

**VILLAGE OF POWHATAN  
ANNUAL FINANCIAL REPORT**

**JUNE 30, 2016**

Village of Powhatan  
Financial Report  
June 30, 2016

TABLE OF CONTENTS

|                                                                                                                                                        | <u>Exhibit</u> | <u>Page</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------|
| Required Supplementary Information                                                                                                                     |                |             |
| Management's Discussion and Analysis                                                                                                                   |                | 1-4         |
| Independent Accountant's Review Report                                                                                                                 | -              | 5-6         |
| Basic Financial Statements                                                                                                                             |                |             |
| Government-Wide Financial Statements                                                                                                                   |                |             |
| Statement of Net Position                                                                                                                              | A              | 9           |
| Statement of Activities                                                                                                                                | B              | 10          |
| Fund Financial Statements                                                                                                                              |                |             |
| Governmental Funds                                                                                                                                     |                |             |
| Balance Sheet-Governmental Funds                                                                                                                       | C              | 12          |
| Reconciliation of the Governmental Funds Balance Sheet<br>to the Statement of Net Position                                                             | D              | 13          |
| Statement of Revenues, Expenditures,<br>and Changes in Fund Balances                                                                                   | E              | 14          |
| Reconciliation of the Statement of Revenues,<br>Expenditures, and Changes in Fund Balances of the<br>Governmental Funds to the Statement of Activities | F              | 15          |
| Proprietary Funds                                                                                                                                      |                |             |
| Statement of Net Position                                                                                                                              | G              | 16          |
| Statement of Revenues, Expenses, and Changes<br>in Net Position                                                                                        | H              | 17          |
| Statement of Cash Flows                                                                                                                                | I              | 18          |
| Notes to Financial Statements                                                                                                                          | -              | 20-27       |
| Other Required Supplementary Information                                                                                                               |                |             |
| Budgetary Comparison Schedule-General Fund                                                                                                             | J              | 29          |
| Budgetary Comparison Schedule-LCDBG                                                                                                                    | K              | 30          |
| Schedule of Compensation, Benefits and Other Payments to<br>Agency Head or Chief Executive Officer                                                     | L              | 31          |

Village of Powhatan  
Financial Report  
June 30, 2016

TABLE OF CONTENTS (cont'd)

|                                                                       | <u>Exhibit</u> | <u>Page</u> |
|-----------------------------------------------------------------------|----------------|-------------|
| Other Reports                                                         |                |             |
| Independent Accountant's Report on Applying<br>Agreed-Upon Procedures | M              | 33-35       |
| Louisiana Attestation Questionnaire                                   | N              | 36-38       |
| Management Letter                                                     | O              | 39          |
| Management's Response                                                 | P              | 40          |

# Village of Powhatan

P. O. Box 126  
Powhatan, LA 71066

## MANAGEMENT'S DISCUSSION AND ANALYSIS for the Year Ended June 30, 2016

This section of the Village of Powhatan's (hereafter referred to as the Village) annual financial report presents an overview and analysis of the Village's financial activities for the year ended June 30, 2016. The intent of the MD&A is to look at the Village's financial performance as a whole. It should, therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the Village's operations.

### Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and presents a longer-term view of the Village's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

#### Government-Wide Financial Statements

- The Statement of Net Position presents all of the Village's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the Village's net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.
- The Statement of Activities presents information showing how the Village's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

#### Fund Financial Statements

The services provided by the Village are financed through a governmental fund. 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. The Village conducts its day-to-day operations through a governmental fund, the General Fund, and a business-type activity, the Village's utility system. For the year ended June 30, 2016, the Village also had a LCDBG Grant that is also reported as a major governmental fund. These statements provide a short-term view of the Village's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the Village.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

