

VILLAGE OF DODSON

**FINANCIAL REPORT
JUNE 30, 2018**

**SHANNA JONES, CPA
WINNFIELD, LOUISIANA**

VILLAGE OF DODSON
FINANCIAL REPORT
JUNE 30, 2018

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Village of Dodson

P. O. Box 86
Dodson, LA 71422

MANAGEMENT'S DISCUSSION & ANALYSIS

The Management's Discussion and Analysis of the Village of Dodson's (the Village) financial performance presents a narrative overview and analysis of Village of Dodson's financial activities for the years ended June 30, 2018 and 2017. The Village's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The Village's net position on June 30, 2018 was \$1,934,388 and \$1,924,871 on June 30, 2017. The net position is made up largely of Capital Assets. The Village has \$1,539,329 in Capital Assets as of June 30, 2018 with no debt associated with it.

During fiscal year ended June 30, 2018 a decrease of \$22,946 over prior year expenses was noted in Governmental Expenditures. Personnel and Related Benefits continue to be the highest costs of the General Government. The Governmental activities also had state grant monies receivable and payable as of June 30, 2018 in the amount of \$125,030 for reimbursement/expenditures of street capital outlay in progress related to the fiscal year. In the Business-type activities Operating Expenses are lower than prior year by \$4,994. However, these expenses continue to exceed charges for the water and sewer services, causing a loss for the Village.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Village of Dodson's financial position and results of operations from differing perspectives which are described as follows:

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

FUND FINANCIAL STATEMENTS—A fund is an accountability unit used to maintain control over resources segregated for specific activities. The Village uses funds to ensure and demonstrate compliance with finance related laws and regulations. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources at the end of the year.

As the Government-wide Financial Statements includes the long-term view, comparisons between these two views may provide insight into the long-term impact as short-term financing decreases. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the difference between these two views.

Village of Dodson
MANAGEMENT'S DISCUSSION & ANALYSIS (continued)

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents Other Required Supplementary Information consisting of a comparison of budgeted revenues and expenditures to actual revenues and expenditures.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

The Village's Governmental Fund consist of a major fund: General and one Proprietary Fund: Utilities-Water and Sewer. In the current fiscal year, the General fund declined \$86,680 and Proprietary fund decreased \$4,540. These were mainly the result in expenses exceeding revenues even with lowering expenditures and increasing revenues. As of June 30, 2018, the fund balance and net position, respectively are as follows: General \$206,845, and Proprietary \$1,318,689.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Village as a whole.

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

Summary of Statement of Net Position

| | <u>2018</u> | | <u>2017</u> | |
|----------------------------|---------------------|----------------------|---------------------|----------------------|
| | <u>Governmental</u> | <u>Business-type</u> | <u>Governmental</u> | <u>Business-type</u> |
| Assets: | | | | |
| Current | \$ 345,798 | \$ 207,996 | \$ 302,851 | \$ 149,601 |
| Non-Current: | | | | |
| Capital Assets (Net) | <u>408,854</u> | <u>1,130,475</u> | <u>308,117</u> | <u>1,191,533</u> |
| Total Assets | <u>754,652</u> | <u>1,338,471</u> | <u>610,968</u> | <u>1,341,134</u> |
| Liabilities: | | | | |
| Current: | | | | |
| Unrestricted | 13,923 | 5,172 | 9,326 | 3,929 |
| Restricted | <u>125,030</u> | <u>14,610</u> | <u>-</u> | <u>13,976</u> |
| Total Liabilities | <u>138,953</u> | <u>19,782</u> | <u>9,326</u> | <u>17,905</u> |
| Net Position: | | | | |
| Invested in Capital Assets | 408,854 | 1,130,475 | 308,117 | 1,191,533 |
| Restricted | - | 14,610 | - | 13,976 |
| Unrestricted | <u>206,845</u> | <u>173,604</u> | <u>293,525</u> | <u>117,720</u> |
| Total Net Position | <u>\$ 615,699</u> | <u>\$ 1,318,689</u> | <u>\$ 601,642</u> | <u>\$ 1,323,229</u> |

Village of Dodson
MANAGEMENT'S DISCUSSION & ANALYSIS (continued)

Rather than present the Statement of Net Activities, this comparative data shows a Summary of Changes in of Net Position:

| | <u>2018</u> | | <u>2017</u> | |
|---|---------------------|----------------------|---------------------|----------------------|
| | <u>Governmental</u> | <u>Business-type</u> | <u>Governmental</u> | <u>Business-type</u> |
| Revenues: | | | | |
| Program Revenues— | | | | |
| Charges for Services, Fines, Commissions | \$ 324,020 | \$ 98,943 | \$ 407,667 | \$ 93,026 |
| Operating Grants & Contributions | - | 6,452 | - | 4,687 |
| Capital Grants & Contributions | 139,480 | 2,000 | - | - |
| General Revenues— | | | | |
| Ad Valorem Taxes | 9,756 | - | 9,340 | - |
| Franchise Taxes | 7,035 | - | 6,553 | - |
| Rental Income | 5,150 | - | 4,750 | - |
| Licenses & Fees | 17,633 | - | 18,484 | - |
| Interest & Miscellaneous | <u>3,685</u> | <u>166</u> | <u>1,969</u> | <u>121</u> |
| Total Revenues | 506,759 | 107,561 | 448,763 | 97,834 |
| Expenditures: | | | | |
| General Government | 339,521 | - | 371,007 | - |
| Public Safety | 141,465 | - | 127,579 | - |
| Public Works | 13,716 | - | 19,062 | - |
| Operating | <u>-</u> | <u>110,101</u> | <u>-</u> | <u>115,095</u> |
| Total Expenditures | 494,702 | 110,101 | 517,648 | 115,095 |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>12,057</u> | <u>(2,540)</u> | <u>(68,885)</u> | <u>(17,261)</u> |
| Other Financing Sources Uses: | | | | |
| Sale of Asset | - | - | 2,310 | - |
| Transfers from Other Funds | 2,000 | - | 14,395 | - |
| Transfers to Other Funds | <u>-</u> | <u>(2,000)</u> | <u>-</u> | <u>(14,395)</u> |
| Total Other Financing Sources (Uses) | <u>2,000</u> | <u>(2,000)</u> | <u>16,705</u> | <u>(14,395)</u> |
| Changes in Net Position | \$ 14,057 | \$ (4,540) | \$ (52,180) | \$ (31,656) |

