

Village of Tickfaw, Louisiana

Annual Financial Statements

As of June 30, 2017 and for the Year Then Ended

Village of Tickfaw, Louisiana

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Village of Tickfaw, Louisiana

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Independent Auditor's Report

The Honorable Mayor Anthony Lamonte
and Members of the Board of Aldermen
Village of Tickfaw, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Tickfaw, Louisiana as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Village of Tickfaw, Louisiana's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, and each major fund of the Village of Tickfaw, Louisiana, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedule of employer's share of net pension liability, and the schedule of employer contributions on pages 7 through 14, 50 through 55, 56, and 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

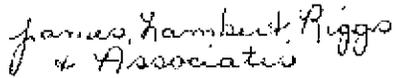
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Tickfaw, Louisiana's basic financial statements. The schedule of compensation paid elected officials and the schedule of compensation, benefits, and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation paid elected officials and the schedule of compensation, benefits, and other payments to agency head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation paid elected officials and the schedule of compensation, benefits, and other payments to agency head are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2017, on our consideration of the Village of Tickfaw, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Tickfaw, Louisiana's internal control over financial reporting and compliance.

Handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James, Lambert, Riggs and Associates, Inc.
Hammond, Louisiana

November 21, 2017

Required Supplemental Information (Part I)
Management's Discussion and Analysis

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2017

Introduction

The Village of Tickfaw, Louisiana (the Village) is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* (GASB 34), and related standards.

The Village's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Village's financial activity, (c) identify changes in the Village's financial position, (d) identify any significant variations from the Village's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Village's financial statements on pages 16 through 27 of this report.

Financial Highlights

- At June 30, 2017, the Village's assets and deferred outflow of resources exceeded its liabilities and deferred inflows of resources by \$3,433,585 (net position). Of this amount, \$296,589 (unrestricted net position) may be used to meet the Village's ongoing obligations to its citizens.
- For the year ended June 30, 2017, the Village's total net position increased by \$69,411.
- At June 30, 2017, the Village's governmental funds reported combined ending fund balances of \$243,128, an increase of \$3,795 for the year. Of this amount, \$139,990 is available for spending at the Village's discretion (unassigned fund balances).
- At June 30, 2017, the Village's proprietary funds reported combined ending net position of \$2,852,276, an increase of \$94,283 for the year.

Overview of the Annual Financial Report

The financial statement focus is on both the Village as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Village's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The MD&A is intended to serve as an introduction to the Village's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2017

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances in a manner similar to a private-sector business. Governmental and business-type activities are presented in separate columns along with a total column for the primary government.

The Statement of Net Position presents information on the Village's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities, both governmental and business-type, that are supported by the Village's general tax and other revenues. This is intended to summarize and simplify the reader's analysis of the cost of various governmental services and/or subsidy to various business -type activities.

In both of the government-wide financial statements, the Village's activities are divided into two types:

- **Governmental activities** - Most of the Village's basic services are reported here, including general government, public safety, court costs, highways and streets, and sanitation. These activities are financed primarily by property taxes, franchise taxes, sales taxes, taxes on insurance premiums, occupational licenses, sanitation fees and fines.
- **Business-type activities** - The Village charges a fee to customers to help cover all of the cost of the services provided. The Village's water and sewer utility systems are reported in this section.

The government-wide financial statements include the Village of Tickfaw, Louisiana (primary government) only and can be found on pages 16 through 17 of this report.

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2017

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Village uses two categories of funds to account for financial transactions: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. Governmental funds are used to account for most of the Village's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. The basic governmental fund financial statements can be found on pages 19 through 22 of this report.

Proprietary funds account for water, and sewer utility services provided by the Village to its customers. Proprietary fund statements provide the same type of information as the government-wide financial statements, but the fund presentation provides more detail. The basic proprietary fund financial statements can be found on pages 23 through 27 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Village's more immediate decisions on the current use of financial resources. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliations can be found on pages 20 and 22 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 48 of this report.

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2017**

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Village's net assets for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position on page 16 of this report.

Net Position June 30, 2017 and 2016				
	2017	2016	\$ Change	% Change
Assets:				
Current and other Assets	\$ 590,339	\$ 819,272	\$ (228,933)	-27.94%
Capital Assets	3,136,996	3,140,444	(3,448)	-0.11%
Total Assets	3,727,335	3,959,716	(232,381)	-5.87%
Deferred Outflows of Resources	54,113	69,680	(15,567)	-22.34%
Liabilities:				
Other Liabilities	160,530	452,176	(291,646)	-64.50%
Net Pension Liability	100,383	148,054	(47,671)	-32.20%
Total Liabilities	260,913	600,230	(339,317)	-56.53%
Deferred Inflows of Resources	86,950	64,992	21,958	33.79%
Net Position:				
Net Investment in Capital Assets	3,136,996	3,140,444	(3,448)	-0.11%
Unrestricted	296,589	223,730	72,859	32.57%
Total Net Position	\$ 3,433,585	\$ 3,364,174	\$ 69,411	2.06%

Approximately 91% of the Village's net position reflects its net investment in capital assets (land, buildings, equipment, infrastructure, and improvements) net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Approximately 9% of the Village's net position are unrestricted and may be used to meet the Village's ongoing obligations to its citizens.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the Village's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities on page 17 of this report.

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2017**

**Changes in Net Position
For the Years Ended June 30, 2016**

	<u>2017</u>	<u>2016</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 731,214	\$ 699,280	\$ 31,934	4.57%
Operating Grants and Contributions	37,257	37,025	232	0.63%
Capital Grants and Contributions	167,317	562,414	(395,097)	-70.25%
General Revenues	<u>242,892</u>	<u>236,574</u>	<u>6,318</u>	<u>2.67%</u>
Total Revenues	<u>1,178,680</u>	<u>1,535,293</u>	<u>(356,613)</u>	<u>-23.23%</u>
Expenses:				
Governmental Activities	747,262	650,371	96,891	14.90%
Business-Type Activities	<u>362,007</u>	<u>333,532</u>	<u>28,475</u>	<u>8.54%</u>
Total Expenses	<u>1,109,269</u>	<u>983,903</u>	<u>125,366</u>	<u>12.74%</u>
Change in Net Position	69,411	551,390	(481,979)	-87.41%
Net Position, Beginning	<u>3,364,174</u>	<u>2,812,784</u>	<u>551,390</u>	<u>19.60%</u>
Net Position, Ending	<u>\$ 3,433,585</u>	<u>\$ 3,364,174</u>	<u>\$ 69,411</u>	<u>2.06%</u>

Governmental Activities

The Village's governmental net position decreased by \$24,872 to \$581,309. The decrease is approximately 4.1% of the prior year ending net assets.

Business-Type Activities

The Village's business-type net position increased by \$94,283 to \$2,852,276.

The increase is due primarily to a grant in the amount of \$151,570 for water well construction that is recorded in construction in progress.

Fund Financial Analysis

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2017

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Village's net resources available for spending at the end of the year. The basic governmental fund financial statements can be found on pages 19 through 22 of this report.

The general fund is the chief operating fund of the Village. At the end of the current year, the total fund balance for the general fund was \$139,990, all of which was unassigned. During the current year the general fund had a decrease in fund balance of \$8,793.

As a measure of the general fund's liquidity, it may be useful to compare the fund balance to fund expenditures. At June 30, 2017, the fund balance of \$139,990 is approximately 21% of total general fund expenditures of \$666,312.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2017

General Fund Budgetary Highlights

For the general fund, actual revenues and other sources were \$881 less than final budgeted amounts. Actual expenditures were \$3,962 more than final budgeted amounts. The net change in fund balance was \$4,843 less than final budgeted amounts.

For the general fund, original budgeted revenues and other financing sources were \$604,000 and final budgeted revenues and other financing sources were \$658,400. Original budgeted expenditures and other uses were \$563,355 and final budgeted expenditures were \$662,350.

Significant variations from the general fund's original budget amounts and final budget amounts are as follows:

- Police fines were decreased by \$50,400.
- Police security detail revenue was increased by \$84,500.
- Police salaries were increased by \$26,000.
- Police security detail salaries increased by \$37,000.

Capital Assets and Debt Administration

Capital Assets

The Village's net investment in capital assets for its governmental and business-type activities as of June 30, 2017 amounts to \$3,136,996 (net of depreciation). The total decrease in the Village's investment in capital assets for the current fiscal year was \$3,448 due primarily to depreciation expense of \$172,713.

Major capital asset additions during the current fiscal year included the following:

- Construction in Progress consisting of cost incurred on a water well project increased by \$167,070.

The following table provides a summary of the Village's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 7 to the financial statements on pages 41 and 42 of this report.

