

VILLAGE OF WILSON, LOUISIANA
FINANCIAL STATEMENTS
JUNE 30, 2019

Village of Wilson, Louisiana
Basic Financial Statements
June 30, 2019
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Minda B. Raybourn

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Honorable Marilyn Broadway, Mayor
And Board of Aldermen
Village of Wilson
Wilson, Louisiana 70789

I have reviewed the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Wilson, Louisiana as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

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.

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

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

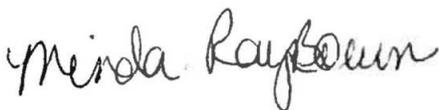
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. I have not audited, reviewed, or compiled the required supplementary information and I do not express an opinion, a conclusion, nor provide any assurance on it.

Other Information

My review was made primarily for the purposes of expressing a conclusion that there were no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I did not become aware of any material modifications that should be made to such information.

In accordance with the *Louisiana Government Audit Guide* and provisions of state law, I have issued a report dated December 7, 2019 on the results of my agreed-upon procedures.



Minda Raybourn
Franklinton ,La

December 7, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF WILSON, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

The purpose of this section is to offer management's discussion and analysis of the Village of Wilson, Louisiana's (hereafter referred to as the Village) financial performance during the year.

OVERVIEW OF THE BASIC FINANCIAL STATEMENT PRESENTATION

These basic financial statements are comprised of three components - (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements.

Government-wide Financial Statements. The government-wide financial statements present financial information for all activities of the Village from an economic resources measurement focus using the accrual basis of accounting. These provide both short-term and long-term information about the Village's overall financial status. They include the following two statements:

Statement of Net Position. This statement presents information on all of the Village's assets, deferred outflows of resources, liabilities and inflows of resources with the difference between them reported as net position. It shows the financial condition of the Village at a specific point in time.

Statement of Activities. This statement presents information showing how the Village's net position changed during the most recent fiscal year. This statement is designed to show the Village's financial reliance on general revenues.

Both government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Village has two categories of funds: governmental and proprietary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the focus with fund statements is to provide a distinct view of the governmental funds only. These statements report short-term fiscal accountability emphasizing the use of spendable resources during the year and balances of spendable resources available at the end of the year.

Proprietary Funds. The Village maintains only one type of proprietary fund - enterprise fund. Enterprise funds are used to report the functions financed/operated in a manner like private business where the intent of the governing body is that the cost of providing services on a continuing basis be financed or recovered primarily through user charges.

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

VILLAGE OF WILSON, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

GOVERNMENTAL ACTIVITIES

Governmental funds, which include general government, public safety and streets and sidewalks, ended the current year with \$449,551 in net position, a decrease of \$5,899. Total current assets increased \$45,700. This is due to an increase in the general fund cash of \$15,732, an increase in the police cash of \$6,392, and an increase in sales tax receivable of \$12,982. Capital assets decreased due to depreciation. Current and other liabilities decreased due to the lease payments of \$8,434.

Charges for services increased due to an increase in fines of \$32,637. General revenues increased due to an increase in sales tax revenues of \$29,828. The business-type activities transferred \$37,677 to the general fund. General government expenses increased \$8,630 due to an increase in insurance and professional expenditures. Public safety expenditures increased \$2,357 due to an increase in fuel. Public works expenditures decreased \$7,378 due to decrease in fuel, utilities, and salaries.

A summary of net position and the changes thereof are presented below.

SUMMARY OF NET POSITION

SUMMARY OF NET POSITION

	<u>2019</u>	<u>2018</u>
Current and Other Assets	238,699	172,183
Capital Assets, Net	<u>258,911</u>	<u>295,505</u>
Total Assets	<u>497,610</u>	<u>467,688</u>
Current and Other Liabilities	<u>48,059</u>	<u>59,407</u>
Net Position		
Net investment in capital assets	219,041	245,846
Restricted	24,629	33,218
Unrestricted	<u>205,881</u>	<u>129,217</u>
Total Net Position	<u>449,551</u>	<u>408,281</u>

**VILLAGE OF WILSON, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

SUMMARY OF CHANGES IN NET POSITION

SUMMARY OF CHANGES IN NET POSITION

	2019	2018
Charges For Services	79,371	54,706
Grants and Contributions	-	51,960
General Revenues and Transfers	210,529	145,136
Total Revenues	289,900	251,802
General Government	101,046	92,416
Public Safety	86,812	84,455
Public Works	107,941	115,319
Total Expenditures	295,799	292,190
Change in Net Position	(5,899)	(40,388)

BUSINESS-TYPE ACTIVITIES

The business-type activities had a net position of \$1,165,111, a decrease of \$40,096. The current assets increased due to the prior period adjustment to record a certificate of deposit of \$11,967. Capital assets decreased due to depreciation. Current and other liabilities decreased due to the payment of principal on the certificates of indebtedness of \$17,529.

Charges for services were similar to the prior year. Expenditures increased due to the increase in insurance of \$2,215, salaries of \$5,477, and utilities of \$5,125. Bad debt expenses increased \$2,658. The business-type funds transferred \$37,677 to the general fund during the year.

Activity is summarized below.