Village of Dodson
MANAGEMENT'S DISCUSSION & ANALYSIS (continued)

FUNCTIONS OF EXPENSES

The total functions of the Village include general governmental activities, public safety and public works. In the business-type activities water and sewer services are provided.

GENERAL BUDGETARY HIGHLIGHTS

For the year ended June 30, 2018, total revenues and total expenditures were within the favorable variance allowed by state law. The original budget was amended primarily to include the state grant revenues and expenditures related to the Street Capital Outlay in Progress. Actual Revenues and Other Financing Sources exceeded Budgeted Revenues and Other Financing Sources by \$6,959 causing a favorable variance. Budgeted Expenditures exceeded Actual Expenditures by \$75,791 which is a favorable variance.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village has prepared its fiscal year ended June 30, 2019 budget for the General Fund on the assumptions that revenues and expenditures will remain fairly consistent next year. Revenues and expenditures for the Proprietary Fund should also remain consistent during the next fiscal year.

CONTACTING THE VILLAGE

This financial report is designed to provide a general overview of the Village's finances, compliance with governmental financial reporting laws and regulations and demonstrate the Village's commitment to public accountability. If you have additional questions about this report or would like to request additional information, contact the Village of Dodson, P. O. Box 86, Dodson, LA 71422.

Shanna Jones, CPA

795 Big Creek Rd
Winnfield, LA 71483
792-8544

INDEPENDENT AUDITOR'S REPORT

To the Mayor & Aldermen
of the Village of Dodson
P.O. Box 86
Dodson, Louisiana

I have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of Village of Dodson, Louisiana 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 U.S. and the *Louisiana Governmental Audit Guide*. Those standards require that I 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, I express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a reasonable basis for my audit opinion.

Opinion

In my 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 Dodson 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 U.S. require that Management's Discussion and Analysis and the Budgetary Comparison Schedules on pages M-1 through M-4 and page 27 to 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the U.S., which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

As amended by Act 462 of 2015, Act 706 of the Louisiana 2014 Legislative Session requires a Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head, Political Subdivision Head or Chief Executive Officer supplement the financial statements. I have applied certain limited procedures to the required supplementary information presented on page 29, in accordance with auditing standards generally accepted in the U.S., which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

As allowed by Louisiana R.S. 24:513, the Louisiana Legislative Auditor has required governmental entities with public funds of \$500,000 or more to have certain agreed-upon procedures performed as included in the *Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures* (SAUPs). The Village's management is responsible for those control and compliance (C/C) areas identified in the SAUPs, see pages 43-45. The agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report presented on pages 34-42. Consequently, I 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.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated October 4, 2018, on my consideration of the Village of Dodson's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agree-

ments and other matters. The purpose of that report is solely to describe the scope of my 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'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 Village of Dodson's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Shanna Jones".

Shanna Jones, CPA
Winnfield, Louisiana
October 4, 2018

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

VILLAGE OF DODSON
STATEMENT OF NET POSITION
JUNE 30, 2018

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|--------------|
| Assets: | | | |
| Current Assets: | | | |
| Cash & Cash Equivalents | \$ 130,855 | \$ 183,011 | \$ 313,866 |
| Receivables | 206,821 | 10,375 | 217,196 |
| Prepaid Expenses | 8,122 | | 8,122 |
| Restricted Assets—Cash | - | 14,610 | 14,610 |
| Total Current Assets | 345,798 | 207,996 | 553,794 |
| Non-Current Assets: | | | |
| Capital Assets | | | |
| Depreciable (Net) | 263,874 | 1,128,475 | 1,392,349 |
| Non-Depreciable | 144,980 | 2,000 | 146,980 |
| Total Non-Current Assets | 408,854 | 1,130,475 | 1,539,329 |
| Total Assets | 754,652 | 1,338,471 | 2,093,123 |
| Liabilities: | | | |
| Current Liabilities: | | | |
| Accounts Payable | 117,518 | 5,172 | 122,690 |
| Payroll & Related Liabilities | 7,646 | - | 7,646 |
| Retainage Payable | 13,789 | - | 13,789 |
| Restricted Liabilities—Customers’ Deposits | - | 14,610 | 14,610 |
| Total Current Liabilities | 138,953 | 19,782 | 158,735 |
| Net Position: | | | |
| Invested in Capital Assets | 408,854 | 1,130,475 | 1,539,329 |
| Restricted | - | 14,610 | 14,610 |
| Unrestricted | 206,845 | 173,604 | 380,449 |
| Total Net Position | \$ 615,699 | \$ 1,318,689 | \$ 1,934,388 |

