

Village of Bienville
Bienville, Louisiana

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

Village of Bienville

Annual Financial Statements As of and for the Year Ended June 30, 2017 With Supplemental Information Schedules

CONTENTS

	Statement	Page
Required Supplemental Information (Part I) Management's Discussion and Analysis		1
Independent Accountant's Review Report		6
<u>Basic Financial Statements</u>		
Government-Wide Financial Statements:		
Statement of Net Position	A	8
Statement of Activities	B	9
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	10
Reconciliation of the Government Funds Balance Sheet to The Government-Wide Financial Statement of Net Position	D	11
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	12
Reconciliation of the Statement of Revenues, Expenditures, And Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	13
Proprietary Funds:		
Statement of Net Position	G	14
Statement of Revenues, Expenses, and Changes in Fund Net Position	H	15
Statement of Cash Flows	I	16

Table of Contents (Contd.)
Village of Bienville, Louisiana

	Schedule	Page
Notes to the Financial Statements		17
Required Supplemental Information (Part II)		
Budget Comparison Schedules	1	27
Notes to Budget Comparison Schedules		
<u>Other Supplemental Schedules</u>		
Schedule of Compensation Paid Elected Officials	2	29
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	3	30
<u>Other Reports</u>		
Independent Accountants' Report On Applying Agreed-Upon Procedures		32
Management's Corrective Action Plan		36
Summary of Prior Year Findings		38
Louisiana Attestation Questionnaire		

Village of Bienville, Louisiana
Management Discussion and Analysis
June 30, 2017

The management of the Village of Bienville, Louisiana offers readers of the Village of Bienville, Louisiana's (Village) financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended June 30, 2017. This management discussion and analysis ("MD&A") is designed to provide an objective analysis of the Village's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of Village finances. It is also intended to provide readers with an analysis of the Village's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Village. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Village's financial activity, identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

The Village has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34. This reporting model changes the presentation of financial data, and also the manner in which the information is recorded. We encourage readers to consider the information presented here in conjunction with additional information presented throughout this report.

Overview of the Financial Statements

This section is intended to serve as an introduction to the Village's financial statements. The Village's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed by GASB Statement No. 34 to change the way in which governmental financial statements are presented. It now provides readers with a concise "entity-wide" Statement of Net Position and Statement of Activities, which seek to give the user of the financial statements a broad overview of the Village's financial position and results of operations in a manner similar to private sector businesses.

The statement of net position presents information on all of the Village's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. The difference between the two is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or weakening.

Village of Bienville, Louisiana
Management Discussion and Analysis
June 30, 2017

The statement of activities presents information which shows how the government's net position changed during this fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes).

Each of these reports is broken down between governmental activities and business-type activities. Governmental activities normally are those activities that are supported by taxes, licenses, permits, fines, and intergovernmental revenues; for example, the police department. Business-type activities are functions that are intended to support their costs through charges for services or fees; such as the Water and Sewer Departments.

Government-wide Financial Analysis

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Village's assets exceeded its liabilities by \$864,992 (net position); this represents an increase of \$72,600 from the last fiscal year. Of this total net asset amount, \$428,288 is unrestricted net position. The Village's net position are comprised of \$665,307 from governmental activities and \$199,685 from business-type activities.

The following is a condensed statement of the Village of Bienville's net position as of June 30, 2017:

	Governmental- Type Activities	Business-Type Activities	Total
Assets			
Current & Other Assets	\$560,986	(\$122,690)	\$438,296
Capital Assets (net)	104,948	331,756	436,704
Total Assets	\$665,934	\$209,066	\$875,000
Liabilities			
Other Liabilities	\$627	\$9,381	\$10,008
Long-term Liabilities	0	0	0
Total Liabilities	627	9,381	10,008
Net Position			
Invested in capital assets, net	104,948	331,756	436,704
Unrestricted	560,359	(132,071)	428,288
Total Net Position	\$665,307	\$199,685	\$864,992

The Village's net position \$436,704 or 50% reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, Village infrastructure, etc.) less any related debt used to acquire those assets still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

Village of Bienville, Louisiana
Management Discussion and Analysis
June 30, 2017

The remaining balance of \$428,288 is unrestricted net position, which may be used to meet the government's on-going obligations to citizens and creditors.