**VILLAGE OF WILSON, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

SUMMARY OF NET POSITION

SUMMARY OF NET POSITION

	<u>2019</u>	<u>2018</u>
Current and Other Assets	50,291	33,863
Capital Assets, Net	<u>1,354,077</u>	<u>1,413,209</u>
Total Assets	<u>1,404,368</u>	<u>1,447,072</u>
Current and Other Liabilities	<u>239,257</u>	<u>228,784</u>
Net Position		
Net investment in capital assets	1,277,872	1,319,474
Restricted	13,610	20,585
Unrestricted	<u>(126,371)</u>	<u>(121,771)</u>
Total Net Position	<u>1,165,111</u>	<u>1,218,288</u>

SUMMARY OF CHANGES IN NET POSITION

SUMMARY OF CHANGES IN NET POSITION

	<u>2019</u>	<u>2018</u>
Charges For Services	124,584	125,906
Grants and Contributions	-	-
Nonoperating revenues	45	26
Total Revenues	<u>124,629</u>	<u>125,932</u>
Operating Expenses	<u>127,048</u>	<u>118,230</u>
Transfers	<u>(37,677)</u>	-
Change in Net Position	<u>(40,096)</u>	<u>7,702</u>

ADDITIONAL INFORMATION This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations and demonstrate the Village's commitment to public accountability. Any questions or requests for additional information can be obtained by calling (225) 629-5415 or writing to P. O. Box 40, Wilson, Louisiana 70789.

GOVERNMENT WIDE FINANCIAL STATEMENTS

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2019

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and cash equivalents	34,830	22,989	57,819
Due from other funds	149,093	-	149,093
Receivables, net	26,535	13,692	40,227
Restricted assets	28,241	13,610	41,851
Capital assets, net	258,911	1,354,077	1,612,988
Total Assets	497,610	1,404,368	1,901,978
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	-	-	-
<u>LIABILITIES</u>			
Accounts payable	1,715	349	2,064
Due to other funds	-	149,093	149,093
Payroll tax withholdings/payable	2,862	-	2,862
Payables from restricted assets	3,612	-	3,612
Customer deposits	-	13,610	13,610
Lease payable-current	9,789	-	9,789
Lease payable-noncurrent	30,081	-	30,081
Certificates of Indebtness-Short Term	-	18,206	18,206
Certificates of Indebtness-Long Term	-	57,999	57,999
Total Liabilities	48,059	239,257	287,316
<u>DEFERRED INFLOWS RESOURCES</u>	-	-	-
<u>NET POSITION</u>			
Net investment in capital assets	219,041	1,277,872	1,496,913
Restricted-Streets and Sidewalks	24,629	-	24,629
Restricted-Meter Deposits	-	13,610	13,610
Unrestricted	205,881	(126,371)	79,510
Total Net Position	449,551	1,165,111	1,614,662

See accompanying notes and independent accountant's review report.

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net Revenues (Expenses)</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental Activities							
General government	101,046	802			(100,244)	-	(100,244)
Public safety	86,812	77,982			(8,830)		(8,830)
Public works	107,941	587			(107,354)		(107,354)
Total Governmental Activities	295,799	79,371	-	-	(216,428)	-	(216,428)
Business-type Activities							
Water	108,413	115,494	-	-	-	7,081	7,081
Sewer	18,635	9,090	-	-	-	(9,545)	(9,545)
Total Business-type Activities	127,048	124,584	-	-	-	(2,464)	(2,464)
Total Primary Government	422,847	203,955	-	-	(216,428)	(2,464)	(218,892)

General Revenues and Transfers

Sales taxes	141,576	-	141,576
Franchise taxes	30,018	-	30,018
Occupational License	1,225	-	1,225
Interest earned	33	45	78
Other general revenues/transfers, net	37,677	(37,677)	-
Total General Revenues and Transfers	210,529	(37,632)	172,897
Change in Net Position	(5,899)	(40,096)	(45,995)
Net Position, beginning	455,450	1,205,207	1,660,657
Net Position, ending	449,551	1,165,111	1,614,662

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

**VILLAGE OF WILSON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	<u>General</u>	<u>Street and Sidewalks</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 34,831	\$ 28,242	\$ 63,073
Due from other funds	128,277	20,816	149,093
Receivables, net	-	-	-
Franchise fees	4,060	-	4,060
Sales taxes	9,535	12,939	22,474
TOTAL ASSETS	176,703	61,997	238,700
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	1,715	3,613	5,328
Due to other governmental agencies	-	-	-
Due to other funds	-	-	-
Payroll tax withholdings/payable	2,862	-	2,862
Deferred revenue	-	-	-
Total Liabilities	4,577	3,613	8,190
 Fund Balances			
Restricted	-	58,384	58,384
Committed for police protection	8,501	-	8,501
Unassigned	163,625	-	163,625
Total Fund Balances	172,126	58,384	230,510
TOTAL LIABILITIES AND FUND BALANCES	176,703	61,997	238,700

See accompanying notes and independent accountant's review report.

VILLAGE OF WILSON, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2019

Total Fund Balances - Total Governmental Funds \$ 230,510

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheets. 258,911

Long- term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds (39,870)

Total Net Position of Governmental Activities \$ 449,551

See accompanying notes and independent accountant's review report.