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2017**

**Capital Assets (Net of Depreciation)
June 30, 2017 and 2016**

	Governmental Activities		Business- Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Construction in Progress	\$ -	\$ -	\$ 810,184	\$ 643,114	\$ 810,184	\$ 643,114
Land	126,285	126,285	104,238	104,238	230,523	230,523
Buildings	333,844	333,844	2,121	2,121	335,965	335,965
Infrastructure	797,745	797,745	-	-	797,745	797,745
Vehicles and Equipment	235,906	254,235	388,927	392,257	624,833	646,492
Water Utility System	-	-	1,075,330	1,075,330	1,075,330	1,075,330
Sewer Utility System	-	-	2,141,553	2,141,552	2,141,553	2,141,552
Accumulated Depreciation	(1,022,379)	(1,001,893)	(1,856,758)	(1,728,384)	(2,879,137)	(2,730,277)
Capital Assets, Net	<u>\$ 471,401</u>	<u>\$ 510,216</u>	<u>\$ 2,665,595</u>	<u>\$ 2,630,228</u>	<u>\$ 3,136,996</u>	<u>\$ 3,140,444</u>

Long-Term Debt

At June 30, 2017, the Village had no debt outstanding.

Other Factors Affecting the Village

The Village of Tickfaw's management approach is conservative. When possible, the Mayor and Council attempt to provide services for the Village based on existing revenues and to finance long-term projects only when absolutely necessary. The Village actively pursues grant funds to minimize the cost of major projects to its citizens. The Village also attempts to keep utility rates at the minimum required to cover the costs of utility system operation.

Contacting the Village's Financial Management

This financial report is designed to provide the Village's citizens, taxpayers, creditors and investors with a general overview of the Village's finances and show the Village's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to the Honorable Anthony Lamonte, Mayor, Post Office Box 249, Tickfaw, Louisiana 70466, telephone (985) 542-9249.

Basic Financial Statements
Government-Wide Financial Statements

Village of Tickfaw, Louisiana

Statement A

Statement of Net Position
For the Year Ended June 30, 2017

Assets	Governmental Activities	Business- Type Activities	Total
Cash	\$ 145,776	\$ 105,376	\$ 251,152
Investments in Certificates of Deposit	60,180	-	60,180
Investment in L.A.M.P	-	85,787	85,787
Taxes Receivable	26,556	7,033	33,589
Accounts Receivable, Net	-	21,846	21,846
Grant Receivable	-	34,924	34,924
Other Receivable	-	275	275
Due From Other Governments	1,950	-	1,950
Internal Balances	35,431	2,210	37,641
Prepaid Expense	5,145	-	5,145
Utility Deposit	150	-	150
Inventory	-	57,700	57,700
Construction in Progress	-	810,184	810,184
Land	126,285	104,238	230,523
Capital Assets, Net	345,116	1,751,173	2,096,289
Total Assets	<u>746,589</u>	<u>2,980,746</u>	<u>3,727,335</u>
Deferred Outflows of Resources			
Pension Related	54,113	-	54,113
Total Deferred Outflows of Resources	<u>54,113</u>	<u>-</u>	<u>54,113</u>
Liabilities			
Accounts Payable	16,311	6,314	22,625
Other Accrued Expenses	1,478	-	1,478
Accrued Salary Payable	4,899	1,585	6,484
Accrued Vacation Payable	6,112	3,284	9,396
Retainage Payable	-	34,924	34,924
Internal Balances	2,210	35,431	37,641
Due to Other Governments	1,050	276	1,326
Net Pension Liability	100,383	-	100,383
Customer Deposits	-	46,656	46,656
Total Liabilities	<u>132,443</u>	<u>128,470</u>	<u>260,913</u>
Deferred Inflows of Resources			
Pension Related	86,950	-	86,950
Total Deferred Inflows of Resources	<u>86,950</u>	<u>-</u>	<u>86,950</u>
Net Position			
Net Investment in Capital Assets	471,401	2,665,595	3,136,996
Unrestricted	109,908	186,681	296,589
Total Net Position	<u>\$ 581,309</u>	<u>\$ 2,852,276</u>	<u>\$ 3,433,585</u>

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement B

Statement of Activities
For the Year Ended June 30, 2017

Functions/ Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental Activities:							
General and Administrative	\$ 214,147	\$ 67,360	\$ 19,257	\$ -	\$ (127,530)	\$ -	\$ (127,530)
Police Department	377,146	338,953	18,000	-	(20,193)	-	(20,193)
Court Cost	26,131	27,540	-	-	1,409	-	1,409
Street Department	42,515	-	-	-	(42,515)	-	(42,515)
Street Lights	18,114	-	-	-	(18,114)	-	(18,114)
Sanitation	32,016	41,290	-	-	9,274	-	9,274
Mosquito Abatement	2,663	9,978	-	-	7,315	-	7,315
Fire Protection	14,587	-	-	-	(14,587)	-	(14,587)
Depreciation on Infrastructure	19,944	-	-	-	(19,944)	-	(19,944)
Total Government Activities	<u>747,263</u>	<u>485,121</u>	<u>37,257</u>	<u>-</u>	<u>(224,885)</u>	<u>-</u>	<u>(224,885)</u>
Business- Type Activities:							
Water Utility	160,799	96,376	-	167,317	-	102,894	102,894
Sewer Utility	201,208	149,717	-	-	-	(51,491)	(51,491)
Total Business- Type Activities	<u>362,007</u>	<u>246,093</u>	<u>-</u>	<u>167,317</u>	<u>-</u>	<u>51,403</u>	<u>51,403</u>
Total Primary Government	<u>\$ 1,109,270</u>	<u>\$ 731,214</u>	<u>\$ 37,257</u>	<u>\$ 167,317</u>	<u>(224,885)</u>	<u>51,403</u>	<u>(173,482)</u>
General Revenues:							
Taxes:							
Property Taxes					38,089	-	38,089
Franchise Taxes					22,425	-	22,425
Sales Taxes					126,718	42,236	168,954
Alcoholic Beverage Taxes					4,994	-	4,994
Interest Income					137	644	781
Sale of Capital Asset					3,000	-	3,000
Miscellaneous					4,649	-	4,649
Total General Revenues					<u>200,012</u>	<u>42,880</u>	<u>242,892</u>
Change in Net Position					(24,873)	94,283	69,410
Net Position, Beginning of Year					606,181	2,757,993	3,364,174
Net Position, End of Year					<u>\$ 581,308</u>	<u>\$ 2,852,276</u>	<u>\$ 3,433,584</u>

The accompanying notes are an integral part of this statement.

Basic Financial Statements
Governmental Fund Financial Statements

Village of Tickfaw, Louisiana

Statement C

Balance Sheet
Governmental Funds
June 30, 2017

Assets	Special Revenue Funds			Total
	General Fund	1995 Sales Tax Fund	Fire Protection Fund	
Cash	\$ 68,624	\$ 28,484	\$ 48,668	\$ 145,776
Investment in Certificates of Deposit	40,120	20,060	-	60,180
Taxes Receivable:	-	-	-	-
Public Utility Franchise	5,456	-	-	5,456
Sales and Use Taxes	14,067	7,033	-	21,100
Due From Other Funds	19,007	-	23,033	42,040
Due From Proprietary Fund	35,431	-	-	35,431
Due From Other Governments:				
Louisiana Beer Tax	1,355	-	-	1,355
LAMATS	595	-	-	595
Prepaid Expense	5,145	-	-	5,145
Utility Deposit	-	-	150	150
Total Assets	\$ 189,800	\$ 55,577	\$ 71,851	\$ 317,228
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	\$ 15,886	\$ -	\$ 425	\$ 16,311
Other Accrued Expenses	1,478	-	-	1,478
Accrued Salary	4,405	494	-	4,899
Accrued Vacation	5,008	1,104	-	6,112
Due to Other Funds	23,033	19,007	-	42,040
Due to Proprietary Fund	-	2,210	-	2,210
Due to Other Governments	-	-	1,050	1,050
Total Liabilities	49,810	22,815	1,475	74,100
Fund Balances:				
Restricted for:				
Streets and Drainage	-	32,762	-	32,762
Fire Protection	-	-	70,376	70,376
Unassigned	139,990	-	-	139,990
Total Fund Balances	139,990	32,762	70,376	243,128
Total Liabilities and Fund Balances	\$ 189,800	\$ 55,577	\$ 71,851	\$ 317,228

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement D

Reconciliation of the Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Assets
June 30, 2017

Fund Balances, Governmental Funds, Statement C \$ 243,128

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 governmental funds. These assets consist of:

Capital Assets, Net of Depreciation 471,401

Deferred outflows of resources used in governmental activities are not financial resources and therefore are not reported in these funds. This is the reported amount of deferred outflows of resources. 54,113

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in these funds. Long-term liabilities include the following:
Net Pension Liability (100,383)

Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in these funds. (86,950)

