

ANNUAL FINANCIAL REPORT
OF THE
VILLAGE OF MAURICE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2018

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Board of Aldermen/Alderwoman
 of the Village of Maurice
 Maurice, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Maurice as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

The Honorable Mayor and Board of Aldermen/Alderwoman
of the Village of Maurice
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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Village of Maurice, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 42-45 and the schedule of employer's share of net pension liability and employer contributions on pages 46-47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Village of Maurice's basic financial statements. The other supplementary information on pages 49-60 and pages 66-72 is presented for purposes of additional analysis and is not a required part of the basic financial statement.

The other supplementary information on pages 49-60 and pages 66-72 is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole. The schedule of insurance in force on page 73 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has not been subjected to the audit procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The Honorable Mayor and Board of Aldermen/Alderwoman
of the Village of Maurice
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Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 21, 2018 on our consideration of the Village of Maurice's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Village of Maurice's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Village of Maurice's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated November 21, 2018 on the results of our state wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

John S Dawling & Co.

Opelousas, Louisiana
November 21, 2018

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF MAURICE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2018

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 337,972	\$ 54,693	\$ 392,665
Investments	918,861	13,294	932,155
Prepaid insurance	9,895	19,929	29,824
Receivables (net of allowances for uncollectibles)	133,790	37,919	171,709
Restricted assets	-	208,088	208,088
Capital assets (net)	1,133,168	6,215,276	7,348,444
Construction in process	-	490,223	490,223
<u>Total assets</u>	<u>2,533,686</u>	<u>7,039,422</u>	<u>9,573,108</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related	<u>251,954</u>	<u>79,594</u>	<u>331,548</u>
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	41,263	126,755	168,018
Sales tax payable	-	794	794
Payable from restricted assets	-	49,269	49,269
Bonds payable	-	-	-
Due within one year	-	38,321	38,321
Due in more than one year	-	1,268,467	1,268,467
Net pension liability	<u>739,725</u>	<u>208,722</u>	<u>948,447</u>
<u>Total liabilities</u>	<u>780,988</u>	<u>1,692,328</u>	<u>2,473,316</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related	<u>9,256</u>	<u>7,547</u>	<u>16,803</u>
<u>NET POSITION</u>			
Net investment in capital assets	1,133,168	5,398,711	6,531,879
Restricted for	-	-	-
Debt service	-	142,605	142,605
Sales tax dedications	1,253,675	-	1,253,675
Unrestricted (deficit)	<u>(391,447)</u>	<u>(122,175)</u>	<u>(513,622)</u>
<u>Total net position</u>	<u>1,995,396</u>	<u>5,419,141</u>	<u>7,414,537</u>

VILLAGE OF MAURICE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION		
		FEES, FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities							
General government	\$ 421,453	\$ 154,648	\$ 15,072	\$ 25,972	\$ (225,761)	\$ -	\$ (225,761)
Public safety	547,142	208,989	-	-	(338,153)	-	(338,153)
<u>Total governmental activities</u>	<u>968,595</u>	<u>363,637</u>	<u>15,072</u>	<u>25,972</u>	<u>(563,914)</u>	<u>-</u>	<u>(563,914)</u>
Business-type Activities							
Water and sewer	748,754	388,722	-	33,500	-	(326,532)	(326,532)
<u>Total business-type activities</u>	<u>748,754</u>	<u>388,722</u>	<u>-</u>	<u>33,500</u>	<u>-</u>	<u>(326,532)</u>	<u>(326,532)</u>
<u>Total primary government</u>	<u>1,717,349</u>	<u>752,359</u>	<u>15,072</u>	<u>59,472</u>	<u>(563,914)</u>	<u>(326,532)</u>	<u>(890,446)</u>
General Revenues							
Taxes							
Sales taxes, levied for general purposes					841,317	-	841,317
Franchise taxes					76,644	-	76,644
Property taxes					29,291	-	29,291
Non-employer pension revenue					16,903	6,006	22,909
Interest and investment earnings					8,056	729	8,785
State beer tax					4,037	-	4,037
Gain (Loss) on disposal of assets					5,831	(7,930)	(2,099)
Miscellaneous					17,239	-	17,239
Transfers					(671,356)	671,356	-
<u>Total general revenues and transfers</u>					<u>327,962</u>	<u>670,161</u>	<u>998,123</u>
Change in net position					(235,952)	343,629	107,677
Net position - July 1, 2017					<u>2,231,348</u>	<u>5,075,512</u>	<u>7,306,860</u>
Net position - June 30, 2018					<u>1,995,396</u>	<u>5,419,141</u>	<u>7,414,537</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

MAJOR FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

1975 SALES TAX FUND-SEWER AND WATER

To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to the construction and maintenance of the sewer and water system as well as the payment of principal and interest on bonds incurred for the sewer system.

1975 SALES TAX FUND-CAPITAL IMPROVEMENTS

To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to capital improvements.

1989 SALES TAX FUND

To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to public safety law enforcement.

ENTERPRISE FUND

The Utility Fund is used to account for operations that are financed and operated in a manner 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.

VILLAGE OF MAURICE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	<u>GENERAL</u>	<u>1975 SALES TAX FUND SEWER AND WATER</u>	<u>1975 SALES TAX FUND CAPITAL IMPROVEMENTS</u>	<u>1989 SALES TAX FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>					
Cash	\$ 117,409	\$ 25,027	\$ 192,429	\$ 3,107	\$ 337,972
Investments	-	918,861	-	-	918,861
Receivables, net of allowance for uncollectibles					
Taxes	18,373	38,154	38,151	38,153	132,831
Interest receivable	-	545	-	-	545
<u>Total assets</u>	<u>135,782</u>	<u>982,587</u>	<u>230,580</u>	<u>41,260</u>	<u>1,390,209</u>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>LIABILITIES</u>					
Accounts payable	\$ 33,378	\$ 752	\$ -	\$ -	\$ 34,130
Due to LA Law Enforcement Commission	736	-	-	-	736
Payroll taxes payable	6,397	-	-	-	6,397
<u>Total liabilities</u>	<u>40,511</u>	<u>752</u>	<u>-</u>	<u>-</u>	<u>41,263</u>
<u>FUND BALANCES</u>					
Fund balances					
Restricted					
Sales tax dedications	-	981,835	230,580	41,260	1,253,675
Unassigned	95,271	-	-	-	95,271
<u>Total fund balances</u>	<u>95,271</u>	<u>981,835</u>	<u>230,580</u>	<u>41,260</u>	<u>1,348,946</u>
<u>Total liabilities and fund balances</u>	<u>135,782</u>	<u>982,587</u>	<u>230,580</u>	<u>41,260</u>	<u>1,390,209</u>

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF MAURICE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Total fund balances for governmental funds at June 30, 2018		\$ 1,348,946
Prepaid insurance at June 30, 2018		9,895
Grant receivable that does not provide current financial resources are unavailable in the funds		414
Deferred outflows		251,954
Cost of capital assets at June 30, 2018	\$ 1,743,572	
Less: Accumulated depreciation as of June 30, 2018	<u>(610,404)</u>	1,133,168
Net pension liability		(739,725)
Deferred inflows		<u>(9,256)</u>
Net position at June 30, 2018		<u><u>1,995,396</u></u>

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF MAURICE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	GENERAL	1975 SALES TAX FUND SEWER AND WATER	1975 SALES TAX FUND CAPITAL IMPROVEMENTS	1989 SALES TAX FUND	TOTAL
<u>REVENUES</u>					
Taxes	\$ 105,935	\$ 280,439	\$ 280,439	\$ 280,439	\$ 947,252
Licenses and permits	154,648	-	-	-	154,648
Intergovernmental	55,850	-	-	-	55,850
Fines and forfeits	208,989	-	-	-	208,989
Investment income	247	7,306	471	32	8,056
Miscellaneous	17,239	-	-	-	17,239
Total revenues	542,908	287,745	280,910	280,471	1,392,034
<u>EXPENDITURES</u>					
Current					
General and administrative	367,448	11,184	175	-	378,807
Public safety	451,068	-	-	40	451,108
Capital outlay	190,057	-	-	-	190,057
Total expenditures	1,008,573	11,184	175	40	1,019,972
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>					
	(465,665)	276,561	280,735	280,431	372,062
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	462,677	-	25,830	-	488,507
Operating transfers out	-	(611,595)	(253,768)	(294,500)	(1,159,863)
Sale of capital assets	17,600	-	-	-	17,600
Total other financing sources (uses)	480,277	(611,595)	(227,938)	(294,500)	(653,756)
<u>NET CHANGE IN FUND BALANCES</u>					
	14,612	(335,034)	52,797	(14,069)	(281,694)
<u>FUND BALANCES, beginning of year</u>					
	80,659	1,316,869	177,783	55,329	1,630,640
<u>FUND BALANCES, end of year</u>					
	95,271	981,835	230,580	41,260	1,348,946

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF MAURICE, 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, 2018

Total net change in fund balances for the year ended June 30, 2018 per Statement of Revenues, Expenditures, and Changes in Fund Balances		\$ (281,694)
Revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 90 days of year end.		(10,769)
Prepaid insurance expense.		1,749
The net effect of miscellaneous transactions involving capital assets (i.e sales and disposals) is a decrease to the net position.		(11,769)
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances.	\$ 190,057	
Depreciation expense for year ended June 30, 2018.	<u>(47,745)</u>	142,312
Pension expense is based on employer contributions in the government funds Statement of Revenues, Expenditures, and Changes in Fund Balances, but is an actuarially calculated expense on the Statement of Activities.		(92,684)
Non-employer contributions to retirement systems for the benefit of the Village employees.		<u>16,903</u>
Total change in net position for the year ended June 30, 2018 per Statement of Activities		<u><u>(235,952)</u></u>

VILLAGE OF MAURICE, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2018

BUSINESS-TYPE ACTIVITY
ENTERPRISE FUND

ASSETS

CURRENT ASSETS

Cash	\$ 54,693
Investments - Certificate of deposit	13,294
Prepaid insurance	19,929
Interest receivable	70
Receivables net of allowance for uncollectibles accounts	37,849
<u>Total current assets</u>	<u>125,835</u>

RESTRICTED ASSETS

Cash-Utility deposits	50,050
Cash-Debt reserve	39,781
Revenue Bond Sinking Fund Series 2008	10,380
Revenue Bond Sinking Fund Series 2011	5,053
Sewer Short-Lived Assets Fund Series 2011	102,824
<u>Total restricted assets</u>	<u>208,088</u>

PROPERTY, PLANT, AND EQUIPMENT

Utility plant and depreciable assets (net of accumulated depreciation)	6,215,278
Construction in process	490,221
<u>Total property, plant, and equipment</u>	<u>6,705,499</u>

Total assets

7,039,422

DEFERRED OUTFLOWS OF RESOURCES

79,594

LIABILITIES AND NET POSITION

CURRENT LIABILITIES (from current assets)

Accounts payable	125,085
Sales tax payable	794
State safe drinking water fee	1,670
Bonds payable within one year	22,888
<u>Total</u>	<u>150,437</u>

CURRENT LIABILITIES (from restricted assets)

Customers' deposits	49,269
Bonds payable within one year	15,433
<u>Total</u>	<u>64,702</u>

Total current liabilities

215,139

Continued on next page.

