

Village of Saline
Saline, Louisiana

Basic Financial Statements
With Accountants' Report
As of and for the Year Ended
June 30, 2017
With Supplemental Information

Village of Saline
Basic Financial Statements with Accountant's Report
As of and for the Year Ended June 30, 2017

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Village of Saline, Louisiana

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

Independent Accountants' Report

Board of Commissioners
Village of Saline
Saline, Louisiana

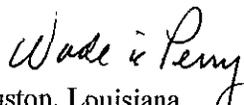
We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Saline, as of and for the year ended June 30, 2017, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Saline's management.

Our review was conducted in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. A review consists principally of inquiries of Village's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated October 31, 2017, on the results of our agreed-upon procedures.

The management's discussion and analysis and budgetary comparison information on pages 3 through 7 and 28, are not a required part of the basic financial statements but are supplementary information required by Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.


Ruston, Louisiana
October 31, 2017

Village of Saline
Management's Discussion and Analysis
For the Year Ended June 30, 2017

As Management of the Village of Saline (the Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village as of and for the year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with the Village's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* ("GASB No. 34") issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The assets of the Village exceeded its liabilities at June 30, 2017, by \$1,427,900 (Net Position).

The Village's Net Position decreased by \$56,590 as a result of this year's operations.

Total Net Position are comprised of the following:

Capital assets of \$1,340,451 which includes property and equipment, net of accumulated depreciation and related debt.

Unrestricted Net Position of \$87,449 represent the portion available to maintain the Village's continuing obligations to citizens and creditors.

At June 30, 2017, the Village's governmental funds consist solely of the Village's general fund. The Village's governmental funds reported a total ending fund balance of \$50,214, an increase of \$856. The entire fund balance is unassigned available for spending at the Village's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the Village's basic financial statements. In accordance with GASB No. 34, the Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements of the Village report information about the Village using accounting methods similar to those used by private sector companies. They present the financial picture of the Village from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the Village (including capital assets) as well as all liabilities (including long-term obligations).

The *Statement of Net Position* presents information on all of the Village's assets and liabilities, with the difference between the two reported as Net Position. Over time, increases and decreases in Net Position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

Village of Saline
Management's Discussion and Analysis
For the Year Ended June 30, 2017

The *Statement of Activities* presents the current year's revenues and expenses and other information showing how the Village's Net Position changed during the year. The change in Net Position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements are presented on pages 8 and 9 of this report.

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 legal requirements. All of the funds of the Village are categorized as governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and 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 Village maintains one individual governmental fund - the general fund. The Village adopts an annual appropriated budget for the general fund, and a budgetary comparison schedule is provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements are presented on pages 10 and 12 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's budget presentation. The general fund's budgetary comparison schedule is included as "required supplementary information." Required supplementary information is information that the accounting rules strongly suggest be presented within the Village's financial report. This schedule demonstrates compliance with the Village's adopted and final revised budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Village implemented the new financial reporting model used in this report beginning with the fiscal year ended June 30, 2017. Over time, as we accumulate year-to-year financial information on a consistent basis, changes in Net Position may be observed and used to discuss the changing financial position of the Village as a whole.

Village of Saline
Management's Discussion and Analysis
For the Year Ended June 30, 2017

The Village's Net Position at June 30, 2017, are summarized as follows:

The largest components of the Villages' total assets are: (1) capital assets (e.g., land, building, and improvements and equipments, net of accumulated depreciation) of \$1,340,451 or 93%; (2); and cash of \$80,789 or 6%. Of the Village's total liabilities, the largest component is accounts payable of \$4,989 or 83%.

As noted earlier, Net Position (total assets less total liabilities) may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Village's Net Position totaled \$1,427,900. A portion of the Village's Net Position reflect its investments in capital assets (e.g., building, land, and equipment). Capital assets are non-liquid assets and cannot be utilized to satisfy the Village's obligations. The unrestricted Net Position of the Village are available for future use. The Village's net position are comprised of \$62,087 from governmental activities and \$1,365,813 from business-type activities.