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

<u>REVENUES</u>	<u>General</u>	<u>Streets and Sidewalks</u>	<u>Total Governmental Funds</u>
Sales taxes	60,091	81,485	141,576
Franchise fees	30,018		30,018
Occupational licenses	1,225		1,225
Fines	77,982		77,982
Interest earned	27	5	32
Other revenues	802	587	1,389
	<hr/>		
Total Revenues	170,145	82,077	252,222
<u>EXPENDITURES</u>			
General government	98,502	-	98,502
Public safety			
Police	84,343	-	84,343
Public works	-	76,358	76,358
	<hr/>		
Total Expenditures	182,845	76,358	259,203
Deficiency of Revenues over Expenditures	(12,700)	5,719	(6,981)
<hr/>			
<u>OTHER FINANCING SOURCES (USES)</u>			
Grants and other contributions	-	-	-
Lease Payments	-	(8,434)	(8,434)
Proceeds from Lease	-		-
Transfers	37,677	-	37,677
Total Other Financing Sources (Uses)	37,677	(8,434)	29,243
	<hr/>		
Change in Fund Balances	24,977	(2,715)	22,262
Fund Balances, beginning	147,149	61,099	208,248
	<hr/>		
Fund Balances, ending	172,126	58,384	230,510
	<hr/> <hr/>		

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

Net Change in Fund Balances - Total Governmental Funds	\$	22,262
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditure. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense

Depreciation		(36,595)
Capital outlay		-

Long term lease proceeds provide current financial resources to Governmental Funds, but issuing debt increases long term liabilities in the Government Wide Statement of Net Position. Repayment of capital lease principal is an expenditure in the governmental Funds, but the repayment reduces long-term liabilities in the Government Wide statements.

Lease issued during the period		-
Lease principal payments during the current period		8,434

Change in Net Position - Governmental Activities	\$	<u>(5,899)</u>
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See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA
BALANCE SHEET
PROPRIETARY FUNDS
JUNE 30, 2019**

		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$	22,989
Accounts receivable, net		13,692
Total Current Assets		36,681
Restricted Assets		
Cash and cash equivalents		13,610
Non-Current Assets		
Capital Assets:		
Water system		1,592,342
Sewer system		745,423
Less: Accumulated depreciation		(983,688)
Total Non-Current Assets		1,354,077
TOTAL ASSETS		1,404,368

See accompanying notes and independent accountant's review report.

VILLAGE OF WILSON, LOUISIANA
BALANCE SHEET (Continued)
PROPRIETARY FUNDS
JUNE 30, 2019

	<u>Business-type Activities</u> <u>Enterprise Funds</u> <u>Water and Sewer</u>
<u>LIABILITIES</u>	
Current Liabilities	
Accounts Payable	349
Payroll tax withholdings/payables	-
Due to other funds	149,093
Notes Payable-Current Portion	18,206
	167,648
Total Current Liabilities	167,648
Long-Term Liabilities	
Payable from restricted assets	
Customer deposits	13,610
Notes Payable-Long Term Portion	57,999
	71,609
Total Long-Term Liabilities	71,609
	239,257
Total Liabilities	239,257
<u>NET POSITION</u>	
Net investment in capital assets	1,277,872
Restricted-customer deposits	13,610
Unrestricted	(126,371)
	1,165,111
Total Net Position	1,165,111
TOTAL LIABILITIES AND NET POSITION	\$ 1,404,368

See accompanying notes and independent accountant's review report.

**VILLAGE OF WILSON, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEARS ENDED JUNE 30, 2019**

		<u>Enterprise Funds</u> <u>Water and Sewer</u>
<u>OPERATING REVENUES</u>		
Water sales and service	\$	115,494
Sewer sales and service		9,090
		124,584
Total Operating Revenues		124,584
<u>OPERATING EXPENSES</u>		
Administrative		3,349
Depreciation		59,130
Employee and related expenses		21,466
Occupancy		11,899
Personal services		20,723
		116,567
Total Operating Expenses		116,567
Operating Loss		8,017
<u>NON-OPERATING REVENUES (EXPENSES)</u>		
Grants and other contributions		-
Interest income		45
Bad Debt Expense		(7,326)
Interest paid		(3,155)
Transfers		(37,677)
		(48,113)
Total Non-Operating Revenues (Expenses)		(48,113)
Change in Net Position		(40,096)
Total Net Position, beginning		1,205,207
Total Net Position, ending		1,165,111

See accompanying notes and independent accountant's review report.

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$	114,802
Cash paid to employees for services		(19,605)
Cash paid to suppliers for goods and services		(35,069)
		(35,069)
Net Cash Used for Operating Activities		60,128
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Proceeds from grantors		-
Transfers between funds		(37,677)
		(37,677)
Net Cash Provided by Non-Capital Financing Activities		(37,677)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets		-
Principal payments		(17,530)
Interest paid		(3,156)
		(3,156)
Net Cash Provided by Capital and Related Financing Activities		(20,686)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment earnings		45
		45
Net Cash Used for Investing Activities		45
Net Increase in Cash and Cash Equivalents		1,810
Cash and Cash Equivalents, Beginning of Year		34,789
		34,789
Cash and Cash Equivalents, End of Year		36,599
		36,599
Currents Assets:		
Cash and cash equivalents		22,989
Restricted Assets:		
Cash and cash equivalents		13,610
		13,610
Cash and Cash Equivalents, end of year		36,599

See accompanying notes and independent accountant's review report.