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

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

| Program Activities | Expenses | Program Revenue | | | Net (Expense) Revenue & Changes in Net Position | | |
|---|-------------------|--|-------------------------------------|----------------|--|-----------------------------|---------------------|
| | | Fines, Fees, Commissions & Charges for Services | Grants & Contributions Operating | Capital | Governmental Activities | Business-type Activities | Total |
| Governmental Activities: | | | | | | | |
| General & Admin | \$ 339,521 | \$ 8,900 | \$ - | | \$ (330,621) | | \$ (330,621) |
| Public Safety | 141,465 | 315,120 | | | 173,655 | | 173,655 |
| Public Works | <u>13,716</u> | <u>-</u> | | \$ 139,480 | <u>125,764</u> | | <u>125,764</u> |
| Total Governmental | <u>494,702</u> | <u>324,020</u> | <u>-</u> | <u>139,480</u> | (31,202) | | (31,202) |
| Business-type Activities: | | | | | | | |
| Water | 49,820 | 63,675 | - | 2,000 | | \$ 15,855 | 15,855 |
| Sewer | <u>60,281</u> | <u>35,268</u> | <u>6,452</u> | <u>-</u> | <u>(18,561)</u> | | <u>(18,561)</u> |
| Total Business-type | <u>\$ 110,101</u> | <u>\$ 98,943</u> | <u>\$ 6,452</u> | <u>2,000</u> | (2,706) | | (2,706) |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Ad Valorem | | | | | 9,756 | | 9,756 |
| Franchise | | | | | 7,035 | | 7,035 |
| Licenses & Permits | | | | | 17,633 | | 17,633 |
| Rental Income | | | | | 5,150 | | 5,150 |
| Interest Earnings | | | | | 121 | 166 | 287 |
| Miscellaneous | | | | | 3,564 | | 3,564 |
| Transfers | | | | | <u>2,000</u> | <u>(2,000)</u> | <u>-</u> |
| Total General Revenues and Transfers | | | | | <u>45,259</u> | <u>(1,834)</u> | <u>43,425</u> |
| Change in Net Position | | | | | 14,057 | (4,540) | 9,517 |
| Net Position July 1, 2018 | | | | | <u>601,642</u> | <u>1,323,229</u> | <u>1,924,871</u> |
| Net Position June 30, 2018 | | | | | <u>\$ 615,699</u> | <u>\$ 1,318,689</u> | <u>\$ 1,934,388</u> |

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

FUND FINANCIAL STATEMENTS

VILLAGE OF DODSON
BALANCE SHEET—GOVERNMENTAL FUNDS
JUNE 30, 2018

| | <u>Major Fund General</u> |
|-----------------------------------|-----------------------------------|
| Assets: | |
| Current Assets: | |
| Cash & Cash Equivalents | \$ 130,855 |
| Receivables | 206,821 |
| Prepaid Expenses | <u>8,122</u> |
| Total Assets | <u><u>345,798</u></u> |
| Liabilities: | |
| Current Liabilities: | |
| Accounts Payable | 117,518 |
| Payroll & Related Liabilities | 7,646 |
| Retainage Payable | <u>13,789</u> |
| Total Liabilities | <u>138,953</u> |
| Fund Balances: | |
| Nonspendable | 8,122 |
| Unassigned | <u>198,723</u> |
| Total Fund Balances | <u>206,845</u> |
| Total Liabilities & Fund Balances | <u><u>\$ 345,798</u></u> |

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

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

| | |
|---|-------------------|
| Total Fund Balances for the Governmental Funds at June 30, 2018 | \$ 206,845 |
| Total Net Position reported for Governmental Activities in the Statement of Net Position is different because: | |
| Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of: | |
| Non-Depreciable | 144,980 |
| Depreciable | 973,737 |
| Less: Accumulated Depreciation | <u>(709,863)</u> |
| | <u>408,854</u> |
| Total Net Position of Governmental Activities at June 30, 2018 | <u>\$ 615,699</u> |

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

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

| | <u>Major Fund General</u> |
|--|-----------------------------------|
| Revenues: | |
| Taxes: | |
| Ad Valorem | \$ 9,756 |
| Franchise | 7,035 |
| Licenses & Permits | 17,633 |
| Intergovernmental | 139,480 |
| Fines & Forfeitures | 315,120 |
| Charges for Services | 8,900 |
| Miscellaneous: | |
| Interest Earned | 121 |
| Rent | 5,150 |
| Other | <u>3,564</u> |
| Total Revenues | <u>506,759</u> |
| Expenditures: | |
| Current: | |
| General Government | 325,877 |
| Public Safety | 130,017 |
| Public Works | 65 |
| Capital Outlay | <u>139,480</u> |
| Total Expenditures | <u>595,439</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(88,680)</u> |
| Other Financing Sources/(Uses): | |
| Transfers In | <u>2,000</u> |
| Excess (Deficiency) of Revenues & Other Financing Sources over Expenditures & Other Financing Uses | <u>(86,680)</u> |
| Fund Balances—Beginning of Year, as restated | <u>293,525</u> |
| Fund Balances—End of Year | <u>\$ 206,845</u> |

