

Village of Bienville
Bienville, Louisiana

Annual Financial Statements

For the Year Then Ended June 30, 2018

Village of Bienville
Annual Financial Statements
For the Year Ended June 30, 2018
With Supplemental Information Schedules

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WADE & PERRY

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

Independent Accountant's Review Report

The Honorable Wesley Boddie, Mayor
and Members of the Board of Aldermen
Village of Bienville, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bienville, as of and for the year ended June 30, 2018, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Village. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Village is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the AICPA. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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

Accounting principles generally accepted in the United States of America require that budgetary comparison information on page 22 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 was not audited, reviewed, or compiled by us, and we do not express an opinion or provide any assurance on it.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The other supplementary schedules and other

information, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information and other information, as listed in the table of contents, have not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but were compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly we do not express an opinion or provide any assurance on it.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated October 16, 2018, on the results of our agreed-upon procedures.

Wade & Perry
Ruston, Louisiana
October 16, 2018

Village of Bienville, Louisiana
Statement of Net Position
June 30, 2018

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and cash investments	\$418,806	\$7,497	\$426,303
Receivables	1,546	1,021	2,567
Internal balances	140,067	(140,067)	0
Restricted cash		5,120	5,120
Prepaid insurance	3,111		3,111
Capital assets (net)	97,868	320,231	418,099
TOTAL ASSETS	\$661,398	\$193,802	\$855,200
Deferred outflows of resources	0	0	0
LIABILITIES			
Accounts, salaries, and other payables	\$3,025	\$3,916	\$6,941
Customer deposits		5,120	5,120
TOTAL LIABILITIES	3,025	9,036	12,061
Deferred inflows of resources	0	0	0
NET POSITION			
Net investment in capital assets	97,868	320,231	418,099
Restricted	0	0	0
Unrestricted	560,505	(135,465)	425,040
TOTAL NET POSITION	\$658,373	\$184,766	\$843,139

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
 Statement of Activities
 Year Ended June 30, 2018

	Program Revenues			Net (Expenses) Revenues and Changes of Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities
Governmental Activities:						
General government	\$26,686				(\$26,686)	(\$26,686)
Depreciation	7,080				(7,080)	(7,080)
Total governmental activities	<u>33,766</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(33,766)</u>	<u>(33,766)</u>
Business-type activities						
Utilities	114,333	25,646		38,725		(49,962)
Total business-type activities	<u>114,333</u>	<u>25,646</u>	<u>0</u>	<u>38,725</u>	<u>0</u>	<u>(49,962)</u>
Total primary government	<u>\$148,099</u>	<u>\$25,646</u>	<u>\$0</u>	<u>\$38,725</u>	<u>(\$33,766)</u>	<u>(\$49,962)</u>
General revenues:						
Franchise fees					4,107	4,107
Ad Valorem taxes					44,902	44,902
Use of money and property						43
Other revenues					11,753	11,753
Unrealized gain (loss)					1,070	1,070
Transfers (net)					(35,000)	35,000
Total general revenues and transfers					<u>26,832</u>	<u>35,043</u>
Change in Net Position					(6,934)	(14,919)
Net Position - beginning					665,307	199,685
Prior period adjustment					0	0
Net Position - ending					<u>\$658,373</u>	<u>\$184,766</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
 Balance Sheet, Governmental Funds
 June 30, 2018

		Total Governmental Funds
		<u> </u>
ASSETS		
Cash and cash investments		\$418,806
Receivable		1,546
Due from other funds		140,067
Prepaid insurance		<u>3,111</u>
TOTAL ASSETS		<u><u>\$563,530</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts, salaries, and other payables		\$3,025
Due to other funds		<u>0</u>
Total liabilities		<u>3,025</u>
Fund balances:		
Unassigned		<u>560,505</u>
Total fund balances		<u>560,505</u>
TOTAL LIABILITIES AND FUND BALANCES		<u><u>\$563,530</u></u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
 Reconciliation of The Governmental Funds Balance Sheet
 to The Government-Wide Financial Statement of Net Position
 June 30, 2018

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Fund balances, Total governmental funds (Statement C)		\$560,505
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	389,086	
Less accumulated depreciation	<u>(291,218)</u>	<u>97,868</u>
Net Position of Governmental Activities (Statement A)		<u>\$658,373</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2018