Total liabilities of \$10,008 are equal to 1% of the total net position.

The following is a summary of the statement of activities:

	Governmental- Type. Activities	Business- Type Activities	Total	2016
Revenue				
Program Revenue	\$0	\$128,186	\$128,186	\$202,834
General Revenue & Transfers	68,764	675	69,439	67,643
Total Revenue	<u>68,764</u>	<u>128,861</u>	<u>197,625</u>	<u>270,477</u>
Expenses				
General & Administrative	28,667		28,667	31,493
Water		89,302	89,302	72,040
Depreciation	7,056		7,056	7,056
Total Expenses	<u>35,723</u>	<u>89,302</u>	<u>125,025</u>	<u>110,589</u>
Increase (Decrease) in Net Position	33,041	39,559	72,600	159,888
Net Position, Beginning	632,266	160,126	792,392	632,504
Prior period adjustment	0	0	0	0
Net Position, Ending	<u>\$665,307</u>	<u>\$199,685</u>	<u>\$864,992</u>	<u>\$792,392</u>

Governmental Activities

The governmental activities of the Village include General Government. In that, revenues normally associated with municipal operations, (e.g. property tax, franchise fees, license fees, fines, and operating grants) are sufficient for the funding of these activities.

Business-type Activities

The business-type activities of the Village are those that charge a fee to customers for the services provided. The Village has only one business-type activity, which is accounted for in the enterprise fund. The Village uses enterprise funds to account for the revenues and expenses related to the provision of water services.

Village of Bienville, Louisiana
Management Discussion and Analysis
June 30, 2017

Fund Financial Statements - Governmental Funds

The fund financial statements provide more detailed information about the Village's most significant funds - not the Village as a whole. Funds are accounting devices that the Village uses to keep track of specific sources of funding and spending for a particular purpose.

The Village currently maintains one individual governmental fund type, General Fund. Information is presented separately in the Governmental Funds Balance Sheet (Statement C) and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Statements E) for the General Fund which is considered to be a major fund.

The Village adopts an annual budget for the General Fund. A statement of revenues, expenditures, and changes in fund balance for the General Fund is presented in the Required Supplemental Information (Schedule 1), which compares actual revenues and expenditures to the original budget and amended budget figures.

Financial Analysis of the Village's Governmental Fund

The Village of Bienville's governmental fund (General Fund) reported an ending fund balance of \$560,359, which is an increase of \$40,097. This increase is caused by maintaining expenditures well below revenues.

Fund Financial Statements - Proprietary Funds

The Village maintains one proprietary fund. Proprietary funds are used to report the same functions as business-type activities. The Village uses enterprise funds (the first type of proprietary fund) to account for its Water Operations. This enterprise fund reports the same functions presented as business-type activities in the government-wide financial statements.

Financial Analysis of the Village's Proprietary Fund

The Village's proprietary fund shows an increase in ending net position of \$39,559. The 2017 operating loss of the Water Fund totaling \$64,153 represents an increase in loss of \$16,623 from fiscal year 2016.

In that, financial statements of enterprise funds are presented on the same basis of accounting as in both the governmental-wide financial statements and the individual fund statements. All comments and analysis made under business-type activities apply to these funds.

Village of Bienville, Louisiana
Management Discussion and Analysis
June 30, 2017

General Fund Budgetary Highlights

The Village amended their original General Fund budget once during the course of the year.

The actual revenue for the current fiscal year was sufficient to meet all expenditures. The final budgeted revenues and other sources and the actual results differ by a positive \$2,065. The final budgeted expenditures and the actual results differ by a positive \$6,580.

Capital Asset and Debt Administration

The total investment in net capital assets as of June 30, 2017 is \$436,704.

The capital assets purchased in fiscal 2017 for governmental activities was a shed to store the backhoe; additionally, the Water fund finished water plant renovations.

Current Financial Factors

The Village is not currently working on any projects for the fiscal year 2018.