|                          | June 2016                  |                             |                     | June 2015                  |                             |                     |
|--------------------------|----------------------------|-----------------------------|---------------------|----------------------------|-----------------------------|---------------------|
|                          | Governmental<br>Activities | Business-Type<br>Activities | Total               | Governmental<br>Activities | Business-Type<br>Activities | Total               |
| <b>ASSETS:</b>           |                            |                             |                     |                            |                             |                     |
| Current Assets-          |                            |                             |                     |                            |                             |                     |
| Cash & Cash Equivalents  | \$ 667                     | \$ 2,120                    | \$ 2,787            | \$ 303                     | \$ 1,060                    | \$ 1,363            |
| Accounts Receivable      | <u>0</u>                   | <u>5,554</u>                | <u>5,554</u>        | <u>0</u>                   | <u>7,168</u>                | <u>7,168</u>        |
| Total Current Assets     | \$ <u>667</u>              | \$ <u>7,674</u>             | \$ <u>8,341</u>     | \$ <u>303</u>              | \$ <u>8,228</u>             | \$ <u>8,531</u>     |
| Non-current Assets-      |                            |                             |                     |                            |                             |                     |
| Restricted Assets-       |                            |                             |                     |                            |                             |                     |
| Customer Deposits        | \$ 0                       | \$ 15,600                   | \$ 15,600           | \$ 0                       | \$ 14,772                   | \$ 14,772           |
| Bond Covenant Accounts   | 0                          | 155                         | 155                 | 0                          | 155                         | 155                 |
| Capital Assets, Net      | <u>513,248</u>             | <u>1,386,107</u>            | <u>1,899,355</u>    | <u>517,122</u>             | <u>1,450,264</u>            | <u>1,967,475</u>    |
| Total Non-current Assets | \$ <u>513,248</u>          | \$ <u>1,401,862</u>         | \$ <u>1,915,110</u> | \$ <u>517,122</u>          | \$ <u>1,465,191</u>         | \$ <u>1,982,402</u> |
| Total Assets             | \$ <u>513,915</u>          | \$ <u>1,409,536</u>         | \$ <u>1,923,451</u> | \$ <u>517,514</u>          | \$ <u>1,473,419</u>         | \$ <u>1,990,933</u> |
| <b>LIABILITIES:</b>      |                            |                             |                     |                            |                             |                     |
| Current Liabilities-     |                            |                             |                     |                            |                             |                     |
| Accounts Payable         | \$ 0                       | \$ 544                      | \$ 544              | \$ 0                       | \$ 1,558                    | \$ 1,558            |
| Non-current Liabilities- |                            |                             |                     |                            |                             |                     |
| Customer Deposits        | <u>0</u>                   | <u>10,650</u>               | <u>10,650</u>       | <u>0</u>                   | <u>27,632</u>               | <u>27,632</u>       |
| Total Liabilities        | \$ <u>0</u>                | \$ <u>11,194</u>            | \$ <u>11,194</u>    | \$ <u>0</u>                | \$ <u>29,190</u>            | \$ <u>29,190</u>    |
| <b>NET POSITION:</b>     |                            |                             |                     |                            |                             |                     |
| Net Investment in        |                            |                             |                     |                            |                             |                     |
| Capital Assets           | \$ 513,248                 | \$ 1,386,107                | \$ 1,899,355        | \$ 517,211                 | \$ 1,450,264                | \$ 1,967,475        |
| Unrestricted             | <u>667</u>                 | <u>12,235</u>               | <u>12,902</u>       | <u>303</u>                 | <u>(6,035)</u>              | <u>(5,732)</u>      |
| Total Net Position       | \$ <u>513,915</u>          | \$ <u>1,398,342</u>         | \$ <u>1,912,257</u> | \$ <u>517,514</u>          | \$ <u>1,444,229</u>         | \$ <u>1,961,743</u> |

## Summary of Statement of Activities

|                        | June 2016                  |                             |                    | June 2015                  |                             |                    |
|------------------------|----------------------------|-----------------------------|--------------------|----------------------------|-----------------------------|--------------------|
|                        | Governmental<br>Activities | Business-Type<br>Activities | Total              | Governmental<br>Activities | Business-Type<br>Activities | Total              |
| REVENUES:              |                            |                             |                    |                            |                             |                    |
| Operating Grants       | \$26,000                   | \$ 0                        | \$ 26,000          | \$ 0                       | \$ 0                        | \$ 0               |
| Charges for Services   | 3,997                      | 63,434                      | 67,431             | 8,324                      | 62,002                      | 70,326             |
| General Revenues       | <u>6,424</u>               | <u>11,650</u>               | <u>18,074</u>      | <u>7,177</u>               | <u>5,257</u>                | <u>12,434</u>      |
| Total Revenues         | <u>\$36,421</u>            | <u>\$ 75,084</u>            | <u>\$111,505</u>   | <u>\$15,501</u>            | <u>\$ 67,259</u>            | <u>\$ 82,760</u>   |
| EXPENSES:              |                            |                             |                    |                            |                             |                    |
| General Government     | \$38,728                   | \$ 0                        | \$ 38,728          | \$19,813                   | \$ 0                        | \$ 19,813          |
| Public Safety          | 1,292                      | 0                           | 1,292              | 873                        | 0                           | 873                |
| Operating Expense      | <u>0</u>                   | <u>137,953</u>              | <u>137,953</u>     | <u>0</u>                   | <u>133,536</u>              | <u>133,536</u>     |
| Total Expenses         | <u>\$40,020</u>            | <u>\$137,953</u>            | <u>\$177,973</u>   | <u>\$20,686</u>            | <u>\$133,536</u>            | <u>\$154,222</u>   |
| Change in Net Position | <u>\$ (3,599)</u>          | <u>\$ (62,869)</u>          | <u>\$ (66,468)</u> | <u>\$ (5,185)</u>          | <u>\$ (66,277)</u>          | <u>\$ (71,462)</u> |

*Governmental Activities*

The Village's assets exceeded its liabilities by \$513,915 (net position) for the year. For the year ended June 30, 2015, this was \$517,514.

*Business Type Activities*

The Proprietary Fund, the water system, had a decrease in net position of \$62,869 for the year.

General Fund Budgetary Highlights

At year end, actual revenues were \$540 more than budgeted revenues and actual expenditures were \$176 more than budgeted expenditures.

Economic Factors and Next Year's Budget

The Village has prepared its FY 2016/2017 budget for the General Fund on the assumption that revenues and expenditures will remain fairly constant next year. Both revenues and expenditures for the Utility Enterprise Fund should also remain constant during the next year.