Net Position, Governmental Activities, Statement A \$ 581,309

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement E

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Year Ended June 30, 2017

	Special Revenue Funds			Total
	General Fund	1995 Sales Tax Fund	Fire Protection Fund	
Revenues				
Taxes	\$ 122,437	\$ 42,240	\$ 22,555	\$ 187,232
Licenses, Permits and Fees	67,360	-	-	67,360
Intergovernmental	22,994	-	-	22,994
Fines and Forfeitures	254,593	-	-	254,593
State Grants	84,360	-	-	84,360
Court Cost Revenue	27,540	-	-	27,540
Sanitation Services	41,290	-	-	41,290
Mosquito Abatement	9,978	-	-	9,978
Interest Income	61	23	53	137
Fema	19,257	-	-	19,257
Other Revenues	4,649	-	-	4,649
Total Revenues	654,519	42,263	22,608	719,390
Expenditures				
General and Administrative	204,575	-	-	204,575
Police Department	381,523	-	-	381,523
Street Department	-	41,772	-	41,772
Court Cost	25,941	-	-	25,941
Street Lights	18,114	-	-	18,114
Sanitation	32,016	-	-	32,016
Mosquito Abatement	1,949	-	-	1,949
Fire Protection	-	-	10,511	10,511
Capital Outlay	2,195	-	-	2,195
Total Expenditures	666,312	41,772	10,511	718,595
Excess Revenues (Expenditures)	(11,793)	491	12,097	795
Other Financing Sources (Uses)				
Sale of Fixed Assets	3,000	-	-	3,000
Total Other Financing Sources (Uses)	3,000	-	-	3,000
Net Changes in Fund Balances	(8,793)	491	12,097	3,795
Fund Balances, Beginning	148,783	32,271	58,279	239,333
Fund Balances, Ending	\$ 139,990	\$ 32,762	\$ 70,376	\$ 243,128

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement F

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017**

Net Change in Fund Balances, Governmental Funds, Statement E \$ 3,795

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

Capital outlays are reported in governmental funds as expenditures. However in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. These differences consist of:

Capital Outlay	2,195
Depreciation Expense	(41,009)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include the net change:

Non-employer Contributions to Cost-Sharing Pension plan	3,087
Pension Expense	7,060

Change in Net Position, Governmental Activities, Statement B \$ (24,872)

The accompanying notes are an integral part of this statement.

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Village of Tickfaw, Louisiana

Statement G

Statement of Net Position
Proprietary Fund
June 30, 2017

Assets	Enterprise Fund
Current Assets	
Cash	\$ 105,156
Investment in L.A.M.P	40,384
Accounts Receivable, Net	21,846
Sales Tax Receivable	7,033
Grant Receivable	34,924
Other Receivable	275
Due From Other Funds	2,210
Total Current Assets	<u>211,828</u>
Restricted Assets	
Restricted Cash	220
Investments	45,403
Total Restricted Assets	<u>45,623</u>
Property, Plant, and Equipment	
Construction in Progress	810,184
Land	104,238
Plant and Equipment, at Cost	3,602,414
Less: Accumulated Depreciation	<u>(1,851,241)</u>
Net Property, Plant and Equipment	<u>2,665,595</u>
Other Assets	
Inventory	57,700
Total Other Assets	<u>57,700</u>
Total Assets	<u>2,980,746</u>
Liabilities	
Current Liabilities	
Accounts Payable	6,314
Retainage Payable	34,924
Accrued Salary	1,585
Accrued Vacation	3,284
Due to General Fund	35,431
Due to Other Governments	276
Total Current Liabilities	<u>81,814</u>
Current Liabilities (Payable from Restricted Assets)	
Customer Deposits Payable	46,656
Total Liabilities	<u>128,470</u>
Net Position	
Invested in Capital Assets	2,665,595
Unrestricted	186,681
Total Net Position	<u>\$ 2,852,276</u>

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement H

Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Fund
 For the Year Ended June 30, 2017

	Enterprise Fund
Operating Revenues	
Water Sales	\$ 90,493
Penalties	3,757
Safe Drinking Water Fees	1,999
Tap in Fees	3,443
NSF Fees	71
Sewer Charges	146,330
Total Operating Revenues	<u>246,093</u>
Operating Expenses	
Accounting and Auditing	20,459
Auto Fuel	2,380
Chlorine	8,578
Depreciation	131,704
Dues	308
Equipment Rental	685
Insurance, Liability	3,889
Insurance, Property	4,276
Insurance, Vehicle	5,594
Insurance, Workers Compensation	7,391
Insurance, Health	686
Miscellaneous	658
Office Expense	957
Payroll Taxes	7,130
Postage	1,814
Repairs and Maintenance	34,132
Salaries	99,534
Safe Drinking Water Fees	3,112
Sewer Analysis	1,800

(Continued)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement H

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2017

Software	\$ 1,142
Telephone	2,357
Utilities	23,421
Total Operating Expenses	<u>362,007</u>
Operating Loss	<u>(115,914)</u>
Nonoperating Revenues (Expenses)	
Grant	167,317
Sales Tax	42,236
Interest Revenue	644
Total Nonoperating Revenues (Expenses)	<u>210,197</u>
Change in Net Position	94,283
Net Position, Beginning	<u>2,757,993</u>
Net Position, Ending	<u>\$ 2,852,276</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement I

Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2017

	<u>Enterprise Fund</u>
Cash Flows From Operating Activities	
Received From Customers	\$ 242,474
Payments For Operations	(120,902)
Payments For Employees	(111,692)
Payments to Other Funds	19,451
Net Cash Provided by Operating Activities	<u>29,331</u>
Cash Flows From Noncapital Financing Activities	
Received From Sales Tax	42,702
Received From Grants	481,219
Received From Other Income	-
Net Cash Provided by Noncapital Financing Activities	<u>523,921</u>
Cash Flows From Capital and Related Financing Activities	
Purchases of Fixed Assets	(480,972)
Net Cash Used by Capital and Related Financing Activities	<u>(480,972)</u>
Cash Flows From Investing Activities	
Receipt of Interest	644
Cash Invested in LAMP	(579)
Net Cash Provided by Investing Activities	<u>65</u>
Net Decrease in Cash	72,345
Cash, Beginning of Year	33,031
Cash, End of Year	<u>\$ 105,376</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets	
Cash and Cash Equivalents, Unrestricted	\$ 105,156
Cash and Cash Equivalents, Restricted	220
Total Cash and Cash Equivalents	<u>\$ 105,376</u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement I

Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2017

Enterprise
Fund

Reconciliation of Net Operating Loss to Net Cash

Provided used Operating Activities

Operating Loss \$ (115,914)

Adjustments to Reconcile Operating Loss to Net Cash

Provided by Operating Activities:

Depreciation 131,704

Change in Accounts Receivable (3,505)

Change in Other Receivable (113)

Change in Accounts Payable (13,081)

Change in Accrued Salary 742

Change in Accrued Vacation 1,621

Change in Due From Other Funds 5,500

Change in Due To Other Funds 18,918

Change in Customer Deposits 3,459

Net Cash Provided by Operating Activities \$ 29,331

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

Introduction

The Village of Tickfaw, Louisiana was incorporated on April 15, 1957, under the provisions of the Lawrason Act. The Village operates under a Mayor/Board of Aldermen form of government. The Mayor and each of three aldermen are elected at large for four-year terms. The Aldermen are compensated per diem for each meeting attended. The Mayor receives a salary. The Village is located approximately 8 miles north of Hammond, Louisiana, on LA Highway 51 north of Interstate 12 and east of Interstate 55. The Village's total population is 694, as reported by the U.S. Census Bureau, Census 2010. The Village provides police protection, services to maintain and develop streets, drainage, and sanitation, general and administrative services, and utilities services for area residents. The Village provides water and sewer services to 301 water customers, and 287 sewer customers inside and outside of the Village limits and 236 garbage customers. The Village employs 10 full-time employees in addition to the Mayor and Board of Aldermen.

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Village is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. There are no other component units which the Village of Tickfaw has an oversight relationship.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are presented as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental funds:

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities. The 1995 Sales Tax Fund and the Fire Protection Fund are considered major funds for reporting purposes.

The 1995 Sales Tax Fund is funded by one half of a one percent sales tax for the purpose of constructing, improving, and maintaining streets and drainage facilities, including the overlaying of streets.

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

The Fire Protection Fund is funded by a 10 mill property tax for the purpose of providing a fire department in Tickfaw.

The Village reports the following major proprietary funds:

The Enterprise Fund accounts for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule, if applicable, are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are user charges for the services provided by the enterprise funds. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

C. Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Village's investment policy allow the Village to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool and mutual funds consisting solely of government-backed securities.

The Village maintains investments in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of Louisiana to operate as a local government investment pool. LAMP invests its assets only in securities and other obligations permissible under Louisiana law for local governments. Investments in LAMP are highly liquid and are considered to be cash equivalents.

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Fire Protection	10	10
General Corporate Purposes	6.82	6.82
Total	<u>16.82</u>	<u>16.82</u>

At June 30, 2017, there were no taxpayers whose percentage of total assessed valuation was 5% or greater of the total assessed valuation.

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

The Village assesses a 2% sales and use tax. Proceeds are dedicated to the following purposes:

The 1984 1% sales tax is to be used for the purpose of providing funds for the general fund of the Village and for additional purpose of providing funds for other lawful purposes of the Village. This tax is accounted for in the general fund.

In July 2007, citizens of the Village of Tickfaw voted to allocate one half of the 1995 1% sales tax to the Water and Sewer Utility Funds and one half to the 1995 Sales Tax Fund.