Requests for Information

This financial report is designed to provide a general overview of the Village of Bienville's finances for all with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Village Clerk, P. O. Box 207, Bienville, LA 71008.

WADE & PERRY

Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Accountant's Review Report

The Honorable Wesley Boddie, Mayor
and Members of the Board of Aldermen
Village of Bienville, Louisiana

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

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

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

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

Accounting principles generally accepted in the United States of America require that budgetary comparison information on page 27 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information was not audited, reviewed, or compiled by us, and we do not express an opinion or provide any assurance on it.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The other supplementary schedules and other information, as listed in the table of contents are presented for purposes of additional analysis and are not

a required part of the basic financial statements. The other supplementary information and other information, as listed in the table of contents, have not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but were compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly we do not express an opinion or provide any assurance on it.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated October 10, 2017, on the results of our agreed-upon procedures.

Wade & Perry
Ruston, Louisiana
October 10, 2017

Village of Bienville, Louisiana
Statement of Net Position
June 30, 2017

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and cash investments	\$418,595	\$9,276	\$427,871
Receivables	1,556	1,851	3,407
Internal balances	140,067	(140,067)	0
Restricted cash		6,250	6,250
Prepaid insurance	768		768
Capital assets (net)	104,948	331,756	436,704
TOTAL ASSETS	\$665,934	\$209,066	\$875,000
Deferred outflows of resources	0	0	0
LIABILITIES			
Accounts, salaries, and other payables	\$627	\$3,131	\$3,758
Customer deposits		6,250	6,250
TOTAL LIABILITIES	627	9,381	10,008
Deferred inflows of resources	0	0	0
NET POSITION			
Net investment in capital assets	104,948	331,756	436,704
Restricted		0	0
Unrestricted	560,359	(132,071)	428,288
TOTAL NET POSITION	\$665,307	\$199,685	\$864,992

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
 Statement of Activities
 Year Ended June 30, 2017

	Program Revenues			Net (Expenses) Revenues and Changes of Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities
Governmental Activities:						
General government	\$28,667				(\$28,667)	(\$28,667)
Depreciation	7,056				(7,056)	(7,056)
Total governmental activities	<u>35,723</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(35,723)</u>	<u>0</u>
Business-type activities						
Utilities	89,302	24,512		103,674		38,884
Total business-type activities	<u>89,302</u>	<u>24,512</u>	<u>0</u>	<u>103,674</u>	<u>0</u>	<u>38,884</u>
Total primary government	<u>\$125,025</u>	<u>\$24,512</u>	<u>\$0</u>	<u>\$103,674</u>	<u>(\$35,723)</u>	<u>\$38,884</u>
General revenues:						
Franchise fees					3,573	3,573
Ad Valorem taxes					50,459	50,459
Use of money and property					3,118	38
Other general revenues					11,614	637
Gain on sale of asset					0	0
Total general revenues and transfers					<u>68,764</u>	<u>675</u>
Change in Net Position					33,041	39,559
Net Position - beginning					632,266	160,126
Prior period adjustment					0	0
Net Position - ending					<u>\$665,307</u>	<u>\$199,685</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
 Balance Sheet, Governmental Funds
 June 30, 2017

		<u>Total Governmental Funds</u>
ASSETS		
Cash and cash investments		\$418,595
Receivable		1,556
Due from other funds		140,067
Prepaid insurance		<u>768</u>
TOTAL ASSETS		<u><u>\$560,986</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts, salaries, and other payables		\$627
Due to other funds		<u>0</u>
Total liabilities		<u>627</u>
Fund balances:		
Unassigned		<u>560,359</u>
Total fund balances		<u>560,359</u>
TOTAL LIABILITIES AND FUND BALANCES		<u><u>\$560,986</u></u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Reconciliation of The Governmental Funds Balance Sheet
to The Government-Wide Financial Statement of Net Position
June 30, 2017

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Fund balances, Total governmental funds (Statement C)		\$560,359
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	389,086	
Less accumulated depreciation	<u>(284,138)</u>	<u>104,948</u>
Net Position of Governmental Activities (Statement A)		<u>\$665,307</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2017