The following is a condensed statement of the Village's Net Position as of June 30, 2017:

	Governmental-Type Activities	Business-Type Activities
Assets		
Current & Other Assets	\$49,735	\$43,728
Capital Assets (net)	11,873	1,328,578
Total Assets	\$61,608	\$1,372,306
Liabilities		
Other Liabilities	(\$479)	\$5,468
Long-term Liabilities	0	1,025
Total Liabilities	(479)	6,493
Net Position		
Invested in capital assets, net	11,873	1,328,578
Unrestricted	50,214	37,235
Total Net Position	\$62,087	\$1,365,813

Governmental activities increased Net Position by \$378 for the year ended June 30, 2017.

Key elements of the analysis of government-wide revenues and expenses reflect the following:

The Village is heavily dependent on sales taxes, traffic tickets, and insurance taxes to support its operations. Sales taxes, traffic tickets, and insurance taxes provided 82% of the Village's total revenues. The Village's operations are heavily dependent on outside services. Operating Services expenses comprise 52% of total expenses.

The following is a summary of the statement of activities:

	Governmental- Type	Business- Type
Revenue		
Program Revenue	\$15,236	\$90,021
General Revenue & Transfers	53,288	0
Total Revenue	68,524	90,021

Village of Saline
Management's Discussion and Analysis
For the Year Ended June 30, 2017

Expenses		
Program Expenses	68,146	146,989
Total Expenses	<u>68,146</u>	<u>146,989</u>
Increase (Decrease) in Net Position	378	(56,968)
Net Position, June 30, 2016	<u>61,709</u>	<u>1,422,781</u>
Net Position, June 30, 2017	<u>\$62,087</u>	<u>\$1,365,813</u>

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The financial statements of the Village present its General Fund. The General Fund is the Village's operating fund and the source of day-to-day service delivery. As discussed, the General Fund is useful in assessing the resources available at the end of the year in comparison with upcoming requirements.

At June 30, 2017, the Village's General Fund balance (total assets less total liabilities) totaled \$50,214. The Village's unreserved fund balance decreased by in \$856 in 2017.

Total operating revenues reflect a 7% or \$4,766 increase in 2017 as compared to 2016 due primarily to significant increases in sales tax revenues.

Total operating expenses, including capital outlay, increased by 13% or \$7,575 from 2016 to 2017. The most significant increase in expenses occurred in payroll expenses.

GENERAL BUDGETARY ANALYSIS

The Village employs formal budgetary integration as a management control device during the year. Budgeted amounts included in the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual (Budgetary Basis) include the original adopted budget amounts and the final amended budget amounts. Original budgets for each year are adopted on or before June 30 of the year preceding the budget year. The original budget is based on estimated revenues, estimated expenses, and other financial information known to the Village at the time of the adoption of the budget. Amendments to the original budget are made throughout the year as changes in operations, in expected funding levels, and in estimated expenditures occur. The final amended budget is prepared at the time the Village anticipates additional significant increases or decreases in revenues and expenses for the year and expected changes in operations.

The difference between the final amended budgeted revenues and actual revenues for the year ended June 30, 2017, totaled \$24,027, a positive variance. The actual expenditures exceeded the final amended budgeted expenditures for the year ended June 30, 2017, by \$6,126, a 10% negative variance.

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

Capital Assets

At the end of June 30, 2017, the Village had invested in various capital assets, including equipment, buildings, improvements, and land. The capital assets are summarized below:

Village of Saline
Management's Discussion and Analysis
For the Year Ended June 30, 2017

Depreciable Assets:	
Buildings and other improvements	\$15,250
Distribution system	1,803,886
Improvements	428,723
Land	<u>4,500</u>
Totals	2,252,359
Less Accumulated Depreciation	<u>911,908</u>
Book-Value of Depreciable Assets	<u>\$1,340,451</u>

ECONOMIC FACTORS AND FUTURE OUTLOOK

The Village's budgeted revenues and expenditures for 2018 are comparable to 2017's actual revenues and expenditures. The Village does not anticipate any changes in its day-to-day operations that will have a material effect on its 2018 budget.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Village's finances and to show its accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mayor Satcher, at the Village's office, P. O. Box 118, Saline, Louisiana 71070 or call at (318) 576-3545.