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

VILLAGE OF DODSON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

| | |
|---|------------------|
| Net Change in Fund Balances—Governmental Funds | \$ (86,680) |
| Amounts reported for Governmental Activities in the Statement of Activities are different because: | |
| Governmental Funds report Capital Outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense. The cost of Capital Assets recorded in the current period is | |
| | 139,480 |
| Governmental Funds report the entire amount received from the Sales of Assets as Revenues, but the undepreciated cost of the assets reduces the gain from the sale in the Statement of Activities. | |
| | (-) |
| Depreciation expense on Capital Assets is reported in the Government-wide Financial Statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is | |
| | <u>(38,743)</u> |
| Net Change in Net Position per Statement of Activities | <u>\$ 14,057</u> |

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

VILLAGE OF DODSON
STATEMENT OF NET POSITION—PROPRIETARY FUND
JUNE 30, 2018

Assets:

Current Assets:

| | |
|------------------------------------|----------------|
| Cash & Cash Equivalents | \$ 183,011 |
| Receivables, Net | 10,375 |
| Restricted—Cash & Cash Equivalents | <u>14,610</u> |
| Total Current Assets | <u>207,996</u> |

Non-Current Assets:

Capital Assets

| | |
|-----------------------------------|------------------|
| Depreciable (Net of Depreciation) | 1,128,475 |
| Non-Depreciable | <u>2,000</u> |
| Total Non-Current Assets | <u>1,130,475</u> |

| | |
|--------------|------------------|
| Total Assets | <u>1,338,471</u> |
|--------------|------------------|

Liabilities:

Current Liabilities:

| | |
|--|---------------|
| Accounts Payable | 5,172 |
| Restricted Liabilities—Customer Deposits | <u>14,610</u> |

| | |
|-------------------|---------------|
| Total Liabilities | <u>19,782</u> |
|-------------------|---------------|

Net Position:

| | |
|--|----------------|
| Invested in Capital Assets, Net of Related Debt | 1,130,475 |
| Restricted | 14,610 |
| Unrestricted | <u>173,604</u> |

| | |
|--------------------|---------------------|
| Total Net Position | <u>\$ 1,318,689</u> |
|--------------------|---------------------|

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

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

| | |
|---|---------------------|
| Operating Revenues: | |
| Charges for Services | |
| Water | \$ 63,675 |
| Sewer | <u>35,268</u> |
| Total Operating Revenues | <u>98,943</u> |
| Operating Expenses: | |
| Water | |
| Operating Supplies | 18,621 |
| Telephone & Utilities | 8,112 |
| Depreciation | 23,087 |
| Sewer | |
| Operating Supplies | 10,035 |
| Telephone & Utilities | 10,275 |
| Depreciation | <u>39,971</u> |
| Total Operating Expenses | <u>110,101</u> |
| Net Operating Income/(Loss) | <u>(11,158)</u> |
| Non-Operating Revenues (Expenses): | |
| Investment Interest | 166 |
| Grant Income | <u>8,452</u> |
| Total Non-Operating Revenues (Expenses) | <u>8,618</u> |
| Net Loss before Transfers | <u>(2,540)</u> |
| Contributions & Transfers: | |
| Transfers Out | <u>(2,000)</u> |
| Change in Fund Net Position | (4,540) |
| Fund Net Position—Beginning of Year | <u>1,323,229</u> |
| Fund Net Position—End of Year | <u>\$ 1,318,689</u> |

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

VILLAGE OF DODSON
STATEMENT OF CASH FLOWS—PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2018

Cash Flows from Operating Activities:

| | |
|--|---------------|
| Receipts from Customers | \$ 98,630 |
| Payments to Suppliers | (45,800) |
| Payments, Netted for Interfund Borrowing, General Fund | <u>6,452</u> |
| Net Cash Provided by Operating Activities | <u>59,282</u> |

Cash Flows from Non-Capital & Related Financing Activities:

| | |
|---|-----------------|
| Transfers from Other Funds | <u>(2,000)</u> |
| Net Cash (Used) by Non-Capital & Related Financing Activities | <u>(2,000)</u> |

Cash Flows from Capital & Related Financing Activities:

| | |
|---|-----------------|
| Capital Grant | 2,000 |
| (Increase) in Construction in Progress | <u>(2,000)</u> |
| Net Cash (Used) by Capital & Related Financing Activities | <u>-</u> |

Cash Flows from Investing Activities:

| | |
|---|------------|
| Interest Earned on Operating Accounts | <u>166</u> |
| Net Cash Provided by Investing Activities | <u>166</u> |

Net Increase (Decrease) in Cash & Cash Equivalents 57,448

Cash & Cash Equivalents—Beginning of Year 125,563

Cash & Cash Equivalents—End of Year \$ 183,011

Reconciliation of Operating Income to Net Cash Provided by Operating Activities:

| | |
|---|------------------|
| Operating Activities: | |
| Operating Income/(Loss) | \$ (2,540) |
| Adjustments to Reconcile Operating Income to | |
| Net Cash Provided by Operating Activities: | |
| Depreciation | 63,058 |
| Changes in Assets & Liabilities: | |
| (Increase)/Decrease in Accounts Receivable, Net | (313) |
| (Increase)/Decrease in Transfer from General Fund | (2,000) |
| (Increase)/Decrease in Customer Deposits | (166) |
| Increase/(Decrease) in Accounts Payable | <u>1,243</u> |
| Net Cash Provided by Operating Activities | <u>\$ 59,282</u> |

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

NOTES TO FINANCIAL STATEMENTS

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1—INTRODUCTION

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

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

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

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Village is the basic level of government which has financial accountability and control over all activities related to the Village operations and services provided. The Village is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since the Village Mayor and Board of Aldermen are elected by the public and have decision making authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement No. 61, which are included in the Village's reporting entity.