	Total Governmental Funds
REVENUES	
Franchise fees	\$3,573
Ad valorem taxes	50,459
Insurance premiums	8,701
Beer tax	2,203
Other revenues	710
Total Revenues	<u>65,646</u>
EXPENDITURES	
Salaries	3,600
Audit-review	4,804
Insurance	3,733
Repairs & Maintenance	5,633
Professional Fees	3,359
Telephone	1,633
Aldermen & Mayor	1,530
Other expenses	4,375
Capital outlay	0
Total Expenditures	<u>28,667</u>
Excess (Deficiency) of Revenues over (under) Expenditures	36,979
OTHER FINANCING SOURCES (USES)	
Use of money and property	5,325
Unrealized gain/(loss) on investments	(2,207)
Operating transfers in (out)	0
Total Other Financing Sources (Uses)	<u>3,118</u>
Net Change in Fund Balance	40,097
Fund Balance – beginning	520,262
Prior period adjustment	0
Fund Balance – ending	<u><u>\$560,359</u></u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
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

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

Net Change in Fund Balances, Total governmental funds (Statement E)	\$40,097
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$0) exceeded depreciation (\$7,056) in the current period.	<u>(7,056)</u>
Change in Net Position of Governmental Activities, Statement B	<u>\$33,041</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Net Position, Proprietary Funds
June 30, 2017

		<u>Business-Type Activities - Enterprise Funds</u>	
		<u>2017</u>	<u>2016</u>
ASSETS			
Current assets:			
Cash and cash investments		\$9,276	\$12,855
Receivables		1,851	1,851
Due from other funds		<u>0</u>	<u>0</u>
Total current assets		<u>11,127</u>	<u>14,706</u>
Restricted assets:			
Cash and cash investments (Customer Deposits)		6,250	5,975
Non-current assets:			
Capital assets (net of accumulated depreciation)		<u>331,756</u>	<u>258,165</u>
Total Non-current assets		<u>331,756</u>	<u>258,165</u>
TOTAL ASSETS		<u><u>\$349,133</u></u>	<u><u>\$278,846</u></u>
LIABILITIES			
Current Liabilities:			
Accounts, salaries, and other payables		\$3,131	\$2,678
Due to other funds		140,067	110,067
Loans and interest payable		<u>0</u>	<u>0</u>
Total current liabilities		<u>143,198</u>	<u>112,745</u>
Current liabilities payable from restricted assets		<u>6,250</u>	<u>5,975</u>
Non-current liabilities:			
Loans payable		<u>0</u>	<u>0</u>
Total non-current liabilities		<u>0</u>	<u>0</u>
Total liabilities		<u>149,448</u>	<u>118,720</u>
NET POSITION			
Net investment in capital assets		331,756	258,165
Unrestricted		<u>(132,071)</u>	<u>(98,039)</u>
TOTAL NET POSITION		<u><u>\$199,685</u></u>	<u><u>\$160,126</u></u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds	
	2017	2016
Operating Revenues		
Charges for services:		
Water sales	\$24,512	\$24,314
Other services	637	196
Total Operating Revenues	<u>25,149</u>	<u>24,510</u>
Operating Expenses		
Cost of sales and services	62,093	46,801
Administration	14,400	13,950
Depreciation	12,809	11,289
Total Operating Expenses	<u>89,302</u>	<u>72,040</u>
Operating income (loss)	(64,153)	(47,530)
Nonoperating revenue (expenses)		
Interest earnings	38	24
Interest expense	0	0
Total Nonoperating Revenue (Expenses)	<u>38</u>	<u>24</u>
Income before contributions and transfers	(64,115)	(47,506)
Capital contributions - state grant	103,674	178,520
Transfers in (out)	0	0
Change in Net Position	39,559	131,014
Total Net Position - Beginning	160,126	29,112
Prior period adjustment	0	0
Total Net Position - Ending	<u>\$199,685</u>	<u>\$160,126</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Cash Flows, Proprietary Funds
For the Year Ended June 30, 2017