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF MAURICE, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUND – (CONTINUED)
JUNE 30, 2018

	<u>ENTERPRISE FUND</u>
<u>LONG-TERM LIABILITIES</u>	
Bond payable	\$ 1,268,467
Net pension liability	<u>208,722</u>
<u>Total long-term liabilities</u>	<u>1,477,189</u>
 <u>Total liabilities</u>	 <u>1,692,328</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	 <u>7,547</u>
 <u>NET POSITION</u>	
Net Investment in capital assets	5,398,711
Restricted for debt service	142,605
Unrestricted	<u>(122,175)</u>
 <u>Total net position</u>	 <u>5,419,141</u>

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF MAURICE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2018

	<u>BUSINESS-TYPE ACTIVITY</u> <u>ENTERPRISE FUND</u>
<u>OPERATING REVENUES</u>	
Charges for services	
Water services	\$ 207,782
Sewer services	132,068
Miscellaneous income	
Water and sewer connection fees	25,300
State safe drinking water fee	6,804
Other	16,768
<u>Total operating revenues</u>	<u>388,722</u>
<u>OPERATING EXPENSES</u>	
Personal service	223,663
Supplies	33,713
Other expenses	194,908
Depreciation and amortization	250,074
<u>Total operating expenses</u>	<u>702,358</u>
<u>OPERATING LOSS</u>	<u>(313,636)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>	
Interest income	729
State grant proceeds	33,500
Loss on disposal of assets	(7,930)
Non-employer pension revenue	6,006
Interest expense	(46,396)
<u>Total nonoperating revenues (expenses)</u>	<u>(14,091)</u>
<u>LOSS BEFORE OPERATING TRANSFERS</u>	<u>(327,727)</u>
<u>OPERATING TRANSFERS IN (OUT)</u>	
Operating transfers in	671,356
<u>Total operating transfers in (out)</u>	<u>671,356</u>
<u>INCREASE IN NET POSITION</u>	343,629
<u>NET POSITION, beginning of year</u>	<u>5,075,512</u>
<u>NET POSITION, end of year</u>	<u>5,419,141</u>

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF MAURICE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2018

BUSINESS-TYPE ACTIVITY
ENTERPRISE FUND

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers	\$ 382,721
Cash paid to suppliers	(157,224)
Cash paid to employees	(204,212)
<u>Net cash provided in operating activities</u>	<u>21,285</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>	
Operating transfers to/from other funds	671,356
<u>Net cash provided by noncapital financing activities</u>	<u>671,356</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>	
Acquisition of plant and equipment	(642,696)
Principal paid on bonds	(37,649)
Interest paid	(46,396)
Cash received from grant	33,500
<u>Net cash used by capital and related financing activities</u>	<u>(693,241)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest collected	729
Acquisition of investments	(98)
<u>Net cash provided by investing activities</u>	<u>631</u>
<u>NET INCREASE IN CASH AND CASH EQUIVALENTS</u>	31
<u>CASH AND CASH EQUIVALENTS, beginning of year</u>	<u>262,750</u>
<u>CASH AND CASH EQUIVALENTS, end of year</u>	<u>262,781</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	
Operating loss	\$ (313,636)
Adjustments to reconcile net loss to net cash provided (used) by operating activities	
Depreciation	250,074
(Increase) decrease in accounts receivable	(13,806)
(Increase) decrease in prepaid insurance	(18,775)
Increase (decrease) in accounts payable	88,513
Increase (decrease) in sales tax payable	230
Increase (decrease) in state safe drinking water payable	114
Increase (decrease) in customer's deposits	9,120
Increase (decrease) in net pension liability	19,451
<u>Total adjustments</u>	<u>334,921</u>
<u>Net cash provided by operating activities</u>	<u>21,285</u>

The accompanying notes are an integral part of the basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Maurice, Louisiana was incorporated on December 27, 1911 and operates under a mayor-council form of government.

The accompanying financial statements of the Village of Maurice, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

The following is a summary of certain significant accounting policies and practices of the Village of Maurice, Louisiana.

A. FINANCIAL REPORTING ENTITY

The Village of Maurice is a primary government and has no component units. The accompanying basic financial statements present information only on the funds maintained by the Village and do not present information on any other governmental unit.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS(GWFS).

The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the Village of Maurice, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Net Position at the fund financial statement level.

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 specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

FUND FINANCIAL STATEMENTS

The accounts of the Village are organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

The Village reports the following major governmental funds:

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.

Special Revenue Funds. Special Revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

1975 Sales Tax Fund Sewer and Water. To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to the construction and maintenance of the sewer and water system as well as the payment of principal and interest on bonds incurred for the sewer system.

1975 Sales Tax Fund Capital Improvements. To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to capital improvements.

1989 Sales Tax Fund. To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to public safety law enforcement.

The Village reports the following major proprietary fund:

Enterprise Fund

Utility Fund. The Utility Fund accounts for water and sewer services to residents of the Village of Maurice. All activities necessary to provide such services are accounted for in this fund including, but not limited to, operations, construction, administration, maintenance, financing and related debt service, and billing and collection.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

MEASUREMENT FOCUS

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

MEASUREMENT FOCUS (CONTINUED)

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

BASIS OF ACCOUNTING

The governmental-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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 (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property tax, sales tax, franchise tax, intergovernmental revenue, and investment earnings are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available when cash is received.

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

Services for water are recorded as revenue when billed to the customers on a monthly route reading cycle. At the end of the year, utility services which have been rendered from the latest date of each route reading cycle to the year-end which are unbilled are not recorded due to the immateriality at June 30, 2018.

PROGRAM REVENUES

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Village's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Village's general revenues.

ALLOCATION OF INDIRECT EXPENSES

The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

CASH AND INVESTMENTS

Louisiana statutes authorize the Village to invest in United States Treasury obligations, bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and backed by the United States; bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by United States government instrumentalities, which are federally sponsored; and certificates of deposit.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Village's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Village or the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the carrying amount of the Village's cash and investments was \$1,324,820. The bank balance of cash was \$654,222 and of investments was \$932,155. Investments are stated at cost or amortized cost, which approximates market. At June 30, 2018, approximately \$565,493 of the bank balance was covered by FDIC insurance. Deposits in the amount of \$1,020,884 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Village's name. The Village does not have a policy for custodial credit risk.

CASH AND CASH EQUIVALENTS

For purposes of the Statement of Cash Flows, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

INTERFUND RECEIVABLES AND PAYABLES

During the course of operations numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

INVENTORY

The Village practices the policy of recording materials and supplies as expenditures or expenses when acquired. The Village does not record any of these items as inventory because the amount of the items in stock is insignificant.

CAPITAL ASSETS

The accounting treatment over property, plant and equipment (capital assets) depends on whether they are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

CAPITAL ASSETS (CONTINUED)

Prior to GASB No. 34, governments were not required to report general infrastructure assets. The Village of Maurice will capitalize infrastructure expenditures as incurred.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The Village maintains a threshold level of \$300 or more for capitalizing capital assets.

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

Buildings and improvements	10 - 40 years
Furniture and equipment	3 - 25 years
Vehicles	5 - 20 years
Water and sewer system	7 - 40 years

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

It is the policy of the Village to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets. There was no interest expense related to the construction of fixed assets for the year ended June 30, 2018.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities acquisition and construction expenditures of the governmental fund upon acquisition.

ALLOWANCE FOR DOUBTFUL ACCOUNTS

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debt through the establishment of an allowance account at the time information available indicates the uncollectibility of the particular receivables.

ENCUMBRANCES

The Village does not employ the encumbrance system of accounting.

COMPENSATED ABSENCES

Employees of the Village of Maurice earn vacation and sick leave on a calendar year basis. Accrued unused sick leave, earned by an employee can be carried forward to succeeding calendar years, not to exceed 90 days. Unused vacation cannot be carried forward to the next calendar year. Upon termination, unused vacation and sick leave is forfeited. Therefore, there is no provision for compensated absences at year-end.

BUDGETS AND BUDGETARY ACCOUNTING

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. Prior to the beginning of the fiscal year the Mayor submits to the Village Council an operating and capital budget for the succeeding year.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

2. A public meeting is scheduled by the Village Council after allowing for at least 10 days notice to the public at the time the budget is initially submitted to the Village Council.
3. The budget must be finally adopted by the Council no later than the last day of the preceding fiscal year.
4. The Mayor and Village Council may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.
5. Operating appropriations, to the extent not expended or encumbered, lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.
6. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The budgeted amounts shown in these financial statements as of June 30, 2018, were properly amended during a public meeting held on June 20, 2018.

RESTRICTED ASSETS

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets include utility meter deposits from customers and the revenue bond sinking fund for debt service.

LONG-TERM DEBT

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

REVENUES, EXPENDITURES, AND EXPENSES

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 revenues and expenses not related to capital and related financing, noncapital financing or investing activities.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

REVENUES, EXPENDITURES, AND EXPENSES (CONTINUED)

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.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

EQUITY CLASSIFICATIONS

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

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

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Proprietary fund equity is classified the same as in the government-wide statements.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

EQUITY CLASSIFICATIONS (CONTINUED)

2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Aldermen – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Aldermen removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the Village's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Aldermen, Mayor and Village Clerk have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

ESTIMATES

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

COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the individual fund financial statements. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

NOTE (2) – RECEIVABLES

Receivables at June 30, 2018 consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ -	\$ 37,849	\$ 37,849
From other governments	414	-	414
Taxes	132,831	-	132,831
Interest	545	70	615
<u>Total</u>	<u>133,790</u>	<u>37,919</u>	<u>171,709</u>

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (2) – RECEIVABLES (CONTINUED)

The accounts receivable of the Village of Maurice's Utility Fund consisted of billed utility services. An aging schedule is as follows:

<u>Days</u>	<u>Sewer June 30, 2018</u>		<u>Water June 30, 2018</u>	
	<u>Amounts</u>	<u>Approximate Number of Accounts</u>	<u>Amounts</u>	<u>Approximate Number of Accounts</u>
Current	\$ 14,412	648	\$ 22,543	648
31-60	349	18	545	18
61-90	-		-	
91 and older	2,628	47	4,110	47
Less: Allowance for Doubtful accounts	<u>(2,628)</u>	<u> </u>	<u>(4,110)</u>	<u> </u>
<u>Total</u>	<u>14,761</u>	<u>713</u>	<u>23,088</u>	<u>713</u>

The total number of current sewer users at June 30, 2018 is 549. At June 30, 2018, there were 470 residential and 79 commercial users.

The total number of current water users at June 30, 2018 is 574 at June 30, 2018 there were 484 residential and 90 commercial users.

The sewer rates at June 30, 2018 were as follows:

Residential users at 06/30/18:

Flat \$8.00 per 2,000 gallons or less
Over 2,000 gallons, \$3.79 per 1,000 gallons

Commercial users at 06/30/18:

Flat \$8.00 per 2,000 gallons or less
Over 2,000 gallons, \$3.79 per 1,000 gallons

The water rates at June 30, 2018 were as follows:

Residential users at 06/30/18:

Flat \$12.00 per 2,000 gallons or less
Over 2,000 gallons, \$3.75 per 1,000 gallons

Commercial users at 06/30/18:

Flat \$17.00 per 2,000 gallons or less
Over 2,000 gallons, \$4.00 per 1,000 gallons

Sewer rates for residents outside Village limits are \$37.50 flat monthly rate.

NOTE (3) - RETIREMENT COMMITMENTS

Village employees are eligible to be members of one of the following retirement systems: Municipal Employees' Retirement System of Louisiana or Municipal Police Employees' Retirement System. In addition to employee payroll deductions, Village funds are remitted to the retirement systems and are recorded as expenditures.

Municipal Employees' Retirement System

PLAN DESCRIPTION

The Village provides pension benefits for substantially all full-time employees through the Municipal Employees' Retirement System of Louisiana, Plan B. The retirement system is a cost-sharing, multiple-employer, statewide retirement system which is administered and controlled by a separate board of trustees. It provides retirement, disability, and survivor benefits to participating, eligible employees. Contributions of participating agencies are pooled within the system to fund accrued benefits, with contribution rates approved by state statute. The Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Employees' Retirement System (Continued)

PLAN DESCRIPTION (CONTINUED)

Benefit provisions are authorized within Act 356 of the 1954 regular session and amended by LRS 11:1756-11:1785. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

1. Retirement Benefits

Any member of Plan B who commenced participation in the System prior to January 1, 2013 can retire providing he meets one of the following criteria:

- a. Any age with thirty (30) years of creditable service.
- b. Age 60 with a minimum of ten (10) or more years of creditable service.
- c. Any age with ten (10) years creditable service eligible for disability benefits.
- d. Survivor's benefits require five (5) years creditable service at death of member.