Contacting the Village

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Village at P. O. Box 126, Powhatan, LA 71066.

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – A Professional Corporation  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447  
[www.tcbtcpa.com](http://www.tcbtcpa.com)

**INDEPENDENT ACCOUNTANT’S REVIEW REPORT**

The Honorable Mayor of Powhatan  
and Village Aldermen  
Village of Powhatan, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and major funds of the Village of Powhatan (Village) as of and for the year ended June 30, 2016, and the related notes to the financial statements, 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 Village’s personnel. 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.

**Management’s Responsibility for the Financial Statements**

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

**Accountant’s Responsibility**

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our report.

**Accountant’s Conclusion**

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 accordance with accounting principles generally accepted in the United States of America.

## Other Matter Paragraphs

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Schedule, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer listed as required supplementary information in the Table of Contents is presented for the purpose of additional analysis and is required by Louisiana Revised Statute 24:513(A)(3). This schedule is not a required part of the basic financial statements.

The Budgetary Comparison Schedule and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the schedules in order for them to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

The Management's Discussion and Analysis 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. We have not audited or reviewed the management's discussion and analysis and accordingly, we do not express an opinion or any other form of assurance on it.

### *Other Reporting Requirements*

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated January 21, 2019, on the results of our agreed-upon procedures on page 33 through 35. Pages 36 through 40 present the Louisiana Attestation Questionnaire, management's letter, and management's response.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier, CPA's

January 21, 2019

Natchitoches, LA 71457

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

Village of Powhatan  
Statement of Net Position  
June 30, 2016

|                                  | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> | <u>Total</u>       |
|----------------------------------|------------------------------------|-------------------------------------|--------------------|
| ASSETS:                          |                                    |                                     |                    |
| Current Assets-                  |                                    |                                     |                    |
| Cash and Cash Equivalents        | \$ 667                             | \$ 2,120                            | \$ 2,787           |
| Accounts Receivable              | <u>0</u>                           | <u>5,554</u>                        | <u>5,554</u>       |
| Total Current Assets             | <u>\$ 667</u>                      | <u>\$ 7,674</u>                     | <u>\$ 8,341</u>    |
| Noncurrent Assets-               |                                    |                                     |                    |
| Restricted Assets-               |                                    |                                     |                    |
| Customer Deposits                | \$ 0                               | \$ 15,600                           | \$ 15,600          |
| Bond Covenant Accounts           | 0                                  | 155                                 | 155                |
| Capital Assets (Net)             | <u>513,248</u>                     | <u>1,386,107</u>                    | <u>1,899,355</u>   |
| Total Noncurrent Assets          | <u>\$513,248</u>                   | <u>\$1,401,862</u>                  | <u>\$1,915,110</u> |
| Total Assets                     | <u>\$513,915</u>                   | <u>\$1,409,536</u>                  | <u>\$1,923,451</u> |
| LIABILITIES:                     |                                    |                                     |                    |
| Current Liabilities-             |                                    |                                     |                    |
| Accounts Payable                 | \$ 0                               | \$ 544                              | \$ 544             |
| Noncurrent Liabilities-          |                                    |                                     |                    |
| Payable from Restricted Assets-  |                                    |                                     |                    |
| Customer Deposits                | <u>0</u>                           | <u>10,650</u>                       | <u>10,650</u>      |
| Total Liabilities                | <u>\$ 0</u>                        | <u>\$ 11,194</u>                    | <u>\$ 11,194</u>   |
| NET POSITION:                    |                                    |                                     |                    |
| Net Investment in Capital Assets | \$513,248                          | \$1,386,107                         | \$1,899,355        |
| Unrestricted                     | <u>667</u>                         | <u>12,235</u>                       | <u>12,902</u>      |
| Total Net Position               | <u>\$513,915</u>                   | <u>\$1,398,342</u>                  | <u>\$1,912,257</u> |

See accompanying notes and independent accountant's review report.