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities		
Receipts from customers and users	\$25,150	\$24,510
Receipts from other funds	30,000	46,823
Payments to suppliers	(61,365)	(57,261)
Payments to employees	(14,400)	(13,950)
Payments to other funds	<u>0</u>	<u>0</u>
Net Cash Provided by Operating Activities	<u>(20,615)</u>	<u>122</u>
Cash Flows from Noncapital Financing Activities		
Transfers to other funds	<u>0</u>	<u>0</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>0</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of capital assets	(86,401)	(178,225)
Capital contributions	<u>103,674</u>	<u>178,520</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>17,273</u>	<u>295</u>
Cash Flows from Investing Activities		
Interest and dividends received	<u>38</u>	<u>24</u>
Net Cash Provided by Investing Activities	<u>38</u>	<u>24</u>
Net Increase in Cash and equivalents	(3,304)	441
Cash and equivalents, Beginning of Year	<u>18,830</u>	<u>18,389</u>
Cash and equivalents, End of Year	<u>\$15,526</u>	<u>\$18,830</u>
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities		
Operating income	(\$64,153)	(\$47,530)
Depreciation expense	12,809	11,289
(Increase) decrease in accounts receivable	0	0
Increase (decrease) in customer deposits	275	225
Increase (decrease) in accounts payable	454	(10,685)
Increase (decrease) in interfund - net	<u>30,000</u>	<u>46,823</u>
Net Cash Provided by Operating Activities	<u>(\$20,615)</u>	<u>\$122</u>
Reconciliation of total cash and cash investments:		
Current assets - cash and cash investments	\$9,276	\$12,855
Restricted assets - cash and cash investments	<u>6,250</u>	<u>5,975</u>
Total cash and cash investments	<u>\$15,526</u>	<u>\$18,830</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

INTRODUCTION

The Village was incorporated in 1901 under the provisions of Louisiana Revised Statutes 33:52. The Village operates under a form of government consisting of an elected mayor and a Village council, which has three elected members. The Village, with 4 part-time employees, provides utility services and administrative services to its residents. The Village consists of approximately 190 citizens.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the village have been prepared in conformity with U.S. generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

In June, 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Village's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Village's activities, including infrastructure (if any).
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. 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.

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

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) charge 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.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported 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 and the fiduciary 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.

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 receivables 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 another fund.

The Village reports the following major proprietary funds:

The Water fund is to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, but not limited to, administration, operations, maintenance, financing, and related debt service and billing.

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017.

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 are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of those 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. Principal operating revenues of the proprietary funds include water and sewer services to the residents of the Village. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, supplies, 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.

C. Deposits and Investments

The Village's cash and cash equivalents are considered to be demand deposits, interest-bearing demand deposits, and 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 deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments for the Village are reported at fair value.

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."

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

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 receivables are shown net of an allowance for uncollectives. The Village calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

E. Prepaid Items

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. Restricted Assets

Restricted assets include cash and cash investments in the Proprietary funds which are restricted to their use. These restrictions are principally related to requirements of bond issues and utility meter deposits. It is the Village's policy to use restricted assets before unrestricted assets for their intended purposes.

G. 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.

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

<u>Description</u>	<u>Estimated Lives</u>
Water and sewer system and lines	40 years
Buildings and improvements	10-27 years
Vehicles	3-5 years
Equipment	3-7 years

H. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

I. Fund Equity

In the government wide statements, net position is displayed in three components:

- a. 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 and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

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

The Village adopted GASB 54 in the year ended December 31, 2011. As such, fund balances of the governmental funds are classified as follow:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

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

Committed - amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.

Assigned - amounts the government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned - all other spendable amounts.

As of June 30, 2017, fund balances are composed of the following:

	General Fund
Nonspendable	\$0
Assigned	0
Unassigned	<u>560,359</u>
Total fund balances	<u><u>\$560,359</u></u>

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

J. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented only for enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

K. 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 amounts 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 reporting period. Actual results could differ from the estimates.