	<u>Total Governmental Funds</u>
REVENUES	
Franchise fees	\$4,107
Ad valorem taxes	44,902
Insurance premiums	8,416
Beer tax	2,737
Other revenues	<u>600</u>
Total Revenues	60,762
EXPENDITURES	
Salaries	3,600
Audit-review	5,250
Insurance	1,390
Repairs & Maintenance	4,705
Professional Fees	2,912
Telephone	2,021
Aldermen & Mayor	1,680
Other expenses	5,128
Capital outlay	<u>0</u>
Total Expenditures	<u>26,686</u>
Excess (Deficiency) of Revenues over (under) Expenditures	34,076
OTHER FINANCING SOURCES (USES)	
Use of money and property	0
Unrealized gain/(loss) on investments	1,070
Operating transfers in (out)	<u>(35,000)</u>
Total Other Financing Sources (Uses)	<u>(33,930)</u>
Net Change in Fund Balance	146
Fund Balance – beginning	560,359
Prior period adjustment	<u>0</u>
Fund Balance – ending	<u><u>\$560,505</u></u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Reconciliation of The Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2018

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

Net Change in Fund Balances, Total governmental funds (Statement E) \$146

Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$0) exceeded depreciation (\$7,080) in the current period.

(7,080)

Change in Net Position of Governmental Activities, Statement B

(\$6,934)

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Net Position, Proprietary Funds
June 30, 2018

		Business-Type Activities - Enterprise Funds	
		<u>2018</u>	<u>2017</u>
ASSETS			
Current assets:			
Cash and cash investments		\$7,497	\$9,276
Receivables		1,021	1,851
Due from other funds		<u>0</u>	<u>0</u>
Total current assets		<u>8,518</u>	<u>11,127</u>
Restricted assets:			
Cash and cash investments (Customer Deposits)		5,120	6,250
Non-current assets:			
Capital assets (net of accumulated depreciation)		<u>320,231</u>	<u>331,756</u>
Total Non-current assets		<u>320,231</u>	<u>331,756</u>
TOTAL ASSETS		<u>\$333,869</u>	<u>\$349,133</u>
LIABILITIES			
Current Liabilities:			
Accounts, salaries, and other payables		\$3,916	\$3,131
Due to other funds		140,067	140,067
Loans and interest payable		<u>0</u>	<u>0</u>
Total current liabilities		<u>143,983</u>	<u>143,198</u>
Current liabilities payable from restricted assets		<u>5,120</u>	<u>6,250</u>
Non-current liabilities:			
Loans payable		<u>0</u>	<u>0</u>
Total non-current liabilities		<u>0</u>	<u>0</u>
Total liabilities		<u>149,103</u>	<u>149,448</u>
NET POSITION			
Net investment in capital assets		320,231	331,756
Unrestricted		<u>(135,465)</u>	<u>(132,071)</u>
TOTAL NET POSITION		<u>\$184,766</u>	<u>\$199,685</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2018

	Business-Type Activities - Enterprise Funds	
	2018	2017
Operating Revenues		
Charges for services:		
Water sales	\$25,646	\$24,512
Other services	<u>0</u>	<u>637</u>
Total Operating Revenues	<u>25,646</u>	<u>25,149</u>
Operating Expenses		
Cost of sales and services	88,108	62,093
Administration	14,700	14,400
Depreciation	<u>11,525</u>	<u>12,809</u>
Total Operating Expenses	<u>114,333</u>	<u>89,302</u>
Operating income (loss)	(88,687)	(64,153)
Nonoperating revenue (expenses)		
Interest earnings	43	38
Interest expense	<u>0</u>	<u>0</u>
Total Nonoperating Revenue (Expenses)	<u>43</u>	<u>38</u>
Income before contributions and transfers	(88,644)	(64,115)
Capital contributions - state grant	38,725	103,674
Transfers in (out)	<u>35,000</u>	<u>0</u>
Change in Net Position	(14,919)	39,559
Total Net Position - Beginning	199,685	160,126
Prior period adjustment	<u>0</u>	<u>0</u>
Total Net Position - Ending	<u>\$184,766</u>	<u>\$199,685</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Statement of Cash Flows, Proprietary Funds
For the Year Ended June 30, 2018