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

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and cash investments	\$43,886	\$36,903	\$80,789
Receivables	4,886	6,763	11,649
Interfunds	963	(963)	0
Restricted cash		1,025	1,025
Capital assets (net)	11,873	1,328,578	1,340,451
TOTAL ASSETS	\$61,608	\$1,372,306	\$1,433,914
Deferred outflows of resources	0	0	0
LIABILITIES			
Accounts, salaries, and other payables	(\$479)	\$5,468	\$4,989
Noncurrent liabilities	0	1,025	1,025
TOTAL LIABILITIES	(479)	6,493	6,014
Deferred inflows of resources	0	0	0
NET POSITION			
Invested in capital assets, net of related debt	11,873	1,328,578	1,340,451
Unrestricted	50,214	37,235	87,449
TOTAL NET POSITION	\$62,087	\$1,365,813	\$1,427,900

The accompanying notes are an integral part of this statement.

Village of Saline, 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	Total
Governmental Activities:							
General government	\$65,538				(\$65,538)		(\$65,538)
Public safety	2,608	\$15,236			12,628		12,628
Total governmental activities	68,146	15,236	0	0	(52,910)	0	(52,910)
Business-type activities							
Water utilities	146,989	90,021				(\$56,968)	(56,968)
Total business-type activities	146,989	90,021	0	0	0	(56,968)	(56,968)
Total primary government	\$215,135	\$105,257	\$0	\$0	(\$52,910)	(\$56,968)	(\$109,878)
General revenues:							
Ad valorem taxes					\$5,323		\$5,323
Sales taxes					24,905		24,905
Transfers In/Out					0		0
Investment earnings					1		1
Franchise fees					5,390		5,390
Other revenues					17,669		17,669
Total general revenues and transfers					53,288	0	53,288
Change in Net Position					378	(56,968)	(56,590)
Net Position - beginning					61,709	1,422,781	1,484,490
Net Position - ending					\$62,087	\$1,365,813	\$1,427,900

The accompanying notes are an integral part of this statement.

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

General
Fund

ASSETS

Cash and equivalents	\$43,886
Receivables	4,886
Due from other funds	<u>963</u>
TOTAL ASSETS	<u>\$49,735</u>

LIABILITIES AND FUND BALANCES

Liabilities:	
Accounts, salaries, and other payables	(\$479)
Due to other funds	<u>0</u>
Total liabilities	(479)
Fund balance - unassigned	<u>50,214</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$49,735</u>

The accompanying notes are an integral part of this statement.

Village of Saline, 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) \$50,214

Capital assets used in governmental activities are not financial resources and,
therefore, are not reported in the governmental funds.

Governmental capital assets	\$19,750	
Less accumulated depreciation	<u>(7,877)</u>	<u>11,873</u>

Net Position of Governmental Activities (Statement A)		<u>\$62,087</u>
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The accompanying notes are an integral part of this statement.

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

	<u>General Fund</u>
REVENUES	
Taxes:	
Ad valorem	\$5,323
Sales	24,905
Franchise fees	5,390
Interest income	1
Insurance taxes	16,369
Ticket income	15,236
Other revenues	<u>1,300</u>
Total Revenues	68,524
EXPENDITURES	
General government	65,060
Public safety	2,608
Capital outlay	<u>0</u>
Total Expenditures	67,668
Excess (Deficiency) of Revenues over (under) Expenditures	856
OTHER FINANCING SOURCES (USES)	
Transfers in	0
Transfers out	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>
Net Change in Fund Balance	856
Fund Balance – beginning	<u>49,358</u>
Fund Balance – ending	<u>\$50,214</u>

The accompanying notes are an integral part of this statement.

Village of Saline, 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)	\$856
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 exceeded depreciation in the current period:	
Capital outlays (\$0) exceeds depreciation (\$478)	<u>(478)</u>
Change in Net Position of Governmental Activities, Statement B	<u>\$378</u>

The accompanying notes are an integral part of this statement.