L. RISK MANAGEMENT

The village is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the village maintains commercial insurance policies covering its vehicles, professional liability and surety bond coverage. No claims were paid on any of the policies which exceeded to policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2017.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGET INFORMATION The Village uses the following budget practices:

The Village adopted a budget for the year ended June 30, 2017 for the General fund. The Village follows the following procedures in establishing the budgetary data reflected in the financial statements. During the December meeting, the Village clerk submits to the board of aldermen a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and expenses and the means of financing them. During the December meeting, the budget is legally enacted through passage of an ordinance. The public is invited to attend all meetings. The Village clerk is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures or expenses of any fund must be approved by the board of aldermen. Appropriations lapse at the end of the year. There was one amendment to the original General fund budget.

The Village's daily management and Village council will monitor the budget and actual figures on a monthly basis for needed amendments.

3. CASH AND CASH EQUIVALENTS

At June 30, 2017, the Village has cash and cash equivalents (book balances) totaling \$231,004 as follows:

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

Demand deposits	\$224,885
Interest-bearing demand deposits	0
Time deposits	<u>6,119</u>
Total	<u>\$231,004</u>

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 has \$231,033 in deposits (collected bank balances). These deposits are secured from risk by \$231,033 of federal deposit insurance and \$0 of pledged securities held by the custodial bank in the name of the fiscal agent bank. (GASB Category 3).

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

4. INVESTMENTS

Investments include 3 certificates of deposit all with maturities of 6 months that have been included in cash and equivalents in the basic financial statements. Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Village or its agent in the Village's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Village's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Village's name

At fiscal year-end, the Village's investments balances were as follows:

Type of investment	Category			Carrying amount			Total Carrying Amount
	1	2	3	Fair Value	Amortized Cost	Cost	
Certificate of deposit	<u>\$6,119</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,119</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,119</u>
Total investments	<u>\$6,119</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,119</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,119</u>

5. RECEIVABLES

The receivables of \$3,407 at June 30, 2017, are as follows:

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Water Fund</u>	<u>Total</u>
Franchise taxes	\$776		\$776
Insurance licenses	0		0
State funds - beer Accounts	780		780
		<u>\$1,851</u>	<u>1,851</u>
Total	<u>\$1,556</u>	<u>\$1,851</u>	<u>\$3,407</u>

The Village's policy for bad debt accounting and write-offs is to send a letter to the occupant and owner after the due date. After 60 days, the utility line is sealed close. Reconnect fees must be paid to have service resumed. For deceased accounts, the clerk requests permission from the board to adjust the accounts to close.

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2017 is as follows:

Due To/From Other Funds:		
<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General		\$140,067
	Water	<u>(140,067)</u>
Total		<u>\$0</u>

7. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$2,000			\$2,000
Total capital assets not being depreciated	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
Capital assets being depreciated:				
Buildings	154,612			154,612
Improvements	205,000			205,000
Machinery and equipment	27,474			27,474
Total capital assets being depreciated	<u>387,086</u>	<u>0</u>	<u>0</u>	<u>387,086</u>
Less accumulated depreciation	<u>277,082</u>	<u>\$7,056</u>		<u>284,138</u>
Total capital assets being depreciated, net	<u>\$112,004</u>	<u>(\$7,056)</u>	<u>\$0</u>	<u>\$104,948</u>

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2017

	<u>Beginning Balance</u>	<u>Adjust</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$300		\$375		\$675
Construction in progress	0				0
Total capital assets not being depreciated	<u>300</u>	<u>0</u>	<u>375</u>	<u>0</u>	<u>675</u>
Capital assets being depreciated:					
Buildings	0		\$9,029		9,029
Improvements other than buildings	44,535		75,498		120,033
Machinery and equipment	369,583		1,499		371,082
Total capital assets being depreciated	<u>414,118</u>	<u>0</u>	<u>86,026</u>	<u>0</u>	<u>500,144</u>
Less accumulated depreciation	<u>156,253</u>		<u>12,809</u>		<u>169,062</u>
Total capital assets being depreciated, net	<u>\$258,165</u>	<u>\$0</u>	<u>\$73,592</u>	<u>\$0</u>	<u>\$331,757</u>

Depreciation expense of \$7,056 for the year ended June 30, 2017, was charged to the general government function.

8. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$3,758 at June 30, 2017, are as follows:

	<u>General Fund</u>	<u>Water Fund</u>	<u>Total</u>
Accounts	<u>\$627</u>	<u>\$3,131</u>	<u>\$3,758</u>
Total	<u>\$627</u>	<u>\$3,131</u>	<u>\$3,758</u>

9. CONTINGENT LIABILITIES

At June 30, 2017, the Village is not involved in any pending or threatened litigation, claims or assessments.

10. DATE OF MANAGEMENT REVIEW

Subsequent events have been evaluated through October 10, 2017, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

Village of Bienville, Louisiana
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts GAAP Basis</u>	<u>Favorable (Unfavorable) Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Franchise fees	\$4,500	\$4,225	\$3,573	(\$652)
Ad valorem taxes	50,000	50,400	50,459	59
Insurance premiums	7,500	7,500	8,701	1,201
Beer tax	3,000	2,998	2,203	(795)
Other revenues	0	600	710	110
Total Revenues	<u>65,000</u>	<u>65,723</u>	<u>65,646</u>	<u>(77)</u>
EXPENDITURES				
General government	33,450	35,247	28,667	6,580
Capital outlay	0	0	0	0
Total Expenditures	<u>33,450</u>	<u>35,247</u>	<u>28,667</u>	<u>6,580</u>
Excess (Deficiency) of Revenues over (under) Expenditures	31,550	30,476	36,979	6,503
OTHER FINANCING SOURCES (USES)				
Use of money and property	900	976	5,325	4,349
Unrealized loss on investments	0	0	(2,207)	(2,207)
Total Other Financing Sources (Uses)	<u>900</u>	<u>976</u>	<u>3,118</u>	<u>2,142</u>
Net Change in Fund Balance	32,450	31,452	40,097	8,645
Fund Balance (Deficit) at Beginning of Year	0	0	520,262	520,262
Prior period adjustment	0	0	0	0
Fund Balance (Deficit) at End of Year	<u>\$32,450</u>	<u>\$31,452</u>	<u>\$560,359</u>	<u>\$528,907</u>

Notes to the Schedule

(1) method of budgetary accounting - GAAP

The accompanying notes are an integral part of this statement.

OTHER SUPPLEMENTAL SCHEDULES

Village of Bienville
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2017

<u>Board Member</u>	<u>Amount</u>
Wesley Boddie, Mayor	\$600
James Kirkham	360
James Smith, Jr.	360
Steve Walls	60
Samuel Stevenson	<u>150</u>
Total	<u>\$1,530</u>

The accompanying notes are an integral part of this statement.

Village of Bienville
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2017

Schedule 3

Agency Head Name: Mayor Wesley Boddie

Purpose	Amount
Salary	\$0
Benefits-insurance	0
Benefits-retirement	0
Benefits-other	0
Car allowance	0
Vehicle provided by government	0
Per diem	600
Reimbursements	25
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

OTHER REPORTS

WADE & PERRY

Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Mayor and Board of Aldermen
Village of Bienville
Bienville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Village of Bienville and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the year ended June 30, 2017 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with 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 the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$152,550. Compare the documentation for these expenditures to LSA-RS 38:2211-2296 (the public bid law) or RS 39:1551-1775 (state procurement code), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year for material and supplies exceeding \$30,000 and no expenditures made for public works exceeding \$152,550.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics).

Management provided us with the required list including the noted information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the required list.

4. Report whether any employee's names appear on both lists obtained in Procedures 2 and 3.

After an alderman resigned, the town clerk's spouse was appointed by the aldermen until a special election could be held.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

No vendors appeared on both lists provided by management.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of both the original budget and amended budget. The original and amended budgets did not include beginning funds available. The original and amended budgets did not show approved expenditures in excess of the total of estimated funds available.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced the adoption of the original budget to the minutes of a meeting held in June, 2016. The adoption of the amended budget was traced to the June, 2017 meeting.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenses. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and other sources exceeded budgeted revenues by a positive variance. Actual expenditures were less than budgeted expenditures by a positive variance.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) report whether the six disbursements agree to the amount and payee;

We examined supporting documentation for all six of the selected disbursements and found that payment was for the proper amount for five of the six disbursements.

