounting Standards Board

# **Village of Creola**

## **Notes to Financial Statements June 30, 2017**

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(FASB) for business enterprises. However, the Village only applies those FASB pronouncements that were issued on or before November 30, 1989.

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

Basis of accounting refers to when revenues and expenditures 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 as follows:

<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. 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 are 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 franchise taxes, 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.

### **Budget Practices**

The Mayor prepares annual budgets for the Village's general fund. The budget is submitted to the Board of Aldermen and the 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.

# **Village of Creola**

## **Notes to Financial Statements June 30, 2017**

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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 Village's Sewer Fund.

### **Capital Assets**

Capital assets include significant acquisitions of equipment that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. Useful lives typically range from five to forty years.

### **Cash and Cash Equivalents**

Amounts reported as cash and cash equivalents 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.

### **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.

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

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

At June 30, 201, the Village has \$55,027 in deposits (collected bank balance). These deposits are secured from risk by federal deposit insurance.

# **Village of Creola**

## **Notes to Financial Statements June 30, 2017**

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### **NOTE 3 - TAXES**

#### **Ad Valorem Taxes**

The Village bills and collects its own property taxes using the assessed property values determined by the Parish Tax Assessor. 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. For the year ended June 30, 2017, the Village levied 6.2 mills. Revenues from ad valorem taxes are recognized as revenue in the year billed.

#### **Sales Taxes**

Sales and use taxes are collected on behalf of the Village by the Grant Parish Sheriff's Office and remitted the month subsequent to collection. Revenues from sales taxes are reported on the accrual basis. For the year ended June 30, 2017, the Village sales tax rate is two percent. The sales tax rate has no expiration date.

### **NOTE 4 - RECEIVABLES**

Receivables at June 30, 2017, are summarized as follows:

	<u>Governmental Activities</u>	<u>Business- Type</u>	<u>Total</u>
Sales Tax	\$ 11,226	\$ ----	\$ 11,226
Franchise Tax	1,494	----	1,494
Utilities Income	----	952	952
Total Receivables	<u>\$ 12,720</u>	<u>\$ 952</u>	<u>\$ 13,672</u>

### **NOTE 5 – CAPITAL ASSETS**

A summary of the Village's capital assets is provided as follows:

	<u>Non-Depreciable Capital Assets</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b><u>Governmental Activities</u></b>				
Land	\$ 9,700	\$ ----	\$ ----	\$ 9,700
Total Governmental Activities	<u>9,700</u>	<u>----</u>	<u>----</u>	<u>9,700</u>
<b><u>Business-Type Activities</u></b>				
Land	20,000	----	----	20,000
Total Business-Type Activities	<u>20,000</u>	<u>----</u>	<u>----</u>	<u>20,000</u>
Total	<u>\$ 29,700</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 29,700</u>

# **Village of Creola**

## **Notes to Financial Statements June 30, 2017**

	Depreciable Capital Assets			Ending Balance
	Beginning Balance	Additions	Disposals	
<b><u>Governmental Activities</u></b>				
Equipment	\$ 49,338	\$ ----	\$ ----	\$ 49,338
Building	42,390	----	----	42,390
Furniture & Fixtures	1,860	----	----	1,860
Accumulated Depreciation	(55,206)	(4,083)	----	(59,289)
Total Governmental Activities	38,382	(4,083)	----	34,299
<b><u>Business-Type Activities</u></b>				
Sewer System	151,003	----	----	151,003
Accumulated Depreciation	(22,538)	(3,775)	----	(26,313)
Total Business-Type Activities	128,465	(3,775)	----	124,690
Total	\$ 166,847	\$ (7,858)	----	\$ 158,989

### **NOTE 6 – ACCOUNTS PAYABLE**

Accounts payable at June 30, 2017 consist of the following:

	Governmental Activities	Business- Type	Total
Payable to Vendors	7,644	750	8,394
Total Accounts Payable	\$ 7,644	\$ 750	\$ 8,394

### **NOTE 7 – JUDGMENT PAYABLE**

In June 2013, the Village received a ruling from the Thirty-Fifth Judicial District Court ordering the Village to pay the Chief of Police the full sum of \$2,916.67 per month beginning July 1, 2011 less any sums previously paid and attorney fees of \$750. At June 30, 2017 the judgment payable was paid off.