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

	<u>Business-Type Activities - Enterprise Fund</u>
ASSETS	
Current assets:	
Cash and cash investments	\$36,903
Receivables	<u>6,763</u>
Total current assets	<u>43,666</u>
Restricted assets:	
Cash and cash investments	1,025
Non-current assets:	
Capital assets (net of accumulated depreciation)	<u>1,328,578</u>
Total Non-current assets	<u>1,328,578</u>
TOTAL ASSETS	<u>\$1,373,269</u>
LIABILITIES	
Current Liabilities:	
Accounts, salaries, and other payables	\$5,468
Due to other funds	<u>963</u>
Total current liabilities	<u>6,431</u>
Noncurrent liabilities	<u>1,025</u>
Total liabilities	<u>7,456</u>
NET POSITION	
Invested in capital assets, net of related debt	1,328,578
Unrestricted	<u>37,235</u>
TOTAL NET POSITION	<u>\$1,365,813</u>

The accompanying notes are an integral part of this statement.

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

	<u>Business-Type Activities - Enterprise Fund</u>
Operating Revenues	
Charges for services:	
Water sales	\$90,021
Total Operating Revenues	<u>90,021</u>
Operating Expenses	
Cost of sales and services	86,304
Administration	4,870
Depreciation	55,815
Total Operating Expenses	<u>146,989</u>
Operating income (loss)	(56,968)
Nonoperating revenue (expenses)	
Interest income	0
Interest expense	0
Capital Grant	0
Total Nonoperating Revenue (Expenses)	<u>0</u>
Income before contributions and transfers	(56,968)
Transfers in	<u>0</u>
Change in Net Position	(56,968)
Total Net Position - Beginning	<u>1,422,781</u>
Total Net Position - Ending	<u>\$1,365,813</u>

The accompanying notes are an integral part of this statement.

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

Cash Flows from Operating Activities	
Receipts from customers and users	\$91,555
Receipts from other funds	937
Payments to suppliers	(83,023)
Payments to employees	(3,660)
Payments to other funds	701
Net Cash Provided by Operating Activities	<u>6,510</u>
Cash Flows from Noncapital Financing Activities	
Transfer from other funds (net)	<u>0</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>0</u>
Cash Flows from Capital and Related Financing Activities	
Purchases of capital assets	0
Principal paid on capital debt	0
Interest paid on capital debt	<u>0</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>0</u>
Cash Flows from Investing Activities	
Interest and dividends received	<u>0</u>
Net Cash Provided by Investing Activities	<u>0</u>
Net Increase in Cash and equivalents	6,510
Cash and equivalents, Beginning of Year	<u>31,418</u>
Cash and equivalents, End of Year	<u>\$37,928</u>
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities	
Operating income	(\$56,968)
Depreciation expense	55,815
(Increase) decrease in accounts receivable	1,534
Increase (decrease) in customer deposits	701
Increase (decrease) in interfunds	937
Increase (decrease) in accounts payable	4,491
Net Cash Provided by Operating Activities	<u>\$6,510</u>
Reconciliation of total cash and cash investments:	
Current assets - cash and cash investments	\$36,903
Restricted assets - cash and cash investments	1,025
Total cash and cash investments	<u>\$37,928</u>

The accompanying notes are an integral part of this statement.

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

INTRODUCTION

Village of Saline (the Village), Louisiana was incorporated on October 3, 1905, under the provisions of the Lawrason Act. (Louisiana Revised Statutes 33:321-463) The Village operates under a Mayor-Board of Aldermen form of government. Members of the board are all elected and serve a four year term.

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 & 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*

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

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) 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 & 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.

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

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 Utility fund is used 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.

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.

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

C. DEPOSITS & 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.

D. RECEIVABLES & 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 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. CAPITAL ASSETS

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 \$600 or more for capitalizing capital assets.

Capital assets and related expenses are recorded in the Statement of Net Position and Statement of Activities, respectively, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method.

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

F. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of Statements A and B are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Village's operations.