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES:		
Net operating change	\$	8,017
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:		
Depreciation		59,130
(Increase) decrease in assets:		
Accounts receivable		2,655
Increase (decrease) in liabilities:		
Accounts and other payables		(2,699)
Customer deposits		(6,975)
		60,128
Net Cash Used for Operating Activities		60,128

BALANCE SHEET PRESENTATION OF CASH

See accompanying notes and independent accountant's review report.

NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

INTRODUCTION

The Village of Wilson, Louisiana (hereafter referred to as the Village) was created under the provisions of the Lawrason Act, La. Revised Statute 33:321-463, in 1960. Therefore, it operates under a Mayor-Board of Aldermen form of government.

The Mayor and three Alderpersons are elected at large every four years by the citizens of the Village. They are compensated for their services.

The purpose of the municipality is to promote the general welfare and the safety, health, peace, good order, comfort, convenience and morals of its inhabitants.

The Village is situated in the northwest part of East Feliciana Parish. It is approximately 28.5 square miles in size with a population of 579 persons. Within the boundaries are approximately 10 miles of roads maintained by the Village. It serves an average of 304 water and sewer customers and employs 8 persons.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting practice of the Village conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of La. Revised Statute 24:513 and to the guidelines set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

Financial Reporting Entity: Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Village includes all funds which are controlled by or dependent on the Village which was determined on the basis of oversight responsibility, including accountability for fiscal and budget matters, designation of management or governing authority and authority to issue debt. Certain units of local government over which the Village exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected officials, and other municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Village.

Government-Wide Accounting: In accordance with Government Accounting Standards Boards Statement No. 34, the Village has presented a Statement of Net Position and Statement of Activities for the Village as a whole. These statements include the primary government and its component units, if applicable, with the exception of fiduciary funds. Those funds are reported separately. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental-type and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

**VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Policies specific to the government-wide statements are as follows:

Eliminating Internal Activity

Inter-fund receivables and payables are eliminated in the statement of net assets except for the net residual amounts due to between governmental and business-type activities. These 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 were allocated.

Capitalizing Assets

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the statement of net position.

Program Revenues

The statement of activities presents three categories of program revenues - (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the Village. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are restricted for a specific use.

Direct/Indirect Expenses

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the Village of Wilson has chosen not to do so.

Operating Revenues

Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of an entity's main operation are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, are reported as non-operating revenues.

Restricted Net Position

Restricted net assets are those for which a constraint has been imposed either externally or by law. The Village recognizes the use of restricted resources for expenditures that comply with specific restrictions. Restricted resources are exhausted before restricted net assets are used.

Fund Accounting: The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions and activities.

A fund is separate entity with a self-balancing set of accounts. Funds of the Village are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Governmental Funds: Governmental funds account for all or most of the Village's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General Fund – is the general operating fund of the Village and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special Revenue Funds – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary Funds: Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

Proprietary funds include:

1. Enterprises Funds – account for operations (a) where the intent of the governing body is that 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.

Basis of Accounting/Measurement Focus: The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation.

The government-wide statements are reported using economic resources measurement focus and the accrual basis of accounting. With the measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of governmental-type and business-type activities are included in the statement of net position. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the statement of activities. In these statements, capital assets are reported and depreciated in each fund.

This same measurement focus and basis of accounting is used by proprietary funds in the fund statements. However, all governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in the net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated.

Budgets and Budgetary Accounting: The Village adopts an annual budget for the General Fund., Special Revenue Fund and Enterprise Funds. It is prepared in accordance with the basis of accounting utilized by that fund. Any revisions that alter the total expenditures must be approved by the Board of Alderpersons. Budgeted amounts shown are as originally adopted or as amended by the Board. Budget amendments are passed on an as-needed basis. A balanced budget is required.

Cash and Cash Equivalents: Cash includes amounts in demand deposits, interest bearing demand deposits and certificates of deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Village may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Investments: The Village of Wilson categorizes the fair value of its investments on the hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 are significant unobservable inputs. All of the Village's investment are Level 1 inputs.

Inventory: Inventory is reported at cost. It includes only office supplies, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statement.

Receivables: Receivables are recorded net of any allowance for uncollectible amounts in both governmental and business-type activities. Revenues become susceptible to accrual when they become both measureable and available.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Restricted Assets: Certain proceeds of enterprise funds are classified as restricted assets on the balance sheet because their use is limited.

Capital Assets: The Village's assets are recorded at historical cost. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Buildings	40 years	Vehicles	7-10 years
Equipment	4-10 years	Infrastructure	40-50 years
Office furniture	5-7 years		

Beginning in June 1999, in accordance with Governmental Accounting Standards Board issued Statement No. 34 the Village has used the basic approach to infrastructure reporting for its governmental activities.

Compensated Absences: The Village does not have any compensated absences.