Police Chief Salary (\$2,916.67 x 24 months July 2011 through June 2013)	\$ 70,000
Attorney Fees	750
Total Judgment Payable	\$ 70,750
Less Salary and Judgment payments:	
Salary paid in fiscal year ending June 30, 2012	(4,500)
Salary paid in fiscal year ending June 30, 2013	(10,833)
Partial payment of judgment in July 2013	(4,000)
Partial payment of judgment paid in fiscal year ending June 30, 2014	(17,000)
Partial payment of judgment paid in fiscal year ending June 30, 2015	(11,000)
Partial payment of judgment paid in fiscal year ending June 30, 2016	(13,000)
Partial payment of judgment paid in fiscal year ending June 30, 2017	(10,417)
Total Judgment Payable June 30, 2017	\$ ----

# **Village of Creola**

## ***Notes to Financial Statements*** ***June 30, 2017***

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### **NOTE 8 – ACCRUED EXPENSES**

Accrued expenses at June 30, 2017 consist of payroll liabilities totaling \$14,506 and accrued payroll of \$2,136.

### **NOTE 9 – INTERFUND TRANSFERS**

In the ordinary course of business, the Village routinely transfers resources between its funds to utilize resources where needed. These amounts are reported in the financial statements as operating transfers.

### **NOTE 10 - RISK AND CONTINGENCIES**

The Village is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; and natural disasters.

The Village insures against these risks by participating in a public entity risk pool that operates as a common insurance program and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage.

# **VILLAGE OF CREOLA**

## ***Statement of Revenue, Expenditures and Changes in Fund Balance - General Fund Budget and Actual Year Ended June 30, 2017***

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b><u>Revenues:</u></b>				
Taxes:				
Ad valorem	\$ 3,000	\$ 3,493	\$ 3,493	-
Sales Tax	90,000	59,524	65,044	5,520
Franchise	10,000	7,071	8,615	1,544
Fines and Court Cost	150,000	243,088	260,839	17,751
Miscellaneous	6,200	7,461	8,728	1,267
<b>Total revenues</b>	<u>259,200</u>	<u>320,637</u>	<u>346,719</u>	<u>26,082</u>
<b><u>Expenditures:</u></b>				
Current				
General government	98,100	136,769	185,869	(49,100)
Public Safety				
Law Enforcement	87,500	89,526	72,909	16,617
Capital Outlay	-	-	-	-
<b>Total expenditures</b>	<u>185,600</u>	<u>226,295</u>	<u>258,778</u>	<u>(32,483)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	73,600	94,342	87,941	(6,401)
<b>Other sources (uses)</b>				
Operating transfers in (out)	-	-	1,929	1,929
<b>Excess (deficiency) of revenues and other resources over expenditures and other uses</b>	73,600	94,342	89,870	(4,472)
<b>Fund balance - beginning of year</b>	<u>(107,805)</u>	<u>(61,171)</u>	<u>(61,171)</u>	<u>-</u>
<b>Fund balance - end of year</b>	<u>\$ (34,205)</u>	<u>\$ 33,171</u>	<u>\$ 28,699</u>	<u>\$ (4,472)</u>

See accompanying notes and independent accountant's review report.

**VILLAGE OF CREOLA**  
**SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS**  
For the year ended June 30, 2017

Danny Moore, Mayor	12,000
Calvin Vogel, Alderman	6,000
Kyle Clinton, Alderman	4,000
Linda Gammons, Alderman	6,000
Joseph Longino, Alderman	<u>1,500</u>
Total	<u><u>\$ 29,500</u></u>

See accompanying notes and independent accountant's review report.

# **VILLAGE OF CREOLA**

***Schedule of Compensation, Benefits and Other Payments  
to Agency Head or Chief Executive Officer  
For the year ended June 30, 2017***

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**Agency Head (Mayor) - Danny Moore**

Compensation	\$	12,000
Benefits		-
Reimbursements		66
Total	\$	<u>12,066</u>

See accompanying notes and independent accountant's review report.

# ROZIER, HARRINGTON & MCKAY

## CERTIFIED PUBLIC ACCOUNTANTS

1407 PETERMAN DRIVE • ALEXANDRIA, LOUISIANA 71301

JOHN S. ROZIER, IV, CPA  
MARK S. MCKAY, CPA  
LEE W. WILLIS, CPA  
RHONDA L. RACHAL, CPA  
STEVEN E. KIMBALL, CPA  
RICHARD BESSON, CPA

**MAILING ADDRESS**  
POST OFFICE BOX 12178  
ALEXANDRIA, LOUISIANA 71315-2178  
TELEPHONE (318) 442-1608

**M. DALE HARRINGTON, CPA**  
**RETIRED - 2005**

December 21, 2017

### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and Board of Aldermen  
Village of Creola, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Village of Creola and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the year ended June 30, 2017, included in the *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, 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.