- (b) report whether the six disbursements are coded to the correct fund and general ledger account; and

Payments were properly coded to the correct fund and general ledger account for all six selected disbursements.

(c) report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of supporting documentation indicated approval from the Board for all of the six selected disbursements.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

We inquired of management whether agendas for meetings were posted at the meeting place at least 24 hours prior to the meeting. Management stated that agendas were posted and a copy is retained by the clerk.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of banks loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected copies of all bank deposit slips and statements for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes for the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advance or gifts.

A reading of the minutes of the village for the year indicated approval for all monthly disbursements. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advance or gifts.

Prior Comments and Recommendations

13. Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved.

Our prior year report, dated October 3, 2016, did not include any comments or unresolved matters other than those noted on page 36.

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

This report is intended solely for the use of management of the Village and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Wade H Perry
Ruston, Louisiana
October 10, 2017

Village of Bienville
Bienville, Louisiana

Management's Corrective Action Plan
For the Year Ended June 30, 2017

2017-1. This is a repeat finding. Due to limited personnel, the Village does not have an adequate segregation of duties regarding its accounting and reporting system to maintain a complete system of internal control. All grant activity was not posted for the fiscal year.

Recommendation: We recommend that it would not be cost effective for the Village to hire additional personnel to resolve this problem. Also we recommend the Village consider the costs and benefits of separation of duties between personnel to ensure that internal controls are maintained as effectively as is possible with limited staff. All bank accounts should be reviewed for activity and posted and reconciled as needed.

Corrective Action Plan: Management is aware of the problem of segregation of duties and will continue to develop and implement internal control procedures to offset this inherent problem associated with being a small entity.

2017-2. This is a repeat finding. Controls over the Village's utility system operations are inadequate, as follows:

- No written policies and procedures for all operations
- Gallons of water produced not reconciled monthly to the gallons of water billed to customers

Recommendation: The Village should develop and implement controls over all of these areas to ensure that utility system operations are conducted with appropriate checks and balances.

Corrective Action Plan: Management agrees with the recommendations and intends to implement them immediately.

2017-3. Agreed-upon procedure #4 - After an alderman resigned, the town clerk's spouse was appointed by the aldermen until a special election could be held.

Recommendation: The Village not appoint immediate family members to board positions.

Corrective Action Plan: Management agrees with the recommendations and intends to implement them immediately.

2017-4. Agreed-upon procedure #9 - One disbursement's payment amount (\$11.14) did not agree to the supporting documentation (\$14.11).

Recommendation: The Village should agree the payment amount to the attached supporting documentation before signing the check.

Corrective Action Plan: Management agrees with the recommendations and intends to implement them immediately.

Village of Bienville
Summary of Prior Year Findings
For the Year Ended June 30, 2017

A. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2016-1. Lack of segregation of duties

Status: Unresolved - see 2017-1

2016-2. Internal controls over utility system operations inadequate

Status: Unresolved - see 2017-2

2016-3. Agreed upon procedure #8

Status: Unresolved - see 2017-4

B. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

None

C. MANAGEMENT LETTER

None

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

10-2-17 (Date Transmitted)

Wade & Perry, CPAs (CPA Firm Name)
116 N Pinecrest Dr (CPA Firm Address)
Ruston, LA 71270 (City, State Zip)

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

Public Bid Law

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

Yes [] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No []

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

Yes [] No []

Budgeting

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

Yes [] No []

Accounting and Reporting

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

Meetings

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

Yes [] No []

Debt

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

Yes [] No []

Advances and Bonuses

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

Yes [] No []

Prior-Year Comments

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

Yes [] No []

General

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

<u>Walter Priest, Clerk</u>	Secretary	<u>10/2/17</u>	Date
	Treasurer		Date
<u>Walter Mayan</u>	President	<u>10/2/17</u>	Date