Long-Term Obligations: In the government-wide financial statements, debt principal payments of both government and business-type activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

Net Position/Fund Balances: In the statement of net position, the difference between a government's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is recorded as net position. The three components of net position are as follows:

Net Investment in Capital Assets

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Restricted Net Position

Net position that are reserved by external sources, such as banks or by law, are reported separately as restricted net position. When assets are required to be retained in perpetuity, these non-expendable net position are recorded separately from expendable net position. These are components of restricted net position.

Unrestricted Net Position

This category represents net position not appropriable for expenditures or legally segregated for a specific future use.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

Non-spendable

This includes amounts in permanent funds and inventories that are permanently precluded from conversion to cash.

Restricted

Fund balances that are restricted include those resources constrained to a specific purpose by enabling legislation, external parties or constitutional provisions.

Committed

Fund balances may be committed for a specific purpose by the highest level of decision-making authority through a formal action such as the adoption of an ordinance. The removal of or change in this commitment can only be accomplished by the same level of authority through the same type of action taken to commit the fund balances initially.

Assigned

Resources earmarked for a specific purpose by government's management are reported as assigned fund balances.

Unassigned

This category represents that portion of equity that are available for any purpose.

The Village of Wilson applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within the unrestricted fund balance, committed amounts are reduced first by assigned and then unassigned when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The Village of Wilson does not have a formal fund balance policy.

Interfund Transactions: All interfund transactions, except quasi-external transactions, are reported as operating transfers. These are eliminated in the government-wide statements.

Sales Taxes: Sales taxes are levied by the Police Jury of East Feliciana Parish and allocated to the Village according to their population within the parish.

NOTE 2 – CASH AND CASH EQUIVALENTS

Deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding, or custodial bank that is mutually acceptable to both parties.

**VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Village has no deposits (bank balances) that are considered uninsured and uncollateralized at June 30, 2019.

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

A summary of cash and cash equivalents (book balances) at June 30, 2019 is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
Demand deposits	52,503	23,588	
Interest-bearing demand deposits	10,567	13,012	
Total	63,070	36,600	

NOTE 3 – RECEIVABLES

The following is a summary of receivables, not including interfund or intergovernmental transactions, at June 30, 2019:

<u>Class</u>	<u>Special</u>			<u>Total</u>
	<u>General Fund</u>	<u>Revenue Fund</u>	<u>Enterprise Fund</u>	
Accounts Payable	1,715	3,613	349	5,677
Payroll Taxes	2,862	-	-	2,862
Customer Deposits	-	-	13,610	13,610
Total	4,577	3,613	13,959	22,149

Utility meters are read on the 15th of each month and bills are computed and mailed by the 25th of each month. The amount of water used from the date the meter is read until the end of the month is an unbilled receivable in the Enterprise Fund. These receivables, included in the above totals, were \$3,474 June 30, 2019.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, was as follows:

VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

	<u>Beginning</u>	<u>Additions</u>	<u>Retirement</u>	<u>Ending</u>
Governmental Activities				
Capital Assets, not being depreciated				
Land	20,069	-	-	20,069
Capital Assets, being depreciated				
Building and Improvements	95,786	-	-	95,786
Less: accumulated depreciation	(27,015)	(4,152)	-	(31,167)
Net Buildings and Improvements	68,771	(4,152)	-	64,619
Equipment	195,781	-	-	195,781
Less: accumulated depreciation	(153,618)	(10,541)	-	(164,159)
Net Equipment	42,163	(10,541)	-	31,622
Office furniture	4,343	-	-	4,343
Less: accumulated depreciation	(4,343)	-	-	(4,343)
Net Office furniture	-	-	-	-
Vehicles	46,166	-	-	46,166
Less: accumulated depreciation	(45,129)	(1,037)	-	(46,166)
Net Vehicles	1,037	(1,037)	-	-
Infrastructure	417,307	-	-	417,307
Less: accumulated depreciation	(253,841)	(20,865)	-	(274,706)
Net Infrastructure	163,466	(20,865)	-	142,601
Total Capital Assets, being depreciated, net	275,437	(36,595)	-	238,842
Capital Assets, Net	295,506	(36,595)	-	258,911
Business-type Activities				
Capital Assets, being depreciated				
Equipment	45,793	-	-	45,793
Less: accumulated depreciation	(41,951)	(1,832)	-	(43,783)
Net Equipment	3,842	(1,832)	-	2,010
Water system	1,546,548	-	-	1,546,548
Less: accumulated depreciation	(532,255)	(38,663)	-	(570,918)
Net Water System	1,014,293	(38,663)	-	975,630
Sewer system	745,418	-	-	745,418
Less: accumulated depreciation	(350,346)	(18,635)	-	(368,981)
Net Sewer System	395,072	(18,635)	-	376,437
Capital Assets, net	1,413,207	(59,130)	-	1,354,077

**VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Depreciation expense was charged to governmental functions as follows:

General Government	2,544
Public Safety	2,469
Public Works	<u>31,582</u>
Total	<u><u>36,595</u></u>

Depreciation expense was charged for business type activities as follows:

Water	40,495
Sewer	18,635
Total	<u><u>59,130</u></u>

The Village did not purchase any capital assets during the year.

NOTE 5 – RETIREMENT SYSTEM

The Village has no retirement system in place other than social security.