#### PUBLIC BID LAW:

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

*Based on inquiry of management and review of the general ledger there were no transactions that met the scope of the Public Bid Law.*

#### CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

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

*Management provided a questionnaire completed by each active member of the Board. The questionnaires furnished a list of outside business interest and immediate family members.*

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

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

## **Village of Creola**

**December 21, 2017**

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*Management provided us with payroll reports for all employees paid during this period.*

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

*None of the employees included on the list of employees provided by management in agreed-upon procedure 3 appeared on the list provided by management in agreed-upon procedure 2.*

### **BUDGETING**

5. Obtained a copy of the legally adopted budget and all amendments.

*Management provided us with a copy of the original budget and amended budget.*

6. Trace the budget adoption and amendments to the minute book.

*The original budget was adopted June 13, 2016 and the final budget was adopted June 15, 2017.*

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more, or if actual expenditures exceed budget amounts by 5% or more.

*Budget comparisons indicate favorable revenue variances that were within limits established by State law; however, Village expenditures exceed budget amounts by 5% or more.*

### **ACCOUNTING AND REPORTING**

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

**(a)** trace payments to supporting documentation as to proper amount and payee.

*All of the payments had supporting documentation as to proper amount and payee.*

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

*All of the payments were properly coded to the correct fund and general ledger account.*

**(c)** determine whether payments received approval from proper authorities.

*All invoices were found to be approved by the proper authorities.*

# **Village of Creola**

**December 21, 2017**

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## **MEETINGS**

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

*The Village is only required to post a notice of each meeting and the accompanying agenda on the door of the meeting facility. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.*

## **DEBT**

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

*Review of receipts reported in general ledger and inquiry of management did not reveal any evidence of new indebtedness.*

## **ADVANCES AND BONUSES**

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

*We examined payroll records and general ledger for the period under examination and found no payments made to employees for bonuses, advances, or gifts.*

## **PRIOR COMMENTS AND RECOMMENDATIONS**

12. The current status of findings presented in our previous report dated September 8, 2016 is provided as follows:

### **2016-1: Timely Payroll Tax Deposits (Resolved)**

*In the prior year, the Village has failed to remit its payroll taxes in a timely manner. The Village filed all of their payroll tax forms, but did not pay the accompanying taxes. At the end of the prior year, the Village owed approximately \$63,000 in payroll taxes. The Village has been working diligently to pay off their payroll tax debt in the current year. At the end of the current year, the Village owed approximately \$14,500 in payroll taxes. As of the report date, the Village has paid all past due payroll taxes.*

### **Finding 2016-2: Revenue Budget Violation (Unresolved)**

*Current year budget comparisons indicate favorable revenue variances. However, actual expenditure comparisons indicate unfavorable budget variances of expenditures exceeded the 5% threshold permitted by State Law.*

### **Finding 2016-3: Absence of Written Policies (Unresolved)**

*The Mayor began the process of developing overall written policies and procedures, which will be presented to the Council for approval.*

# **Village of Creola**

**December 21, 2017**

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**Finding 2016-4: Deficit Elimination (Resolved)**

*In the prior year, management was working diligently to eliminate the deficit. At the end of the current year the Village did not have a deficit. However, at the present time the written plan is a work in progress.*

**Finding 2016-5: Written Disaster Recovery Plan (Unresolved)**

*As of the prior year, the Mayor and Council are in the process of developing a written disaster recovery plan to establish procedures on how to deal possible interruption of town services and loss of records.*

**Finding 2016-6: Enrollment in Retirement System (Unresolved)**

*The Village is required to enroll all eligible officers in the Municipal Police Officers Retirement System. The Village will enroll the eligible officers or obtain signed opt out forms from them.*

**Finding 2016-7: Traffic Tickets Administration (Unresolved)**

*Management will seek counsel from the Village attorney to assist in developing procedures to resolve this matter.*

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

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



ROZIER, HARRINGTON & MCKAY  
Certified Public Accountants  
Alexandria, Louisiana