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to two percent of the member's monthly average final compensation multiplied by his years of creditable service. Final average compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Any member of Plan B Tier 2 shall be eligible for retirement if he meets one of the following requirements:

- a. Seven (7) years or more of service, at age sixty-seven or thereafter.
- b. Ten (10) years or more of service, at age sixty-two, or thereafter.
- c. Thirty (30) years or more of service, at age fifty-five or thereafter.
- d. Twenty-five (25) years of service credit at any age, exclusive of military service and unused annual sick leave.

The monthly amount of the retirement allowance for any member of Plan B Tier 2 shall consist of an amount equal to two percent of the member's final compensation multiplied by his years of creditable service. Final average compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

2. Survivor Benefits

Upon death of any member of Plan B with five (5) or more years of creditable service, not eligible for normal retirement, the plan provides for benefits for the surviving spouse as outlined in the statutes.

- a. Surviving spouse who is married no less than twelve (12) months immediately preceding death of member, shall be paid a monthly benefit equal to thirty percent of the member's final compensation, payable when the surviving spouse attains the age of sixty years or becomes disabled and payable for as long as the surviving spouse lives, or
- b. A monthly benefit equal to the actuarial equivalent of the benefit described above, but not less than fifteen percent of the member's final compensation, payable upon the death of the member and payable for as long as the surviving spouse lives. Selecting this benefit precludes the survivor from eligibility for the thirty-percent benefit payable when the surviving spouse attains the age of sixty years.

Any member of Plan B who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Employees' Retirement System (Continued)

PLAN DESCRIPTION (CONTINUED)

Any member of Plan B who had not withdrawn their accumulated contributions and had at least twenty years of service credit at time of death, surviving spouse shall receive benefits for as long as he/she lives as outlined in the statutes.

3. DROP Benefits

In lieu of terminating employment and accepting a service retirement allowance, any member of Plan B who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. If a participant dies during the participation in the DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of three years, payments into the DROP fund cease and the person resumes active contributing membership in the System.

4. Disability Benefits

For Plan B, a member shall be eligible to retire and receive a disability benefit if he has at least ten years of creditable service; in which he would receive a regular retirement under retirement provisions. A member shall be eligible to retire and receive a disability benefit if he has at least ten years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of thirty percent of his final average compensation or two percent of his final average compensation multiplied by his years of creditable service, whichever is greater; or an amount equal to two percent of the member's final average compensation multiplied by his years of creditable service, projected to his earliest normal retirement age.

5. Cost of Living Increases

The System is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Employees' Retirement System (Continued)

PLAN DESCRIPTION (CONTINUED)

6. Deferred Benefits

Plan B provides for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

EMPLOYER CONTRIBUTIONS

Contributions for all members are established by statute. Member contributions are at 5% of earnable compensation for Plan B. The contributions are deducted from the member's salary and remitted by the participating municipality. According to the state statute, contributions for all employers are actuarially determined each year. For the year ended June 30, 2017, the employer contribution rate was 11% of member's earnings for Plan B.

According to the state statute, the System also receives one-fourth (1/4) of 1% of ad valorem taxes collected within the respective parishes except for Orleans. Tax monies are apportioned in proportion to salaries of plan participants. The System also receives revenue sharing funds each year as appropriated by the Legislature. These additional sources of income are used as additional employer contributions and considered support from non-employer contributing entities. Administrative costs of the System are financed through employer contributions.

The Village of Maurice's employer contributions to Municipal Employees' Retirement System for the years ended June 30, 2018, 2017, and 2016, were \$32,443, \$29,643, and \$22,666, respectively, and were equal to the required contribution for each year.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2018, the Employer reported a liability of \$314,130 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Village's proportion of the Net Pension Liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Village's proportion was 0.36306%, which was an increase of 0.0083% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Village recognized pension expense of \$63,991 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, (\$30,673).

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Employees' Retirement System (Continued)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

At June 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>GOVERNMENTAL ACTIVITIES</u>		<u>BUSINESS-TYPE ACTIVITIES</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 552	\$ (2,288)	\$ 1,093	\$ (4,531)
Changes of assumptions	4,641	-	9,190	-
Net difference between projected and actual earnings on pension plan investments	22,208	-	43,977	-
Changes in proportion and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources	1,908	(1,523)	3,776	(3,016)
Employer contributions subsequent to the measurement date	10,886	-	21,557	-
Total	<u>40,195</u>	<u>(3,811)</u>	<u>79,593</u>	<u>(7,547)</u>

Deferred outflows of resources related to pensions resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2019	\$ 30,500
2020	26,712
2021	15,799
2022	2,976
Total	<u>75,987</u>

ACTUARIAL METHODS AND ASSUMPTIONS

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The components of the net pension liability of the Village's employers for Plan B determined in accordance with GASB No. 67 as of June 30, 2017 are as follows:

	<u>PLAN B</u>
Total Pension Liability	\$ 860,416
Plan Fiduciary Net Position	<u>(546,286)</u>
Total Net Pension Liability	<u>314,130</u>

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Employees' Retirement System (Continued)

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment mortality and future salary increases. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations, and new estimates are made about the future. The actuarial assumptions used in the June 30, 2017 valuation was based on the results of an experience study, for the period of July 2009 through June 30, 2014. Information on the actuarial valuation and assumptions is as follows:

Valuation Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	4 years - Plan B
Investment Rate of Return	7.400%
Inflation Rate	2.775%
Salary Increases, Including Inflation and Merit Increases	5.000%
Annuitant and Beneficiary Mortality	RP-2000 Healthy Annuitant Sex Distinct Mortality Tables set forward 2 years for males and set forward 1 year for females projected to 2028 using scale AA.
Employee Mortality	RP-2000 Employees Sex Distinct Table set back 2 years for both males and females.
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by added expected inflation and an adjustment for the effect of rebalancing/diversification.

The discount rate used to measure the total pension liability was 7.4% for the years ended June 30, 2017. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of difference between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2017 is 4 years for Plan B.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Employees' Retirement System (Continued)

SENSITIVITY TO CHANGES IN DISCOUNT RATE

The following presents the net pension liability of the System calculated using the discount rate of 7.4%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.4%), or one percentage point higher (8.4%) than the current discount rate (assuming all other assumptions remain unchanged):

Changes in discount for years ending June 30, 2017 for Plan B are as follows:

Net Pension Liability	Changes in Discount Rate: Plan B		
	1% Decrease 6.40%	Current Discount Rate 7.40%	1% Increase 8.40%
	\$ 406,449	\$ 314,130	\$ 235,348

CHANGE IN NET PENSION LIABILITY

The changes in the net pension liability for the year ended June 30, 2017 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience for Plan B as of June 30, 2017 is as follows:

	Plan B				
			Pension Expense (Benefit)	June 30, 2017	
	Deferred Outflows	Deferred Inflows		Deferred Outflows	Deferred Inflows
2017	\$ -	\$ 6,883	\$ (1,721)	\$ -	\$ 5,162
2016	2,468	-	824	1,645	-
2015	-	3,315	(1,658)	-	1,657
	2,468	10,198	(2,555)	1,645	6,819

The difference between projected and actual investment earnings resulted in a deferred net outflow for Plan B as of June 30, 2017 as follows:

	Plan B					
				June 30, 2017		Net Deferred Outflows Balance
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows	
2017	\$ 14,885	\$ -	\$ 2,977	\$ 11,908	\$ -	\$ 11,908
2016	44,913	-	11,228	33,685	-	33,685
2015	36,990	-	12,330	24,660	-	24,660
2014	-	8,137	(4,068)	-	4,069	(4,068)
	96,788	8,137	22,467	70,253	4,069	66,185

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Employees' Retirement System (Continued)

CHANGE IN NET PENSION LIABILITY (CONTINUED)

Changes of Assumptions or Other Inputs

The changes of assumptions were recognized in pension expense using the straight-line amortization method over a period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions resulted in deferred outflows and pension expense as of June 30, 2017 as follows:

	Plan B			June 30, 2017	
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows
2017	\$ 8,444	\$ -	\$ 2,111	\$ 6,333	\$ -
2016	-	-	-	-	-
2015	14,996	-	7,498	7,498	-
	23,440	-	9,609	13,831	-

Change in Proportion

Changes in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

CONTRIBUTIONS – PROPORTIONATE SHARE

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of pension amounts by employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

RETIREMENT FUND AUDIT REPORT

The Municipal Employees' Retirement System of Louisiana has issued a stand-alone audit report on their financial statements for the year ended June 30, 2017. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.la.gov, or by contacting the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809.

PAYABLES TO THE PENSION PLAN

At June 30, 2018, the Village did not have a payable to the Municipal Employees' Retirement System for the employer's portion of contractually required contributions to the pension plan for the month of June.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System

PLAN DESCRIPTION

The Village provides pension benefits for substantially all full-time employees through the Municipal Police Employees' Retirement System of Louisiana. The retirement system is a cost-sharing, multiple-employer plan which was created for full-time municipal police officers in Louisiana. Membership in the System is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Membership Prior to January 1, 2013

A member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit.

Benefit rates are 3.33% of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from 40% to 60% of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives benefits equal to 10% of the member's average final compensation or \$200 per month, whichever is greater.

Membership Commencing January 1, 2013

Member eligibility for regular retirement, early retirement, disability and survivor benefits are based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55.

Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are 3% and 2.5%, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System (Continued)

PLAN DESCRIPTION (CONTINUED)

Membership Commencing January 1, 2013 (Continued)

Upon death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from 25% to 55% of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives 10% of average final compensation or \$200 per month, whichever is greater. If deceased member had less than 10 years of service, beneficiary will receive a refund of employee contributions only.

Cost of Living Adjustments

The Board of Trustees is authorized to provide annual cost-of-living adjustments computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

No regular retiree, survivor or beneficiary shall be eligible to receive a cost-of-living adjustment until benefits have been received at least one full fiscal year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year.

Members who elect early retirement are not eligible for a cost of living adjustment until they reach regular retirement age.

Deferred Retirement Option Plan

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in the System is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is 36 months or less. If employment is terminated after the three-year period the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into the System shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on the System's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

If the member elects a money market investment return, the funds are transferred to a government money market account and earn interest at the money market rate.

Initial Benefit Option Plan

In 1999, the State Legislature authorized the System to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on same criteria as DROP.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System (Continued)

PLAN DESCRIPTION (CONTINUED)

EMPLOYER CONTRIBUTIONS

Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay.

For the year ended June 30, 2017, total contributions due for employers and employees was 41.75%. The employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 were 31.75% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous Duty members hired after January 1, 2013 were 33.75% and 8%, respectively. The employer and employee contribution rates for all members whose earnable compensation is less than or equal to the poverty guidelines issued by the United States Department of Health and Human Services were 34.25% and 7.5%, respectively. The Village of Maurice's employer contributions to the Municipal Police Employees' Retirement System for the years ended 2018, 2017, and 2016 were \$66,102, \$68,866 and \$59,051, respectively, and were equal to the required contribution for each year.

Non-employer contributions

The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue during the year ended June 30, 2017, and excluded from pension expense.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2018, the Employer reported a liability of \$634,318 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Village's proportion of the Net Pension Liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Village's proportion was 0.07266%, which was an increase of 0.00706% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Village recognized pension expense of \$90,950 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, (\$12,130).

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System (Continued)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

At June 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>GOVERNMENTAL ACTIVITIES</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,153	\$ (4,875)
Changes of assumptions	45,135	-
Net difference between projected and actual earnings on pension plan investments	27,768	-
Changes in proportion and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources	68,601	(570)
Employer contributions subsequent to the measurement date	<u>66,102</u>	<u>-</u>
Total	<u>211,759</u>	<u>(5,445)</u>

Deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2018	\$ 55,266
2019	63,748
2020	36,082
2021	<u>(14,884)</u>
Total	<u>140,212</u>

ACTUARIAL METHODS AND ASSUMPTIONS

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The components of the net pension liability of the Village's employers as of June 30, 2017 are as follows:

Total Pension Liability	\$ 2,120,149
Plan Fiduciary Net Position	<u>(1,485,831)</u>
Total Net Pension Liability	<u>634,318</u>

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System (Continued)

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

The actuarial assumptions used in the June 30, 2017 valuation were based on the assumptions used in the June 30, 2017 actuarial funding valuation and were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017, are as follows:

Valuation Date	June 30, 2017	
Actuarial Cost Method	Entry Age Normal Cost	
Investment Rate of Return	7.325%, net of investment expense	
Expected Remaining Service Lives	2017 -- 4 years 2016 -- 4 years 2015 -- 4 years 2014 -- 4 years	
Inflation Rate	2.70%	
Salary increases, including inflation and merit	<u>Years of Service</u>	<u>Salary Growth Rate</u>
	1-2	9.75%
	3-23	4.75%
	Over 23	4.25%
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants. RP-2000 Employee Table set back 4 years for males and 3 years for females for active members.	
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	

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

The discount rate used to measure the total pension liability was 7.325%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System (Continued)

SENSITIVITY TO CHANGES IN DISCOUNT RATE

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.325%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 6.325%, or one percentage point higher, 8.325%, than the current rate as of June 30, 2017.