NOTE 6 – ACCOUNTS AND OTHER PAYABLES

The following is a summary of payables by fund at June 30, 2019:

Class	General Fund	Special Revenue Fund	Enterprise Fund	Total
Accounts Payable	1,715	3,613	349	5,677
Payroll Taxes	2,862	-	-	2,862
Customer Deposits	-	-	13,610	13,610
Total	<u>4,577</u>	<u>3,613</u>	<u>13,959</u>	<u>22,149</u>

NOTE 7 – LONG-TERM OBLIGATIONS

As part of its water system enhancement project, the Village incurred debt through a certificate of indebtedness dated April 19, 2019, in the amount of \$127,000 for 84 months at an interest rate of 3.791%. Payments in the amount of \$1,723.25 began in May of 2019. The activity for the year is as disclosed below:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Indebtedness	93,734	-	(17,529)	76,205	18,206

**VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

The maturity schedule is as follows:

Year Ended			
June 30	Principal	Interest	Total
2020	18,206	2,480	20,686
2021	18,908	1,777	20,685
2022	19,637	1,048	20,685
2023	19,454	296	19,750
Total	<u>76,205</u>	<u>5,601</u>	<u>81,806</u>

NOTE 8-INTERFUND RECEIVABLES AND PAYABLES

The Village had the following interfund receivables and payables for June 30, 2019:

	Interfund Receivables	Interfund Payables
General Fund	128,277	
Streets and Sidewalk Fund	20,816	
Enterprise Fund		149,093
Total	<u>149,093</u>	<u>149,093</u>

NOTE 9-LEASE PAYABLE

On June 22, 2019 the Village entered into a lease purchase agreement for the acquisition of a tractor with implements for \$52,703. A down payment of \$3,044 was made in June 2019. The first payment due on the lease will be on July 1, 2019. The last lease payment is on April 1, 2023. The Village has the option at the end of the lease term to purchase all of the machinery at a fixed price of \$1.

The activity for the year is disclosed as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease Payable	48,304	-	(8,434)	39,870	9,789

**VILLAGE OF WILSON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

The maturity schedule is as follows:

Year Ended			
June 30	Principal	Interest	Total
2020	9,789	2,389	12,178
2021	10,440	1,733	12,173
2022	11,142	1,036	12,178
2023	8,499	238	8,737
Total	39,870	5,396	45,266

NOTE 10 – RESTATEMENT OF NET POSITION AND FUND BALANCE

	Governmental	Business-type	Total
Net position, as previously stated	408,281	1,218,291	1,626,572
Add certificates of deposit	13,119	12,941	26,060
Adjust customer deposits		8,025	8,025
Adjust due to/from	34,050	(34,050)	-
Net position, restated	455,450	1,205,207	1,660,657

	General Fund	Streets and Sidewalks	Total
Fund balance, as previously stated	102,937	59,498	162,435
Add certificates of deposit	13,119	-	13,119
Adjust due to/from	31,093	1,601	32,694
Net position, restated	147,149	61,099	208,248

The Village had certificates of deposits that were not on the financial statements of prior years. The customer deposits were adjusted to the actual amount reflected in the Village books. The utility fund has transferred funds to the general fund that were not recorded for the prior year of 2018. The adjustment corrects the amount due between funds.

NOTE 11 – RELATED PARTY TRANSACTIONS

There were no related party transactions that are require disclosure.

NOTE 12 – LITIGATION

There is no litigation against or on behalf of the Village that would require disclosure in the accompanying financial statements.

NOTE 13 – SUBSEQUENT EVENTS

There were no events between the close of the year through December 7, 2019, the date on which this report was available to be issued, would materially impact the accompanying financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF WILSON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEARS ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales tax	\$ 53,100	\$ 53,100	\$ 60,091	\$ 6,991
Franchise fees	22,152	22,152	30,018	7,866
Occupational licenses	100	1,125	1,225	100
Fines	81,700	71,700	77,982	6,282
Other revenues	1,926	1,926	829	(1,097)
Total Revenues	158,978	150,003	170,145	20,142
EXPENDITURES				
General government	76,927	99,145	98,502	643
Public Safety:	80,536			
Police		87,636	84,343	3,293
Total Expenditures	157,463	186,781	182,845	3,936
Excess (Deficiency) of Revenues over Expenditures	1,515	(36,778)	(12,700)	16,206
OTHER FINANCING SOURCES (USES)				
Grants and other contributions		-	-	-
Transfers	-	-	37,677	37,677
Total Other Financing Sources (Uses)	-	-	37,677	37,677
Change in Fund Balances	1,515	(36,778)	24,977	53,883
Fund Balances, beginning	147,149	147,149	147,149	-
Fund Balances, ending	148,664	110,371	172,126	53,883