The sales tax is collected by the Tangipahoa Parish School Board and remitted to the Village in the month following the receipt by the School Board. The School Board receives the sales tax approximately one month after collection by vendors. Sales taxes collected by the School Board in June and July (which represent sales for May and June) and received by the Village in July and August have been accrued and are included under the caption "Taxes Receivable."

E. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide 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 Village maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

All capital assets, other than land, are depreciated using the straight-line basis over the following useful lives:

Buildings	20-40 Years
Improvements	20-40 Years
Vehicles and Equipment	2-15 Years
Infrastructure	20-40 Years
Water Utility System	20-40 Years
Sewer Utility System	20-40 Years

G. Compensated Absences

The Village has the following policy relating to vacation and sick leave:

Vacation

Employees shall earn vacation by the following schedule:

- One (1) year of continuous service, 5 days (40 hours)
- Two (2) years of continuous service, 5 days (40 hours)
- Three (3) years of continuous service, 10 days (80 hours)
- Four (4) years of continuous service, 10 days (80 hours)
- Five (5) years of continuous service, 15 days (120 hours)

Sick Leave

Employees earn one day of sick leave per month. The maximum amount of sick leave that may be accrued is 24 days.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental fund when leave is taken.

In accordance with GASB-16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave.

The Police Department has the following policy relating to vacation and sick leave:

Vacation

- One (1) year of continuous service, 1/2 day per month
- Two (2) years of continuous service, 1/2 day per month
- Three (3) years of continuous service, 1 day per month
- Four (4) years of continuous service, 1 day per month
- Five (5) years of continuous service, 1 1/2 days per month

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

H. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the municipality, which are either unusual in nature or infrequent in occurrence.

I. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reported period. Actual results could differ from those estimates.

J. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

K. Fund Balance Reporting Footnote

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

1. *Nonspendable*, such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned),
2. *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a resolution of the Board of Aldermen (the Village's highest level of decision making authority),
4. *Assigned* fund balance classification are intended to be used by the Village for specific purposes but do not meet the criteria to be classified as restricted or committed. The Board of Aldermen are authorized to assign amounts to a specific purpose, and

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

It is the Village's policy to first apply restricted resources when an expenditure is incurred for which both restricted and unrestricted fund balance or net position is available. The Village considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for which amounts in any of these unrestricted fund balance classifications could be used.

L. Net Position

For the government-wide statement of net position, equity is classified and displayed in three components:

1. Net Investment in Capital Assets – consists of capital assets including restricted capital 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 those assets.
2. Restricted Net Position- consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or by (b) laws through constitutional provisions or enabling legislation.
3. Unrestricted Net Position- consist of all other net position that does not meet the definition of the above two components and is available for general use by the Village.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies restricted resources first, then unrestricted resources as they are needed.

M. Deferred Outflows / Inflows of Resources

The Statement of Financial Position will often report of a separate section for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

2. Stewardship, Compliance and Accountability

Budgetary procedures applicable to the Village are defined in state law, Louisiana Revised Statutes 39:1301-15. The major requirements of the Local Government Budget Act are summarized as follows:

1. The Village must adopt a budget each year for the general fund and each special revenue fund, if applicable.
2. The chief executive officer or equivalent must prepare a proposed budget and submit the proposed budget to the Board of Aldermen for consideration no later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal in each parish in which the Village has jurisdiction.
3. All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year.
4. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving the increase in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Board of Aldermen.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the general fund and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Governmental funds are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

The following individual funds have actual expenditures and other uses that exceeded the budgeted amounts for the year ended June 30, 2017 but did not result in a violation of the Local Government Budget Act.

	Budgeted		Actual		Variance
	Expenditures		Expenditures		
General Fund	\$ 662,350	\$	666,312	\$	(3,962)
1995 Sales Tax Fund	\$ 40,800	\$	41,772	\$	(972)

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

3. Cash and Cash Equivalents

As reflected on Statement A, the Village has cash and cash equivalents totaling \$251,152 and investments in certificates of deposit totaling \$60,180 at June 30, 2017. 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 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, 2017, the Village had \$254,748 in demand deposits (collected bank balances) and \$60,180 in certificates of deposit. These deposits are secured from risk by \$250,000 of federal deposit insurance and pledged collateral of \$64,928.

Custodial Credit Risk – Deposits

In case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. As of June 30, 2017, \$64,928 of the Village's bank balance was exposed to custodial credit risk because it was uninsured or collateralized with securities held by the pledging institution's trust department or agent, but not in the entities name.

4. Investments in LAMP

Investments held at June 30, 2017 consist of \$85,787 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by the Louisiana Asset Management Pool, Inc., a non-profit corporation organized under the laws of the State of Louisiana. The primary objective of LAMP is to provide a safe environment for the placement of funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

LAMP is an external investment pool that is not registered with the SEC as an investment company, but nevertheless operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company ACT of 1940. GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires the reporting of investment positions in 2a-7 like pools (such as LAMP) be based on the pool's share price.

The following disclosures are required by GASB Statement No. 31:

- The Village uses the quoted market prices to estimate the fair value of investments.
- None of the investments are reported at amortized cost.
- The Village has investments in one investment pool. The investment pool is LAMP, and the fair value of the position is the same as the value of the pool shares.
- There is no involuntary participation in an external investment pool.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

5. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends and the period aging and write-off of accounts receivable. Major receivables balances for the governmental activities include sales taxes, franchise taxes, and grants. Business-type activities report utilities earnings, sales taxes and grants as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales taxes, franchise taxes, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded only if paid within 60 days since they would be considered both measurable and available. Proprietary fund revenues consist of all revenues earned at year-end and not yet received. Utility accounts receivable, sales taxes and grants comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging and write-off of accounts receivable.

The Governmental Funds receivables of \$28,506 at June 30, 2017, consist of the following:

Taxes:	
Public Utility Franchise	\$ 5,456
Sales and Use	21,100
Intergovernmental:	
State of Louisiana, Beer Tax Distribution	1,355
LAMATS	595
	<u>\$ 28,506</u>

The Enterprise Fund has a grant receivable in the amount of \$34,924 for the construction of a water well.

The Enterprise Fund accounts receivable of \$21,846 at June 30, 2017, consist of the following:

Active Accounts	
0 to 30 Days	\$ 4,495
31 to 60 Days	2,651
61 to 90 Days	1,305
Over 90 Days	<u>15,395</u>
Total Accounts Receivables	23,846
Allowance for Bad Debts	<u>(2,000)</u>
Total Accounts Receivable, Net	<u>\$ 21,846</u>

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2017

6. Interfund Receivables/Payables and Transfers

The following is a detailed list of interfund balances reported in the fund financial statements on June 30, 2017:

	<u>Due From Other Funds</u>		<u>Due to Other Funds</u>
General Fund	\$ 54,438	\$	23,033
1995 Sales Tax Fund	-		21,217
Utility Fund	2,210		35,431
Fire Protection Fund	23,033		-
	<u>\$ 79,681</u>	\$	<u>79,681</u>

The reasons for the interfund receivables/payables balances are as follows:

The reason for the interfund receivable in the General Fund is payroll and other expenses are paid in the General Fund for the 1995 Sales Tax Fund and Utility Fund. All amounts are expected to be repaid in full within one year from the date of the financial statements.

Property taxes are collected in the General Fund and transferred to the Fire Protection Fund.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

7. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2017 for governmental activities is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:				
Land	\$ 126,285	\$ -	\$ -	\$ 126,285
Total Capital Assets Not Being Depreciated	<u>126,285</u>	<u>-</u>	<u>-</u>	<u>126,285</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	333,844	-	-	333,844
Vehicles and Equipment	254,235	2,194	6,829	249,600
Infrastructure	797,745	-	-	797,745
Total Capital Assets Being Depreciated	<u>1,385,824</u>	<u>2,194</u>	<u>6,829</u>	<u>1,381,189</u>
Less Accumulated Depreciation for:				
Buildings	151,487	10,828	-	162,315
Vehicles and Equipment	235,354	10,237	6,829	238,762
Infrastructure	615,052	19,944	-	634,996
Total Accumulated Depreciation	<u>1,001,893</u>	<u>41,009</u>	<u>6,829</u>	<u>1,036,073</u>
Capital Assets Being Depreciated, Net	<u>383,931</u>	<u>(38,815)</u>	<u>-</u>	<u>345,116</u>
Governmental Activities Capital Assets, Net	<u>\$ 510,216</u>	<u>\$ (38,815)</u>	<u>\$ -</u>	<u>\$ 471,401</u>

Depreciation was charged to governmental functions as follows:

General Administration	\$ 9,572
Police Protection	5,771
Court Cost	190
Street Department	743
Mosquito Abatement	714
Fire Protection	4,076
Infrastructure	19,944
	<u>\$ 41,009</u>