	Changes in Discount Rate:		
	1% Decrease 6.325%	Current Discount Rate 7.325%	1% Increase 8.325%
Net Pension Liability	\$ 876,371	\$ 634,318	\$ 431,252

CHANGE IN NET PENSION LIABILITY

The changes in the net pension liability for the year ended June 30, 2017 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience

The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in deferred outflows of resources and deferred inflows of resources as of June 30, 2017 as follows:

	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	June 30, 2017	
				Deferred Outflows	Deferred Inflows
2017	\$ 5,538	\$ -	\$ 1,385	\$ 4,153	\$ -
2016	-	4,749	(1,583)	-	3,166
2015	-	3,419	(1,710)	-	1,709
2014	-	2,665	(2,665)	-	-
	5,538	10,833	(4,573)	4,153	4,875

Differences between Projected and Actual Investment Earnings

The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred outflow of resources as of June 30, 2017 as follows:

	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	June 30, 2017		
				Deferred Outflows	Deferred Inflows	Net Deferred Outflows
2017	\$ -	\$ 74,417	\$ (14,882)	\$ -	\$ 59,535	\$ (59,535)
2016	106,465	-	26,616	79,849	-	79,849
2015	49,753	-	16,584	33,169	-	33,169
2014	-	51,431	(25,716)	-	25,715	(25,715)
	156,218	125,848	2,602	113,018	85,250	27,768

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System (Continued)

CHANGE IN NET PENSION LIABILITY (CONTINUED)

Changes of Assumptions or Other Inputs

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions or other inputs resulted in deferred outflows of resources and deferred outflows of resources as of June 30, 2017 as follows:

	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	June 30, 2017	
				Deferred Outflows	Deferred Inflows
2017	\$ 38,107	\$ -	\$ 9,527	\$ 28,580	\$ -
2016	-	-	-	-	-
2015	33,110	-	16,555	16,555	-
2014	-	41	(41)	-	-
	<u>71,217</u>	<u>41</u>	<u>26,041</u>	<u>45,135</u>	<u>-</u>

Change in Proportion

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in the employer's proportionate shares are presented in the Schedule of Pension Amounts as deferred outflows or deferred inflows as of June 30, 2017.

CONTRIBUTIONS – PROPORTIONATE SHARE

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

RETIREMENT SYSTEM AUDIT REPORT

The Municipal Police Employees' Retirement System issued a stand-alone audit report on its financial statements for the year ended June 30, 2017. Access to the audit report can be found on the System's website: www.lampers.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

PAYABLES TO THE PENSION PLAN

At June 30, 2018, the Village did not have a payable to the Municipal Police Employees' Retirement System for the employer's portion of contractually required contributions to the pension plan for the month of June.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (3) - RETIREMENT COMMITMENTS (CONTINUED)

Municipal Police Employees' Retirement System (Continued)

ESTIMATES

The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Accordingly, actual results may differ from estimated amounts.

NOTE (4) - AD VALOREM TAXES

Each taxing district in the parish sets its own millage based on election results and various guidelines. The tax roll is then prepared by the Parish Assessor, who submits the information to the Village. The Village then bills and collects its own property taxes. The ad valorem tax is due on or before December 31 and becomes delinquent on January 1. The Village levied 2.39 mills general alimony tax for the year ended June 30, 2018 on property with assessed valuation totaling \$12,365,231. Total tax levied was \$29,552. Ad valorem tax receivable at June 30, 2018 was \$1,946 net of an allowance for uncollectable accounts of \$2,918.

NOTE (5) - CAPITAL ASSETS

Capital assets and depreciation, as of and for the year ended June 30, 2018, for the Village of Maurice is as follows:

	Balances July 1, 2017	Additions	Disposals	Balances June 30, 2018
Governmental activities				
Land	\$ 1,200	\$ -	\$ -	\$ 1,200
Buildings and improvements	265,284	157,703		422,987
Equipment	149,466	2,034	33,770	117,730
Furniture and fixtures	78,634	14,218		92,852
Vehicles	349,191	16,500	36,994	328,697
Other structures and improvements	780,106		-	780,106
<u>Totals at historical cost</u>	<u>1,623,881</u>	<u>190,455</u>	<u>70,764</u>	<u>1,743,572</u>
Less accumulated depreciation				
Buildings and improvements	79,498	9,116	-	88,614
Equipment	101,782	4,652	22,905	83,529
Furniture and fixtures	66,356	4,392		70,748
Vehicles	315,172	14,924	36,070	294,026
Other structures and improvements	58,448	15,039	-	73,487
<u>Total accumulated depreciation</u>	<u>621,256</u>	<u>48,123</u>	<u>58,975</u>	<u>610,404</u>
Governmental activities				
Capital assets, net	<u>1,002,625</u>	<u>142,332</u>	<u>11,789</u>	<u>1,133,168</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 30,531
Public safety	17,214
<u>Total</u>	<u>47,745</u>

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (5) - CAPITAL ASSETS (CONTINUED)

	Balances July 1, 2017	Additions	Disposals	Balances June 30, 2018
Business-type activities				
Land	\$ 433,432	\$ -	\$ -	\$ 433,432
Construction in process	-	490,223	-	490,223
Sewer system	4,758,424	12,137	-	4,770,561
Water system	3,120,587	137,056	16,541	3,241,102
Vehicles	56,330			56,330
Machinery and equipment	203,509	3,280	330	206,459
Buildings	82,786	-		82,786
<u>Total at historical cost</u>	<u>8,655,068</u>	<u>642,696</u>	<u>16,871</u>	<u>9,280,893</u>
Less accumulated depreciation				
Sewer system	811,040	131,212	-	942,252
Water system	1,339,740	98,048	8,611	1,429,177
Vehicles	9,901	7,365		17,266
Machinery and equipment	138,095	11,019	330	148,784
Buildings	35,485	2,430		37,915
<u>Total accumulated depreciation</u>	<u>2,334,261</u>	<u>250,074</u>	<u>8,941</u>	<u>2,575,394</u>
Business-type, activities				
Capital assets, net	<u>6,320,807</u>	<u>392,622</u>	<u>7,930</u>	<u>6,705,499</u>

NOTE (6) - SALES TAXES

One half (1/2) of the proceeds of the 1975 1% sales and use tax is dedicated to constructing, acquiring, extending, improving, operating and maintaining a new sanitary sewer and water system for the Village of Maurice, and purchasing and acquiring the necessary land, equipment and furnishings; therefore, title to which shall be in the public, said tax to be subject to funding into bonds by the Village and/or used to pay principal and interest on any bonds or funded indebtedness of the Village incurred for the sewer and water systems to the extent and in the manner permitted by the laws of Louisiana. The remaining one half (1/2) is dedicated to capital improvements.

Proceeds of the 1989 1/2% sales tax are dedicated to fund law enforcement, including salaries, equipment and other necessary operating expenses.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (8) - INTERFUND TRANSACTIONS (CONTINUED)

Transfers consisted of the following at June 30, 2018:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds		
Governmental Funds		
General	\$ 462,677	\$ -
1975 Sales Tax Sewer and Water	-	611,595
1975 Sales Tax Capital Improvements	25,830	253,768
1989 Sales Tax	-	294,500
Proprietary Fund		
Utility Fund	<u>671,356</u>	<u>-</u>
	<u>1,159,863</u>	<u>1,159,863</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute requires to expend them and to (b) use unrestricted revenues collected in the utility fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE (9) - LONG-TERM OBLIGATIONS

On January 24, 2008, the Village issued \$250,000 of Certificates of Revenue Bond Series 2008, of which \$213,000 bears interest at the rate of 4.50% and \$37,000 bears interest at the rate of -0- %. The bond has a final maturity of January 1, 2033.

For the payment of the principal and the interest on the Revenue Bonds Series 2008, a Sinking Fund must be established and maintained with the regularly designated fiscal agent bank of the Village. The Village shall deposit in said Sinking Fund monthly in advance on or before the 20th day of each month a sum equal to one-sixth of the next interest payment date and a sum equal to one-twelfth of the principal falling due on the next principal payment date.

On June 30, 2011, the Village issued \$1,084,117 of Sewer Revenue Bonds Series 2011 No R-1 of which bears interest at a rate of 3.38% and \$1,000 of Sewer Revenue Bonds Series 2011 No R-2 which bears interest at the rate of 3.25%. The bonds have a final maturity of July 5, 2051.

On July 5, 2011, the Village issued \$129,883 of Sewer Revenue Bonds Series 2011 NO R-1 which bears interest at a rate of 3.38% and \$99,000 of Sewer Revenue Bonds Series 2011 No R-2 which bears interest at the rate of 3.25%. The bonds have a final maturity of July 5, 2051.

Under the terms of the Sewer Revenue Bonds Series 2011 the following funds are to be maintained by the Village:

For the payment of the principal and the interest on the Bonds, a Debt Service Fund must established and maintained with monthly payments in the amount of 1/12 of the principal and interest for the immediately preceding bond year.

The Reserve Fund is established to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the system. The Village is required to make monthly payments in the amount of \$506 into the Reserve Fund until \$60,624 has been accumulated therein. The payments commence in the month following completion of and acceptance of the sewer system improvements.

The Asset Fund is established to provide for the maintenance and replacement of short-lived assets of the system and is to be funded in monthly installments in the amount of \$1,304 on the 20th day of each month. The payments commence in the month following completion of and acceptance of the sewer system improvements.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE (9) - LONG-TERM OBLIGATIONS (CONTINUED)

A summary of changes in long-term debt is as follows:

<u>Description of Debt</u>	<u>Balances</u> <u>7/1/17</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances</u> <u>6/30/18</u>
Revenue Bonds				
Series 2008 at 4.5%	\$ 118,000	\$ -	\$ 18,000	\$ 100,000
Sewer Revenue Bonds				
Series 2011 No R-1 at 3.38%	1,133,284	-	18,119	1,115,165
Sewer Revenue Bonds				
Series 2011 No R-2 at 3.25%	93,154	-	1,531	91,623
	<u>1,344,438</u>	<u>-</u>	<u>37,650</u>	<u>1,306,788</u>

Maturities of long-term debt are scheduled as follows:

<u>Year ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 38,321	\$ 44,803	\$ 83,124
2020	40,015	43,299	83,314
2021	41,734	41,725	83,459
2022	43,477	40,083	83,560
2023	45,245	38,369	83,614
2024-2028	128,697	174,423	303,120
2029-2033	152,246	150,874	303,120
2034-2038	180,103	123,017	303,120
2039-2043	213,059	90,061	303,120
Thereafter	423,891	60,088	483,979
<u>Total</u>	<u>1,306,788</u>	<u>806,742</u>	<u>2,113,530</u>