Village of Powhatan  
Statement of Activities  
Year Ended June 30, 2016

| <u>Activities</u>             | <u>Expenses</u>   | <u>Program Revenues</u>     |                                           |                                         | <u>Net (Expense) Revenue and Changes in Net Position</u> |                                 |                     |
|-------------------------------|-------------------|-----------------------------|-------------------------------------------|-----------------------------------------|----------------------------------------------------------|---------------------------------|---------------------|
|                               |                   | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Governmental Activities</u>                           | <u>Business-Type Activities</u> | <u>Total</u>        |
| Governmental Activities:      |                   |                             |                                           |                                         |                                                          |                                 |                     |
| General Government            | \$ 38,728         | \$ 3,997                    | \$26,000                                  | \$0                                     | \$ (8,731)                                               | \$ 0                            | \$ (8,731)          |
| Public Safety                 | <u>1,292</u>      | <u>0</u>                    | <u>0</u>                                  | <u>0</u>                                | <u>(1,292)</u>                                           | <u>0</u>                        | <u>(1,292)</u>      |
| Total Governmental Activities | \$ <u>40,020</u>  | \$ <u>3,997</u>             | \$ <u>26,000</u>                          | \$ <u>0</u>                             | \$ <u>(10,023)</u>                                       | \$ <u>0</u>                     | \$ <u>(10,023)</u>  |
| Business-Type Activities:     |                   |                             |                                           |                                         |                                                          |                                 |                     |
| Water/Sewer                   | \$ <u>137,953</u> | \$ <u>63,434</u>            | \$ <u>0</u>                               | \$ <u>0</u>                             | \$ <u>0</u>                                              | \$ <u>(74,519)</u>              | \$ <u>(74,519)</u>  |
| Total Government              | \$ <u>177,973</u> | \$ <u>67,431</u>            | \$ <u>26,000</u>                          | \$ <u>0</u>                             | \$ <u>(10,023)</u>                                       | \$ <u>(74,519)</u>              | \$ <u>(84,542)</u>  |
| General Revenues:             |                   |                             |                                           |                                         |                                                          |                                 |                     |
| Taxes                         |                   |                             |                                           |                                         | \$ 5,964                                                 | \$ 0                            | \$ 5,964            |
| Other                         |                   |                             |                                           |                                         | <u>460</u>                                               | <u>11,650</u>                   | <u>12,110</u>       |
| Total General Revenues        |                   |                             |                                           |                                         | \$ <u>6,424</u>                                          | \$ <u>11,650</u>                | \$ <u>18,074</u>    |
| Change in Net Position        |                   |                             |                                           |                                         | \$ (3,599)                                               | \$ (62,869)                     | \$ (66,468)         |
| Net Position July 1, 2015     |                   |                             |                                           |                                         |                                                          |                                 |                     |
| Restated, See Note 9*         |                   |                             |                                           |                                         | <u>517,514</u>                                           | <u>*1,461,211</u>               | <u>1,978,725</u>    |
| Net Position June 30, 2016    |                   |                             |                                           |                                         | \$ <u>513,915</u>                                        | \$ <u>1,398,342</u>             | \$ <u>1,912,257</u> |

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

Village of Powhatan  
Balance Sheet-Governmental Funds  
June 30, 2016

|                                        | <u>General Fund</u> | <u>LCDBG</u> | <u>Total</u> |
|----------------------------------------|---------------------|--------------|--------------|
| ASSETS:                                |                     |              |              |
| Cash and Cash Equivalents              | <u>\$666</u>        | <u>\$1</u>   | <u>\$667</u> |
| LIABILITIES:                           | \$ 0                | \$0          | \$ 0         |
| FUND BALANCES:                         |                     |              |              |
| Restricted                             | 0                   | 1            | 1            |
| Unassigned                             | <u>666</u>          | <u>0</u>     | <u>666</u>   |
| Total Liabilities<br>and Fund Balances | <u>\$666</u>        | <u>\$1</u>   | <u>\$667</u> |

See accompanying notes and independent accountant's review report.

Village of Powhatan  
Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
June 30, 2016

|                                                                                                                                                                   |                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Total Fund Balance for the Governmental Funds<br>at June 30, 2016                                                                                                 | \$ 667           |
| Amounts reported for Governmental Activities<br>in the Statement of Net Position is different because:                                                            |                  |
| Capital Assets used in Governmental Activities are not<br>current financial resources and, therefore, are not<br>reported in the Governmental Funds Balance Sheet |                  |
| Land, Equipment, Buildings, and Vehicles                                                                                                                          | 575,893          |
| Less: Accumulated Depreciation                                                                                                                                    | <u>(62,645)</u>  |
| Net Position of Governmental Activities at June 30, 2016                                                                                                          | <u>\$513,915</u> |

See accompanying notes and independent accountant's review report.

Village of Powhatan  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2016

|                                      | <u>Major Funds</u>  |              | <u>Total</u>    |
|--------------------------------------|---------------------|--------------|-----------------|
|                                      | <u>General Fund</u> | <u>LCDBG</u> |                 |
| REVENUES:                            |                     |              |                 |
| Taxes                                | \$ 5,963            | \$0          | \$ 5,963        |
| Licenses and Permits                 | 3,997               | 0            | 3,997           |
| Intergovernmental                    | 26,000              | 0            | 26,000          |
| Miscellaneous                        | <u>460</u>          | <u>0</u>     | <u>460</u>      |
| Total Revenues                       | <u>\$36,420</u>     | <u>\$0</u>   | <u>\$36,420</u> |
| EXPENDITURES:                        |                     |              |                 |
| Current-                             |                     |              |                 |
| General Government                   | \$34,764            | \$0          | \$34,764        |
| Public Safety                        | <u>1,292</u>        | <u>0</u>     | <u>1,292</u>    |
| Total Expenditures                   | <u>\$36,056</u>     | <u>\$0</u>   | <u>\$36,056</u> |
| Excess of Revenues over Expenditures | \$ 364              | \$0          | \$ 364          |
| Fund Balance-Beginning of Year       | <u>302</u>          | <u>1</u>     | <u>303</u>      |
| Fund Balance-End of Year             | <u>\$ 666</u>       | <u>\$1</u>   | <u>\$ 667</u>   |

See accompanying notes and independent accountant's review report.

