

TOWN OF CHENYVILLE
Cheneyville, Louisiana

**FINANCIAL STATEMENTS
AND
AUDITOR'S REPORTS**

June 30, 2017

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Cheneyville, Louisiana
For The Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

Honorable Derrick Johnson, Mayor
and members of the Town Council
Town of Cheneyville
Cheneyville, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and the business-type activities of the Town of Cheneyville, Louisiana (a governmental entity), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Cheneyville'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 of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 statement, 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, I express no such opinion. An audit also involves evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinions

In my 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 Cheneyville, Louisiana, as of June 30, 2017, and the respective changes in financial position and cash flows where applicable for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government 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. My opinion on the basic financial statements is not affected by this missing information.

Government Accounting Standards also requires budgetary comparison information to be presented to supplement the basic financial statements. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during by audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated March 19, 2018 on my consideration of the Town's internal control over financial reporting and my test of its compliance with certain provisions of laws, regulations, contracts and agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is and integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Marshall's internal control over financial reporting and compliance and should be read in conjunction with this report in considering the results of my audit.

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


Paul Pauzat
Certified Public Accountant
March 19, 2018

BASIC FINANCIAL STATEMENTS

GOVERNMENT WIDE FINANCIAL STATEMENTS

TOWN OF CHENEYVILLE, LOUISIANA

STATEMENT OF NET POSITION

JUNE 30, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 31,304	\$ 17,757	\$ 49,061
Cash - Restricted	289	33,224	33,513
Investments - Restricted	-	100,435	100,435
Receivables, Net	17,091	42,082	59,173
Due from Other Governmental Units	20,108	-	20,108
Due from Other Funds	284,912	14,789	299,701
Capital Assets			-
Nondepreciable Assets	37,406	45,323	82,729
Depreciable Assets, Net	<u>660,332</u>	<u>2,108,427</u>	<u>2,768,759</u>
TOTAL ASSETS	1,051,442	2,362,037	3,413,479
LIABILITIES			
Accounts Payable	62,735	70,121	132,856
Accrued Salaries Payable	4,361	1,262	5,623
Accrued Interest Payable	-	1,112	1,112
Accrued Payroll Deductions	2,327	-	2,327
Due to Other Funds	1,713	297,989	299,702
Customer's Deposits Payable	-	50,709	50,709
Current Portion of Long-Term Debt	-	21,795	21,795
Long-Term Portion of Debt	<u>-</u>	<u>854,853</u>	<u>854,853</u>
TOTAL LIABILITIES	71,136	1,297,841	1,368,977
NET POSITION			
Net Investment in Capital Assets	697,738	1,277,102	1,974,840
Restricted for:			
Capital Improvements	289	-	289
Debt Service	-	133,659	133,659
Unrestricted	<u>282,279</u>	<u>(346,565)</u>	<u>(64,286)</u>
TOTAL NET POSITION	<u>\$ 980,306</u>	<u>\$ 1,064,196</u>	<u>\$ 2,044,502</u>

The accompanying notes are an intergral part of this financial statement.

TOWN OF CHENEYVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
JUNE 30, 2017

ACTIVITIES	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUES AND CHANGES IN NET ASSETS		TOTAL
		FEES, FINES, AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Governmental activities							
General government	\$ 207,097	\$ -	\$ -	\$ -	\$ (207,097)	\$ -	\$ (207,097)
Police Protection	189,562	153,686	-	5,800	(30,076)	-	(30,076)
Streets and Sanitation	183,920	52,445	-	14,985	(116,490)	-	(116,490)
Recreation	1,947	-	-	-	(1,947)	-	(1,947)
Total current assets	582,526	206,131	-	20,785	(355,610)	-	(355,610)
Business-type activities							
Sewer	222,823	86,342	-	135,760	-	(721)	(721)
Water	265,759	197,245	-	-	-	(68,514)	(68,514)
Total Business-Type Activities:	488,582	283,587	-	135,760	-	(69,235)	(69,235)
TOTAL	\$ 1,071,108	\$ 489,718	\$ -	\$ 156,545	(355,610)	(69,235)	(424,845)
General revenues:							
Taxes							
Property							
					15,532	-	15,532
Sales and use tax							
					236,651	-	236,651
Festival Revenue							
					3,210	-	3,210
Interest							
					-	198	198
Licenses and Permits							
					21,588	-	21,588
Utility Franchise Fees							
					31,871	-	31,871
Rent							
					6,060	-	6,060
Loss on Disposal of Capital Assets							
					(3,279)	(538)	(3,817)
Proceeds from Lot Sold							
					7,850	-	7,850
Insurance Proceeds							
					6,498	-	6,498
Miscellaneous							
					5,545	-	5,545
Total Revenues							
					331,526	(340)	331,186
Change in net assets							
					(24,084)	(69,575)	(93,659)
Net Position, Beginning							
					1,004,390	1,133,771	2,351,971
Net Position, Ending							
					\$ 980,306	\$ 1,064,196	\$ 2,258,312

The accompanying notes are an integral part of this statement

FUND FINANCIAL STATEMENTS

MAJOR FUNDS DESCRIPTION

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in another fund.