NOTE (10) - OTHER POST - EMPLOYMENT BENEFITS

The Village of Maurice does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

NOTE (11) - SUBSEQUENT EVENTS

Subsequent events were evaluated through November 21, 2018, which is the date the financial statements were available to be issued. As of November 21, 2018, there were no subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 106,050	\$ 102,633	\$ 105,935	\$ 3,302
Fines	185,000	219,560	208,989	(10,571)
Licenses and permits	151,750	151,437	154,648	3,211
Intergovernmental	39,652	38,999	55,850	16,851
Investment income	640	171	247	76
Miscellaneous	6,830	20,122	17,239	(2,883)
<u>Total revenues</u>	<u>489,922</u>	<u>532,922</u>	<u>542,908</u>	<u>9,986</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	379,910	388,215	367,448	20,767
Public safety	435,432	444,002	451,068	(7,066)
Capital outlay	18,000	190,237	190,057	180
<u>Total expenditures</u>	<u>833,342</u>	<u>1,022,454</u>	<u>1,008,573</u>	<u>13,881</u>
<u>DEFICIENCY OF REVENUES UNDER EXPENDITURES</u>				
	<u>(343,420)</u>	<u>(489,532)</u>	<u>(465,665)</u>	<u>23,867</u>
<u>OTHER FINANCING SOURCES</u>				
Operating transfers in				
from 1989 Sales Tax Fund	200,000	294,500	294,500	-
from Utility Fund	135,000	-	-	-
from 1975 Sales Tax Capital Improvements	18,000	164,933	168,177	3,244
Inception of capital lease	-	17,600	17,600	-
<u>Total other financing sources</u>	<u>353,000</u>	<u>477,033</u>	<u>480,277</u>	<u>3,244</u>
<u>NET CHANGE IN FUND BALANCE</u>	9,580	(12,499)	14,612	27,111
<u>FUND BALANCE, beginning of year</u>	<u>21,357</u>	<u>80,659</u>	<u>80,659</u>	<u>-</u>
<u>FUND BALANCE, end of year</u>	<u>30,937</u>	<u>68,160</u>	<u>95,271</u>	<u>27,111</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
1975 SALES TAX FUND SEWER AND WATER
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 180,000	\$ 275,030	\$ 280,439	\$ 5,409
Interest income	9,000	5,891	7,306	1,415
<u>Total revenues</u>	<u>189,000</u>	<u>280,921</u>	<u>287,745</u>	<u>6,824</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	16,000	16,244	11,184	5,060
<u>Total expenditures</u>	<u>16,000</u>	<u>16,244</u>	<u>11,184</u>	<u>5,060</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	<u>173,000</u>	<u>264,677</u>	<u>276,561</u>	<u>11,884</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out				
to 75 Sales Tax Capital Improvements	-	(25,830)	(25,830)	-
to Utility Fund	(630,000)	(585,765)	(585,765)	-
<u>Total other financing uses</u>	<u>(630,000)</u>	<u>(611,595)</u>	<u>(611,595)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(457,000)</u>	<u>(346,918)</u>	<u>(335,034)</u>	<u>11,884</u>
<u>FUND BALANCE</u> , beginning of year	<u>1,289,578</u>	<u>1,316,869</u>	<u>1,316,869</u>	<u>-</u>
<u>FUND BALANCE</u> , end of year	<u>832,578</u>	<u>969,951</u>	<u>981,835</u>	<u>11,884</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
1975 SALES TAX FUND CAPITAL IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 180,000	\$ 275,030	\$ 280,439	\$ 5,409
Interest income	300	523	471	(52)
<u>Total revenues</u>	<u>180,300</u>	<u>275,553</u>	<u>280,910</u>	<u>5,357</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	-	235	175	60
<u>Total expenditures</u>	<u>-</u>	<u>235</u>	<u>175</u>	<u>60</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	<u>180,300</u>	<u>275,318</u>	<u>280,735</u>	<u>5,417</u>
<u>OTHER FINANCING SOURCES</u>				
Operating transfers in from 1975				
Sales Tax Fund Sewer and Water	-	25,830	25,830	-
<u>Total other financing sources</u>	<u>-</u>	<u>25,830</u>	<u>25,830</u>	<u>-</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out				
to Utility Fund	-	(85,590)	(85,591)	(1)
to General Fund	(18,000)	(164,933)	(168,177)	(3,244)
<u>Total other financing uses</u>	<u>(18,000)</u>	<u>(250,523)</u>	<u>(253,768)</u>	<u>(3,245)</u>
<u>NET CHANGE IN FUND BALANCE</u>				
	162,300	50,625	52,797	2,172
<u>FUND BALANCE, beginning of year</u>				
	<u>155,564</u>	<u>177,783</u>	<u>177,783</u>	<u>-</u>
<u>FUND BALANCE, end of year</u>				
	<u>317,864</u>	<u>228,408</u>	<u>230,580</u>	<u>2,172</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
1989 SALES TAX FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 180,000	\$ 275,030	\$ 280,439	\$ 5,409
Interest	50	19	32	13
<u>Total revenues</u>	<u>180,050</u>	<u>275,049</u>	<u>280,471</u>	<u>5,422</u>
<u>EXPENDITURES</u>				
Public Safety	-	40	40	-
<u>Total expenditures</u>	<u>-</u>	<u>40</u>	<u>40</u>	<u>-</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	<u>180,050</u>	<u>275,009</u>	<u>280,431</u>	<u>5,422</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out to General Fund	(200,000)	(294,500)	(294,500)	-
<u>Total other financing uses</u>	<u>(200,000)</u>	<u>(294,500)</u>	<u>(294,500)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCE</u>	(19,950)	(19,491)	(14,069)	5,422
<u>FUND BALANCE, beginning of year</u>	<u>33,097</u>	<u>55,329</u>	<u>55,329</u>	<u>-</u>
<u>FUND BALANCE, end of year</u>	<u>13,147</u>	<u>35,838</u>	<u>41,260</u>	<u>5,422</u>
See Independent Auditor's Report.				

PENSION PLAN SCHEDULES

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2018

Schedule for Municipal Employee Retirement System:

	<u>2018*</u>	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.36306%	0.35476%	0.36757%	0.35216%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 314,130	\$ 294,061	\$ 249,816	\$ 165,340
Employer's Covered-Employee Payroll	\$ 269,479	\$ 260,634	\$ 255,039	\$ 233,986
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	116.57%	112.83%	97.95%	70.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.49%	63.34%	68.70%	76.94%

*The amounts presented have a measurement date of the previous fiscal year end.

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

Schedule for Municipal Police Employee Retirement System:

	<u>2018*</u>	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.07266%	0.06560%	0.05865%	0.05742%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 634,318	\$ 614,857	\$ 459,493	\$ 359,237
Employer's Covered-Employee Payroll	\$ 216,901	\$ 209,007	\$ 157,109	\$ 130,511
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	292.45%	294.18%	292.47%	275.25%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.08%	66.04%	70.70%	76.90%

*The amounts presented have a measurement date of the previous fiscal year end.

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

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2018

Schedule for Municipal Employee Retirement System:

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in Relation to statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
2018	\$ 32,443	\$ 32,443	\$ -	\$ 244,855	13.25%
2017	29,643	29,643	-	269,479	11.00%
2016	24,760	22,666	2,094	260,634	9.50%
2015	24,229	24,229	-	255,039	9.50%

*Amounts presented were determined as of the end of the fiscal year.

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

Schedule for Municipal Police Employee Retirement System:

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in Relation to statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
2018	\$ 66,102	\$ 66,102	\$ -	\$ 214,965	30.75%
2017	68,866	68,866	-	216,901	31.75%
2016	61,657	59,051	2,606	209,007	29.50%
2015	49,489	49,423	66	157,109	31.50%

*Amounts presented were determined as of the end of the fiscal year.

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

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018

(1) Pension Plan

Municipal Employee Retirement System:

(a) **Changes of benefit terms**

There are no changes of benefit terms for the year ended June 30, 2018.

(b) **Change of assumption**

The investment rate of return was decreased from 7.5% to 7.4% and the inflation rate decreased from 2.875% to 2.775% for the valuation dated June 30, 2017.

Municipal Police Employee Retirement System:

(a) **Changes of benefit terms**

There are no changes of benefit terms for the year ended June 30, 2018.

(b) **Change of assumption**

The investment rate of return was decreased from 7.5% to 7.325% and the inflation rate decreased from 2.875% to 2.700% for the valuation dated June 30, 2017.

OTHER SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

VILLAGE OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 117,409	\$ 49,564
Investments	-	50,161
Receivables, net of allowance for uncollectibles		
Taxes	<u>18,373</u>	<u>18,890</u>
<u>Total assets</u>	<u><u>135,782</u></u>	<u><u>118,615</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 33,378	\$ 23,907
Payroll taxes payable	6,397	6,493
Retirement payable	-	7,234
Due to LA Law Enforcement Commission	<u>736</u>	<u>322</u>
<u>Total liabilities</u>	<u>40,511</u>	<u>37,956</u>
 <u>FUND BALANCE</u>		
Unassigned	<u>95,271</u>	<u>80,659</u>
<u>Total fund balance</u>	<u>95,271</u>	<u>80,659</u>
<u>Total liabilities and fund balance</u>	<u><u>135,782</u></u>	<u><u>118,615</u></u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018		Variance Favorable (Unfavorable)	2017 Actual
	Budget	Actual		
<u>REVENUES</u>				
Taxes	\$ 102,633	\$ 105,935	\$ 3,302	\$ 98,670
Fines	219,560	208,989	(10,571)	161,375
Licenses and permits	151,437	154,648	3,211	168,923
Intergovernmental	38,999	55,850	16,851	148,696
Investment income	171	247	76	527
Miscellaneous	20,122	17,239	(2,883)	12,077
<u>Total revenues</u>	<u>532,922</u>	<u>542,908</u>	<u>9,986</u>	<u>590,268</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	388,215	367,448	20,767	477,489
Public safety	444,002	451,068	(7,066)	429,085
Capital outlay	190,237	190,057	180	109,536
<u>Total expenditures</u>	<u>1,022,454</u>	<u>1,008,573</u>	<u>13,881</u>	<u>1,016,110</u>
<u>DEFICIENCY OF REVENUES UNDER EXPENDITURES</u>	<u>(489,532)</u>	<u>(465,665)</u>	<u>23,867</u>	<u>(425,842)</u>
<u>OTHER FINANCING SOURCES</u>				
Operating transfers in				
from 1989 Sales Tax Fund	294,500	294,500	-	186,000
from Utility Fund	-	-	-	30,000
from 1975 Sales Tax Capital Improvements	164,933	168,177	3,244	107,189
Sale of capital assets	17,600	17,600	-	-
<u>Total other financing sources</u>	<u>477,033</u>	<u>480,277</u>	<u>3,244</u>	<u>323,189</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(12,499)</u>	<u>14,612</u>	<u>27,111</u>	<u>(102,653)</u>
<u>FUND BALANCE, beginning of year</u>	<u>80,659</u>	<u>80,659</u>	<u>-</u>	<u>183,312</u>
<u>FUND BALANCE, end of year</u>	<u>68,160</u>	<u>95,271</u>	<u>27,111</u>	<u>80,659</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE DETAILED SCHEDULES OF REVENUES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>		Variance Favorable (Unfavorable)	2017 Actual
	<u>Budget</u>	<u>Actual</u>		
<u>TAXES</u>				
Property tax	\$ 28,245	\$ 29,291	\$ 1,046	\$ 26,363
Franchise - electric	60,770	59,798	(972)	57,674
Franchise - cable television	9,033	12,261	3,228	10,651
Franchise - gas	4,585	4,585	-	3,982
<u>Total taxes</u>	<u>102,633</u>	<u>105,935</u>	<u>3,302</u>	<u>98,670</u>
<u>FINES</u>				
Fines	219,560	208,989	(10,571)	161,375
<u>Total fines</u>	<u>219,560</u>	<u>208,989</u>	<u>(10,571)</u>	<u>161,375</u>
<u>LICENSES AND PERMITS</u>				
Occupational licenses	112,474	113,257	783	130,620
Building permits	38,963	41,391	2,428	38,303
<u>Total licenses and permits</u>	<u>151,437</u>	<u>154,648</u>	<u>3,211</u>	<u>168,923</u>
<u>INTERGOVERNMENTAL</u>				
State beer tax	3,978	4,037	59	4,358
Maintenance service fees	5,020	5,020	-	5,020
State grants	9,438	10,052	614	10,069
Federal grants	20,563	36,741	16,178	129,249
<u>Total intergovernmental</u>	<u>38,999</u>	<u>55,850</u>	<u>16,851</u>	<u>148,696</u>
<u>INVESTMENT INCOME</u>				
Interest income	171	247	76	527
<u>MISCELLANEOUS</u>				
Accident reports	760	720	(40)	723
Other	19,362	16,519	(2,843)	11,354
<u>Total miscellaneous</u>	<u>20,122</u>	<u>17,239</u>	<u>(2,883)</u>	<u>12,077</u>
<u>Total revenues</u>	<u>532,922</u>	<u>542,908</u>	<u>9,986</u>	<u>590,268</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATAIVE DETAILED SCHEDULES OF EXPENDITURES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018		Variance Favorable (Unfavorable)	2017 Actual
	Budget	Actual		
<u>GENERAL AND ADMINISTRATIVE</u>				
<u>Personal services</u>				
Salaries	\$ 114,362	\$ 114,837	\$ (475)	\$ 120,823
Payroll taxes	9,857	10,094	(237)	9,106
Retirement	9,274	11,232	(1,958)	11,603
<u>Supplies</u>				
Office supplies and postage	6,121	5,940	181	6,666
Uniform and mats rental	3,299	2,758	541	3,270
Maintenance supplies	1,684	1,697	(13)	1,295
<u>Other</u>				
Medical	-	95	(95)	-
Insurance	42,918	53,156	(10,238)	48,792
Utilities	32,334	31,566	768	30,894
Automobile expense	5,033	5,516	(483)	6,121
Telephone	5,512	5,747	(235)	5,549
Security service	195	343	(148)	240
Professional expense	76,532	48,073	28,459	56,339
Repairs and maintenance	21,110	12,672	8,438	104,572
Miscellaneous	3,279	3,187	92	1,775
Parks and recreation	2,590	2,660	(70)	5,365
Dues and subscriptions	1,196	1,092	104	2,388
Advertising	5,064	4,771	293	2,548
Travel expense	74	24	50	618
Trash collection	1,130	1,116	14	1,116
Historical Society	9,438	10,052	(614)	10,069
Equipment rental	12,495	17,666	(5,171)	15,498
LA Law Enforcement Commission	1,538	1,564	(26)	1,337
Crime lab	23,180	21,590	1,590	23,260
Continued education	-	-	-	215
Maurice Volunteer Fire Department	-	-	-	8,000
Ticket collection fees	-	-	-	30
<u>Total general and administrative</u>	<u>388,215</u>	<u>367,448</u>	<u>20,767</u>	<u>477,489</u>