See Independent Accountant's Report

**VILLAGE OF WILSON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
YEARS ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales tax	\$ 75,000	\$ 75,000	\$ 82,077	\$ 7,077
Investment earnings	-	-	-	-
Total Revenues	75,000	75,000	82,077	7,077
EXPENDITURES				
Public Works	73,405	74,607	76,358	(1,751)
Total Expenditures	73,405	74,607	76,358	(1,751)
Excess (Deficiency) of Revenues over Expenditures	1,595	393	5,719	8,828
OTHER FINANCING SOURCES (USES)				
Proceeds from Lease Issuance	-	-	-	-
Lease Payments	(1,191)	(6,254)	-	6,254
Total Other Financing Sources (Uses)	(1,191)	(6,254)	-	6,254
Change in Fund Balances	404	(5,861)	5,719	(11,580)
Fund Balances, beginning	61,099	61,099	61,099	-
Fund Balances, ending	<u>61,503</u>	<u>55,238</u>	<u>66,818</u>	<u>(11,580)</u>

See Independent Accountant's Report

SUPPLEMENTAL INFORMATION

VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO GOVERNING MEMBERS
YEARS ENDED JUNE 30, 2019

The following information is provided in compliance with House Concurrent Resolution No. 54 of the Louisiana Legislature.

<u>Name</u>	<u>Amount</u>
Alderwoman Yvonne Allen	\$ 2,220
Alderwoman Georgia Honore	2,220
Alderwoman Harriett Sensley	<u>2,220</u>
Total	<u>\$ 6,660</u>

See Independent Accountant's Report

VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD
YEARS ENDED JUNE 30, 2019

Agency Head

Marilyn Broadway
Mayor

Purpose

Salary
Reimbursements - office supplies

Amount

\$ 6,000
-

Total Compensation, Benefits and Other Payments

6,000

See Independent Accountant's Report

VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF OPERATING EXPENSES
PROPRIETARY FUNDS
YEARS ENDED JUNE 30, 2019

Administrative:

Dues and memberships	300
Insurance	2,215
Office expense	834
Postage	-
Total Administrative	3,349

Depreciation:

Depreciation - sewer	18,635
Depreciation - water	40,495
Total Depreciation	59,130

Employee and Related Expenses:

Payroll taxes	1,711
Salaries	19,605
Training	150
Total Employee and Related Expenses	21,466

Occupancy:

Utilities and telephone	11,899
Total Occupancy	11,899

Personal Services:

Chemicals and supplies	7,669
Safe Drinking Water Fees	4,735
Gas/oil	-
Miscellaneous	-
Professional fees	-
Repairs and maintenance	8,319
Total Personal Services	20,723

Total Operating Expenses	116,567
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See Independent Accountant's Report

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

Minda B. Raybourn

Certified Public Accountant

Limited Liability Company

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Franklinton, Louisiana 70438

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Member
AICPA

Member
LCPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Marilyn Broadway, Mayor
And Members of the Board of Aldermen
Village of Wilson, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Village Of Wilson, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the period ended June 30, 2019 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representations regarding the sufficiency of the procedures described below neither for the purpose for which this report has been requested nor for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$154,450, and determine whether such purchases were made in accordance with LAS-RS 38:2211-2251 (the public bid law).

There were no expenditures that met these thresholds.

Code of Ethics for Public Officials and Public Employees

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

Management provided me with the required list of board members. I did not get a complete list of outside business interests. I scanned cash disbursements journals for any related-party transactions. There were none that came to my attention.

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

The Village provided me with a list of all employees paid during the fiscal year ended June 30, 2019.

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

There were no exceptions to this procedure.

Accounting and Reporting

5. Randomly select six disbursements made during the period under examination and:

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

Payments were traced to supporting documentation as to the proper amount and payee.

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

They were properly coded to the correct fund and general ledger account.

- (c) Determine whether payments received approval from proper authorities.

Five of the six disbursements selected did have proper approval.

Meetings

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

The Village's mayor and board of aldermen meet monthly. The notice of meeting and agenda is posted on the door of the Town Hall two days prior to each meeting. Management has asserted that the agenda was properly posted.

Debt

7. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or like indebtedness.

I inspected copies of all bank deposits for the period under examination and did not detect any deposits, which appeared to be proceeds of bank loans, bonds or like indebtedness.

Advances and Bonuses

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

I scanned cash disbursement records and minutes for evidence of any payments, which may constitute employee bonuses, employee advances, or gifts to Board members. None were noted.

Budgeting

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

A copy of the budgets was obtained.

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

The January 8, 2019 minutes noted that the auditor presented the budget for 2018/2019. This is wrong. The review report was presented. The auditor did not present the budget. The amended budget for 2019 and original budget for 2020 was not noted in the minutes as being approved.

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

The general fund and special revenue fund were in compliance with the Local Government Budget Act.

State Audit Law

12. Report whether the Village provided for a timely report in accordance with R.S. 24:513.

The review report for June 30, 2018 was not timely filed.

13. Inquire of management and report whether the Village entered into any contracts that utilized state funds as defined in R.S. 39:72.1A and are subject to the public

bid law (R.S. 38:2211, et seq.) while the Village was not in compliance with R.S. 24:513 (state audit law).

The Village did not enter in any contracts that utilized state funds during the fiscal year.

Prior Year Findings

14. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

Finding 2018-001 Violation of Public Bid Law: Resolved

Finding 2018-002 Noncompliance with Local Government Budget Act: Resolved

Finding 2018-003 Lack of Controls over Disbursements: Not Resolved.