Basis of Presentation

Government-Wide Financial Statements (GWFS):

GASB Statement No. 63 changed the title of Net Assets to Net Position along with standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. As required the Village has implemented GASB Statement No. 63.

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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

Fund Financial Statements (FFS):

The accounts of the Village are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The various funds of the Village are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria: a) total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and b) total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the Village are described as follows:

Governmental Funds:

General Fund—The General Fund, is the principal fund and is used to account for the operations of the Village's office. The Village's primary source of revenue is fines and forfeitures. Other major sources of revenue include ad valorem taxes levied by the Village, franchise taxes, licenses and state grants. General operating expenditures are paid from this fund.

Proprietary Fund:

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Village reports the general fund and the proprietary fund as major.

Eliminating Internal Activity—Interfund receivables and payables are eliminated in the Statements of Net Position and Balance Sheet except for the net residual amounts due between governmental and business-type activities where they are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the Statement of Activities. Allocated expenses are reported by the function to which they are allocated.

Measurement Focus and Basis of Accounting

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

Accrual Basis—Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Village as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the exchange.

Modified Accrual Basis—Fund Financial Statements (FFS)

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. The Village considers all revenues available if they are collected 60 days after year end. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Assets Liabilities and Equity

Cash and Cash Equivalents—The Village's cash is considered to be the cash in demand deposits and interest bearing deposits. Cash equivalents include all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Capital Assets—The Village reports property and equipment in the governmental activities column in the GWFS. Capital assets are carried at historical or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized. In the FFS, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund as acquired. Capital assets in the proprietary fund are accounted for in the same manner as in GWFS.

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

| | |
|--|--------------|
| Equipment and Vehicles | 5 - 10 years |
| Utility System and Improvements | 40 years |
| Buildings and Improvements | 40 years |
| New Infrastructure (Road Overlay, Asphalt) | 20 years |

Compensated Absences—Employees are not allowed to carry leave forward from year to year, therefore, there is no entry made for compensated absences. In addition, the Village does not provide employee benefits beyond employment.

Equity Classifications—In the Government-Wide Financial Statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Invested in Capital Assets—Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position—Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position—All other net position that does not meet the definition of “restricted” or “invested in capital assets.”

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

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

In the Fund Financial Statements, governmental fund equity is classified as fund balance. The Village has implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

As of June 30, 2018, the General Fund, the Village’s only major governmental fund, has a nonspendable fund balance of \$8,122 which represents prepaid expenses. The remaining fund balance of \$198,723 is classified as unassigned. If applicable, the Village would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

Budget

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

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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.

NOTE 3—AD VALOREM TAXES

The Village levies taxes on real and business personal property located within the boundaries of the Village. Property taxes are levied by the Village on property values assessed by the Winn Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Village levied the following ad valorem taxes for 2017:

| | <u>Authorized</u> | <u>Levied</u> |
|----------------------------|-------------------|---------------|
| General Corporate Purposes | 6.37 | 6.37 |

The Village recognizes property tax revenues when levied. The property tax calendar is as follows:

Property Tax Calendar

| | |
|----------------------------|----------------------------|
| Assessment Date | January 1 |
| Levy Date | August 31 |
| Tax Bills Mailed | October 15 |
| Total Taxes Due | December 31 |
| Penalties & Interest Added | January 31 of ensuing year |
| Lien Date | January 31 of ensuing year |

NOTE 4—CASH AND CASH EQUIVALENTS

At June 30, 2018, the carrying amount of the Village’s cash and cash equivalents of governmental and enterprise funds (collected bank balances) totaled approximately \$329,149. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent banks. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agents. These securities are held in the name of the pledging fiscal agent banks in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2018, the Village’s deposits were secured from risk by federal deposit insurance of \$250,000 and the remainder by securities pledged in the Village’s name by the fiscal agent bank with a market value greater than the remaining amount.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5—REVENUES RECEIVABLE

The following is a summary of receivables as of June 30, 2018:

| | General Fund | Proprietary Fund |
|-------------------------------|-------------------|---------------------|
| Fines & Forfeitures | \$ 77,125 | |
| Ad Valorem Taxes | 273 | |
| Miscellaneous | 4,393 | |
| Intergovernmental-State Grant | 125,030 | |
| Water Charges | - | \$ 6,634 |
| Sewer Charges | - | 3,741 |
| Total | \$ 206,821 | \$ 10,375 |

The Fines and Forfeitures had an allowance for doubtful accounts in the amount of \$335,064, which has been netted against total receivable above. Historically, bad debts for other receivables have not been significant; therefore, no allowance for bad debts was recorded.