See Independent Auditor's Report.
Continued on next page.

VILLAGE OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE DETAILED SCHEDULES OF EXPENDITURES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018		Variance Favorable (Unfavorable)	2017 Actual
	Budget	Actual		
<u>PUBLIC SAFETY</u>				
<u>Personal services</u>				
Salaries	\$ 250,191	\$ 252,023	\$ (1,832)	\$ 234,485
Payroll taxes	20,975	20,870	105	21,048
Retirement	66,019	66,086	(67)	68,866
<u>Other</u>				
Automobile equipment and maintenance	11,000	14,094	(3,094)	13,183
Communications	5,527	6,111	(584)	4,958
Trailer rental	722	694	28	1,516
Gas - autos	19,048	19,968	(920)	17,826
Insurance	45,302	45,997	(695)	40,225
Miscellaneous	1,091	1,158	(67)	8,443
Police supplies	4,039	3,434	605	1,656
Telephone	7,653	7,155	498	7,731
Travel	1,443	1,544	(101)	1,797
Dues and subscriptions	958	798	160	755
Continued education	2,360	2,260	100	450
Professional services	1,750	1,739	11	1,884
Uniforms	829	805	24	632
Repairs and maintenance	5,095	6,332	(1,237)	3,630
<u>Total public safety</u>	<u>444,002</u>	<u>451,068</u>	<u>(7,066)</u>	<u>429,085</u>
<u>Capital outlay</u>	<u>190,237</u>	<u>190,057</u>	<u>180</u>	<u>109,536</u>
<u>Total expenditures</u>	<u>1,022,454</u>	<u>1,008,573</u>	<u>13,881</u>	<u>1,016,110</u>

See Independent Auditor's Report.

SPECIAL REVENUE FUNDS1975 SALES TAX FUND-SEWER AND WATER

To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to the construction and maintenance of the sewer and water system as well as the payment of principal and interest on bonds incurred for the sewer system.

1975 SALES TAX FUND-CAPITAL IMPROVEMENTS

To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to capital improvements.

1989 SALES TAX FUND

To account for proceeds of the 1/2% sales and use tax levied by the Village. These proceeds are dedicated to public safety law enforcement.

VILLAGE OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2018 AND 2017

	1975 SALES TAX FUND SEWER AND WATER	1975 SALES TAX FUND CAPITAL IMPROVEMENTS	1989 SALES TAX FUND	TOTALS	
				2018	2017
<u>ASSETS</u>					
Cash	\$ 25,027	\$ 192,429	\$ 3,107	\$ 220,563	\$ 201,028
Investments	918,861	-	-	918,861	1,216,276
Receivables, net of allowance for uncollectibles					
Taxes	38,154	38,151	38,153	114,458	133,806
Interest receivable	545	-	-	545	623
<u>Total assets</u>	<u>982,587</u>	<u>230,580</u>	<u>41,260</u>	<u>1,254,427</u>	<u>1,551,733</u>
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts payable	\$ 752	\$ -	\$ -	\$ 752	\$ 1,752
<u>Total liabilities</u>	<u>752</u>	<u>-</u>	<u>-</u>	<u>752</u>	<u>1,752</u>
<u>FUND BALANCES</u>					
Fund balances					
Restricted					
Sales tax dedications	981,835	230,580	41,260	1,253,675	1,549,981
<u>Total fund balances</u>	<u>981,835</u>	<u>230,580</u>	<u>41,260</u>	<u>1,253,675</u>	<u>1,549,981</u>
<u>Total liabilities and fund balances</u>	<u>982,587</u>	<u>230,580</u>	<u>41,260</u>	<u>1,254,427</u>	<u>1,551,733</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>1975 SALES TAX FUND SEWER AND WATER</u>	<u>1975 SALES TAX FUND CAPITAL IMPROVEMENTS</u>	<u>1989 SALES TAX FUND</u>	<u>TOTALS</u>	
				<u>2018</u>	<u>2017</u>
<u>REVENUES</u>					
Taxes					
Sales tax collections	\$ 280,439	\$ 280,439	\$ 280,439	\$ 841,317	\$ 624,618
Interest income	7,306	471	32	7,809	9,702
<u>Total revenues</u>	<u>287,745</u>	<u>280,910</u>	<u>280,471</u>	<u>849,126</u>	<u>634,320</u>
<u>EXPENDITURES</u>					
Current operating					
General and administrative	11,184	175	-	11,359	24,304
Public Safety	-	-	40	40	50
<u>Total expenditures</u>	<u>11,184</u>	<u>175</u>	<u>40</u>	<u>11,399</u>	<u>24,354</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>276,561</u>	<u>280,735</u>	<u>280,431</u>	<u>837,727</u>	<u>609,966</u>
<u>OTHER FINANCING SOURCES</u>					
Operating transfers in from 1975					
Sales Tax Fund Sewer and Water	-	25,830	-	25,830	-
<u>Total other financing sources</u>	<u>-</u>	<u>25,830</u>	<u>-</u>	<u>25,830</u>	<u>-</u>
<u>OTHER FINANCING USES</u>					
Operating transfers out					
to 75 Sales Capital Improvements	(25,830)			(25,830)	
to General Fund	-	(168,177)	(294,500)	(462,677)	(293,189)
to Utility Fund	(585,765)	(85,591)	-	(671,356)	(628,000)
<u>Total other financing uses</u>	<u>(611,595)</u>	<u>(253,768)</u>	<u>(294,500)</u>	<u>(1,159,863)</u>	<u>(921,189)</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(335,034)</u>	<u>52,797</u>	<u>(14,069)</u>	<u>(296,306)</u>	<u>(311,223)</u>
<u>FUND BALANCES, beginning of year</u>	<u>1,316,869</u>	<u>177,783</u>	<u>55,329</u>	<u>1,549,981</u>	<u>1,861,204</u>
<u>FUND BALANCES, end of year</u>	<u>981,835</u>	<u>230,580</u>	<u>41,260</u>	<u>1,253,675</u>	<u>1,549,981</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS - 1975 SALES TAX FUND SEWER AND WATER
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018		Variance Favorable (Unfavorable)	2017 Actual
	Budget	Actual		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 275,030	\$ 280,439	\$ 5,409	\$ 208,206
Interest income	5,891	7,306	1,415	9,413
<u>Total revenues</u>	<u>280,921</u>	<u>287,745</u>	<u>6,824</u>	<u>217,619</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative				
Office supplies	7,036	5,278	1,758	5,736
Professional services	9,208	5,906	3,302	5,646
<u>Total expenditures</u>	<u>16,244</u>	<u>11,184</u>	<u>5,060</u>	<u>11,382</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>264,677</u>	<u>276,561</u>	<u>11,884</u>	<u>206,237</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out				
to 75 Sales Tax Capital Improvements	(25,830)	(25,830)	-	-
to Utility Fund	(585,765)	(585,765)	-	(628,000)
<u>Total other financing uses</u>	<u>(611,595)</u>	<u>(611,595)</u>	<u>-</u>	<u>(628,000)</u>
<u>NET CHANGE IN FUND BALANCE</u>	(346,918)	(335,034)	11,884	(421,763)
<u>FUND BALANCE, beginning of year</u>	<u>1,316,869</u>	<u>1,316,869</u>	<u>-</u>	<u>1,738,632</u>
<u>FUND BALANCE, end of year</u>	<u>969,951</u>	<u>981,835</u>	<u>11,884</u>	<u>1,316,869</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
 SPECIAL REVENUE FUNDS - 1975 SALES TAX FUND CAPITAL IMPROVEMENTS
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018		Variance Favorable (Unfavorable)	2017 Actual
	Budget	Actual		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 275,030	\$ 280,439	\$ 5,409	\$ 208,206
Interest income	523	471	(52)	268
<u>Total revenues</u>	<u>275,553</u>	<u>280,910</u>	<u>5,357</u>	<u>208,474</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative				
Equipment rental	-	-	-	900
Repairs and maintance	-	-	-	11,400
Professional services	235	175	60	622
<u>Total expenditures</u>	<u>235</u>	<u>175</u>	<u>60</u>	<u>12,922</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>275,318</u>	<u>280,735</u>	<u>5,417</u>	<u>195,552</u>
<u>OTHER FINANCING SOURCES</u>				
Operating tranfers in from 1975				
Sales Tax Fund Sewer and Water	25,830	25,830	-	-
<u>Total other financing sources</u>	<u>25,830</u>	<u>25,830</u>	<u>-</u>	<u>-</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out				
to Utility Fund	(85,590)	(85,591)	(1)	-
to General Fund	(164,933)	(168,177)	(3,244)	(107,189)
<u>Total other financing uses</u>	<u>(250,523)</u>	<u>(253,768)</u>	<u>(3,245)</u>	<u>(107,189)</u>
<u>NET CHANGE IN FUND BALANCE</u>	50,625	52,797	2,172	88,363
<u>FUND BALANCE</u> , beginning of year	177,783	177,783	-	89,420
<u>FUND BALANCE</u> , end of year	<u>228,408</u>	<u>230,580</u>	<u>2,172</u>	<u>177,783</u>
See Independent Auditor's Report.				