Village of Powhatan  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of the Governmental Funds  
to the Statement of Activities  
for the Year Ended June 30, 2016

Net Change in Fund Balance at June 30, 2016 \$ 364

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

Depreciation expense on Capital Assets is reported  
in the Government-wide financial statements, but  
does not require the use of current financial  
resources and is not reported in the Fund Financial  
statements. Current year depreciation expense is (3,963)

Change in Net Position at June 30, 2016 \$(3,599)

See accompanying notes and independent accountant's review report.

Village of Powhatan  
Statement of Net Position  
Proprietary Fund  
Year Ended June 30, 2016

ASSETS:

|                                     |                    |
|-------------------------------------|--------------------|
| Current Assets-                     |                    |
| Cash and Cash Equivalents           | \$ 2,120           |
| Accounts Receivable                 | <u>5,554</u>       |
| Total Current Assets                | <u>\$ 7,674</u>    |
| Noncurrent Assets-                  |                    |
| Restricted Assets-                  |                    |
| Customer Deposits                   | \$ 15,600          |
| Bond Covenant Accounts              | 155                |
| Capital Assets, net of depreciation | <u>1,386,107</u>   |
| Total Noncurrent Assets             | <u>\$1,401,862</u> |
| Total Assets                        | <u>\$1,409,536</u> |

LIABILITIES:

|                                 |                  |
|---------------------------------|------------------|
| Current Liabilities-            |                  |
| Accounts Payable                | \$ 544           |
| Noncurrent Liabilities-         |                  |
| Payable from Restricted Assets- |                  |
| Customer Deposits               | <u>10,650</u>    |
| Total Liabilities               | <u>\$ 11,194</u> |

NET POSITION:

|                                  |                    |
|----------------------------------|--------------------|
| Net Investment in Capital Assets | \$1,386,107        |
| Unrestricted                     | <u>12,235</u>      |
| Total Net Position               | <u>\$1,398,342</u> |

See accompanying notes and independent accountant's review report.

Village of Powhatan  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Fund  
For the Year Ended June 30, 2016

|                                                          |                    |
|----------------------------------------------------------|--------------------|
| OPERATING REVENUES:                                      |                    |
| Water Sales                                              | \$ 61,084          |
| Installation                                             | 1,500              |
| Customers' Deposits                                      | 850                |
| Miscellaneous                                            | <u>11,650</u>      |
| Total Operating Revenues                                 | \$ <u>75,084</u>   |
| OPERATING EXPENSES:                                      |                    |
| Depreciation                                             | \$ 64,157          |
| General & Administrative                                 | 61,611             |
| Utilities/Telephone                                      | 9,477              |
| Repairs & Maintenance                                    | <u>2,708</u>       |
| Total Operating Expenses                                 | \$ <u>137,953</u>  |
| Operating Income (Loss)                                  | \$ <u>(62,869)</u> |
| Change in Net Position                                   | \$ (62,869)        |
| Net Position-Beginning of Year<br>(Restated, See Note 9) | <u>1,461,211</u>   |
| Net Position-End of Year                                 | <u>\$1,398,342</u> |

See accompanying notes and independent accountant's review report.

Village of Powhatan  
Statement of Cash Flows  
Proprietary Fund  
June 30, 2016

|                                                                                                   | <u>Business Type Activities</u> |
|---------------------------------------------------------------------------------------------------|---------------------------------|
| Cash Flows from Operating Activities:                                                             |                                 |
| Cash Received from Customers                                                                      | \$ 66,847                       |
| Cash Paid to Suppliers                                                                            | (26,133)                        |
| Cash Paid to Employees                                                                            | <u>(38,826)</u>                 |
| Net Cash Provided by Operating Activities                                                         | \$ <u>1,888</u>                 |
| Net Increase in Cash and Cash Equivalents                                                         | \$ 1,888                        |
| Cash and Cash Equivalents at Beginning of Year                                                    | <u>15,987</u>                   |
| Cash and Cash Equivalents at End of Year                                                          | <u>\$17,875</u>                 |
| Reconciliation of Operating Income (Loss)<br>to Net Cash Provided (Used) by Operating Activities: |                                 |
| Operating income (Loss)                                                                           | \$(62,869)                      |
| Adjustments to Reconcile Operating Income<br>to Net Cash Provided (Used) by Operating Activities: |                                 |
| Depreciation expense                                                                              | 64,157                          |
| Changes in Assets and Liabilities:                                                                |                                 |
| (Increase)/Decrease in Receivables                                                                | 1,614                           |
| Increase/(Decrease) Account Payable                                                               | <u>(1,014)</u>                  |
| Net Cash Provided by Operating Activities                                                         | \$ <u>1,888</u>                 |
| Noncash Investing, Capital and Financing Activities:                                              |                                 |
| Ending Cash-                                                                                      |                                 |
| Operating Account                                                                                 | \$ 2,120                        |
| Customer Deposits                                                                                 | 15,600                          |
| Bond Covenant                                                                                     | <u>155</u>                      |
| Total                                                                                             | <u>\$17,875</u>                 |

See accompanying notes and independent accountant's review report.