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities		
Receipts from customers and users	\$26,476	\$25,150
Receipts from other funds	0	30,000
Payments to suppliers	(88,453)	(61,365)
Payments to employees	(14,700)	(14,400)
Payments to other funds	0	0
Net Cash Provided by Operating Activities	<u>(76,677)</u>	<u>(20,615)</u>
Cash Flows from Noncapital Financing Activities		
Transfers to other funds	<u>35,000</u>	<u>0</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>35,000</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of capital assets	0	(86,401)
Capital contributions	<u>38,725</u>	<u>103,674</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>38,725</u>	<u>17,273</u>
Cash Flows from Investing Activities		
Interest and dividends received	<u>43</u>	<u>38</u>
Net Cash Provided by Investing Activities	<u>43</u>	<u>38</u>
Net Increase in Cash and equivalents	(2,909)	(3,304)
Cash and equivalents, Beginning of Year	<u>15,526</u>	<u>18,830</u>
Cash and equivalents, End of Year	<u>\$12,617</u>	<u>\$15,526</u>
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities		
Operating income	(\$88,687)	(\$64,153)
Depreciation expense	11,525	12,809
(Increase) decrease in accounts receivable	830	0
Increase (decrease) in customer deposits	(1,130)	275
Increase (decrease) in accounts payable	785	454
Increase (decrease) in interfund - net	0	30,000
Net Cash Provided by Operating Activities	<u>(\$76,677)</u>	<u>(\$20,615)</u>
Reconciliation of total cash and cash investments:		
Current assets - cash and cash investments	\$7,497	\$9,276
Restricted assets - cash and cash investments	<u>6,250</u>	<u>6,250</u>
Total cash and cash investments	<u>\$13,747</u>	<u>\$15,526</u>

See accompanying notes and accountants' report.

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

INTRODUCTION

The Village was incorporated in 1901 under the provisions of Louisiana Revised Statutes 33:52. The Village operates under a form of government consisting of an elected mayor and a Village council, which has three elected members. The Village, with 3 part-time employees, provides utility services and administrative services to its residents. The Village consists of approximately 190 citizens.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Village is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the village have been prepared in conformity with U.S. generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

In June, 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

1. Financial statements prepared using full accrual accounting for all of the Village's activities, including infrastructure (if any).
2. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

or segment. Program revenues include 1) charge to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivables due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Village reports the following major proprietary funds:

The Water fund is to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, but not limited to, administration, operations, maintenance, financing, and related debt service and billing.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Principal operating revenues of the proprietary funds include water and sewer services to the residents of the Village. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

The Village's cash and cash equivalents are considered to be demand deposits, interest-bearing demand deposits, and investments with original maturities of three months or less from the date of acquisition. State law and the Village's investment policy allow the Village to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments for the Village are reported at fair value.

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

All trade receivables are shown net of an allowance for uncollectives. The Village calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

Restricted assets include cash and cash investments in the Proprietary funds which are restricted to their use. These restrictions are principally related to requirements of bond issues and utility meter deposits. It is the Village's policy to use restricted assets before unrestricted assets for their intended purposes.

G. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of \$500 or more for capitalizing capital assets.

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

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Water and sewer system and lines	40 years
Buildings and improvements	10-27 years
Vehicles	3-5 years
Equipment	3-7 years

H. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

I. Fund Equity

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

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Proprietary fund equity is classified in the same manner as in the government-wide statements. In the fund financial statements, governmental fund equity is classified as fund balance.

The Village adopted GASB 54 in the year ended December 31, 2011. As such, fund balances of the governmental funds are classified as follow:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors contributors, or laws or regulations of other governments.

Committed - amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.

Assigned - amounts the government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned - all other spendable amounts.

As of June 30, 2018, fund balances are composed of the following:

	General <u>Fund</u>
Nonspendable	\$0
Assigned	0
Unassigned	<u>560,505</u>
Total fund balances	<u><u>\$560,505</u></u>

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

J. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented only for enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

K. 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 the estimates.

L. RISK MANAGEMENT

The village is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the village maintains commercial insurance policies covering its vehicles, professional liability and surety bond coverage. No claims were paid on any of the policies which exceeded to policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2018.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGET INFORMATION The Village uses the following budget practices:

The Village adopted a budget for the year ended June 30, 2018 for the General fund. The Village follows the following procedures in establishing the budgetary data reflected in the financial statements. During the December meeting, the Village clerk submits to the board of aldermen a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and expenses and the means of financing them. During the December meeting, the budget is legally enacted through passage of an ordinance. The public is invited to attend all meetings. The Village clerk is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures or expenses of any fund must be approved by the board of aldermen. Appropriations lapse at the end of the year. There was one amendment to the original General fund budget.

The Village's daily management and Village council will monitor the budget and actual figures on a monthly basis for needed amendments.

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

3. CASH AND CASH EQUIVALENTS

At June 30, 2018, the Village has cash and cash investments (book balances) totaling \$431,423 as follows:

Demand deposits	\$221,075
Time deposits	6,161
Cash Investments	<u>204,187</u>
Total	<u><u>\$431,423</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal 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.