# **Village of Creola**

## **Managements Corrective Action Plan For the Year Ended June 30, 2017**

<b>FINDING</b>	<b>RESPONSE</b>
<b><u>Finding 2017-1: Budget Violation</u></b> Budget comparisons indicate favorable revenue variances. However, actual expenditure comparisons indicate unfavorable budget variances of expenditures exceeded the 5% threshold permitted by State Law.	Village administration will closely monitor budget to actual comparisons of revenue and expenditures to prevent unfavorable variances in the future.
<b><u>Finding 2017-2: Absence of Written Policies</u></b> In order to properly administer its affairs, the Village needs written policies and procedures; however, the necessary written documents have not been established.	The Mayor began the process of developing overall written policies and procedures, which will be presented to the Council for approval.
<b><u>Finding 2017-3: Written Disaster Recovery Plan</u></b> In order to minimize potential interruptions of services provided by the village and the possible loss of critical records, a written disaster recovery plan is needed.	As of the prior year, the Mayor and Council are in the process of developing a written disaster recovery plan to establish procedures on how to deal possible interruption of town services and loss of records.
<b><u>Finding 2017-4: Enrollment in Retirement System</u></b> The Village is required to enroll all eligible officers in the Municipal Police Officers Retirement System; however, enrollment has not been completed.	The Village will enroll the eligible officers or obtain signed opt out forms from them.
<b><u>Finding 2017-5: Traffic Tickets Administration</u></b> The Village has not fulfilled requirements to perform quarterly assessments of traffic tickets.	Management will seek counsel from the Village attorney to assist in developing procedures to resolve this matter.

# **Village of Creola**

## **Schedule of Prior Year Findings and Questioned Costs For the Year Ended June 30, 2017**

<b>SECTION I - Review Report</b>	
<p><b><u>Finding 2016-1: Timely Payroll Tax Deposits</u></b> The Village has failed to remit its payroll taxes in a timely manner. The Village has filed all of their payroll tax forms, but have not paid the accompanying taxes. The Village owes approximately \$63,000 in payroll taxes.</p> <p><b><u>Finding 2016-2: Budget Violation</u></b> Budget comparisons indicate favorable expenditure variances. However, actual revenue comparisons indicate unfavorable budget variances of revenues exceeded the 5% threshold permitted by State Law.</p>	<p><b><u>Resolved:</u></b> At the end of the current year, the Village owed approximately \$14,500 in payroll taxes. As of the report date, the Village has paid all past due payroll taxes.</p> <p><b><u>Unresolved:</u></b> See Managements' Corrective Action Plan, Finding 2017-1.</p>
<b>SECTION II - Attestation Report</b>	
<p><b><u>Finding 2016-3: Absence of Written Policies</u></b> In order to properly administer its affairs, the Village needs written policies and procedures; however, the necessary written documents have not been established.</p> <p><b><u>Finding 2016-4: Deficit Elimination</u></b> Due to the Village's extensive deficit, a written plan is needed for eliminating the deficit and achieving financial stability.</p> <p><b><u>Finding 2016-5: Written Disaster Recovery Plan</u></b> In order to minimize potential interruptions of services provided by the village and the possible loss of critical records, a written disaster recovery plan is needed.</p> <p><b><u>Finding 2016-6: Enrollment in Retirement System</u></b> The Village is required to enroll all eligible officers in the Municipal Police Officers Retirement System; however, enrollment has not been completed.</p> <p><b><u>Finding 2016-7: Traffic Tickets Administration</u></b> The Village has not fulfilled requirements to perform quarterly assessments of traffic tickets.</p>	<p><b><u>Unresolved:</u></b> See Managements' Corrective Action Plan, Finding 2017-2.</p> <p><b><u>Resolved:</u></b> At the end of the current year the Village did not have a deficit</p> <p><b><u>Unresolved:</u></b> See Managements' Corrective Action Plan, Finding 2017-3.</p> <p><b><u>Unresolved:</u></b> See Managements' Corrective Action Plan, Finding 2017-4.</p> <p><b><u>Unresolved:</u></b> See Managements' Corrective Action Plan, Finding 2017-5.</p>
<b>SECTION III - Management Letter</b>	
<p>No management letter was in the prior year.</p>	<p>Response – N/A</p>

LOUISIANA ATTESTATION QUESTIONNAIRE  
FOR THE YEAR ENDED JUNE 30, 2017

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

December 21, 2017

Rozier, Harrington & McKay CPA's  
P.O. Box 12178  
Alexandria, LA 71315-2178

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2017 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Public Bid Law**

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

Yes [ X ] No [ ]

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

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

Yes [ X ] No [ ]

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

Yes [ X ] No [ ]

**Budgeting**

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

Yes [ X ] No [ ]

**Accounting and Reporting**

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

Yes [ X ] No [ ]

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

Yes [ X ] No [ ]

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

Yes [ X ] No [ ]

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

Yes [ X ] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [ X ] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes  No

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes  No

**Prior-Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes  No

Some prior-year recommendations are not resolved and are in the process of being resolved. See Schedule of Prior Year Findings and Questioned Costs for further information.

**General**

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes  No

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes  No

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

Yes  No

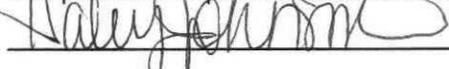
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes  No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes  No

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

 Secretary 12-21-17 Date

\_\_\_\_\_  
Treasurer \_\_\_\_\_ Date

 President 12-21-17 Date