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

Capital assets and depreciation activity as of and for the year ended June 30, 2017 for business-type activities is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:				
Construction in Progress	\$ 635,614	\$ 174,570	\$ -	\$ 810,184
Land	104,238	-	-	104,238
Total Capital Assets Not Being Depreciated	<u>739,852</u>	<u>174,570</u>	<u>-</u>	<u>914,422</u>
Capital Assets Being Depreciated:				
Buildings	2,121	-	-	2,121
Vehicles and Equipment	392,256	-	8,846	383,410
Water Utility System	1,075,330	-	-	1,075,330
Sewer Utility System	2,141,553	-	-	2,141,553
Total Capital Assets Being Depreciated	<u>3,611,260</u>	<u>-</u>	<u>8,846</u>	<u>3,602,414</u>
Less Accumulated Depreciation for:				
Buildings	1,060	71	-	1,131
Vehicles and Equipment	186,716	60,204	8,846	238,074
Water Utility System	635,093	27,640	-	662,733
Sewer Utility System	905,515	43,788	-	949,303
Total Accumulated Depreciation	<u>1,728,384</u>	<u>131,703</u>	<u>8,846</u>	<u>1,851,241</u>
Capital Assets Being Depreciated, Net	<u>1,882,876</u>	<u>(131,703)</u>	<u>-</u>	<u>1,751,173</u>
Business- Type Activities Capital Assets, Net	<u>\$ 2,622,728</u>	<u>\$ 42,867</u>	<u>\$ -</u>	<u>\$ 2,665,595</u>

On January 8, 2015, the Village entered into an agreement with the Division of Administration Office of Community Development to provide funding to the Village of Tickfaw up to \$711,015 for the construction of a water well. The Village is required to pay engineering and administration expenses totaling \$118,735. At June 30, 2017, construction in progress is \$810,184.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

8. Accounts, Salaries, and Other Payables

The payables of \$202,570 at June 30, 2017 are as follows:

	<u>General Fund</u>	<u>1995 Sales Tax Fund</u>	<u>Fire Protection Fund</u>	<u>Proprietary Fund</u>	<u>Total</u>
Accounts	\$ 15,886	\$ -	\$ 425	\$ 6,314	\$ 22,625
Retainage Payable	-	-	-	34,924	34,924
Salaries	4,405	494	-	1,585	6,484
Vacation	5,008	1,104	-	3,284	9,396
Withholdings	1,478	-	-	-	1,478
Due to Other Funds	23,033	21,217	-	35,431	79,681
Due to Other Government	-	-	1,050	276	1,326
Customer Deposit	-	-	-	46,656	46,656
	<u>\$ 49,810</u>	<u>\$ 22,815</u>	<u>\$ 1,475</u>	<u>\$ 128,470</u>	<u>\$ 202,570</u>

9. Short-Term Debt

The Village had no short-term debt outstanding at June 30, 2017.

10. Dedication of Proceeds of Flow of Funds - Sales and Use Tax

The Village assesses a 2% sales and use tax. Proceeds are dedicated to the following purpose:

- A. The 1984 1% sales tax is to be used for the purpose of providing funds for general fund of the Village and for the additional purpose of providing funds for any other lawful purposes of the Village. This tax is accounted for in the general fund.
- B. One half of the 1995 1% sales tax is to be used for the purpose of constructing, improving, and maintaining streets and drainage facilities, including the overlaying of streets and to fund bonds used for street overlay construction. One half of the 1995 1% sales tax is to be deposited into the Utility Fund for the additional purpose of providing funds for any other lawful purposes of the Utility Fund. This tax is accounted for one half in the 1995 Sales Tax Fund and One half in the Utility Fund.

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2017

11. Pension Plan

Some of the police department employees of the Village of Tickfaw are members of the Municipal Police Employees' Retirement System of Louisiana (System). This system is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

Funding Policy. Plan members are required by state statute to contribute 10% of their annual covered salary and the Village of Tickfaw is required to contribute at an actuarially determined rate. The contribution rate for the fiscal year ended June 30, 2017 was 31.75% of annual covered payroll. The contribution requirements of plan members and the Village of Tickfaw are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Village of Tickfaw's contributions to the System for the years ending June 30, 2017, 2016 and 2015, were \$9,830, \$8,850, and \$15,922 respectively, equal to the required contributions for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the Employer reported a liability of \$100,383 for its proportionate share of the Net Pension liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Village's proportion of the Net Pension Liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Village's proportion was .010710% which was a decrease of .0008189% from its proportion of .018899% measured as of June 30, 2015.

For the year ended June 30, 2017, the Village recognized a credit to pension expense of \$7,060 representing its proportionate share of the System's net expense, including amortization of deferred amounts.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,597
Changes of assumptions	4,881	6
Net difference between projected and actual earnings on pension plan investments	15,446	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	23,956	85,347
Employer contributions subsequent to the measurement date	9,830	
Total	\$ 54,113	\$ 86,950

\$9,830 reported as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
June 30, 2017	(6,964)
June 30, 2018	(30,521)
June 30, 2019	(9,105)
June 30, 2020	3,923

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Expected Remaining Service Lives	2016 – 4 years 2015 - 4 years 2014 – 4 years

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

Investment Rate of Return	7.5% net of investment expense
Inflation Rate	2.875%

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for the period July 1, 2009 through June 30, 2014 and review of similar law enforcement mortality. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set-back of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

Asset Class	June 30, 2017	
	Target Allocation	Long-Term Expected Portfolio Real Rate of Return
Equity	53.00%	3.69%
Fixed Income	21.00%	0.49%
Alternative	20.00%	1.11%
Other	6.00%	0.21%
Totals	100.00%	5.50%
Inflation		2.75%
Expected Nominal Return		8.25%

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

Sensitivity to Changes in Discount Rate:

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.5%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.5% or one percentage point higher 8.5% than the current rate as of June 30, 2016.

	Changes in Discount Rate		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	6.5%	7.5%	8.5%
Net Pension Liability	\$ 133,819	\$ 100,383	\$ 72,310

12. Retirement System

Employees of the Village are members of the social security system. In addition to employee payroll deductions, Village funds are remitted to match the employee contributions. Aggregate contributions to the social security system for the year ended June 30, 2017 was contributed by the Village.

13. Risk Management

The Village is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Village purchases commercial insurance policies and bonds for any and all claims related to the aforementioned risks. The Village's payment of the insurance policy deductible is the only liability associated with these policies and bonds. There has been no significant decrease in insurance coverage from the prior year, and the amount of settlements has not exceeded the insurance coverage for the past three fiscal years.

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2017**

14. On-Behalf Payments by the State of Louisiana

For the year ended June 30, 2017, the State of Louisiana made on behalf payments in the form of supplemental pay to the Village's policemen. In accordance with GASB 24, the Village has recorded \$18,000 of on behalf payments as revenue and as expense in the general fund.

15. Litigation

At June 30, 2017, the Village of Tickfaw was not involved in any litigation.

16. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 21, 2017 and determined the following event occurred that requires disclosure.

In July 2017 the Village started construction of a police station. The estimated cost of the building is approximately \$91,000. Construction will be funded by \$40,000 transferred from the Proprietary Fund and approximately \$45,000 from the General Fund.

Required Supplemental Information (Part II)

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
General Fund
For the Year Ended June 30, 2017

Revenues	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts: GAAP Basis	Final Budget: Favorable (Unfavorable)
Taxes:				
Sales and Use Taxes	\$ 84,500	\$ 85,700	\$ 84,478	\$ (1,222)
Ad Valorem Taxes	16,900	16,900	15,534	(1,366)
Public Utility Franchise Taxes	25,300	25,300	22,425	(2,875)
Licenses, Permits and Fees:				
Business Licenses and Permits	9,100	9,100	13,077	3,977
Taxes on Insurance Premiums	50,000	50,000	52,776	2,776
Building & Mobile Home Permits	800	1,300	1,507	207
Intergovernmental:				
Louisiana Beer Tax Distribution	4,200	4,200	4,994	794
State Supplemental Pay	18,000	18,000	18,000	-
Fines and Forfeits:				
Fines	305,000	256,400	254,593	(1,807)
State Grants:				
Police Grants	-	-	-	-
Security Detail	-	84,500	84,360	(140)
Municipal Court Revenue:				
Court Cost Revenue	34,000	27,600	27,390	(210)
Witness Fee Reimbursement	200	200	150	(50)
Sanitation Fees:				
Sanitation Fees	40,500	39,900	39,903	3
Sanitation Penalties	1,300	1,400	1,387	(13)
Mosquito Abatement Revenue:				
Mosquito Abatement Fees	10,200	10,000	9,978	(22)
Other Revenues:				
Fema	-	19,300	19,257	(43)
Other	1,500	5,600	4,710	(890)
Total Revenues	<u>601,500</u>	<u>655,400</u>	<u>654,519</u>	<u>(881)</u>

See independent auditor's report.