At June 30, 2018, the Village has \$431,639 in deposits (collected bank balances). These deposits are secured from risk by \$431,639 of federal deposit insurance and \$0 of pledged securities held by the custodial bank in the name of the fiscal agent bank. (GASB Category 3).

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

4. INVESTMENTS

Investments include 1 certificate of deposit with a maturity of 6 months that has been included in cash and equivalents in the basic financial statements. Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Village or its agent in the Village's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Village's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Village's name

At fiscal year-end, the Village's investments balances were as follows:

Type of investment	Category			Carrying amount			Total Carrying Amount
	1	2	3	Fair Value	Amortized Cost	Cost	
Certificate of deposit	\$6,161	\$0	\$0	\$6,161	\$0	\$0	\$6,161
Total investments	<u>\$6,161</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,161</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,161</u>

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

5. RECEIVABLES

The receivables of \$2,567 at June 30, 2018, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Water Fund</u>	<u>Total</u>
Franchise taxes	\$758		\$758
State funds - beer	788		788
Accounts		\$1,021	1,021
Total	<u>\$1,546</u>	<u>\$1,021</u>	<u>\$2,567</u>

The Village's policy for bad debt accounting and write-offs is to send a letter to the occupant and owner after the due date. After 60 days, the utility line is sealed close. Reconnect fees must be paid to have service resumed. For deceased accounts, the clerk requests permission from the board to adjust the accounts to close.

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2018 is as follows:

Due To/From Other Funds:		
<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
	General	(\$35,000)
Water		35,000
Total		<u>\$0</u>

7. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2018, for the primary government is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$2,000			\$2,000
Total capital assets not being depreciated	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
Capital assets being depreciated:				
Buildings	154,612			154,612
Improvements	205,000			205,000
Machinery and equipment	27,474			27,474
Total capital assets being depreciated	<u>387,086</u>	<u>0</u>	<u>0</u>	<u>387,086</u>
Less accumulated depreciation	<u>284,138</u>	<u>\$7,080</u>		<u>291,218</u>
Total capital assets being depreciated, net	<u>\$104,948</u>	<u>(\$7,080)</u>	<u>\$0</u>	<u>\$97,868</u>

Village of Bienville, Louisiana
Notes to the Financial Statements
As of and For the Year Ended June 30, 2018

	<u>Beginning Balance</u>	<u>Adjust</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$675				\$675
Construction in progress	<u>0</u>				<u>0</u>
Total capital assets not being depreciated	<u>675</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>675</u>
Capital assets being depreciated:					
Buildings	9,029				9,029
Improvements other than buildings	120,033				120,033
Machinery and equipment	<u>371,081</u>				<u>371,081</u>
Total capital assets being depreciated	<u>500,143</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>500,143</u>
Less accumulated depreciation	<u>169,062</u>		<u>11,525</u>		<u>180,587</u>
Total capital assets being depreciated, net	<u>\$331,756</u>	<u>\$0</u>	<u>(\$11,525)</u>	<u>\$0</u>	<u>\$320,231</u>

Depreciation expense of \$7,080 for the year ended June 30, 2018, was charged to the general government function.

8. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$6,941 at June 30, 2018, are as follows:

	<u>General Fund</u>	<u>Water Fund</u>	<u>Total</u>
Accounts	\$2,309	\$3,916	\$6,225
Payroll liabilities	<u>716</u>		<u>716</u>
Total	<u>\$3,025</u>	<u>\$3,916</u>	<u>\$6,941</u>

9. CONTINGENT LIABILITIES

At June 30, 2018, the Village is not involved in any pending or threatened litigation, claims or assessments.

10. DATE OF MANAGEMENT REVIEW

Subsequent events have been evaluated through October 16, 2018, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

Village of Bienville, Louisiana
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts GAAP Basis	Favorable (Unfavorable) Variance
	Original	Final		
REVENUES				
Franchise fees	\$3,985	\$3,985	\$4,107	\$122
Ad valorem taxes	50,400	45,300	44,902	(398)
Insurance premiums	7,500	7,500	8,416	916
Beer tax	3,000	3,000	2,737	(263)
Grant income		16,600	0	(16,600)
Other revenues		600	600	0
Total Revenues	<u>64,885</u>	<u>76,985</u>	<u>60,762</u>	<u>(16,223)</u>
EXPENDITURES				
General government	33,895	33,895	26,686	7,209
Capital outlay	0	0	0	0
Total Expenditures	<u>33,895</u>	<u>33,895</u>	<u>26,686</u>	<u>7,209</u>
Excess (Deficiency) of Revenues over (under) Expenditures	30,990	43,090	34,076	(9,014)
OTHER FINANCING SOURCES (USES)				
Use of money and property	1,000	1,000	0	(1,000)
Unrealized gain/(loss) on investments	0	0	1,070	1,070
Operating transfers in (out)	0	(51,605)	(35,000)	16,605
Total Other Financing Sources (Uses)	<u>1,000</u>	<u>(50,605)</u>	<u>(33,930)</u>	<u>16,675</u>
Net Change in Fund Balance	31,990	(7,515)	146	7,661
Fund Balance (Deficit) at Beginning of Year	0	0	560,359	560,359
Prior period adjustment	0	0	0	0
Fund Balance (Deficit) at End of Year	<u>\$31,990</u>	<u>(\$7,515)</u>	<u>\$560,505</u>	<u>\$568,020</u>