## NOTES TO FINANCIAL STATEMENTS

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

Introduction:

The Village of Powhatan, Louisiana, is incorporated under the Lawrason Act with a Mayor-Board of Aldermen form of government. The executive branch of government is headed by the Mayor and a Legislative branch consisting of three Aldermen.

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

The Village's operations include police, streets and drainage, and general and administrative services. In addition, the Village operates a Utility System which provides water and sewer services.

1. Summary of Significant Accounting Policies:

A. REPORTING ENTITY-

The Village is the basic level of government which has financial accountability and control over all activities related to the Village operations and services provided. The Village is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since the Village Mayor and Board of Aldermen are elected by the public and have decision making authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement 14, which are included in the Village's reporting entity.

The financial statements of the Village of Powhatan, Louisiana are prepared in accordance with generally accepted accounting principles (GAAP). The Village of Powhatan's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

B. BASIS OF PRESENTATION-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. FUND ACCOUNTING-

The accounts of the Village are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Village maintains three funds. Two are categorized as governmental funds and one as a proprietary fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Village considers all funds to be major:

Governmental Funds-

General Fund

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

LCDBG Fund

The LCDBG Fund is used to account for grant money received to upgrade the Village utility system.

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

Proprietary Fund-

Enterprise Fund

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

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Village as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are 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 collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. CASH AND INTEREST-BEARING DEPOSITS-

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Village.

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

F. CAPITAL ASSETS-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column 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 that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

|                                 |             |
|---------------------------------|-------------|
| Buildings and improvements      | 40 years    |
| Equipment and vehicles          | 3-16 years  |
| Utility system and improvements | 10-50 years |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

G. RESTRICTED ASSETS-

Restricted assets include cash, interest-bearing deposits, and investments of the proprietary fund that are legally restricted as to their use. The restricted assets are related to utility bond covenant accounts and customers' deposits.

H. COMPENSATED ABSENCES-

There is no formal leave policy for the Village, therefore no entry is made to record compensated absences.

I. EQUITY CLASSIFICATIONS-

In the government-wide statements, equity is classified as net position and 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 that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

- c. Unrestricted net position - All other net resources that do not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes 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 action to remove or change the constraint;
- d. Assigned fund balance - amounts a 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;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The General Fund has an unassigned fund balance of \$666. If applicable, the Village would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

J. 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 statement and the reported amounts of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

K. OPERATING REVENUES AND EXPENSES-

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

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

L. EXPENDITURES/EXPENSES-

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

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

Governmental Funds - By Character  
Proprietary Fund - By Operating and Nonoperating

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

M. BUDGET-

Prior to the beginning of each fiscal year, the Village adopts a budget for the General Fund for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

2. Cash and Cash Equivalents:

The cash and cash equivalents of the Village are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village will not be able to recover its deposits. 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 or exceed 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. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Village that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Village's name.

Bank account balances at June 30, 2016, totaled \$20,888, and was fully secured by FDIC Insurance.

3. Restricted Assets - Proprietary Fund Type:

The following is a schedule of changes in assets restricted for revenue bond debt service for the year ended June 30, 2016:

|               | <u>Amortization</u> | Depreciation and<br><u>Contingency</u> | <u>Reserve</u> | <u>Total</u> |
|---------------|---------------------|----------------------------------------|----------------|--------------|
| Cash, 7-1-15  | \$14                | \$34                                   | \$107          | \$155        |
| Disbursements | <u>0</u>            | <u>0</u>                               | <u>0</u>       | <u>0</u>     |
| Cash, 6-30-16 | <u>\$14</u>         | <u>\$34</u>                            | <u>\$107</u>   | <u>\$155</u> |

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

4. Litigation:

At June 30, 2016, there were no pending civil suits against the Village.

5. Capital Assets:

Capital asset activity for the year ended June 30, 2016, is as follows:

| Governmental<br>Activities                | Balance<br>07-01-15 | Additions         | Deletions  | Balance<br>06-30-16 |
|-------------------------------------------|---------------------|-------------------|------------|---------------------|
| Capital Assets, not depreciated:          |                     |                   |            |                     |
| Construction in Progress                  | \$ 499,589          | \$ 0              | \$0        | \$ 499,589          |
| Capital Assets, depreciated:              |                     |                   |            |                     |
| Building                                  | 34,529              | 0                 | 0          | 34,529              |
| Office Furniture, Fixtures<br>& Equipment | <u>41,775</u>       | <u>0</u>          | <u>0</u>   | <u>41,775</u>       |
| Total Capital Assets                      | <u>\$ 575,893</u>   | <u>\$ 0</u>       | <u>\$0</u> | <u>\$ 575,893</u>   |
| Less, Accumulated Depreciation:           |                     |                   |            |                     |
| Building                                  | \$ 34,529           | \$ 0              | \$0        | \$ 34,529           |
| Office Furniture, Fixtures<br>& Equipment | <u>24,153</u>       | <u>3,963</u>      | <u>0</u>   | <u>28,116</u>       |
| Total Accumulated Depreciation            | <u>\$ 58,682</u>    | <u>\$ 3,963</u>   | <u>\$0</u> | <u>\$ 62,645</u>    |
| Total Capital Assets, Net                 | <u>\$ 517,211</u>   | <u>\$ (3,963)</u> | <u>\$0</u> | <u>\$ 513,248</u>   |
|                                           |                     |                   |            |                     |
| Business-Type<br>Activities               | Balance<br>07-01-15 | Additions         | Deletions  | Balance<br>06-30-16 |
| Capital Assets, depreciated:              |                     |                   |            |                     |
| Utility System                            | \$2,052,313         | \$ 0              | \$0        | \$2,052,313         |
| Utility System - 2006                     | 109,781             | 0                 | 0          | 109,781             |
| Utility System - 2015                     | <u>404,184</u>      | <u>0</u>          | <u>0</u>   | <u>404,184</u>      |
| Total Capital Assets                      | <u>\$2,566,278</u>  | <u>\$ 0</u>       | <u>\$0</u> | <u>\$2,566,278</u>  |
| Less, Accumulated Depreciation:           |                     |                   |            |                     |
| Utility System                            | <u>1,116,014</u>    | <u>64,157</u>     | <u>0</u>   | <u>1,180,171</u>    |
| Total Capital Assets, Net                 | <u>\$1,450,264</u>  | <u>\$(64,157)</u> | <u>\$0</u> | <u>\$1,386,107</u>  |