The amounts reflected in the General Fund of Statements A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January through the tax sale of the ensuing year. Interest income on interest bearing demand deposits is recorded at the end of the month when credited by the bank. Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

Based on the above criteria, ad valorem taxes and state revenue sharing have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for compensated absences, which are recognized when paid.

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

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Village as a whole. These statements include all the financial activities of the Village. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Reconciliation

The reconciliation of the items reflected in the funds columns to the Statement of Activities (Statement B) and Statement of Net Position (Statement A) are as follows:

Net change in fund balance	\$856
Capital outlay recorded as expenditures	0
Depreciation expense	<u>(478)</u>
Change in Net Position	<u>\$378</u>

G. CASH AND CASH EQUIVALENTS

Under state law, the Village may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Village may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 2017, the Village has cash and cash equivalents (book balances) totaling \$81,814, as follows:

Demand deposits	\$81,764
Petty cash	<u>50</u>
Total	<u>\$81,814</u>

These deposits are stated at cost, which approximates market. These deposits are secured from risk by \$81,603 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).

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

H. RISK MANAGEMENT

The Village is exposed to various risk of loss related to torts; thefts 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: property and commercial general liability insurance, crime, and inland marine. Also, the Village maintains director and officer liability, worker's compensation, a mobile home policy, and employers liability insurance. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amount.

I. FUND EQUITY

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

- a. Net invested 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 District adopted GASB 54 in the year ended December 31, 2012. 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.

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

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.

J. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

2. LEVIED TAXES

The Village has an authorized tax millage of 8.11 mills which is restricted by tax proposition, to operation and maintenance of the Village. For the year ended June 30, 2017, the Village levied 8.00 mills as a result of reassessments of taxable property as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

The following are the principal taxpayers for the village and their 2017 assessed valuation (amounts expressed in thousands):

Taxpayer	Type of business	Assessed Valuation	% of Total Assessed Valuation
Saline Branch - Sabine State Bank	financial institution	\$76,070	11.63%
Centerpoint energy	utility	38,890	5.95%
Total		<u>\$114,960</u>	<u>17.58%</u>

3. RECEIVABLES

The receivables of \$4,886 at June 30, 2017 consist of sales taxes for \$2,520, franchise taxes for \$1,050, insurance taxes for \$1,020 and tickets for \$296 in the General fund, and accounts receivable-trade of \$6,763 in the Proprietary fund.

4. CHANGES IN GENERAL FIXED ASSETS

The following schedule presents changes in capital assets for the year ended June 30, 2017:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$4,500			\$4,500

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Total capital assets not being depreciated	4,500	0	0	4,500
Capital assets being depreciated:				
Buildings and other improvements	15,250			15,250
Total capital assets being depreciated	<u>15,250</u>	<u>0</u>	<u>0</u>	<u>15,250</u>
Less:				
accumulated depreciation	<u>7,399</u>	<u>\$478</u>		<u>7,877</u>
Total capital assets being depreciated, net	<u>\$12,351</u>	<u>(\$478)</u>	<u>\$0</u>	<u>\$11,873</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Proprietary activities:				
Capital assets, not being depreciated:				
Construction in progress	\$0			\$0
Land	<u>0</u>			<u>0</u>
Total capital assets not being depreciated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital assets being depreciated:				
Improvements	428,723			428,723
Distribution system	<u>1,803,886</u>			<u>1,803,886</u>
Total capital assets being depreciated	<u>2,232,609</u>	<u>0</u>	<u>0</u>	<u>2,232,609</u>
Less:				
accumulated depreciation	<u>848,216</u>	<u>\$55,815</u>		<u>904,031</u>
Total capital assets being depreciated, net	<u>\$1,384,393</u>	<u>(\$55,815)</u>	<u>\$0</u>	<u>\$1,328,578</u>

5. LITIGATION AND CLAIMS

The Village is not involved in any litigation at June 30, 2017, nor is it aware of any unasserted claims.