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 General Fund
 For the Year Ended June 30, 2017

Expenditures	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts: GAAP Basis	Final Budget: Favorable (Unfavorable)
General and Administrative:				
Accounting and Auditing	\$ 5,500	\$ 6,000	\$ 6,000	\$ -
Animal Control	2,180	4,200	4,164	36
Assessor	500	500	452	48
Auto Expense	500	300	15	285
Beautification	500	300	-	300
Capital Outlay	5,000	1,200	1,195	5
Christmas Decorations	400	200	197	3
City Hall Gas	1,200	1,100	1,025	75
City Hall Utilities	2,100	1,800	1,902	(102)
Conventions and Travel	4,900	8,700	8,758	(58)
Contract Labor	-	-	1,330	(1,330)
Computer Maintenance	-	-	225	(225)
Copier Lease	1,800	1,500	1,484	16
Coroner	400	400	-	400
Data Backup	1,200	1,500	1,188	312
Drug Testing	100	-	-	-
Dues, Bonds and Licenses	1,000	1,000	947	53
Insurance, E&O, PO liability	3,200	3,400	3,378	22
Insurance, Health	6,000	7,400	7,363	37
Insurance, Property	1,300	1,400	1,408	(8)
Insurance, Liability	6,000	6,900	6,632	268
Insurance, Vehicles	2,200	1,000	997	3
Insurance, Workers Compensation	400	600	941	(341)
Internet	-	-	849	(849)
Janitorial Services and Supplies	700	200	275	(75)
Kitchen Supplies	700	1,000	935	65
Legal	25,000	38,300	36,625	1,675
Miscellaneous	2,300	1,800	1,063	737
Office Expense	4,800	6,500	6,115	385
Official Journal	2,700	2,200	2,130	70
Payroll Taxes	6,100	6,100	6,132	(32)
Pest Control	800	2,000	1,838	162
Postage	800	800	1,011	(211)
Professional Fees	3,000	4,500	3,187	1,313
Public Relations	400	1,500	1,467	33
Repairs and Maintenance, City Hall	1,000	600	539	61
Salaries, Clerk	36,500	36,700	39,835	(3,135)
Salaries, Mayor and Council	42,000	42,100	42,060	40
Salary, Janitor	-	-	150	(150)
Telephone	5,900	6,800	6,286	514
Unemployment	1,100	1,100	1,033	67
Uniforms and Mats	3,100	3,900	4,639	(739)
Total General and Administrative	\$ 183,280	\$ 205,500	\$ 205,770	\$ (270)

See independent auditor's report.

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 General Fund
 For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts: GAAP Basis	Final Budget: Favorable (Unfavorable)
Police Department:				
Accounting and Auditing	\$ 5,500	\$ 6,000	\$ 6,000	\$ -
Auto Fuel	15,600	17,300	17,503	(203)
Auto Repairs	7,800	11,300	12,578	(1,278)
Capital Outlay, Cars	7,500	7,900	-	7,900
Capital Outlay, Equipment	-	-	1,000	(1,000)
Computer Maintenance	-	-	150	(150)
Conventions and Travel	350	300	496	(196)
Dues	100	100	100	-
Drug & Psychological Testing	1,400	200	125	75
Insurance, Health	3,500	4,000	3,598	402
Insurance, Buildings	200	-	-	-
Insurance, Liability (Personnel)	14,500	15,000	15,177	(177)
Insurance, Vehicles	9,500	8,200	10,031	(1,831)
Insurance, Workers Compensation	12,000	18,700	18,678	22
Internet	1,600	1,700	1,362	338
Law Enforcement Fees	12,500	10,000	9,865	135
Legal Fees	-	-	504	(504)
Professional Fees	-	500	302	198
Miscellaneous	700	1,300	828	472
Payroll Taxes	11,400	16,700	16,467	233
Police Retirement	7,500	9,700	9,830	(130)
Prisoner Housing	200	-	-	-
Public Relations	-	-	210	(210)
Repairs and Maintenance, Equipment	750	700	4,555	(3,855)
Salaries	149,500	175,500	177,783	(2,283)
Salaries, Overtime	-	8,000	6,438	1,562
Salaries, Security Detail	-	37,000	37,590	(590)
Salaries, Supplemental Pay	18,000	18,000	18,000	-
Supplies, Police	500	500	3,712	(3,212)
Supplies, Office	2,100	2,700	2,721	(21)
Telephone	4,200	4,000	3,753	247
Tracking	2,000	2,300	2,280	20
Training	1,200	300	253	47
Uniforms	1,200	500	634	(134)
Total Police Department	291,300	378,400	382,523	(4,123)

See independent auditor's report.

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
General Fund
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
Municipal Court Cost				
Bailiff	\$ 1,200	\$ 400	\$ 313	\$ 87
Capital Outlay	500	-	-	-
Court Magistrate	7,200	7,200	7,200	-
Court Prosecutor	4,800	4,800	4,800	-
Credit Card Fees	3,000	2,400	2,087	313
Credit Card Lease	500	500	487	13
Legal	1,000	500	531	(31)
Miscellaneous	300	400	495	(95)
Office Expense	500	600	458	142
Payroll Taxes	1,610	700	673	27
Salaries, Court Clerk	8,900	8,500	8,553	(53)
Witness Fee	400	300	300	-
Workers Compensation	100	100	44	56
Total Municipal Court Cost	<u>30,010</u>	<u>26,400</u>	<u>25,941</u>	<u>459</u>
Street Lights and Sanitation:				
Park Utilities	-	-	314	(314)
Street Lights	19,400	18,000	17,800	200
Sanitation Collection	33,100	32,000	32,016	(16)
Total Street Lights and Sanitation	<u>52,500</u>	<u>50,000</u>	<u>50,130</u>	<u>(130)</u>
Mosquito Abatement:				
Capital Outlay	1,000	-	-	-
Payroll Taxes	190	100	97	3
Salaries	2,500	1,500	1,470	30
Supplies	2,500	400	351	49
Workers Compensation	75	50	31	19
Total Mosquito Abatement	<u>6,265</u>	<u>2,050</u>	<u>1,949</u>	<u>101</u>
Total Expenditures	<u>563,355</u>	<u>662,350</u>	<u>666,312</u>	<u>(3,962)</u>
Excess Revenues (Expenditures)	<u>38,145</u>	<u>(6,950)</u>	<u>(11,793)</u>	<u>(4,843)</u>
Other Financing Sources (Uses)				
Sale of Fixed Assets, police	2,500	3,000	3,000	-
Total Other Financing Sources (Uses)	<u>2,500</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Net Change in Fund Balance	40,645	(3,950)	(8,793)	(4,843)
Unassigned Fund Balance, Beginning	148,627	148,783	148,783	-
Unassigned Fund Balance, Ending	<u>\$ 189,272</u>	<u>\$ 144,833</u>	<u>\$ 139,990</u>	<u>\$ (4,843)</u>

See independent auditor's report.

Village of Tickfaw, Louisiana

Schedule 2

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

1995 Sales Tax Fund

For the Year Ended June 30, 2017

Revenues	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts: GAAP Basis	Final Budget: Favorable (Unfavorable)
Sales and Use Taxes	\$ 41,400	\$ 41,400	\$ 42,240	\$ 840
Interest Income	25	20	23	3
Total Revenues	<u>41,425</u>	<u>41,420</u>	<u>42,263</u>	<u>843</u>
Expenditures				
Auto Fuel	1,500	1,700	1,829	(129)
Capital Outlay	1,500	-	-	-
Diesel	1,400	1,400	1,291	109
Insurance, Health	-	-	645	(645)
Insurance, Liability	500	500	455	45
Insurance, Property	615	500	540	(40)
Insurance, Workers Compensation	1,900	2,700	2,932	(232)
Insurance, Vehicle	1,800	1,600	1,567	33
Miscellaneous	500	500	-	500
Payroll Taxes	1,325	1,700	1,768	(68)
Repairs and Maintenance	7,000	8,100	7,076	1,024
Salaries	17,300	21,600	23,246	(1,646)
Street Repairs	1,000	100	106	(6)
Street Signs & Supplies	800	400	261	139
Utilities	-	-	56	(56)
Total Expenditures	<u>37,140</u>	<u>40,800</u>	<u>41,772</u>	<u>(972)</u>
Net Change in Fund Balance	4,285	620	491	(129)
Restricted Fund Balance, Beginning	34,993	32,271	32,271	-
Restricted Fund Balance, Ending	<u>\$ 39,278</u>	<u>\$ 32,891</u>	<u>\$ 32,762</u>	<u>\$ (129)</u>

See independent auditor's report.

Village of Tickfaw, Louisiana

Schedule 3

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Fire Protection Fund

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
Revenues				
Ad Valorem Taxes	\$ 22,500	\$ 22,500	\$ 22,555	\$ 55
Interest Income	50	50	53	3
Total Revenues	<u>22,550</u>	<u>22,550</u>	<u>22,608</u>	<u>58</u>
Expenditures				
Building Improvements	1,750	-	-	-
Capital Outlay	1,000	-	-	-
Miscellaneous	200	-	-	-
Insurance	800	600	642	(42)
Utilities	5,200	5,800	5,430	370
Fire Protection	4,200	4,200	4,200	-
Repairs & Maintenance	4,000	200	239	(39)
Total Expenditures	<u>17,150</u>	<u>10,800</u>	<u>10,511</u>	<u>289</u>
Net Change in Fund Balance	5,400	11,750	12,097	347
Restricted Fund Balance, Beginning	<u>55,862</u>	<u>58,279</u>	<u>58,279</u>	<u>-</u>
Restricted Fund Balance, Ending	<u>\$ 61,262</u>	<u>\$ 70,029</u>	<u>\$ 70,376</u>	<u>\$ 347</u>

See independent auditor's report.