Depreciation expense of \$3,963 was charged to the general government function for governmental activities and \$64,157 was charged to the operating expenses of the proprietary fund.

Village of Powhatan  
Notes to Financial Statements  
June 30, 2016

6. Related Parties:

The Village had no identified related party transactions for the year ended June 30, 2016.

7. Village Officials:

The following is a summary of payments to Village officials during the year.

| <u>Name</u>     | <u>Position</u> | <u>Payments</u> |
|-----------------|-----------------|-----------------|
| Hardrick Rivers | Alderman        | \$200           |
| Patrick Sweet   | Alderman        | 200             |
| James Reliford  | Alderman        | <u>200</u>      |
| Total           |                 | <u>\$600</u>    |

8. Receivables:

The following is a summary of receivables at June 30, 2016:

| <u>Class of Receivable</u> | <u>Amount</u>  | <u>Fund</u>      |
|----------------------------|----------------|------------------|
| Water & Sewer Sales        | <u>\$5,554</u> | Proprietary Fund |

9w. Restatement of Net Position – Proprietary Fund:

For the year ended June 30, 2015, noncurrent liabilities, customer's deposits, were overstated by \$16,982. As a result, the proprietary fund net position was restated as follows:

|                         |                    |
|-------------------------|--------------------|
| June 30, 2015           | \$1,444,229        |
| Prior Period Adjustment | <u>16,982</u>      |
| June 30, 2015, Restated | <u>\$1,461,211</u> |

10. Subsequent Events:

Management has evaluated events through January 21, 2019, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED  
SUPPLEMENTARY INFORMATION

Village of Powhatan  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2016

|                                      | <u>Budget</u><br><u>Original/Final</u> | <u>Actual</u>   | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|--------------------------------------|----------------------------------------|-----------------|-----------------------------------------------|
| REVENUES:                            |                                        |                 |                                               |
| Taxes                                | \$ 3,200                               | \$ 5,963        | \$ 2,763                                      |
| Licenses and Permits                 | 6,680                                  | 3,997           | (2,683)                                       |
| Intergovernmental                    | 26,000                                 | 26,000          | 0                                             |
| Miscellaneous                        | <u>0</u>                               | <u>460</u>      | <u>460</u>                                    |
| Total Revenues                       | <u>\$35,880</u>                        | <u>\$36,420</u> | <u>\$ 540</u>                                 |
| EXPENDITURES:                        |                                        |                 |                                               |
| Current-                             |                                        |                 |                                               |
| General Government                   | \$34,185                               | \$34,764        | \$ (579)                                      |
| Public Safety                        | <u>1,695</u>                           | <u>1,292</u>    | <u>403</u>                                    |
| Total Expenditures                   | <u>\$35,880</u>                        | <u>\$36,056</u> | <u>\$ (176)</u>                               |
| Excess of Revenues over Expenditures | \$ 0                                   | \$ 364          | \$ 364                                        |
| Fund Balance-Beginning of Year       | <u>302</u>                             | <u>302</u>      | <u>0</u>                                      |
| Fund Balance-End of Year             | <u>\$ 302</u>                          | <u>\$ 666</u>   | <u>\$ 364</u>                                 |

See independent accountant's review report.

Village of Powhatan  
LCDBG  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2016

|                                         | <u>Total<br/>Budget</u> | <u>Prior Year<br/>Actual</u> | <u>Current Year<br/>Actual</u> | <u>Remaining<br/>Budget</u> |
|-----------------------------------------|-------------------------|------------------------------|--------------------------------|-----------------------------|
| REVENUES:                               |                         |                              |                                |                             |
| Intergovernmental-<br>Grant-State       | \$596,748               | \$499,588                    | \$0                            | \$97,160                    |
| EXPENDITURES:                           |                         |                              |                                |                             |
| Capital Outlay                          | <u>596,748</u>          | <u>499,588</u>               | <u>0</u>                       | <u>97,160</u>               |
| Excess of Revenues<br>over Expenditures | \$ 0                    | \$ 0                         | \$0                            | \$ 0                        |
| Fund Balance-Beginning of Year          | <u>1</u>                | <u>1</u>                     | <u>1</u>                       | <u>1</u>                    |
| Fund Balance-End of Year                | <u>\$1</u>              | <u>\$1</u>                   | <u>\$1</u>                     | <u>\$1</u>                  |

See independent accountant's review report.