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

This report is intended solely for the use of management of the Village of Wilson, the Legislative Auditor, the State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Minda B. Raybourn

Minda B. Raybourn
Certified Public Accountant

December 7, 2019

**VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF CURRENT YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2019**

Finding 2019-001 Lack of Controls over Disbursements

Criteria: Adequately designed and operating internal controls over financial reporting provides for adequate documentation to support transactions and to allow for proper review and approval of transactions including disbursements.

Condition: Out of five disbursements, one did not have proper approval from management.

Effect: Lack of proper documentation exposes the Village to possible fraud and misappropriation of assets.

Cause: The Village has policies and procedures in place that require management approval of all disbursements. However, the five disbursements did have approval note and one did not.

Recommendation: The Village should put in place internal controls to ensure that management reviews and approves all disbursements.

Management Response: We agree with the accountant's recommendation.

Finding 2019-002 Lack of Approval of Budget

Criteria: Adoption of the budget or amended budget must be reflected in the entity's minutes.

Condition: The January 8, 2019 minutes noted that the auditor presented the budget for 2018/2019. This is wrong. The review report was presented. The auditor did not present the budget. The amended budget for 2019 and original budget for 2020 was not noted in the minutes as being approved.

Effect: Lack of proper recording of the adoption of the budget in the entity's minutes will cause questions regarding the validity of the budget.

Cause: Unknown.

Recommendation: The Village should put written policies and procedures in place regarding the adoption of the budget.

Management Response: We agree with the accountant's recommendation.

**VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

Finding 2018-001 Violation of Public Bid Law

Criteria: Expenditures for materials and supplies exceeding \$30,000 must be made in accordance with the Louisiana public bid law. Lease contracts with an option to purchase at the end of the lease term is must be treated as a contract to purchase that is subject to the public bid law.

Condition: The village entered into a lease purchase agreement for the acquisition of a tractor with implements for \$52,703 in June 2018. It was not acquired according to the state public bid law.

Effect: The village is in violation of the public bid law.

Cause: Unknown.

Recommendation: The village must put policies and procedures in place to ensure all purchases of equipment over \$30,000 are handled according to the state public bid law.

Management Response: We agree with the accountant's recommendation.

Status: Resolved.

Finding 2018-002 Noncompliance with the Local Government Budget Act

Criteria: The Village must comply with certain provisions of the Local Government Budget Act set forth in state law, LSA R.S. 39:1301-1314. The Act contains various budget requirements for the General Fund and special revenue funds regarding public notification and disclosure, and requires budget to be amended when:

- 1) Total revenues, or other sources plus project revenue and other sources for the remainder of the year are failing to meet total budgeted expenditures and other sources by five percent or more.
- 2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year are failing to meet total budgeted expenditures and other uses by five percent or more
- 3) Actual beginning fund balance within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures.

Condition: The original budget was adopted on May 17, 2017. The budget was not amended for 2018. General fund expenditures were over budget 70% due to town hall renovations of \$54,324 not budgeted. Street and sidewalk expenditures were over budget by 150% due to the Village entering into a lease purchase agreement for the acquisition of a tractor for \$56,223. Revenues appear to be compliant.

**VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

Effect: If the budget is not monitored on a monthly basis and amended as required and if expenditures exceed available funds, an entity is in violation of the Local Government Budget Act.

Cause: The village did not amend the budget.

Recommendation: The Village needs to ensure before year end that the budget is amended properly for all revenue, expenditures and transfer items.

Management Response: We agree with the accountant's recommendation.

Status: Resolved.

Finding 2018-003 Lack of Controls over Disbursements

Criteria: Adequately designed and operating internal controls over financial reporting provides for adequate documentation to support transactions and to allow for proper review and approval of transactions including disbursements.

Condition: Out of six disbursements, one did not have an invoice as support. The invoices were not stamped with approval from management.

Effect: Without adequate documentation to support disbursements, there is no proof the expenditure was properly initiated, approved for payment, and reviewed for adequacy. There is no proof that the disbursements were paid to the appropriate vendors. Lack of adequate documentation demonstrates the Village's lack of internal controls over disbursements. Lack of proper documentation exposes the Village to possible fraud and misappropriation of assets.

Cause: The village lacks internal controls to require management approval of disbursements. The village lack of internal controls allowed payments to be done without proper supporting documentation.

Recommendation: The Village should put in place internal controls to ensure that proper documentation is provided to support all disbursements. Internal controls need to be put in place to ensure that management reviews and approves all disbursements

Management Response: We agree with the accountant's recommendation

Status: Not resolved.

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)**

October 10, 2019 (Date Transmitted)

Minda Raybourn CPA LLC

820 11TH Avenue
Franklinton, LA 70438

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2019 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes [X] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [X] No []

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

Yes [X] No []

Budgeting

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

Yes [X] No []

Accounting and Reporting

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

Yes [X] No []

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

Yes [X] No []

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

Yes [X] No []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [X] No []

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

Yes [X] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.
Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.
Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.
Yes No

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.
Yes No

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.
Yes No

We have evaluated our compliance with these laws and regulations prior to making these representations.
Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.
Yes No

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.
Yes No

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.
Yes No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.
Yes No

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

Mayor Maithe Browning Mayor 10/14/2019 Date