TOWN OF CHENEYVILLE, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>GENERAL FUND</u>
ASSETS	
Cash and Cash Equivalents	\$ 31,304
Cash - Restricted	289
Receivables, net	17,091
Due from Other Governmental Units	20,108
Due From Other Funds	<u>284,912</u>
TOTAL ASSETS	<u>\$ 353,704</u>
LIABILITES AND FUND BALANCES	
LIABILITIES	
Accounts Payable	\$ 62,735
Accrued Salaries Payable	4,361
Accrued Payroll Deductions	2,327
Due to Other Funds	<u>1,713</u>
Total Liabilities	71,136
Fund Balance	
Restricted	289
Unassigned	<u>282,279</u>
Total Fund Balance	<u>282,568</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 353,704</u>

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

Total fund balances for governmental funds at June 30, 2017		\$ 282,568
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 37,406	
Depreciable assets, net of accumulated depreciation	<u>660,332</u>	<u>697,738</u>
Net Position of Governmental Activities		<u><u>\$ 980,306</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017

	<u>GENERAL FUND</u>
REVENUES	
Property Taxes	\$ 15,532
Sales and Other Taxes	236,651
Licenses and Permits	21,588
Franchise Fees	31,871
Rent	6,060
Festivals Revenue and Other Celebrations	3,210
Proceeds from Lot Sold	7,850
Insurance Proceeds	6,498
Donations	4,291
Fines	153,686
Garbage Collection Fees	49,295
Grant Revenue	20,785
Miscellaneous	4,404
Total Revenues	<u>561,721</u>
EXPENDITURES	
General Government	197,638
Police Protection	174,940
Streets and Sanitation	131,814
Capital Outlays	48,752
Total Expenditures	<u>553,144</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	8,577
FUND BALANCE, BEGINNING	<u>273,991</u>
FUND BALANCE, ENDING	<u><u>\$ 282,568</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA

ECONCILIATION OF THE REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED
JUNE 30, 2017

Net change in fund balances of Governmental Funds		\$	8,577
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 capital outlays exceeded depreciation in the current period.			
Capital outlays which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances	\$	48,752	
Loss on Disposal of Assets		(3,279)	
Depreciation expense for the year ended June 30, 2017		(78,134)	(32,661)
Change in Net Position of Governmental Activities			\$ (24,084)

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	<u>SEWER SYSTEM</u>	<u>WATER SYSTEM</u>	<u>TOTAL</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 5,123	\$ 12,634	\$ 17,757
Receivables, Net	12,139	29,943	42,082
Due from Other Funds	13,076	1,713	14,789
Total Current Assets	<u>30,338</u>	<u>44,290</u>	<u>74,628</u>
Restricted Assets			
Cash and Cash Equivalents	-	33,224	33,224
Investments	-	100,435	100,435
Total Restricted Assets	<u>-</u>	<u>133,659</u>	<u>133,659</u>
Capital Assets			
Land	36,075	9,248	45,323
Plant and Equipment	3,602,460	2,864,333	6,466,793
Accumulated Depreciation	<u>(2,636,072)</u>	<u>(1,722,294)</u>	<u>(4,358,366)</u>
Total Capital Assets	<u>1,002,463</u>	<u>1,151,287</u>	<u>2,153,750</u>
TOTAL ASSETS	<u><u>\$ 1,032,801</u></u>	<u><u>\$ 1,329,236</u></u>	<u><u>\$ 2,362,037</u></u>
LIABILITIES			
Current Liabilities			
Accounts and Other Payables	\$ 23,278	\$ 46,843	\$ 70,121
Accrued Salaries Payable	631	631	1,262
Due to Other Funds	98,367	199,622	297,989
Total Current Liabilities	<u>122,276</u>	<u>247,096</u>	<u>369,372</u>
Current Liabilities Payable From Restricted Assets			
Accrued Interest Payable	-	1,112	1,112
Customer's Deposits Payable	-	50,709	50,709
Current Portion of Long-Term Debt	<u>-</u>	<u>21,795</u>	<u>21,795</u>
Total Current Liabilities Payable from Restricted Asset	<u>-</u>	<u>73,616</u>	<u>73,616</u>
Noncurrent Liabilities			
Long-Term Debt	<u>-</u>	<u>854,853</u>	<u>854,853</u>
Total Liabilities	<u>122,276</u>	<u>1,175,565</u>	<u>1,297,841</u>
NET POSITION			
Investment in Capital Assets, Net of Related Debt	1,002,463	274,639	1,277,102
Restricted for Debt Service	-	133,659	133,659
Unrestricted	<u>(91,938)</u>	<u>(254,621)</u>	<u>(346,560)</u>
Total Net Position	<u>910,525</u>	<u>153,671</u>	<u>1,064,196</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 1,032,801</u></u>	<u><u>\$ 1,329,236</u></u>	<u><u>\$ 2,362,037</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	SEWER SYSTEM	WATER SYSTEM	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 86,342	\$ 197,245	\$ 283,587
OPERATING EXPENSES			
Salaries	36,274	36,274	72,548
Payroll Taxes	3,511	3,511	7,022
Chemicals	3,472	3,483	6,955
Depreciation	119,315	106,332	225,647
Dues, Subscriptions and Fees	140	1,236	1,376
Insurance	1,933	5,555	7,488
Lab Fees	-	-	-
Legal and Auditing	3,667	3,667	7,334
Materials	1,454	1,102	2,556
Miscellaneous	1,712	672	2,384
Office Supplies and Postage	190	3,197	3,387
Outside Services	13,226	2,375	15,601
Printing and Publishing	-	2,212	2,212
Repairs and Maintenance	14,766	27,652	42,418
Supplies	-	4,523	4,523
Telephone	1,292	2,709	4,001
Travel and Workshops	-	2,567	2,567
Truck Expense	5,460	3,212	8,672
Uniforms	-	-	-
Utilities	12,387	9,106	21,493
Water and Sewer Treatment Fees	4,024	4,876	8,900
Total Operating Expenses	<u>222,823</u>	<u>224,261</u>	<u>447,084</u>
OPERATING INCOME (LOSS)	(136,481)	(27,016)	(163,497)
NONOPERATING REVENUES (EXPENSES)			
Interest Income	-	198	-
Loss on Disposal of Capital Assets	-	(538)	-
Grant Funds	135,760	-	-
Interest Expense	-	(41,498)	-
Total Nonoperating Revenues (Expenses)	<u>135,760</u>	<u>(41,838)</u>	<u>-</u>
CHANGE IN NET POSITION	(721)	(68,854)	(69,575)
NET POSITION, BEGINNING	<u>911,246</u>	<u>222,525</u>	<u>1,133,771</u>
NET POSITION, ENDING	<u>\$ 910,525</u>	<u>\$ 153,671</u>	<u>\$ 1,064,196</u>