VILLAGE OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS - 1989 SALES TAX FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>		Variance Favorable (Unfavorable)	2017 Actual
	<u>Budget</u>	<u>Actual</u>		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 275,030	\$ 280,439	\$ 5,409	\$ 208,206
Interest income	19	32	13	21
<u>Total revenues</u>	<u>275,049</u>	<u>280,471</u>	<u>5,422</u>	<u>208,227</u>
<u>EXPENDITURES</u>				
Public Safety				
Service charges	40	40	-	50
<u>Total expenditures</u>	<u>40</u>	<u>40</u>	<u>-</u>	<u>50</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>				
	<u>275,009</u>	<u>280,431</u>	<u>5,422</u>	<u>208,177</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out to General Fund	(294,500)	(294,500)	-	(186,000)
<u>Total other financing uses</u>	<u>(294,500)</u>	<u>(294,500)</u>	<u>-</u>	<u>(186,000)</u>
<u>NET CHANGE IN FUND BALANCE</u>	(19,491)	(14,069)	5,422	22,177
<u>FUND BALANCE, beginning of year</u>	<u>55,329</u>	<u>55,329</u>	<u>-</u>	<u>33,152</u>
<u>FUND BALANCE, end of year</u>	<u>35,838</u>	<u>41,260</u>	<u>5,422</u>	<u>55,329</u>

See Independent Auditor's Report.

RELATED REPORTS

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

The Honorable Mayor and Board of Aldermen/Alderwoman
 of the Village of Maurice
 Maurice, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities and each major fund of the Village of Maurice, Louisiana, as of and for the year ended June 30, 2018, and the related notes to the financial statements which collectively comprise the Village of Maurice's basic financial statements and have issued our report thereon dated November 21, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Maurice's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Maurice's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Maurice's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies as items 2018-1, 2018-2, and 2018-3.

The Honorable Mayor and Board of Aldermen/Alderwoman
of the Village of Maurice
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Maurice, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Village of Maurice's Response to Findings

The Village of Maurice's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. The Village of Maurice's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

This report is intended solely for the information and use of management of the Village of Maurice, Louisiana, Board of Aldermen, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.

John S. Dawley & Co.

Opelousas, Louisiana
November 21, 2018

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2018

I. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the Village of Maurice as of and for the year ended June 30, 2018.
2. Three significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instance of noncompliance material to the financial statements of the Village of Maurice were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standard.
4. No management letter was issued for the Village of Maurice, Louisiana, as of and for the year ended June 30, 2018.
5. There was no single audit under the Uniform Guidance.

II. Findings – Financial Statement Audit

2018-1 Inadequate Segregation of Duties within the Accounting System

Condition: Certain accounting duties were not adequately segregated for a proper system of checks and balances. The Village clerk prepares the disbursement checks, is one of the two required signatories on checks, distributes the checks, records the transactions in the accounting system, and reconciles the bank accounts. Office employees also have mostly unrestricted access to system applications and data.

Criteria: Proper internal controls dictate that duties be segregated so that no one individual performs or controls all duties related to the accounting system.

Cause: There is inadequate segregation of duties within the accounting system.

Effect: Without adequate segregation of duties and oversight, errors or fraud could occur and not be detected, increasing the risk of loss or theft of Village assets.

Recommendation: The Village should ensure that no single individual controls all facets of the accounting system and that adequate supervision is implemented. Separating incompatible duties and performing supervisory review is significant in reducing risk. It is also recommended that the Mayor remove the signatory authority of the clerk and assign to a designated alderman. Management also should review access by employees in detail and restrict access to applications which are not necessary for their specific duties.

Corrective action plan: Due to limited resources, human and financial, increased segregation of duties is limited. The Mayor now being in office full-time, supervision of all facets of accounting has increased. Aldermen are not available during workday to allow us to efficiently process payments by removing signature authority of clerk. All accounts require two signatures, Mayor, Clerk and/or Mayor Pro-tem in emergency situations. Mayor opens all bank statements, reviews statements prior to clerk reconciling. Mayor reviews all bank reconciliations once completed.

Contact person: Wayne Theriot, Mayor

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
JUNE 30, 2018

II. Findings - Financial Statement Audit – Continued

2018-2 Internal Controls over Capital Assets

Condition: The Village's capital assets were not tagged and a complete physical inventory had not been conducted.

Criteria: Proper internal controls prevent fraud and errors that could occur and not be detected. Good controls require that assets be tagged for ownership and identification purposes, and that assets are inventoried and reconciled to the detailed records at least annually.

Cause: The Village's capital assets were not tagged and a complete physical inventory had not been conducted.

Effect: Without strong internal controls over capital assets, errors or fraud could occur and not be detected, increasing the risk of loss or theft.

Recommendation: The Village should tag all capital assets and take a complete physical inventory each fiscal year.

Corrective action plan: The Village will implement an asset control program including a system of tagging for applicable assets. Assets will be listed by departments and reconciled at the end of each fiscal year. Lack of human resources has delayed this project..

Contact person: Wayne Theriot, Mayor

2018-3 Written Policies and Procedures

Condition: The Village of Maurice does not have written policies and procedures for the majority of its business and financial functions.

Criteria: Formal policies and procedures ensure a clear understanding of what should be done, how it should be done, who should do it, and when it should be done. Also, written procedures aid in the continuity of operations and for cross training.

Cause: Formal written policies and procedures have not been developed and approved by the board.

Effect: The Village administration and employees have no written guidance on the procedures and policies that should be followed. This could lead to confusion as to who is responsible for different functions and how different situations should be handled.

Recommendation: Management should develop written policies and procedures, in accordance with applicable Louisiana laws, for the key business and operational functions of the Village. The written policies and procedures should be submitted to the Board of Aldermen for review and adoption.

Corrective action plan: The Village is in the process of updating its written policy and procedures.

Contact person: Wayne Theriot, Mayor

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2018

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2017-1 Inadequate Segregation of Duties within the Accounting System

Repeat comment

2017-2 Internal Controls over Capital Assets

Repeat comment

2017-3 Written Policies and Procedures

Repeat comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A

OTHER SUPPLEMENTARY SCHEDULES

VILLAGE OF MAURICE, LOUISIANA
COMPARATIVE STATEMENTS OF NET POSITION – PROPRIETARY FUND
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

<u>ASSETS</u>	<u>SEWER</u>		<u>WATER</u>		<u>TOTAL</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<u>CURRENT ASSETS</u>						
Cash	\$ 38,130	\$ 27,495	\$ 16,563	\$ 35,646	\$ 54,693	\$ 63,141
Investments - Certificate of deposit	6,647	6,598	6,647	6,597	13,294	13,195
Prepaid insurance	9,965	577	9,964	577	19,929	1,154
Receivables net of allowance for uncollectable						
Accounts	14,761	9,136	23,088	14,907	37,849	24,043
Interest	35	35	35	35	70	70
Due from general fund	-	-	-	-	-	-
<u>Total current assets</u>	<u>69,538</u>	<u>43,841</u>	<u>56,297</u>	<u>57,762</u>	<u>125,835</u>	<u>101,603</u>
<u>RESTRICTED ASSETS</u>						
Cash-Utility deposits	25,025	20,465	25,025	20,465	50,050	40,930
Cash-Debt reserve	39,781	33,618	-	-	39,781	33,618
Revenue Bond Sinking Fund Series 2008	-	-	10,380	10,380	10,380	10,380
Revenue Bond Sinking Fund Series 2011	5,053	5,053	-	-	5,053	5,053
Sewer Short-Lived Assets Fund Series 2011	102,824	109,628	-	-	102,824	109,628
<u>Total restricted assets</u>	<u>172,683</u>	<u>168,764</u>	<u>35,405</u>	<u>30,845</u>	<u>208,088</u>	<u>199,609</u>
<u>PROPERTY, PLANT, AND EQUIPMENT</u>						
Utility plant and depreciable assets (net of accumulated depreciation)	4,115,832	4,243,672	2,099,445	2,077,135	6,215,277	6,320,807
Construction in Process	327,990	-	162,232	-	490,222	-
<u>Total property, plant, and equipment</u>	<u>4,443,822</u>	<u>4,243,672</u>	<u>2,261,677</u>	<u>2,077,135</u>	<u>6,705,499</u>	<u>6,320,807</u>
<u>Total assets</u>	<u>4,686,043</u>	<u>4,456,277</u>	<u>2,353,379</u>	<u>2,165,742</u>	<u>7,039,422</u>	<u>6,622,019</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
	39,796	42,024	39,798	42,023	79,594	84,047

See Independent Auditor's Report.

Continued on next page.

VILLAGE OF MAURICE, LOUISIANA
 COMPARATIVE STATEMENTS OF NET POSITION – PROPRIETARY FUND (CONTINUED)
 FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	SEWER		WATER		TOTAL	
	2018	2017	2018	2017	2018	2017
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES (from current assets)						
Accounts payable	\$ 62,543	\$ 18,285	\$ 62,542	\$ 18,286	\$ 125,085	\$ 36,571
Sales tax payable	-	-	794	564	794	564
State safe drinking water fee	-	-	1,670	1,556	1,670	1,556
Due from Utility Fund	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-
Bonds payable within one year	15,268	14,596	7,620	7,620	22,888	22,216
Total	77,811	32,881	72,626	28,026	150,437	60,907
CURRENT LIABILITIES (from restricted assets)						
Customers' deposits	24,634	20,074	24,635	20,075	49,269	40,149
Bonds payable within one year	5,053	5,053	10,380	10,380	15,433	15,433
Total	29,687	25,127	35,015	30,455	64,702	55,582
Total current liabilities	107,498	58,008	107,641	58,481	215,139	116,489
LONG-TERM LIABILITIES						
Bond payable	1,186,467	1,206,788	82,000	100,000	1,268,467	1,306,788
Net pension liability	104,361	99,870	104,361	99,870	208,722	199,740
Total long-term liabilities	1,290,828	1,306,658	186,361	199,870	1,477,189	1,506,528
Total liabilities	1,398,326	1,364,666	294,002	258,351	1,692,328	1,623,017
DEFERRED INFLOWS OF RESOURCES	3,773	3,768	3,774	3,769	7,547	7,537
NET POSITION						
Invested in capital assets, net of related debt	3,237,034	3,017,235	2,161,677	1,959,135	5,398,711	4,976,370
Restricted for debt service	142,605	143,246	-	-	142,605	143,246
Unrestricted	(55,899)	(30,614)	(66,276)	(13,490)	(122,175)	(44,104)
Total net position	3,323,740	3,129,867	2,095,401	1,945,645	5,419,141	5,075,512

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION – PROPRIETARY FUND
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>SEWER</u>		<u>WATER</u>		<u>TOTAL</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<u>OPERATING REVENUES</u>						
Charges for services	\$ 132,068	\$ 109,525	\$ 207,782	\$ 181,646	\$ 339,850	\$ 291,171
Miscellaneous income						
Connection fees	12,650	14,550	12,650	14,550	25,300	29,100
State safe drinking fee	-	-	6,804	3,205	6,804	3,205
Other	8,384	7,441	8,384	7,441	16,768	14,882
<u>Total operating revenues</u>	<u>153,102</u>	<u>131,516</u>	<u>235,620</u>	<u>206,842</u>	<u>388,722</u>	<u>338,358</u>
<u>OPERATING EXPENSES</u>						
Personal Service						
Salaries	84,997	95,171	84,997	95,171	169,994	190,342
Payroll Taxes	6,503	7,281	6,502	7,281	13,005	14,562
Retirement	20,332	18,202	20,332	18,202	40,664	36,404
Other						
Materials and supplies	1,113	1,917	32,600	11,933	33,713	13,850
Repairs and maintenance	38,348	40,728	8,774	39,400	47,122	80,128
Equipment rental	2,938	3,754	2,937	3,754	5,875	7,508
Electricity	25,746	26,619	10,415	10,356	36,161	36,975
Insurance	12,443	7,867	8,427	5,917	20,870	13,784
Automobile expense	442	1,980	-	-	442	1,980
Dues and subscriptions	2,461	1,549	2,461	1,548	4,922	3,097
Travel	-	-	-	-	-	-
Telephone	1,235	1,341	1,235	1,341	2,470	2,682
Continuing education	70	-	70	-	140	-
Professional services	4,396	23,531	4,396	23,531	8,792	47,062
Bad debt expense	690	165	690	166	1,380	331
Advertising	958	249	957	248	1,915	497
Other operating expenses	22,205	22,839	42,614	42,821	64,819	65,660
Depreciation and amortization	141,619	140,486	108,455	107,049	250,074	247,535
<u>Total operating expenses</u>	<u>366,496</u>	<u>393,679</u>	<u>335,862</u>	<u>368,718</u>	<u>702,358</u>	<u>762,397</u>
<u>OPERATING LOSS</u>	<u>(213,394)</u>	<u>(262,163)</u>	<u>(100,242)</u>	<u>(161,876)</u>	<u>(313,636)</u>	<u>(424,039)</u>

See Independent Auditor's Report.
Continued on next page.