Notes to the Schedule

(1) method of budgetary accounting - GAAP

(2) explanation of budget variances - budgeted for grant used for utility purposes

The accompanying notes are an integral part of this statement.

OTHER SUPPLEMENTAL SCHEDULES

Village of Bienville
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2018

<u>Board Member</u>	<u>Amount</u>
Wesley Boddie, Mayor	\$600
James Kirkham	360
James Smith, Jr.	360
Samuel Stevenson	360
Total	<u>\$1,680</u>

The accompanying notes are an integral part of this schedule.

Village of Bienville
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2018

Agency Head Name: Mayor Wesley Boddie

Purpose	Amount
Per diem	\$600

The accompanying notes are an integral part of this schedule.

OTHER REPORTS

WADE & PERRY

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

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Mayor and Board of Aldermen
Village of Bienville
Bienville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Village of Bienville and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the year ended June 30, 2018 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the AICPA and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$154,450. Compare the documentation for these expenditures to LSA-RS 38:2211-2296 (the public bid law) or RS 39:1551-1775 (state procurement code), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year within the above scope.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics).

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

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the required list.

4. Report whether any employee's names appear on both lists obtained in Procedures 2 and 3.

No employee's name appears on both lists.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

One vendor appeared on both lists provided by management. The Water superintendent's husband is paid contract labor for mowing and street cleanup.

Budgeting

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

Management provided us with a copy of the original and amended budget.

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

We traced the adoption of the original budget to the minutes of June, 2017. The adoption of the amended budget was traced to June, 2018.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures did not exceed budgeted expenditures by more than 5%. Budgeted revenues exceeded actual revenues by \$16,153 or 20% negative variance.

Management's response: Management will review budget to actual more closely in the future.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

(a) report whether the six disbursements agree to the amount and payee;

We examined supporting documentation for all six of the selected disbursements and found that payment was for the proper amount.

(b) report whether the six disbursements are coded to the correct fund and general ledger account; and

Payments were properly coded to the correct fund and general ledger account for all six selected disbursements.

(c) report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of supporting documentation indicated approval from the Board for all six selected disbursements.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

We inquired of management whether agendas for meetings were posted at the meeting place at least 24 hours prior to the meeting. Management stated that agendas were posted and a copy is retained by the clerk.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of banks loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected copies of all bank deposit slips and statements for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes for the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advance or gifts.

A reading of the minutes of the village for the year indicated approval for all monthly disbursements. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advance or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with RS 24:513.

The agency's report was submitted to the Legislative Auditor before the statutory due date of December 31, 2018.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in RS 39:72.1 A (2); and that were subject to the public bid law (RS 38:2211, et seq.), while the agency was not in compliance with RS 24:513 (the audit law).

Management represented that the Village did not enter into any contracts during the fiscal year that were subject to the bid law.

Prior Comments and Recommendations

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

Our prior year report, dated October 10, 2017, included the following exceptions. The town clerk's spouse was appointed by the aldermen until a special election could be held. A new alderman was subsequently elected.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the AICPA, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on management's compliance with the foregoing matters. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by LRS 24:513 and the Louisiana Governmental Audit Guide, 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.

Wade W. Perry

Ruston, Louisiana
October 16, 2018

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

9/14/18 (Date Transmitted)

Wade & Perry, CPAs (CPA Firm Name)

116 N. Pinecrest Drive (CPA Firm Address)

Ruston, LA 71270 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 6/30/2018 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes [] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No []

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

Yes [] No []

Budgeting

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

Yes [] No []

Accounting and Reporting

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

We 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 [] No []

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

Yes [] No []

Meetings

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

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [] No []

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

_____	Secretary	_____	Date
_____	Treasurer	_____	Date
<i>W. B. ...</i>	Mayor	<i>9-14-18</i>	Date

Dell Priest Clerk *9-14-18*