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	SEWER SYSTEM	WATER SYSTEM	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers	\$ 89,169	\$ 197,696	\$ (108,527)
Cash Payments to Suppliers	(58,062)	(48,181)	(9,881)
Cash Payments to Employees	(36,381)	(36,382)	1
Net Cash Provided by Operating Activities	(5,274)	113,133	(118,407)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Loans (to)/from Other Funds	10,697	(6,408)	4,289
Net Cash Provided from Noncapital Activities	10,697	(6,408)	4,289
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Net Change in Meter Deposits	-	(12,257)	(12,257)
Proceeds from Grant	135,760	-	135,760
Acquisition of Assets	(137,684)	(19,976)	(157,660)
Retirement of Debt	-	(20,726)	(20,726)
Interest Paid on Debt	-	(41,183)	(41,183)
Net Cash Used for Capital and Related Financing Activities	(1,924)	(94,142)	(96,066)
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Increase)/Decrease in Investments	-	(5,312)	(5,312)
Interest from Investments	-	198	198
Net Cash Flows from Investing Activities	-	(5,114)	(5,114)
Net Increase (Decrease) in Cash and Cash Equivalents	3,499	7,469	10,968
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,624	38,389	40,013
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ 5,123	\$ 45,858	\$ 50,981

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS		
	SEWER SYSTEM	WATER SYSTEM	TOTAL
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Revenue	\$ (136,481)	\$ (27,016)	\$ (163,497)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Depreciation	119,315	106,332	225,647
CHANGES IN ASSETS AND LIABILITIES			
(Increase) Decrease in:			
Accounts Receivable	2,827	451	3,278
Increase (Decrease) in:			
Accounts Payable	9,172	33,474	42,646
Accrued Salaries Payable	(107)	(108)	(215)
Total Adjustments	<u>131,207</u>	<u>140,149</u>	<u>271,356</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (5,274)</u>	<u>\$ 113,133</u>	<u>\$ (6,041)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO BALANCE SHEET			
Cash and Cash Equivalents, Beginning	<u>\$ 1,624</u>	<u>\$ 38,389</u>	<u>\$ 40,013</u>
Cash and Cash Equivalents, Ending	<u>\$ 5,123</u>	<u>\$ 45,858</u>	<u>\$ 50,981</u>
NET INCREASE (DECREASE)	<u>\$ 3,499</u>	<u>\$ 7,469</u>	<u>\$ 10,968</u>

The accompanying notes are an integral part of this statement.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements

June 30, 2017

Note A Summary of Significant Accounting Policies

The Town of Cheneyville was incorporated in 1860 and is operated under the provision of the Lawrson Act. The Town operates under a Mayor and a five member Town Council form of government. Services provided to the citizens of Cheneyville include, but are not limited to public safety (police protection), streets, garbage and debris removal, cultural - recreation, public improvements, planning, zoning and general administrative services.

The accounting and reporting practices of the Town of Cheneyville, Louisiana, conform to accounting principles generally accepted in the United States of America as applicable to governmental units on a

The accompanying financial statements of the Town of Cheneyville, Louisiana (Town) have been prepared in conformity with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Town's accounting policies are described below.

A. Financial Reporting Entity

This report includes all funds and account groups, which are controlled by, or dependent on the Town's executive and legislative branches (the Mayor and the Town Council). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the Town of Cheneyville. These statements include the financial activities of the overall government, except for fiduciary activities. These statements distinguish between the governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

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

C. Fund Financial Statements (FFS)

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements

June 30, 2017

The various funds of the Town are classified into two categories: governmental and proprietary.

General Fund

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Proprietary Funds

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows

Enterprise Funds -

The Town uses a enterprise funds to account for its proprietary fund operations. An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Town has two enterprise funds, the Sewer and Water Funds.

Sewer Fund -

The Sewer System is used to account for the wastewater operations of the Town and is supported by user fees.

Water Fund -

The Water System is used to account for the distribution of drinkable water to the Town's citizens and is supported by user fees.

Business-Type funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with the funds ongoing operations. Principal operating revenues are charges to customers for sewer and water service.

D. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statements of net position and the statement of activities, both government and business-type activities are presented using the economic resources measurement focus as defined in item b below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements

June 30, 2017

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

E. Basis of Accounting

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

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

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

F. Budgets

Budget formation is as follows:

1. The mayor and town clerk prepare a budget to submit to the Town Council prior to the beginning of each fiscal year.
2. The public is notified that the proposed budget is available for inspection at the Town Hall in the official newspaper of the Town. The advertisement also makes citizens aware of the date, time and location of a public hearing concerning the proposed budget.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After holding the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements

June 30, 2017

5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Town Council.
 6. All budgetary appropriations lapse at the end of the fiscal year.
 7. Budget for the General Fund is adopted on basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Town Council.
- G. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and Cash Equivalents

For the purpose of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of and highly liquid investments maturing in three months or less.

For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Investments

Investments are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. When the transactions occurs without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as revenue by the recipient fund and as an expense or expenditure by the providing fund. If the transfer is expected to be repaid, interfund receivables (due from) and payables (due to) are recorded.

Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivable consist of all revenue earned at year-end and not yet received. Major balances for governmental activities include sales and use taxes and intergovernmental payments.

Business-type activities report customer's utility service receivables as the major receivable. Uncollectible utility service receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements

June 30, 2017

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Town maintains a threshold level of \$500 or more for capitalizing capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Capital assets are depreciated using the straight-line method and estimated useful lives of 3 to 50 years. Useful lives are selected based on the expected resilience of each capital assets.

Compensated Absences

Each employee may accumulate vacation and sick leave per annum. The number of days accumulated per year depends upon holiday and weekend time worked by the employees. Unused vacation and sick-pay is lost at the end of each calendar year. The Town determines the accrual for compensated absences, which meet the following criteria:

1. The Town's obligation relating to employee' right to receive compensation for future absences is attributable to employee's services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria the Town's liability at June 30, 2016 is considered immaterial in relation to the financial statements.