NOTE 6—CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2018 are as follows:

| <u>Governmental Activities</u> | <u>Balance 07/01/17</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance 06/30/18</u> |
|---------------------------------------|-----------------------------|------------------|------------------|-----------------------------|
| Capital Assets—NonDepreciable: | | | | |
| Land | \$ 5,500 | \$ - | \$ - | \$ 5,500 |
| Construction in Progress | - | 139,480 | - | 139,480 |
| Total NonDepreciable Assets | 5,500 | 139,480 | - | 144,980 |
| Capital Assets—Depreciable: | | | | |
| Furniture and Equipment | 471,592 | - | - | 471,592 |
| Land Improvements | 237,527 | - | - | 237,527 |
| Buildings | 264,618 | - | - | 264,618 |
| Total Depreciable Assets | 973,737 | - | - | 973,737 |
| Total Capital Assets | 979,237 | 139,480 | - | 1,118,717 |
| Less Accumulated Depreciation: | | | | |
| Furniture and Equipment | 426,250 | 23,116 | - | 449,366 |
| Land Improvements | 41,998 | 11,876 | - | 53,874 |
| Buildings | 202,872 | 3,751 | - | 206,623 |
| Total Accum. Depreciation | 671,120 | 38,743 | - | 709,863 |
| Net Capital Assets | \$ 308,117 | | | \$ 408,854 |

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

| Business-type Activities | Balance <u>07/01/17</u> | <u>Additions</u> | <u>Deletions</u> | Balance <u>06/30/18</u> |
|--------------------------------|----------------------------|------------------|------------------|----------------------------|
| Capital Assets—NonDepreciable: | | | | |
| Construction in Progress | \$ - | \$ 2,000 | \$ - | \$ 2,000 |
| Capital Assets—Depreciable: | | | | |
| Water System Equipment | \$ 179,997 | - | - | \$ 179,997 |
| Water Plant | 775,220 | - | - | 775,220 |
| Sewer System Equipment | 89,592 | - | - | 89,592 |
| Sewer Plant | <u>1,598,833</u> | <u>-</u> | <u>-</u> | <u>1,598,833</u> |
| Total Depreciable Assets | <u>2,643,642</u> | <u>-</u> | <u>-</u> | <u>2,643,642</u> |
| Total Capital Assets | <u>2,643,642</u> | <u>2,000</u> | <u>-</u> | <u>2,645,642</u> |
| Less Accumulated Depreciation: | | | | |
| Water Equipment | 96,905 | 3,707 | - | 100,612 |
| Water Plant | 225,684 | 19,380 | - | 245,064 |
| Sewer System Equipment | 89,592 | - | - | 89,592 |
| Sewer Plant | <u>1,039,928</u> | <u>39,971</u> | <u>-</u> | <u>1,079,899</u> |
| Total Accum. Depreciation | <u>1,452,109</u> | <u>63,058</u> | <u>-</u> | <u>1,515,167</u> |
| Net Capital Assets | <u>\$1,191,533</u> | | | <u>\$1,130,475</u> |

Depreciation expense for the year ended June 30, 2018 of \$38,743 is charged for Governmental activities. These charges went to the General Government function in the amount of \$13,644, Public Safety \$11,448 and \$13,651 for Public Works. Depreciation expense for the year ended June 30, 2018 of \$63,058 for the Business-type Activities the Utility Fund had \$39,971 charged to the Water expenditures and \$23,087 charged to Sewer expenditures.

NOTE 7—PENSION PLAN

All employees of the Village of Dodson, Louisiana are covered by the Social Security System. Employees contribute 6.2 percent of their total salary to the System, while the Village also contributes 6.2 percent. For the year ended June 30, 2018, the Village's portion contributed was approximately \$17,100. Any future deficit in this System will be financed by the United States Government.

NOTE 8—PENDING LITIGATION

At June 30, 2018, there were no outstanding suits noted as seeking damages against the management of the Village of Dodson.

VILLAGE OF DODSON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 9—RELATED PARTIES

The Village had one identified related party with transactions for the year ended June 30, 2018. During the fiscal year ended June 30, 2018, the Village purchased approximately \$1,500 of parts from Dodson Equipment Co., Inc. after receiving permission from the ethics board.

NOTE 10—COOPERATIVE ENDEAVORS

The Village was party to a cooperative endeavor with the State of Louisiana Department of Transportation and Development to perform certain maintenance including mowing and litter pick up along the state roadways located within the Village of Dodson for the fiscal year ended June 30, 2018.

NOTE 11—COMPENSATION PAID TO THE MAYOR & BOARD OF ALDERMEN

For the fiscal year ended June 30, 2018 the following compensation was paid to the Village’s management:

| | |
|-----------------------------------|------------------|
| Richard Broomfield—Mayor | \$ 41,250 |
| Jami Ashley, first portion of fye | 975 |
| Karla Shively | 3,575 |
| Danny Browning | 3,575 |
| Waymon Payne, current | <u>2,275</u> |
| Total | <u>\$ 51,650</u> |

NOTE 12—SUBSEQUENT EVENTS

Management has evaluated events through October 4, 2018, the date which the financial statements were available for issue. There were no items to be reported as subsequent events, other than the following: Street Capital Outlay in Progress and related Grant have not yet closed out. Also one outstanding suit was noted as seeking damages against the management of the Village of Dodson. Although the outcome of this suit was not presently determinable, the opinion of management and their representation was that resolution of this matter would not create a liability in excess of insurance coverage that would have a material adverse effect on the financial condition of the Village.