Village of Tickfaw

Schedule 4

**Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2017**

	2017	2016	2015	2014
Employer's Proportion of the Net Pension Liability (Asset)	0.010710%	0.018899%	0.029081%	0.017086%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 100,383	\$ 148,054	\$ 181,933	\$ 136,490
Employer's Covered-Employee Payroll	\$ 30,960	\$ 30,000	\$ 50,546	\$ 82,764
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	324.23%	493.51%	359.94%	164.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.04%	70.73%	75.10%	66.71%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

Village of Tickfaw, Louisiana

Schedule 5

Schedule of Employer Contributions
For the Year Ended June 30, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 9,830	\$ 8,850	\$ 15,922	\$ 24,573
Contributions in relation to the contractually required contribution	<u>(9,830)</u>	<u>(8,850)</u>	<u>(15,922)</u>	<u>(24,573)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Village's covered-employee payroll	\$ 30,960	\$ 30,000	\$ 50,546	\$ 82,764
Contributions as a percentage of covered-employee payroll	31.75%	29.5	31.50%	31.06%

See independent auditor's report.

Other Supplemental Information

Village of Tickfaw, Louisiana

Schedule 6

Schedule of Compensation Paid Elected Officials
Year Ended June 30, 2017

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature:

<u>Elected Official</u>	<u>Term Expires</u>	<u>Compensation Received</u>
Anthony "Tony" Lamonte, Mayor 14304 Nuccio Road Tickfaw, LA 70466 (985)345-8796	12/31/2018	\$ 31,215
Joseph M. Fedele, Alderman 49361 Fedele Rd Tickfaw, LA 70466 (985) 507-4805	12/31/2018	3,615
Stephen C. Galafaro 50092 East Railroad Ave Tickfaw, LA 70466 (985) 542-9712	12/31/2018	3,615
Guy J. Ribando 14339 Thomas Street Tickfaw, LA 70466 (985) 662-0503	12/31/2018	3,615
Frank E. Dibenedetto, JR, Chief of Police 14372 Oak Street Tickfaw, LA 70466 (985) 345-4677	12/31/2018	31,010
		\$ <u><u>73,070</u></u>

See independent auditor's report.

Village of Tickfaw, Louisiana

Schedule 7

Schedule of Compensation, Benefits and Other Payments to Agency Head
Year Ended June 30, 2017

Agency Head Name: Anthony Lamonte, Mayor

Salary	\$	31,215
Benefits - Insurance		-
Benefits - Retirement		-
Benefits - Payroll Taxes		2,388
Car Allowance		-
Vehicle Provided by Government		-
Per Diem		-
Reimbursements		-
Travel		-
Registration Fees		125
Conference Travel		238
Continuing Professional Education		-
Housing		-
Unvouchered Expenses		-
Special Meals		-
Cell Phone		691
Total	\$	<u>34,657</u>

See independent auditor's report.

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA

J. Bryan Ehricht, CPA
Samantha D. Wagner, CPA
Christie J. Barado
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Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

The Honorable Mayor Anthony Lamonte
and Members of the Board of Aldermen
Village of Tickfaw, Louisiana

We have audited, 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, the financial statements of the governmental activities, the business-type activities, and each major fund, of the Village of Tickfaw, Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Village of Tickfaw, Louisiana's, basic financial statements, and have issued our report thereon dated November 21, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Tickfaw, 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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Tickfaw, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Tickfaw, Louisiana's, internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

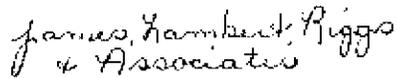
As part of obtaining reasonable assurance about whether the Village of Tickfaw, Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

Village of Tickfaw, Louisiana

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James, Lambert, Riggs and Associates, Inc.
Hammond, Louisiana

November 21, 2017

Village of Tickaw, Louisiana
Current Year Audit Findings and Responses
For the Year Ended June 30, 2017

Internal Control over Financial Reporting:

None

Compliance and Other Matters:

None

Village of Tickfaw, Louisiana

**Summary Schedule of Prior Audit Findings
As of and for the Year Ending June 30, 2017**

Compliance and Other Matters:

2016-001 – Lack of Timely Deposit of Cash Bonds

Condition: During our audit and testing of cash receipts processing for cash collected at the police station, we noted nineteen instances where cash bonds collected had not been deposited in a timely manner.

Criteria: Louisiana Revised Statute 39:1212 states that “all funds of local depositing authorities shall be deposited daily whenever practicable.”

Cause: This condition appears to be a poorly designed internal control procedure over cash bond receipts processing combined with the failure of employees of the police department to follow established procedures.

Effect: As a result of this oversight, the Village was not in compliance with state law.

Recommendation: We recommend that the Village follow their existing policy to require daily deposits of all cash collected by both City Hall and the Police Department.

Corrective Action: The Mayor of Tickfaw discussed the matter with the Chief of Police. He submits any and all collections of bond money to the Court Clerk on a daily basis or as received.

This schedule was prepared by management.

VILLAGE OF TICKFAW, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES REPORT
FOR THE YEAR ENDED JUNE 30, 2017

Dennis E. James, CPA
Lyle E. Lambert, CPA
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Independent Accountants' Report on Applying Agreed-Upon Procedures

Honorable Anthony Lamonte, Mayor
and City Council Members
Tickfaw, Louisiana and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Village of Tickaw, Louisiana and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Village's management is responsible for those control and compliance areas identified in the SAUPs.

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

Our procedures and findings are detailed in Schedule "A"

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the results 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 Legislative Auditor as a public document.

*James Lambert Riggs
& Associates*

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

December 11, 2017

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial / business functions (or report that the entity does not have any written policies and procedures), as applicable:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget

Results: The Village did not have any written policies and procedures for budgeting.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Results: The Village did not have any written policies and procedures for purchasing.

- c) **Disbursements**, including processing, reviewing, and approving

Results: The Village did not have any written policies and procedures for disbursements.

- d) **Receipts**, including receiving, recording, and preparing deposits

Results: The Village did not have any written policies and procedures for receipts.

- e) **Payroll / Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked

Results: We sighted the Village's written policies and procedures for payroll / personnel, however this policy did not include payroll and employee approval processes.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

Results: The Village did not have any written policies and procedures for contracts.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

Results: We sighted the Village's written policies and procedures for credit cards and fuel cards.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Results: The Village did not have any written policies and procedures for travel and expense reimbursements.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

Results: The Village did not have any written policies and procedures for ethics.

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements

Results: The Village did not have any written policies and procedures for debt service.

Board (or Finance Committee, if applicable)

2. Obtain and review the board / committee minutes for the fiscal period, and:

- 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, charter, or other equivalent document.

Results: Per a review of the minutes of the Board of Aldermen for the period July 1, 2016 through June 30, 2017, the Board met on a monthly basis.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

Results: Per a review of the minutes of the Board of Aldermen for the period July 1, 2016 through June 30, 2017, the minutes referenced budget-to-actual comparisons on the Village's major funds.

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal / written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal / written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

Results: Per a review of the minutes of the Board of Aldermen for the period July 1, 2016 through June 30, 2017, the minutes referenced budget-to-actual comparisons on the Village's major funds.

- 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.

Results: Per a review of the minutes of the Board of Aldermen for the period July 1, 2016 through June 30, 2017, the Board of Aldermen approved contracts and grant agreements in at least one meeting during the year.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Results: Management provided us with the required listing of bank accounts as well as management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than five accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Results: For the 5 bank accounts selected, all bank reconciliations were prepared for all twelve months for the period July 1, 2016 through June 30, 2017.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

Results: For the 5 bank accounts selected, evidence existed that the bank statements and bank reconciliations were reviewed by a member of management or a board member.

- 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.

Results: For the 5 bank accounts selected, the Village did not have any reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Collections

5. Obtain a listing of cash / check / money order (cash) collection locations and management's representation that the listing is complete.

Results: Management provided us with the required listing of cash collection locations as well as management's representation that the listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than five locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

Results: Each person responsible for collecting cash is bonded. Due to the small size of the Village, employees that collect money share other financial responsibilities. Of the three cash collectors, one individual responsible for collecting cash is also responsible for depositing the cash in the bank, and one other individual responsible for collecting cash can also record the related transaction, and can reconcile the related bank account. Each person responsible for collecting cash shares a cash drawer; however, the Village requires each employee to sign the receipt copy as a compensating control.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether 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.

Results: Management provided us with written documentation for reconciling cash collections to the general ledger. Due to the small size of the Village, an individual who can also collect cash performs this daily reconciliation.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

Results: The highest week of cash collections had 19 individual deposits consisting of two exceptions on the General Fund for a daily collection not deposited within one business day.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Results: Daily cash collections for the highest week of cash collections were completely supported by documentation with the exception of one unfound deposit slip.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Results: The Village did not have any written policies and procedures for collections.