Restricted Assets

Restricted assets include cash and interest-bearing deposits that are legally restricted as to their use by various contractual obligations, including grant agreements and bond covenants.

Long-term Debt

All long-term debt is to be repaid from business-type resources and is reported as liabilities in the business-type financial statements. The long-term debt consists of loans payable to USDA.

Deferred Outflows of Resources and Deferred]

Deferred Outflows of Resources

In addition to assets, the statement of net position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expenses) until then. The Town has no deferred outflows of resources.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements
June 30, 2017

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has no deferred inflows of resources.

Equity Classifications

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

- a. Net investment in capital assets - Consists of capital assets including restricted assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested" in capital assets, net of related debt."

Proprietary fund equity is classified the same as in the government-wide statements. In the fund financial statements, governmental fund equity is classified as fund balance.

Fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form (such as inventories and prepaid amounts) or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned - amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

H. Revenues, Expenditures, and Expenses

Unassigned - all other spendable amounts.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements
June 30, 2017

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character

Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

I. Use of Estimates

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

Note B Cash, Interest Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or laws of the United States. The Town may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the Town has cash and interest-bearing deposits (book balances) totaling \$80,875 and cash on hand of \$1,699, totaling \$82,574.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or pledge or securities owned by the fiscal 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 bank. 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. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Town's name. Deposit balances (bank balance) at June 30, 2017, are secured as follows:

Bank Balances, at June 30, 2017	\$ <u>86,712</u>
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At June 30, 2017 the deposits are secured by Federal Deposit Insurance.

Note C Investments

The Town had restricted investments amounting to \$100,435 at June 30, 2017. Statutes authorize the Town to invest in United States bonds, treasury notes or certificates, time certificates of deposit of Louisiana state banks and national banks having the principal office in the State of Louisiana. These investments are invested with the Louisiana Asset Management Plan (LAMP).

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements

June 30, 2017

Credit Risk: state law limits investment in securities issued, or backed by the United States Treasury obligations, U. S. Government instrumentalities, which are federally sponsored, and other political subdivisions. The Town's investment policy does not further limit its investment choices. As of June 30, 2016, the City's investment in LAMP is rated AAA by Moody's Investors Service.

Concentration of Credit Risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Custodial Credit Risk: LAMP participants' investment in the pool evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The Town's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days.

Note D Ad Valorem Taxes

The Town collects property taxes on assessed values of property within its corporate limits. The taxes attach as an enforceable lien as of January 1 of each year. For the year ended June 30, 2017, taxes of 8.66 mills were levied on property with assessed valuation totaling \$1,781,627 and were dedicated for general maintenance.

Note E Receivables

Receivables at June 30, 2017 consisted of the following:

	Governmental Activities	Business-Type Activities
Charges for services, net	\$ 10,818	\$ 42,082
Franchise Fees	6,273	-
Total Receivables, Net	<u>\$ 17,091</u>	<u>\$ 42,082</u>
Intergovernmental		
Sales Taxes	\$ 19,058	\$ -
State of Louisiana - Highway Mowing	1,050	-
Total Intergovernmental	<u>\$ 20,108</u>	<u>\$ -</u>

Note F Restricted Assets

The following details the description and amount of all restricted assets as recorded by the Town:

	Governmental Funds	Business-Type Funds	Totals
Restricted Cash			
Grant Account	\$ 289	\$ -	\$ 289
Meter Deposit Fund	-	33,224	33,224
Capital Projects Fund	-	-	-
Total Restricted Cash	<u>\$ 289</u>	<u>\$ 33,224</u>	<u>\$ 33,513</u>

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements
June 30, 2017

Restricted Investments	Governmental	Business-Type	Totals
	Funds	Funds	
Meter Deposits	\$ -	\$ 23,287	\$ 23,287
Reserve Account	-	39,894	39,894
Depreciation and Contingency	-	37,254	37,254
Total Restricted Investments	\$ -	\$ 100,435	\$ 100,435

Note G Capital Assets

Capital assets for the year ended June 30, 2017 are as follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance
Nondepreciable Capital Assets				
Land	\$ 37,406	\$ -	\$ -	\$ 37,406
Depreciable Capital Assets				
Buildings	# 277,582	-	-	277,582
Other Improvements	789,218	32,550	(97,420)	724,348
Office Furniture & Equip.	31,994	-	-	31,994
Other Equipment	310,943	11,202	(50,687)	271,458
Vehicles	101,693	5,000	(9,626)	97,067
Totals	1,511,430	48,752	(157,733)	1,402,449
Less Accum. Depreciation	(818,437)	(78,134)	154,454	(742,117)
Totals	663,980	78,134	(3,279)	660,332
Total Capital Assets - Govern.	\$ 701,386	\$ 78,134	\$ (3,279)	\$ 697,738
Business-Type Activities				
Nondepreciable Capital Assets				
Land	\$ 45,323	\$ -	\$ -	\$ 45,323
Depreciable Capital Assets				
Buildings	3,159	-	-	3,159
Other Improvements	406,542	-	-	406,542
Equipment	390,982	2,494	(36,373)	357,103
Distribution System	5,531,778	155,165	-	5,686,943
Vehicles	17,641	-	(4,595)	13,046
Totals	6,350,102	157,659	(40,968)	6,466,793
Less Accum. Depreciation	(4,173,151)	(225,647)	40,432	(4,358,366)
Totals	2,176,951	(67,988)	(536)	2,108,427
Total Business-Type Activities	\$ 2,222,274	\$ (67,988)	\$ (536)	\$ 2,153,750

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements
June 30, 2017

Depreciation expenses charged to governmental and business-type activities follows:

	Governmental Activities	Business-Type Activities
General Government	\$ 9,459	\$ -
Police Protection	14,622	-
Streets and Sanitation	52,106	-
Recreation	1,947	-
Sewer Sytem	-	119,315
Water System	-	106,332
Totals	<u>\$ 78,134</u>	<u>\$ 225,647</u>