6. MANAGEMENT REVIEW

Subsequent events have been evaluated through October 31, 2017. This date represents the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

Village of Saline
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget and Actual (GAAP)
 For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Favorable (Unfavorable)
	Original	Final		Variance
REVENUES				
Taxes:				
Ad valorem taxes	\$2,281	\$2,281	\$5,323	\$3,042
Sales taxes	16,000	16,000	24,905	8,905
Franchise fees	5,566	5,566	5,390	(176)
Insurance taxes	18,950	18,950	16,369	(2,581)
Ticket income	0	0	15,236	15,236
Other revenues	1,700	1,700	1,301	(399)
Total Revenues	44,497	44,497	68,524	24,027
EXPENDITURES				
General government				
Personnel services	36,242	36,242	28,626	7,616
Operating services	23,100	23,100	35,294	(12,194)
Materials and supplies	700	700	0	700
Travel and other charges	1,500	1,500	1,140	360
Public safety	0	0	2,608	(2,608)
Capital outlay	0	0	0	0
Total Expenditures	61,542	61,542	67,668	(6,126)
Excess (Deficiency) of Revenues over (under) Expenditures	(17,045)	(17,045)	856	17,901
Fund Balance (Deficit) at Beginning of Year	24,960	24,960	69,111	44,151
Fund Balance (Deficit) at End of Year	\$7,915	\$7,915	\$69,967	\$62,052

Notes to the schedule

(1) method of budgetary accounting - GAAP

(2) explanation of material variances

Ticket income was underbudgeted and not amended; operating services underbudgeted

See independent accountant's review report.

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

Agency Head Name: Mayor Dorothy Satcher

Purpose	<u>Amount</u>
Salary	\$9,600
Benefits-insurance	0
Benefits-retirement	0
Benefits-other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	244
Travel	351
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

See independent accountant's review report.

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

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Board of Commissioners
Village of Saline

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 Saline 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.

Brenda Matthews, Alderman and Chief of Police Sammy Matthews are married. Both are elected so there is no violation of law according to the Ethics board. Judy Cox, village clerk and Henry Cox, Jr. are married. Judy has

held that position for more than year prior to Henry's election. Judy Cox resigned as village clerk on July 7, 2017. There is no violation of law according to the Ethics board.

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 the original budget. The original budget 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. There was no budget amendment.

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. Budgeted expenditures exceeded actual expenditures by \$6,126 or 10%.

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 November 29, 2016, did not include any comments or unresolved matters other than those noted on page 33.

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 & Perry
Ruston, Louisiana
October 31, 2017

Village of Saline
PO Box 118
Saline, Louisiana 71070

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

Village of Saline hereby submits the following corrective action plan for the year ending June 30, 2017:

2017-1. For the year ended June 30, 2017, General fund actual expenditures exceeded budgeted expenditures by \$6,126 or 10%. According to LRS 39:1310, failing to amend the budget when necessary is a violation of the local government budget act.

Response: We understand the finding and will try to comply with all laws in the future.

2017-2. Procedure 8(a): trace payments to supporting documentation as to proper amount and payee. One disbursement did not have supporting documentation as to the proper amount paid.

Response: We understand the finding and will try to comply with all laws in the future.

Village of Saline
PO Box 118
Saline, Louisiana 71070

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

2016-1. For the year ended June 30, 2016, General fund budgeted revenues exceeded actual revenues by \$12,442 or 16%. According to LRS 39:1310, failing to amend the budget when necessary is a violation of the local government budget act.

Status: Unresolved - see 2017-1

2016-2. Procedure 8(a): trace payments to supporting documentation as to proper amount and payee. One invoice was not provided for testing.

Status: Unresolved - see 2017-2

2016-3. Procedure 4: Henry Cox, Jr. did participate in Judy Cox's pay raises by voting during the year which is in violation of Section 1112B(1) of the Code of Ethics.

Status: Resolved

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

10-31-17 (Date Transmitted)

Wade & Perry, CPAs (CPA Firm Name)
116 N. Pinecrest Drive (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 6/30/17 (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 44:38.

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>Cathy Rivers</u>	Secretary	<u>10-6-17</u>	Date
<u>Dorothy Satcher</u>	Treasurer		Date
	President	<u>10-6-17</u>	Date