Disbursements – General (excluding credit card / debit card / fuel card / P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort / filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Results: Management provided us with the required listing of disbursements as well as management's representation that the listing is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card / debit card / fuel card / P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens / logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition / purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition / purchase order system.

Results: For the 25 transactions selected, there were no purchase orders. The Village, due to the small nature in size and its operations, does not utilize a purchase order system.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Results: For the 25 transactions selected, there were no purchase orders. The Village, due to the small nature in size and its operations, does not utilize a purchase order system.

- c) Payments for purchases were not processed without (1) an approved requisition and / or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Results: For the 25 transactions selected, there were no purchase orders. The Village, due to the small nature in size and its operations, does not utilize a purchase order system. All 25 invoices selected included a receiving report for goods purchased, when applicable and were processed with an approved invoice.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing / disbursement system.

Results: The Village did not have any written policies and procedures for disbursements. The individual responsible for processing payments is able to add vendors to the Village's purchasing / disbursement system.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Results: The Village did not have any written policies and procedures for disbursements. The individuals who can initiate or record purchases do have signatory authority.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Results: The Village did not have any written policies and procedures for disbursements. Checks are printed on blank check stock; due to the small size of the Village, individuals with signatory authority do have access to print checks.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Results: No signature stamp or machine is utilized by the Village.

Credit Cards / Debit Cards / Fuel Cards / P-Cards

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: Management provided us with the required listing of credit cards and fuel cards as well as management's representation that the listing is complete.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized cardholder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

Results: For the eight credit card and fuel cards selected, the statements of all eight cards were reviewed and approved, in writing, by someone other than the authorized card holder.

- b) Report whether finance charges and / or late fees were assessed on the selected statements.

Results: For the eight credit card and fuel cards selected, no finance charges and / or late charges were assessed.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased).

Results: For the eight credit cards and fuel cards selected, all eight cards had supporting itemized receipts for all transactions.

- Documentation of the business / public purpose. For meal charges, there should also be documentation of the individuals participating.

Results: For the eight credit cards and fuel cards selected, all eight cards selected had supporting documentation of the business/ public purpose, and all meal receipts contained documentation of the individuals participating.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.).

Results: We sighted the Village's written policies and procedures for credit cards and fuel cards. For the eight credit card and fuel cards selected, all eight cards selected had other supporting documentation required by the Village's written policy.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing / disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

Results: For the eight credit cards and fuel cards selected, no transactions reviewed required the solicitation of bids or quotes.

- c) For each transaction, compare the entity's documentation of the business / public 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. cash advances or non-business purchases,

regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results: For the eight credit cards and fuel cards selected, there were no violations of Article 7, Section 14 of the Louisiana Constitution.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort / filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Results: Management provided us with the required listing of travel and related expense reimbursements as well as management's representation that the listing is complete.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Results: The Village did not have any written policies and procedures for travel and expense reimbursements. No reimbursement rates exceeded GSA rates.

19. Using the listing or general ledger from #17 above, select the 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:

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 the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Results: For the three employees selected, all travel and expense reimbursements were paid in accordance with GSA rates.

b) Report whether each expense is supported by:

➤ An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

Results: For the three employees selected, all travel and expense reimbursements were documented by original itemized receipts or mileage log.

- Documentation of the business / public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

Results: For the three employees selected, all travel and expense reimbursements documented the business / public purchase of the expense.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

Results: The Village did not have any written policies and procedures for travel and expense reimbursements. For the three employees selected, all three employee reimbursements had other supporting documentation required.

- c) Compare the entity's documentation of the business / public 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, the practitioner should report the transaction as an exception.

Results: For the three employees selected, there were no violations of Article 7, Section 14 of the Louisiana Constitution.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: For the three employees selected, each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort / filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Results: Management provided us with a listing of all contracts in effect during the period July 1, 2016 through June 30, 2017, as well as management's representation that the listing is complete.

- 21. Using the listing above, select the five 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 related contracts and paid invoices and:

- a) Report whether there is a formal / written contract that supports the services arrangement and the amount paid.

Results: For the one contract selected, there was a formal / written contract that supported the services arrangement and the amount paid.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain / compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).

Results: The one contract selected was subject to the Louisiana Public Bid Law and all legal requirements were met.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Results: The one contract selected was subject to the Louisiana Public Bid Law.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

Results: The one contract selected was not amended during the period July 1, 2016 through June 30, 2017.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

Results: For the one contract selected, all payments contained supporting invoices that complied with the terms and conditions of the contract.

- e) Obtain / review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Results: The one contract selected was approved by the Board of Aldermen.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees / officials, obtain their personnel files, and:

- 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.

Results: Management provided us with the required list of employees and salaries as well as management's representation that the listing is complete. For the five randomly selected employees, compensation paid to each employee was made in accordance with each employee's approved pay rate.

- 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.

Results: Management provided us with the required list of employees and salaries as well as management's representation that the listing is complete. For the five randomly selected employees, all changes to each employee's approved pay rates were approved in writing and in accordance with written policy.

23. 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 randomly select one-third of employees / officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees / officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his / her attendance and leave. However, if the elected official is earning leave according to policy and / or contract, the official should document his / her daily attendance and leave.)

Results: Management provided us with all attendance and leave records for the period July 1, 2016 through June 30, 2017. For the twenty selected employees, all employees documented their daily attendance and leave when applicable.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees / officials.

Results: Management provided us with all attendance and leave records for the period July 1, 2016 through June 30, 2017. For the twenty selected employees, we sighted documentation that supervisors approved attendance and leave when applicable.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees / officials that earn leave.

Results: Management provided us with all attendance and leave records for the period July 1, 2016 through June 30, 2017. For the twenty selected employees, we sighted written documentation of the Village's leave records.

24. Obtain from management a list of those employees / officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees / officials. Report whether the termination payments were made in strict accordance with policy and / or contract and approved by management.

Results: Management provided us with the required list of employees terminated for the period July 1, 2016 through June 30, 2017. For the two termination payments selected for this period, the payments were made in accordance with Village policies and were approved by management.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll

taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Results: Management provided us with all supporting documentation related to payroll taxes and retirement contributions for the period July 1, 2016 through June 30, 2017. For this period, all payroll tax deposits and retirement contribution payments were paid by the required deadlines.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees / officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Results: For the five randomly selected employees, all ethics compliance documentation was provided to us and the required ethics training was completed for all employees.

27. 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.

Results: Per conversation with Mayor Anthony Lamonte and Village Clerk Ruby LeTard, the Village had no alleged ethics violations reported during the period July 1, 2016 through June 30, 2017.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Results: The Village had no new debt issued during the period July 1, 2016 through June 30, 2017.

29. 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.

Results: During the period July 1, 2016 through June 30, 2017, the Village had no outstanding debt.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Results: The Village had no tax millages relating to debt service during the period July 1, 2016 through June 30, 2017.

Other

31. 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.

Results: Per conversation with Mayor Anthony Lamonte and Village Clerk Ruby LeTard, the Village had no misappropriations of public funds or assets during the period July 1, 2016 through June 30, 2017.

32. 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.

Results: Sighted copy of the notice posted on the premises and on the Village's Facebook page.

If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Results: There were no exceptions regarding management's representations in the procedures above.

Village of Tickfaw

50081 Hwy. 51

P.O. Box 249

Tickfaw, Louisiana

December 12, 2017

James, Lambert, Riggs and Associates, Inc.
Post Office Drawer 369
Hammond, Louisiana 70404

Management of the Village of Tickfaw, Louisiana would like to present the following response to the results of the June 30, 2017, Statewide Agreed-Upon Procedures conducted by James, Lambert, Riggs and Associates, Inc.

Written Policies and Procedures

Agency Response: Management of the Village of Tickfaw will be working with its outside CPA to develop written policies and procedures prior to June 30, 2018.

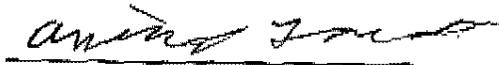
Collections

Agency Response: Management of the Village of Tickfaw believes that due to the small size of the Village, it is not feasible to increase the size of the Village staff to provide better segregation of duties. Management believes that by using the services of an outside CPA, risks associated with the limited segregation of duties is offset.

Disbursements

Agency Response: Management of the Village of Tickfaw believes that due to the small size of the Village, it is not feasible to implement a purchase order system for disbursements.

Honorable Anthony "Tony" Lamonte
Mayor



**MAYOR
OF POLICE**

Anthony "Tony" Lamonte

MAYOR PRO TEM

Steve Galofaro

COUNCIL

Michael Joseph Fedele

Steve Galofaro

Guy Ribando

ATTORNEY AT LAW

Maurice Trippi

Ruby LeTard
Municipal Clerk



CHIEF

Frank DiBenedetto

MUNICIPAL CLERK

Ruby LeTard