Note H Interfund Balances

Interfund receivables and payables are as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 284,913	\$ 1,713
Business-Type Funds	14,789	297,989
Totals	<u>\$ 299,702</u>	<u>\$ 299,702</u>

Note I Changes in Long-Term Debt

The following is a summary of bond transactions of the Town for the year ended June 30, 2017:

	Water Revenue Bonds - 1993	Water Revenue Bonds - 2004	Totals
Bonds Payable, June 30, 2017	\$ 159,611	\$ 737,764	\$ 897,375
Bonds Retired	(7,391)	(13,336)	(20,727)
Bonds Payable, June 30, 2017	<u>\$ 152,220</u>	<u>\$ 724,428</u>	<u>\$ 876,648</u>

Water Revenue Bonds:

\$256,000 of Water Revenue Bonds dated June 23, 1993, due in monthly serial installments of \$1,300 through October 2030; interest on this issue id 5.25 percent. \$ 152,220

The water revenue bonds described above are secured by a pledge of the water revenues of the Town.

\$850,000 of Water Revenue Bonds dated September 13, 2004, due in monthly installments of \$3,859 through July 2044; interest on this issue is 4.5 percent. \$ 724,428

The above bond issue is secured by a pledge of income and revenues of the Water System, after provision has been made for payment of all reasonable and necessary expenses of operating and maintaing the System.

Interest cost incurred in the Water Fund for the year ended June 30, 2017 was \$41,498.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements
June 30, 2017

The annual requirements to amortize all debt outstanding at June 30, 2017, including interest payments are as follows:

Water Revenue Bonds - 1993			
Year ending June 30	Interest	Principal	Total
2018	\$ 7,805	\$ 7,800	\$ 15,605
2019	7,386	8,219	15,605
2020	6,944	8,661	15,605
2021	6,478	9,127	15,605
2022	5,987	9,618	15,605
2023-2027	21,598	56,429	78,027
2028-2031	5,362	52,366	57,728
	<u>\$ 61,560</u>	<u>\$ 152,220</u>	<u>\$ 213,780</u>

Water Revenue Bonds - 2004			
Year ending June 30	Interest	Principal	Total
2018	\$ 32,313	\$ 13,995	\$ 46,308
2019	31,670	14,638	46,308
2020	30,998	15,310	46,308
2021	30,294	16,014	46,308
2022	29,559	16,749	46,308
2023-2027	135,519	96,021	231,540
2028-2032	111,341	120,199	231,540
2033-2037	81,076	150,464	231,540
2038-2042	43,189	188,351	231,540
2043-2045	4,623	92,687	97,310
	<u>\$ 530,582</u>	<u>\$ 724,428</u>	<u>\$ 1,255,010</u>

There are a number of limitations and restrictions contained in the various bond indentures. The following is a summary of the major restrictions in the use of funds as required by the bond indentures.

1. Flow of Funds: Restrictions on Use - Water Revenue Bonds - 1993

The revenues derived from the water user fees shall be allocated as follows:

- a) Each month on the 23rd of the month and amount equal to \$1,300 shall be paid to Farmer's Home Administration in payment of principal and interest. The installments of principal and interest may be prepaid at any time.
- b) Each month, \$66 is required to be paid monthly into a separate fund entitled the "Revenue Bond Reserve Fund" until \$15,606 has been accumulated therein.
- c) Also each month, \$70 shall be transferred into a separate bank account entitled "Depreciation and Contingency Fund". Money in this fund may be used to care for depreciation, extensions, additions, improvements and replacements necessary to properly operate the water system. The monies may also be used to pay the principal and interest on the bonds if there are not sufficient funds in the other bond funds.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements
June 30, 2017

2. Flow of Funds: Restrictions on Use - Water Revenue Bonds - 2004

- a) Each month on the 23rd of the month and amount equal to \$3,859 shall be paid to Farmer's Home Administration in payment of principal and interest. The installments of principal and interest may be prepaid at any time.
- b) Each month, \$192 is required to be paid monthly into a separate fund entitled the "Revenue Bond Reserve Fund" until \$46,308 has been accumulated therein. The Reserve Fund is solely for the purpose of paying the principal of and the interest on bonds payable from the Debt Service Fund as to which there would otherwise be default.
- c) Also each month, \$192 shall be transferred into a separate bank account entitled "Depreciation and Contingency Fund" until \$61,913 has been accumulated. After \$61,913 has been accumulated the payments increase to \$386. The Contingencies Fund is established to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System. The funds may also be used to pay the principal and interest on the bonds, the outstanding Parity Bonds and any additional Parity Bonds, for payment of which there is not sufficient money in the Debt Service or Reserve Fund.

Note J Compliance With Proprietary Bond Covenants

- A. List of Elected Officials with pertinent information required by the Bond Covenants as of June 30, 2017:

<u>Office Held</u>	<u>Address</u>	<u>Phone Number</u>	<u>Term of Office</u>	<u>Compensation</u>
Mayor:				
Derrick Johnson	505 Main Street	318-229-8947	Four Years	\$ 8,650
Aldermen:				
Marilyn Jones			Four Years	2,285
Mickey Allen	P. O. Box 34	318-279-2461	Four Years	2,285
Charles Allen	P. O. Box 492	318-264-9723	Four Years	2,475
Charles Collins	P. O. Box 27	318-279-2682	Four Years	3,180
Rodney White	P. O. Box 477	318-279-2619	Four Years	2,285

- B. Water System Users at June 30, 2016

	<u>Residents</u>	<u>Commercial</u>	<u>Total</u>
Utility Customers	406	21	427

- C. Current Rates

Water rates in effect at June 30, 2017 for residential users are \$13.95 for the first 2,000 gallons used and \$2.32 per 1,000 gallons thereafter and \$24.80 for the first 2,000 gallons used and \$3.87 per 1,000 gallons thereafter for non-residents.