Village of Powhatan  
Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer  
For the Year Ended June 30, 2016

Agency Head Name: Johnnie Taylor, Mayor

| <u>Purpose</u>                 | <u>Amount</u>  |
|--------------------------------|----------------|
| Salary                         | \$4,000        |
| Benefits-Insurance             | 0              |
| Benefits-Retirement            | 0              |
| Deferred Compensation          | 0              |
| Benefits-Other                 | 306            |
| Car allowance                  | 0              |
| Vehicle provided by government | 0              |
| Cell phone                     | 0              |
| Dues                           | 0              |
| Vehicle rental                 | 0              |
| Per Diem                       | 0              |
| Reimbursements                 | 0              |
| Travel                         | 0              |
| Registration fees              | 0              |
| Conference travel              | 0              |
| Housing                        | 0              |
| Unvouchered expenses           | 0              |
| Special meals                  | 0              |
| Other                          | <u>0</u>       |
| Total                          | <u>\$4,306</u> |

See independent accountant's review report.

## OTHER REPORTS

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – A Professional Corporation  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447  
[www.tcbtcpa.com](http://www.tcbtcpa.com)

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

The Honorable Mayor of Powhatan  
and Village Aldermen  
Village of Powhatan, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Village of Powhatan (Village) 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, 2016, included in the Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants 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. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures found to be in violation.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

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

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

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

Management provided us with the required list.

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

No violations found.

#### BUDGETING

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget to the minute book.

We traced the adoption of the budget to the minutes of the Village.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. For the year ended June 30, 2016, actual revenues and actual expenditures were within the 5% variance allowed.

#### ACCOUNTING AND REPORTING

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee:

We examined supporting documentation for each of the six disbursements and found that the payments were for the proper amount and made to the correct payee.

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

Each disbursement appeared to be coded correctly.

- (c) determine whether payments received approval from proper authorities:

Inspection of supporting documentation showed written approval. In addition, non-recurring entries were discussed and approved in the minutes.

#### MEETINGS

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

The Village is only required to post a notice of each meeting and the accompanying agenda on the door of the Village's office building. Management has asserted that such documents were properly posted.

DEBT

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or any other indebtedness which have not been approved by the State Bond Commission.

We inspected copies of all bank deposits for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or other indebtedness that had not been approved by the State Bond Commission.

ADVANCES AND BONUSES

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

No violations found.

Our prior report dated April 29, 2016, contained one comment, violation of the Local Government Budget Act.

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 of Powhatan 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.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier, CPA's

January 21, 2019  
Natchitoches, Louisiana

VILLAGE OF POWHATAN  
LOUISIANA ATTESTATION QUESTIONNAIRE

Johnson, Thomas & Cunningham, CPA's  
321 Bienville Street  
Natchitoches, LA 71457

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2016 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

Signed by and title

*Jennie Taylor Meyer*

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – A Professional Corporation  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447  
[www.tcbtcpa.com](http://www.tcbtcpa.com)

January 21, 2019

Village of Powhatan  
P. O. Box 126  
Powhatan, LA 71066

RE: Management letter  
Review Report – June 30, 2016

We have performed our review of the Village of Powhatan and have applied certain agreed-upon procedures. As part of those procedures, we have the following information to report to you.

LA Revised Statutes require that financial reports be submitted to the Legislative Auditor within six months after the end of their fiscal year. For the year ended June 30, 2016, the Village did not submit the report on time. We recommend the Village ensure, in the future, the necessary information will be provided, within 45 days after year-end, to the independent CPA for review.

Sincerely,

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*  
Thomas, Cunningham, Broadway & Todtenbier, CPA's



## VILLAGE OF POWHATAN

291 N. Railroad Street • Post Office Box 126  
POWHATAN, LOUISIANA 71066  
(318) 352-8549

January 21, 2019

**Johnnie Taylor**  
MAYOR

**Eddie Lee Jackson**  
CLERK

**Paul Cormane**  
WATER-OPERATOR

**Willie L. Davis**  
**Jamika Neal**  
**Hardrick Rivers**  
ALDERMEN

**Gregory Blake**  
MARSHALL

Louisiana Legislative Auditor  
1600 North Street  
Baton Rouge, LA 70804

RE: Village of Powhatan  
Financial Report- June 30, 2016

The following is our response to the management letter issued to us by the firm Thomas, Cunningham, Broadway & Todtenbier, CPA's for the year ended June 30, 2016:

### Management's Corrective Action Plan

We will ensure that in the future all necessary information will be provided to the independent CPA Firm for preparation of the Village's annual report within 45 days after the end of our fiscal year.

Sincerely'

A handwritten signature in cursive script that reads "Johnnie Taylor".

Johnnie Taylor  
Mayor

JT/elj