OTHER REQUIRED
SUPPLEMENTARY INFORMATION

VILLAGE OF DODSON
BUDGETARY COMPARISON SCHEDULE—GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

| | <u>Budget</u> | | <u>Actual</u> | Variance |
|---|-----------------------|-----------------------|-----------------------|----------------------------|
| | <u>Original</u> | <u>Final</u> | | Favorable (Unfavorable) |
| Revenues: | | | | |
| Taxes: | | | | |
| Ad Valorem | \$ 7,000 | \$ 7,000 | \$ 9,756 | \$ 2,756 |
| Franchise | 10,000 | 10,000 | 7,035 | (2,965) |
| Licenses & Permits | 15,000 | 15,000 | 17,633 | 2,633 |
| Intergovernmental: Grants | - | 152,000 | 139,480 | (12,520) |
| Fines & Forfeitures | 375,000 | 300,000 | 315,120 | 15,120 |
| Charges for Services | 7,500 | 7,500 | 8,900 | 1,400 |
| Miscellaneous: | | | | |
| Interest & Other | 5,300 | 5,300 | 3,685 | (1,615) |
| Rent | <u>5,000</u> | <u>5,000</u> | <u>5,150</u> | <u>150</u> |
| Total Revenues | <u>424,800</u> | <u>501,800</u> | <u>506,759</u> | <u>4,959</u> |
| Expenditures: | | | | |
| General Government | 382,700 | 382,700 | 325,877 | 56,823 |
| Public Safety | 98,000 | 98,000 | 130,017 | (32,017) |
| Public Works | 6,000 | 6,000 | 65 | 5,935 |
| Capital Outlay | <u>10,000</u> | <u>184,530</u> | <u>139,480</u> | <u>45,050</u> |
| Total Expenditures | <u>496,700</u> | <u>671,230</u> | <u>595,439</u> | <u>75,791</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (71,900) | (169,430) | (88,680) | 80,750 |
| Other Financing Sources/(Uses): | | | | |
| Transfers In | <u>-</u> | <u>-</u> | <u>2,000</u> | <u>2,000</u> |
| Excess (Deficiency) of Revenues & Other Financing Sources over Expenditures & Other Financing Uses | (71,900) | (169,430) | (86,680) | 82,750 |
| Fund Balance—Beginning of Year | <u>293,525</u> | <u>293,525</u> | <u>293,525</u> | <u>-</u> |
| Fund Balance—End of Year | <u>\$ 221,625</u> | <u>\$ 124,095</u> | <u>\$ 206,845</u> | <u>\$ 82,750</u> |

See Independent Auditor's Report.

OTHER
SUPPLEMENTARY INFORMATION

VILLAGE OF DODSON
SCHEDULE OF COMPENSATION FOR AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2018

In accordance with Act 706 of 2014 as amended by Act 462 of the 2015 Legislative Session the following Schedule of Compensation, Reimbursements, Benefits and Other Payment to the Political Subdivision Head or Chief Executive Officers is presented.

The Village of Dodson is governed by a Mayor and Board of Aldermen. Their compensation as such is noted in the Note Disclosures. The additional payments noted to each of these as required per Act 706 for the fiscal year ended June 30, 2018, are as follows.

| Payee | Purpose | Amount |
|--------------------|-----------------------|--------|
| Richard Broomfield | None Additional Noted | N/A |
| Jami Ashley | None Additional Noted | N/A |
| Karla Shively | None Additional Noted | N/A |
| Danny Browning | None Additional Noted | N/A |
| Waymon Payne | None Additional Noted | N/A |

COMPLIANCE AND OTHER MATTERS

Shanna Jones, CPA

795 Big Creek Rd
Winnfield, LA 71483
792-8544

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 *GOVERNMENTAL AUDITING STANDARDS*

Mayor & Board of Aldermen
Village of Dodson
P.O. Box 86
Dodson, Louisiana

I have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Village of Dodson 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 and have issued my report thereon dated October 4, 2018. I conducted my 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 U.S. and the *Louisiana Governmental Audit Guide*.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village'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.

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

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Dodson's financial statements are free from material misstatement, I performed tests of 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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 for the information and use of the Louisiana Legislative Auditor, management of the Village of Dodson and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana R. S. 24:513 this report is a matter of public record and its distribution is not limited.



Shanna Jones, CPA
Winnfield, Louisiana
October 4, 2018

Concluded

VILLAGE OF DODSON
SCHEDULE OF AUDIT FINDINGS
YEAR ENDED JUNE 30, 2018

A. SUMMARY OF AUDIT RESULTS

1. The Auditor's Report expresses an unqualified opinion on the financial statements of the Village of Dodson as of and for the year ended June 30, 2018.
2. There were no significant deficiencies noted during the audit of the financial statements.
3. The audit disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

B. FINDINGS IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

None

C. PRIOR YEAR FINDINGS

None

Shanna Jones, CPA

795 Big Creek Rd
Winnfield, LA 71483
792-8544

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING LOUISIANA LEGISLATIVE AUDITOR'S STATEWIDE AGREED-UPON PROCEDURES

To the Mayor & Aldermen
of the Village of Dodson

and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below, which were agreed to by the management of the Village of Dodson, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Dodson's compliance with certain laws and regulations during the fiscal year ended June 30, 2018, included in the *Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures* (SAUPs). The Village's management is responsible for those control and compliance (C/C) areas identified in the SAUPs.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I 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 the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - 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.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts**, including receiving, recording, and preparing deposits
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

- 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
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

In examining written procedures noted the following exceptions. No written policy noted for credit card, ethics or debt service; however entity has no true credit cards only store credit and no debt.