Commercial rates for business within the Town are \$32.55 for the first 5,000 gallons and \$2.32 per 1,000 gallons thereafter and \$48.05 for the first 5,000 gallons and \$3.87 per 1,000 thereafter for commercial business outside the Town limits.

TOWN OF CHENEYVILLE, LOUISIANA

Notes to Financial Statements
June 30, 2017

Note K Retirement Commitments

The Town has no retirement commitments or pension plan for its employees. The employees are members of the Federal Social Security program.

Note L Litigation

At June 30, 2017 the Town was involved in legal proceedings, which normally occur in government operations. These legal proceedings are not expected to have a material adverse impact on the Town. However, if the Town were to lose, the Town's liability is not expected to exceed the amount of its general liability coverage.

Note M Risk Management

The Town is exposed to risks of loss in the areas of theft, torts, property hazards, general and vehicle liability, errors and omissions, natural casuses and workman's compensation. These risk are covered by commercial insurance coverage. All previous losses have not exceeded the insurance coverage.

Note N Related and Third Party Activity

The Town of Cheneyville, Louisiana, was not involved in any related or third party transactions.

Note O Grant Funds

	<u>Grants</u>
Grant Revenues	<u>\$ 156,545</u>
Grant Expenditures	
Police Car	5,000
Police Equipment	800
Drainage Improvements	14,985
Waste Water Improvements	135,760
Total Grant Expenditures	<u>\$ 156,545</u>

Note P Funds With Deficient Net Unrestricted Balances

Sewer Fund, Net Unrestricted Balance	<u>\$ (91,938)</u>
Water Fund, Net Unrestricted Balance	<u>\$ (254,627)</u>

The Town Council is exploring options to eliminate the deficit.

Note Q Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations of \$54,724 for the year ended June 30, 2017.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

TOWN OF CHENEYVILLE, LOUISIANA

General Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2017

	Budget		Actual	Variance With Final Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 13,000	\$ 13,000	\$ 15,532	\$ 2,532
Sales and Other Taxes	250,500	250,500	236,651	(13,849)
Licenses and Permits	20,000	20,000	21,588	1,588
Franchise Fees	29,000	29,000	31,871	2,871
Rent	-	-	6,060	6,060
Festivals and Other Celebrations	-	-	3,210	3,210
Proceeds from Lot Sold	-	-	7,850	7,850
Insurance Proceeds	-	-	6,498	6,498
Donations	-	-	4,291	4,291
Fines	200,000	200,000	153,686	(46,314)
Garbage Collection Fees	50,000	50,000	49,295	(705)
Grant Revenue	-	-	20,785	20,785
Miscellaneous	5,100	5,100	4,404	(696)
Total Revenues	<u>567,600</u>	<u>567,600</u>	<u>561,721</u>	<u>(5,879)</u>
EXPENDITURES				
General Government	176,630	176,630	197,638	(21,008)
Police Protection	177,570	177,570	174,940	2,630
Streets	144,220	144,220	131,814	12,406
Capital Outlays	-	-	48,752	(48,752)
Total Expenditures	<u>498,420</u>	<u>498,420</u>	<u>553,144</u>	<u>(54,724)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	69,180	69,180	8,577	77,757
FUND BALANCE, BEGINNING	-	-	273,991	-
FUND BALANCE, ENDING	<u>\$ 69,180</u>	<u>\$ 69,180</u>	<u>\$ 282,568</u>	<u>\$ 77,757</u>

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Paul Dauzat, CPA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 12359
Alexandria, LA 71315

MEMBER
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Mayor and Members
of the Town Council
Town of Cheneyville
Cheneyville, Louisiana

I 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 Cheneyville, Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Cheneyville, Louisiana's basic financial statements and have issued my report thereon dated March 19, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Town of Cheneyville, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, I do not express an opinion on the effectiveness of the Town'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 or performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

My 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 the limitations, during my audit I did not identify any deficiencies in internal control that I considered 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 Cheneyville, Louisiana's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my test disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, which is described in the accompanying summary schedule of current year audit findings and responses as item 2017-1.

Town of Cheneyville's Response to Findings

The Town's response to the finding identified in my audit is described in the accompanying summary schedule of current year audit findings and responses. The Town's response was not subjected to the auditing procedures applied in the audit of the financial statements, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Cheneyville, Louisiana'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 Town of Cheneyville, Louisiana's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Paul Dauzat
Certified Public Accountant

Alexandria, Louisiana
March 19, 2018

TOWN OF CHENEYVILLE, LOUISIANA
 Summary Schedule of Current Year Audit Findings and Responses
 For the Year Ended June 30, 2017

Part I - Summary of Auditor's Reports

A. Auditor's Report - Financial Statements

Type of Auditor's Report Issued on the Unmodified

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

Internal Control

Material Weakness	_____ Yes	_____ <input checked="" type="checkbox"/> No	
Significant Deficiency	_____ Yes	_____ <input checked="" type="checkbox"/> No	
Compliance			
Compliance Material to Financial Statements	_____ <input checked="" type="checkbox"/> Yes	_____ No	

C. Federal Awards (Not Applicable)

Part II - Financial Statement Findings

Finding 2017-1 - Compliance

Criteria: Louisiana RS 24:513 requires completion of the audit be completed and filed with the Legislative Auditor's office within six months after the close of the Town's fiscal year.

Condition: Not in compliance with La. RS 24:513.

Cause: The Town's invoices were not filed in a proper manner. This caused a delay in locating documentation to verify amounts and their proper classification.

Effect: Placing the Town on the non-compliance status until the audit is completed and submitted.

Recommendation: The Town needs to make sure that invoices are properly and timely filed in one location for easy retrieval, thus reducing the time it takes to verify amounts and classifications. The Town also had a turnover with billing

Management's Response: The Town concurs in the finding and will follow the recommendation of the auditors.

TOWN OF CHENEYVILLE
SCHEDULE OF PRIOR YEAR FINDINGS
For The Year Ended June 30, 2017

There were no prior year findings for the year ended June 30, 2016.