VILLAGE OF MAURICE, LOUISIANA
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION – PROPRIETARY FUND – (CONTINUED)
 FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	SEWER		WATER		TOTAL	
	2018	2017	2018	2017	2018	2017
<u>NONOPERATING REVENUES (EXPENSES)</u>						
Interest income	\$ 364	\$ 295	\$ 365	\$ 296	\$ 729	\$ 591
State grant proceeds	-	6,500	33,500	6,500	33,500	13,000
Non-employer pension revenue	3,003	2,967	3,003	2,967	6,006	5,934
Gain on sale of equipment	(3,965)	1,573	(3,965)	1,573	(7,930)	3,146
Interest expense	(41,491)	(42,085)	(4,905)	(5,693)	(46,396)	(47,778)
<u>Total nonoperating revenues (expenses)</u>	<u>(42,089)</u>	<u>(30,750)</u>	<u>27,998</u>	<u>5,643</u>	<u>(14,091)</u>	<u>(25,107)</u>
<u>INCOME (LOSS) BEFORE OPERATING</u>	<u>(255,483)</u>	<u>(292,913)</u>	<u>(72,244)</u>	<u>(156,233)</u>	<u>(327,727)</u>	<u>(449,146)</u>
<u>OPERATING TRANSFERS IN (OUT)</u>						
Operating transfers in	449,356	406,000	222,000	222,000	671,356	628,000
Operating transfers (out)	-	(15,000)	-	(15,000)	-	(30,000)
<u>Total operating transfers in (out)</u>	<u>449,356</u>	<u>391,000</u>	<u>222,000</u>	<u>207,000</u>	<u>671,356</u>	<u>598,000</u>
<u>INCREASE (DECREASE) IN NET POSITION</u>	193,873	98,087	149,756	50,767	343,629	148,854
<u>NET POSITION, beginning of year</u>	<u>3,129,867</u>	<u>3,031,780</u>	<u>1,945,645</u>	<u>1,894,878</u>	<u>5,075,512</u>	<u>4,926,658</u>
<u>NET POSITION, end of year</u>	<u><u>3,323,740</u></u>	<u><u>3,129,867</u></u>	<u><u>2,095,401</u></u>	<u><u>1,945,645</u></u>	<u><u>5,419,141</u></u>	<u><u>5,075,512</u></u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO GOVERNING BODY
FOR THE YEAR ENDED JUNE 30, 2018

<u>NAME</u>	<u>TERM</u>	<u>POSITION</u>	<u>COMPENSATION</u>
Wayne Theriot	1/1/15 - 12/31/18	Mayor	\$ 21,900
Phyllis Johnson	1/1/15 - 12/31/18	Alderwoman	6,000
Kenneth Picard	1/1/15 - 12/31/18	Alderman	6,000
Sherry Howell	1/18/17 - 12/31/18	Alderwoman	6,000
			<hr/>
			<u>39,900</u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2018

Agency Head Name: Wayne Theriot, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 21,900
Benefits-insurance	749
Benefits-retirement	-
Benefits	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	105
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF INVESTMENTS - ALL FUNDS
JUNE 30, 2018

<u>HOLDER</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>AMOUNT</u>
<u>SPECIAL REVENUE FUNDS</u>			
1975 Sales Tax Fund			
Bank of Abbeville	6/25/2019	0.75%	\$ 279,094
Bank of Abbeville	9/6/2018	0.75%	313,836
Gulf Coast Bank	2/26/2019	0.65%	139,843
Gulf Coast Bank	4/8/2019	0.65%	186,088
<u>ENTERPRISE FUND</u>			
Utility Fund			
Bank of Abbeville	10/15/2018	0.75%	<u>13,294</u>
<u>TOTAL INVESTMENTS - ALL FUNDS</u>			<u><u>932,155</u></u>

See Independent Auditor's Report.

VILLAGE OF MAURICE, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE
FOR THE YEAR ENDED JUNE 30, 2018
(UNAUDITED)

Insurer	Coverage	Risk Covered	Coverage Limits	Policy Period	
				From	To
LMRMA	Employees	Workers compensation	\$500,000	1/1/2018	1/1/2019
LMRMA	General liabilities	Bodily injury & property damage	500,000	5/1/2018	5/1/2019
	Law enforcement officer	Personal injury & property damage	500,000	5/1/2018	5/1/2019
	Errors and omissions	Errors and omissions	500,000	5/1/2018	5/1/2019
	Auto	Bodily injury & property damage	500,000	5/1/2018	5/1/2019
Great Lakes Inland	Equipment	Catastrophe	137,576	10/7/2017	10/7/2018
Certain Underwriters Lloyd's of London	Auto	Collision		6/1/2018	6/1/2019
State Farm	Property	Newly acquired personal property	100,000	7/26/2017	7/26/2018
	Property	New construction	250,000		
	Property	Personal property off premises	15,000		
	Property	Pollutant cleanup & removal	10,000		
	Property	Personal effects	2,500		
State Farm	Employees	Surety bond (Mayor)	50,000	1/1/2015	1/1/2019
		Surety bond (Alderman)	75,000	1/1/2015	1/1/2019
		Fidelity bond (Mayor)	250,000	9/15/2017	9/15/2018
		Fidelity bond (Clerk)	250,000	9/15/2017	9/15/2018
		Fidelity bond (Maintenance Employees)	10,000	1/6/2018	1/6/2019
		Fidelity bond (Secretary)	60,000	1/6/2018	1/6/2019
		Fidelity bond (Assistant Clerk)	60,000	1/6/2018	1/6/2019
		Fidelity bond (Mayor Pro tem)	60,000	1/6/2018	1/6/2019
		Surety bond (Secretary)	75,000	2/8/2018	2/8/2019
		Surety bond (Assistant Clerk)	75,000	5/1/2018	5/1/2019
		Surety bond (Clerk)	50,000	6/2/2018	6/2/2019

See Independent Auditor's Report.

James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



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 1998
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 2003
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 2005

**INDEPENDENT ACCOUNTANT'S REPORT
 ON APPLYING AGREED-UPON PROCEDURES**

The Honorable Mayor and Board of Aldermen/Alderwoman
 of the Village of Maurice
 Maurice, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Village of Maurice and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

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

The Village does not have any written policies and procedures that address the functions noted above.

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

Written policies and procedures were obtained and address the preparation and approval process of purchase requisitions and purchase orders (3). The written policies and procedures do not reference how purchases are initiated (1), how vendors are added to the vendor list (2), controls to ensure compliance with the public bid law (4), and documentation required to be maintained for all bids and price quotes (5).

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

The Village does not have any written policies and procedures that address the functions noted above.

The Honorable Mayor and Board of Aldermen/Alderwoman
of the Village of Maurice
Page 2

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

The Village does not have any written policies and procedures that address the functions noted above.

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

Written policies were obtained for payroll/personnel but they did not address payroll processing or reviewing and approving time and attendance records.

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

The Village does not have any written policies and procedures that address the functions noted above.

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

The Village does not have credit cards, debit cards, fuel cards or P-cards.

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

Written policies and procedures were obtained and address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

The Village does not have any written policies and procedures that address the functions noted above.

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

The Village does not have any written policies and procedures that address the functions noted above.

Board (or Finance Committee, if applicable)

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Obtained and reviewed minutes of the board for the fiscal period noting that the board met monthly.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Obtained and reviewed minutes of the board for the fiscal period noting that the minutes did not include budget-to-actual comparisons for monthly financial statements.

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Obtained the prior year audit report and reviewed the unrestricted fund balance in the general fund and noted it did not have a negative ending unrestricted fund balance in the prior year audit report.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Bank reconciliations and statements are reviewed monthly by the mayor who does not handle cash, post ledgers, or issue checks.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There was documentation that reconciling items outstanding for more than 12 months from the statement closing date had been researched.

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

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Obtained listing of deposit sites, there is only one deposit site, and received management's representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Employees responsible for cash collections do share cash drawers/registers.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

One of the employee's responsible for collecting cash is also responsible for preparing/ making bank deposits.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

One of the employee's responsible for collecting cash is also responsible for posting collection entries to the general ledger or subsidiary ledgers.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

One of the employee's responsible for reconciling cash collections to the general ledger is also responsible for collecting cash.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

All employees who have access to cash are covered by a surety bond.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

Receipts are sequentially pre-numbered.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Traced sequentially pre-numbered receipts, system reports and other related collection documentation to deposit slip, no exceptions noted.

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- c) Trace the deposit slip total to the actual deposit per the bank statement.
Traced deposit slip total to the actual deposit per the bank statement, no exceptions noted.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
Deposits were made within one business day of receipt at the collection location.
- e) Trace the actual deposit per the bank statement to the general ledger.
Traced actual deposit per the bank statement to the general ledger, no exceptions noted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
Obtained listing from management, there is only one location that process payments.
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
Two employees are involved initiation a purchase request, approving a purchase, and placing an order /making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
At least two employees are involved in processing and approving payments.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
The person responsible for processing payments is not prohibited from adding/modifying vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
The employee/official with signature authority gives the signed checks to be mailed to an employee not responsible for processing payments.
- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
The disbursement matched the related original invoice, no exceptions noted.

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- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

The disbursement documentation included the initials of the responsible party for approving payments.

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

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

The Village does not have credit cards, debit cards, fuel cards, or P-cards.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

The Village does not have credit cards, debit cards, fuel cards, or P-cards.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

The Village does not have credit cards, debit cards, fuel cards, or P-cards.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

The Village does not have credit cards, debit cards, fuel cards, or P-cards.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Expense reimbursements agree to GSA rates, no exceptions noted.

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- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Expenses reimbursed using actual costs are supported by the original receipt with detail of purchase.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Each reimbursement is supported by documentation of the business purpose, no exceptions noted.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Each reimbursement was reviewed and approved in writing by someone other than the person receiving the reimbursement, no exceptions noted.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Contracts not subject to the Louisiana Public Bid Law.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

All contracts were approved by the board.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

No contracts were amended.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Agreed invoice amount to the term of the contract and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained listing of employees and elected officials employed during the fiscal period and confirmed that listing is complete per management. Randomly selected 5 employees and agreed paid salaries to authorized salaries/pay rates in the personnel files.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

Selected employees documented their daily attendance and leave, no exceptions noted.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

Supervisors approved the attendance and leave of the selected employees, no exceptions noted.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Leave accrued and taken during the pay period is reflected in the entity's cumulative records, no exceptions noted.

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Obtained listing from management of the three employees that were terminated. Only one received a termination payment. Obtained related documentation on termination payment, which agreed to authorized pay rates in the employee's personnel file.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, and workers' compensation premiums have been paid and associated forms have been filed by the required deadlines. The Village does not offer health insurance.

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Ethics (excluding nonprofits)

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Obtained ethics certificates for the selected employees.

- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

The village does not have an ethics policy.

Debt Service (excluding nonprofits)

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

The Village did not issue any debt during the current fiscal year.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

All scheduled debt service payments were made and debt reserves were maintained as required by debt covenants.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the Village did not have any misappropriations of public funds or assets.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Required notice was posted on the entity's premises. The Village does not have a website.

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

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.


Opelousas, Louisiana
November 21, 2018

VILLAGE OF MAURICE, LOUISIANA
FOR THE YEAR ENDING JUNE 30, 2018

Management's Response to Statewide Agreed-upon Procedures Exceptions
For the Year Ending June 30, 2018

Written Policies and Procedures

1a-j. The Village is in the process of updating its written policies and procedures.

Board

2b. When the Village obtains more human resources the budget will be added to the monthly financial statements.

Collections

5. The Village has hired additional staff and remodel its collection site in order to provide better segregation of collection duties.

Non-Payroll Disbursements

9c. The Village plans on assigning an individual the task of periodically reviewing changes to vendor files.

Ethics

20b. The Village is in the process of updating its written policies and procedures.