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.

Based on minutes provided, appears board met with a quorum at least 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.

Noted no documentation showing periodic budget to actual comparisons other than adopting of amended budget.
 - 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.

N/A

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 appear to have been prepared and financial records approved at monthly meeting however no documentation evidencing date reconciled.
 - 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
While minutes referenced financials reviewed, no evidence of bank reconciliations being reviewed by member of management.
 - 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.
No exception noted.

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).
Management provided listing and representation.
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.
Village stated clerk and assistant share "drawer" to accept collections. Due to size, Village stated not cost effective to hire enough employees to segregate responsibilities including those related to cash depositing, recording and reconciling. To mitigate such risk the Village has a CPA firm review monthly bank statements and related accounting.
 - 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.
Village has reconciliation worksheets to reconcile cash deposits to revenue source subsidiary ledgers; although worksheet and deposit prepared by clerk and assistant.

- c) 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.

Village has reconciliation worksheets to reconcile cash deposits to revenue source subsidiary ledgers; although prepared by clerk and assistant.

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

Village stated clerk and assistant are bonded.

- 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.

Tickets prenumbered, water and sewer system generate bills, ad valorem taxes prepared by Assessor, receipt booklet prenumbered and utilized for other receipts.

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

No exception noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exception 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).

Checks written could have been mailed. Appears selection weekly deposited.

- e) Trace the actual deposit per the bank statement to the general ledger.

Weekly deposits to the bank which were selected were traced from reconciling worksheets of collections and to the general ledger.

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 and representation letter.

- 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.

According to the clerk, employees request items needed, mayor tells clerk or employee to order and turn in receipts.

- b) At least two employees are involved in processing and approving payments to vendors.

Per policy clerk prepares checks while mayor and second signor, clerk or alderman, signs approval.

- 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.

It does not appear that the person responsible for processing payments is prohibited from adding vendors. However, supporting invoice was noted for each payment.

- 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.

Mayor has clerk mail checks. Again, supporting documentation was noted for purchases.

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.

No exception noted.

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

Appears that mayor, one board member and the clerk have signing authority. Clerk and assistant have responsibility for recording purchases while mayor has responsibility for initiating. Noted signature evidence and invoice support. Due to size, Village stated not cost effective to hire enough employees to segregate responsibilities including those related to disbursements. To mitigate such risk the Village has a CPA firm review monthly bank statements and related accounting.

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.

Obtained listing and representation letter stating no credit or fuel cards. However one store credit card utilized and tested.

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.]

On the selected statement noted no formal approval in writing by someone other than the authorized card holder. However, supporting invoices were noted and client indicates two signatures on check constitute approval.

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

No finance charges and/or late fees appear to have been assessed on the related statement.

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).

Receipt available with vendor notation of purchase. Business purpose (office, police, etc.) documented. No meal charges noted.

TRAVEL AND EXPENSE REIMBURSEMENT (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).

N/A

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

No exception noted.

- 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).

No exception noted.

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

Two signatures on check of someone other than recipient noted as written approval.

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:

Obtained management representation and listing. Noted only construction related.

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

No exceptions noted.

- 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).

No exceptions noted.

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

No exceptions noted.

- 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.

No exceptions noted.

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 and representation.

Appear to comply with pay rates listed in minutes.

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.)

Noted written documentation of entity's clerk maintaining written leave records in ledger by date and employee.

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

No written documentation of approval noted.

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

No exception 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 and representation. Noted no termination payments other than final regular pay as in accordance with written payroll leave policy and approved.

- 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.

ETHICS

- 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.

Ethic certificates supporting selected employees training completed were noted in documentation.

- 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.

As noted at 1(i), no written ethics policy noted.

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.

Obtained management's representation.

No debt noted as outstanding during the fiscal period.

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.

N/A

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.

Obtained management's representation that no misappropriations of public funds or assets noted.

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.

Noted fraud hotline notice posted on premises.

I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my 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 Louisiana Legislative Auditor as a public document.

Shanna Jones

Shanna Jones, CPA
Winnfield, Louisiana
October 4, 2018

VILLAGE OF DODSON

P.O. BOX 86
DODSON, LA 71422

October 4, 2018

Shanna Jones, CPA
795 Big Creek Rd
Winnfield, LA 71483

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period July 1, 2017 through June 30, 2018, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We are responsible for the C/C areas identified in the SAUPs, including written policies and procedures: board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel-related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas, as applicable.

Yes No
2. For the fiscal period July 1, 2017 through June 30, 2018, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.

Yes No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes No
4. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No
5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between June 30, 2018, and October 4, 2018.

Yes No
6. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.

Yes No

7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.
- Yes No
8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes No
9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes No
10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes No
11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes No
12. We represent that the 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, that we provided to you is complete.
- Yes No
13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes No
14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
- Yes No
15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes No

16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
Yes No
17. We represent that the 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 during the fiscal period.
Yes No
18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
Yes No
19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
Yes No
20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.
Yes No
21. We have disclosed to you [*list other matters as you have deemed appropriate*].
Yes No
22. We have responded fully to all inquiries made by you during the engagement.
Yes No
23. We are not aware of any events that have occurred subsequent to June 30, 2018, that would require adjustment to or modification of the results of the agreed-upon procedures.
Yes No

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

Signature  Date 10/4/18

Title Mayor