TOWN OF CHENEYVILLE, LOUISIANA

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer

Year Ended June 30, 2017

Agency Head Name: Derrick Johnson, Mayor

Purpose	Amount
Salary	\$ 8,650
Police Jury	None
City Court	None
State Supplemental	None
Benefits-Insurance	None
Benefits-Retirement	None
Accrued Leave	None
Expense Allowance	\$ 1,572
Vehicle Provided By Government	None
Per Diem	None
Reimbursements	\$ 2,996
Travel	\$ 2,394
Registration Fees	None
Conference Travel	None
Continuing Professional Education Fees	None
Housing	None
Unvouchered Expenses	None
Special Meals	None

Paul Dauzat, CPA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 12359
Alexandria, LA 71315

MEMBER
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To: Honorable Mayor Derrick Johnson
and Town Council
Town of Cheneyville, Louisiana

I have performed the procedures enumerated below, which were agreed to by the Town of Cheneyville 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 period July 1, 2016 through June 30, 2017. 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, I 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 where applicable.

I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my 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.



Paul Dauzat, CPA
Alexandria, Louisiana
April 11, 2018

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE
For the Year Ended June 30, 2017

WRITTEN POLICIES AND PROCEDURES

Agreed-Upon Procedure	Results	Managements' Response
<p>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"> * Budgeting * Purchasing * Disbursements * Receipts * Payroll/Personnel * Contracting * Credit Cards * Travel and expense reimbursements * Ethics * Debt 	<p>Reviewed the entity's written policies and procedures and ascertained that they addressed the following:</p> <p style="text-align: center;">no no no no yes no n/a yes no no</p>	<p>We will develop written policies and procedures for the areas that are not addressed.</p>

**TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017**

Agreed-Upon Procedure	Board (or Finance Committee)	Managements' Response
<p>Obtain and review the board/committee minutes for the fiscal period, and:</p> <p>a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation.</p> <p>b) Report whether the minutes reference or included monthly budget to actual comparisons on the general fund and any funds identified as major funds in the entity prior audit (GAAP basis).</p> <p>If budgets are adopted that increase an existing deficit, is there a formal written plan to eliminate deficit spending and do the minutes indicate periodic monitoring of the plan?</p> <p>c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.</p>	<p>Reviewed monthly minutes for the year ended.</p> <p>yes Met quarterly with a quorum</p> <p>no</p> <p>n/a</p> <p>yes</p>	

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE
For the Year Ended June 30, 2017

Bank Reconciliations

Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain a listing of client bank accounts from management:</p> <p>Using the listing provided by management, select a minimum of five (5) or all if less than five (5) and report whether:</p> <p>a) Bank reconciliations have been prepared.</p> <p>b) Bank reconciliations include evidence that a member of management or a board member has reviewed each reconciliation.</p> <p>c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.</p>	<p>Obtained a listing of bank accounts with representation that the list was complete.</p> <p>Selected all bank accounts which consisted of three.</p> <p>yes</p> <p>yes</p> <p>yes</p>	

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE
For the Year Ended June 30, 2017

Collections

Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.</p> <p>Using the list provided by management, select a minimum of five (5) or all if less than 5 cash locations and obtain written documentation and report whether:</p> <p>a) Each person responsible for collecting cash is:</p> <ul style="list-style-type: none"> * bonded * not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account. * not required to share the same cash register or drawer with another employee. <p>b) The entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.</p>	<p>Obtained a listing of all cash locations and representation that the list was complete. Town Hall</p> <p>One Cash Location</p> <p>yes</p> <p>yes</p> <p>yes</p> <p>yes</p> <p>Town Clerk prepares daily cash report, compares to deposit and enters in the general ledger</p>	<p>Limited Staff</p>

TOWN OF CHENEYVILLE, LOUISIANA
 STATEWIDE AGREED-UPON PROCEDURES
 SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
 For the Year Ended June 30, 2017

Collections

Agreed-Upon Procedure	Results	Managements' Response
<p>c) Select the highest dollar week of cash collections from the general ledger or other accounting records during the fiscal period and:</p> <p>* Report whether the deposits were made within one day of collection.</p> <p>* Verify that daily cash collections are completely supported by documentation.</p> <p>Obtain existing written documentation and report whether the entity has a process specifically defined to determine completeness of all collections by a person who is not responsible for collections.</p>	<p>Selected highest dollar week of cash collections from cash collection log.</p> <p>no Deposits were made within one to two days</p> <p>yes</p> <p>yes Town Clerk</p>	<p>Money received after 2 p.m. is included in next day's deposit</p>

**TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017**

Disbursements-General

Agreed-Upon Procedure	Results	Managements' Response
Obtain a listing of entity disbursements from management.	Obtained list of disbursements from disbursements journal.	
Using the disbursements population from above, randomly select 25 disbursements excluding credit card/debit card/fuel card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screen logs for each transaction and report whether the supporting documentation for each transaction demonstrated that:	Selected 25 disbursements.	
a) Purchases were initiating using requisition/ purchase order system.	yes	
b) Purchase orders were approved by a person who did not initiate the purchase.	yes	
c) Payments for purchases were not processed without:		
* An approved requisition and/or purchase order	yes	
* A receiving report showing receipt of goods purchased.	no	An approved purchase order is attached to invoice and checked off as received.
* An approved invoice.	yes	
Using entity documentation report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursements system.	no	The town has limited staff. All invoices approved by town council at monthly meetings
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TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017

Agreed-Upon Procedure	Disbursements-General		Managements' Response
	Results		
Using entity documentation report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.	yes 2 signatures required.		
Inquire of management and observe whether the supply of unused checks or blank check stock is maintained in a locked location, with access restricted to those persons that do not have signatory authority.	no Unsued checks are maintained in a locked location. Under the control of Mayor and Town Clerk. checks require a board member signature.		Limited Staff
If a signature stamp or signature machine is used, inquire of the signer whether his or her signature and any signed checks are maintained under his or her control or is used only with the knowledge and consent of the signer.	n/a All signatures are original signatures.		

**TOWN OF CHENEYVILLE, LOUISIANA
 STATEWIDE AGREED-UPON PROCEDURES
 SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
 For the Year Ended June 30, 2017**

Credit Cards/Debit Cards/Fuel Cards

Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain from management a listing of all active credit cards, bank debit cards and fuel cards.</p> <p>Select the monthly statement or combined statement with the largest dollar activity for each card:</p> <p>a) Is there evidence that the monthly statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.</p> <p>b) Report whether finance charges and/or late fees were assessed on the selected statements.</p> <p>Using the monthly statements or combined statements selected, obtain supporting documentation for all transactions for each of the cards selected.</p> <p>a) Obtain supporting documentation for all transactions for each card selected by:</p> <ul style="list-style-type: none"> * An original itemized receipt * Documentation of the business purpose. * Other documentation that may be required by written policy. <p>b) Compare the transaction's detail to the entity's written purchasing/disbursement policies and the La. Public Bid Law.</p> <p>c) Compare the entity's documentation of the business purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.</p>	<p>N/A</p> <p>No credit cards.</p>	

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017

Travel and Expense Reimbursement

Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain from management a listing of all travel and related expense reimbursements, by person.</p> <p>Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration and report any amounts that exceeded the GSA rates.</p> <p>Using the listing or general ledger, select three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:</p> <p>a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If entity does not have written policies, compare to the GSA rates and report each reimbursement that exceeded those rates.</p> <p>b) Report whether each expense is supported by:</p> <ul style="list-style-type: none"> * An original itemized receipt that identifies precisely what was purchased. * Documentation of the business purpose. * Other documentation as may required by written policy. 	<p>Obtained a listing of all travel expense reimbursements by person.</p> <p>Entity reimburses using the GSA rates established at the time of reimbursement.</p> <p>Selected 3 employees that incurred the largest travel costs for the year ended. Obtained the related expense documentation and selected the largest travel reimbursement for each person.</p> <p style="text-align: center;">yes</p> <p style="text-align: center;">yes</p> <p style="text-align: center;">yes</p> <p style="text-align: center;">n/a</p> <p style="text-align: center;">47</p>	

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE
For the Year Ended June 30, 2017

Travel and Expense Reimbursement

Agreed-Upon Procedure	Results	Managements' Response
<p>Compare the entity's documentation of the business purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, report the transaction as an exception.</p> <p>Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.</p>	<p>none noted</p> <p>Not all were approved by signature.</p>	<p>We will ascertain that all documentation is approved in the future.</p>

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017

Payroll and Personnel

Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain a listing of employees (elected officials, if applicable) with their related salaries, and obtain management's representation that the list is complete. Randomly select 5 (or one third if greater than 5 employees) , obtain their personnel files, and:</p> <p>a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.</p> <p>b) Review changes made to hourly pay rates/ salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.</p>	<p>Obtained a listing of all employees with related compensation amounts and a representation that the list was complete. Selected 10 employees and obtain personnel files.</p> <p>yes</p> <p>yes Approved by Town Council</p>	
<p>Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or one-third of employees/officials if less than 25) during the fiscal period and:</p> <p>a) Report whether all selected employees/ officials documented their daily attendance and leave. (if an elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave).</p> <p>b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.</p>	<p>Obtained time cards and leave records and selected a pay period in which leave had been taken by one employee. Selected 10 employees</p> <p>yes</p> <p>Elected official do not accumulate leave.</p> <p>yes</p> <p>49</p>	

**TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017**

Contracts

Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort for contract payments. Obtain management's representation that the list is complete.</p>	<p>Obtained a list of all contracts in effect during the fiscal period with representation that the list was complete.</p> <p>One Contract</p>	
<p>Select five (5) contract vendors that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the contracts and payments and:</p>	<p>Selected five (1) contract vendor that was paid the most money during the fiscal period.</p>	
<p>a) Report whether there is a formal/written contract that supports the services and amount paid.</p>	<p>yes</p>	
<p>b) Compare each contract's detail to the La. Public Bid Law or Procurement Code. Report whether each contract is subject to the La. Public Bid Law or Procurement Code.</p>	<p>yes Awarded in previous year.</p>	
<p>c) Report whether the contract was amended. Report the scope and dollar amount of any amendments and whether the contract provided for such an amendment.</p>	<p>no</p>	
<p>d) Select the largest payment from each of the 5 contracts and compare the payment to the contract terms and report compliance with the terms of the contract.</p>	<p>Selected the largest payment from the contract.</p> <p>yes</p>	
<p>e) Obtain board minutes and report whether there is documentation of board approval.</p>	<p>yes Approved in prior year.</p> <p>51</p>	

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017

Ethics

Agreed-Upon Procedure	Results	Managements' Response
<p>Using the five randomly selected employees/officials, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.</p> <p>Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.</p>	<p>Ethics training is received by Mayor. Council members receive ethics training at the LMA convention.</p> <p>none noted</p>	

TOWN OF CHENEYVILLE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES
SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
For the Year Ended June 30, 2017

Debt Service

Agreed-Upon Procedure	Results	Managements' Response
<p>If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.</p>	<p>No debt issued during the year ended</p>	
<p>If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.</p>	<p>yes</p>	
<p>If the entity had tax mill ages relating to debt service, obtain supporting documentation and report whether millage collections exceeded debt service payments by more than 10% during the fiscal period. Also, report any mill ages that continue to be received for debt that has been paid off.</p>	<p>n/a</p>	

**TOWN OF CHENEYVILLE, LOUISIANA
 STATEWIDE AGREED-UPON PROCEDURES
 SCHEDULE OF PROCEDURES, RESULTS AND MANagements' RESPONSE
 For the Year Ended June 30, 2017**

Agreed-Upon Procedure	Other Results	Managements' Response
<p>Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.</p> <p>Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.</p> <p>If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.</p>	<p>inquired no misappropriations discovered or reported</p> <p>yes</p> <p>none noted</p>	