

VILLAGE OF DUBBERLY, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2020

VILLAGE OF DUBBERLY, LOUISIANA
Financial Statements
As of and for the Year Ended December 31, 2020

TABLE OF CONTENTS

| | <u>Statement</u> | <u>Page</u> |
|--|----------------------|-------------------|
| Independent Accountants' Review Report | | 1 |
| BASIC FINANCIAL STATEMENTS | | |
| Government-wide Financial Statements | | |
| Statement of Net Position | A | 4 |
| Statement of Activities | B | 5 |
| Fund Financial Statements | | |
| Balance Sheet | C | 6 |
| Reconciliation of the Governmental Fund Balance Sheet to the Government-wide Financial Statement of Net Position | D | 7 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance | E | 8 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities | F | 9 |
| Statement of Net Position – Proprietary Fund | G | 10 |
| Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund | H | 11 |
| Statement of Cash Flows – Proprietary Fund | I | 12 |
| Notes to the Financial Statements | | 14 |
| REQUIRED SUPPLEMENTARY INFORMATION | | |
| Budgetary Comparison Schedule | <u>Schedule</u> 1 | <u>Page</u> 28 |
| SUPPLEMENTARY INFORMATION | | |
| Schedule of Compensation Paid to Board Members | 2 | 30 |
| Schedule of Compensation, Benefits, and Other Payments to Agency Head | 3 | 31 |
| Justice System Funding Schedule – Receiving Entity | 4 | 32 |
| OTHER REPORTS | | |
| Independent Accountants' Report on Applying Agreed Upon Procedures | | 34 |
| Louisiana Attestation Questionnaire | | 38 |
| OTHER INFORMATION | | |
| Summary Schedule of Prior Year Findings | | 41 |
| Schedule of Current Year Findings | | 42 |

WISE, MARTIN & COLE, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

601 Main Street P. O. Box 897
Minden, Louisiana 71058-0897
(318) 377-3171 Fax (318) 377-3177

CARLOS E. MARTIN, CPA (2020)

MICHAEL W. WISE, CPA
KRISTINE H. COLE, CPA

KRISTIE K. MARTIN, CPA
HANNAH M. COLVIN, CPA

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Honorable Curtis Hirth, Mayor
and the Members of the Board of Aldermen
Village of Dubberly, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Village of Dubberly, Louisiana, as of the year ended December 31, 2020, 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, we 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

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

Accountant's Conclusion

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

Other Matters

Supplementary Information

The accompanying schedule of compensation paid to board members and schedule of compensation, benefits, and other payments to the agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

The accompanying justice system funding schedules is are presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with the reporting framework prescribed by Louisiana Revised Statute 24:515.2 and the Louisiana Legislative Auditor. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information on page 28 be presented to supplement the basic financial statements.

Budgetary Comparison Schedule

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. This information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and accordingly, do not express an opinion on such information.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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.

Wise Martin & Cole, LLC

Minden, Louisiana
September 27, 2021

BASIC FINANCIAL STATEMENTS

STATEMENT A

VILLAGE OF DUBBERLY, LOUISIANA

Statement of Net Position

December 31, 2020

| | <u>Primary Government</u> | | |
|---|---------------------------|---------------------------|-------------------|
| | Governmental | Business- | |
| | <u>Activities</u> | type <u>Activities</u> | <u>Total</u> |
| ASSETS | | | |
| Cash and cash equivalents | \$ 64,994 | \$ 106,222 | \$ 171,216 |
| Investments | 125,941 | - | 125,941 |
| Receivables | 1,290 | 12,048 | 13,338 |
| Prepaid assets | 2,599 | 8,145 | 10,744 |
| Restricted assets - noncurrent: | | | |
| Cash and cash equivalents | - | 26,161 | 26,161 |
| Capital assets: | | | |
| Land and construction in progress | 5,912 | 23,785 | 29,697 |
| Depreciable capital assets, net of depreciation | 6,788 | 437,740 | 444,528 |
| TOTAL ASSETS | <u>207,524</u> | <u>614,101</u> | <u>821,625</u> |
| LIABILITIES | | | |
| Accounts, salaries, and other payables | 1,238 | 8,059 | 9,297 |
| Customer meter deposits | - | 26,161 | 26,161 |
| TOTAL LIABILITIES | <u>1,238</u> | <u>34,220</u> | <u>35,458</u> |
| NET POSITION | | | |
| Net investment in capital assets | 12,700 | 461,525 | 474,225 |
| Unrestricted | 193,586 | 118,356 | 311,942 |
| TOTAL NET POSITION | <u>\$ 206,286</u> | <u>\$ 579,881</u> | <u>\$ 786,167</u> |

See accompanying notes and accountants' report.

STATEMENT B

VILLAGE OF DUBBERLY, LOUISIANA

Statement of Activities

For the Year Ended December 31, 2020

| | Program revenues | | | | Net (expenses)/ revenue | Net (expenses) revenues and changes of primary government | | |
|---|---------------------|-------------------------|-------------------------------------|-----------------------------------|-------------------------------|--|-----------------------------|--------------------|
| | Expenses | Charges for services | Operating grants & contributions | Capital grants & contributions | | Governmental activities | Business-type activities | Total |
| Governmental activities: | | | | | | | | |
| General government | \$ (20,378) | \$ - | \$ - | \$ - | \$ (20,378) | \$ (20,378) | \$ - | \$ (20,378) |
| Public safety | (12,659) | 1,667 | 6,000 | - | (4,992) | (4,992) | - | (4,992) |
| Total governmental activities | <u>(33,037)</u> | <u>1,667</u> | <u>6,000</u> | <u>-</u> | <u>(25,370)</u> | <u>(25,370)</u> | <u>-</u> | <u>(25,370)</u> |
| Business-type activities: | | | | | | | | |
| Water | (233,034) | 144,630 | - | 18,266 | (70,138) | - | (70,138) | (70,138) |
| Total business-type activities | <u>(233,034)</u> | <u>144,630</u> | <u>-</u> | <u>18,266</u> | <u>(70,138)</u> | <u>-</u> | <u>(70,138)</u> | <u>(70,138)</u> |
| Total primary government | <u>\$ (266,071)</u> | <u>\$ 146,297</u> | <u>\$ 6,000</u> | <u>\$ 18,266</u> | <u>\$ (95,508)</u> | <u>\$ (25,370)</u> | <u>\$ (70,138)</u> | <u>\$ (95,508)</u> |
| General revenues: | | | | | | | | |
| Franchise taxes | | | | | | \$ 6,704 | \$ - | \$ 6,704 |
| Insurance premium taxes | | | | | | 14,980 | - | 14,980 |
| Investment earnings | | | | | | 1,695 | 127 | 1,822 |
| Royalties | | | | | | 15 | - | 15 |
| Extraordinary item - insurance recoveries net of impairment | | | | | | - | 28,302 | 28,302 |
| Total general revenues and extraordinary item | | | | | | <u>23,394</u> | <u>28,429</u> | <u>51,823</u> |
| Change in net position | | | | | | (1,976) | (41,709) | (43,685) |
| Net position - beginning | | | | | | <u>208,262</u> | <u>621,590</u> | <u>829,852</u> |
| Net position-ending | | | | | | <u>\$ 206,286</u> | <u>\$ 579,881</u> | <u>\$ 786,167</u> |

See accompanying notes and accountants' report.

STATEMENT C

VILLAGE OF DUBBERLY, LOUISIANA
Balance Sheet - Governmental Fund
December 31, 2020

| | <u>General Fund</u> |
|--|-------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 64,994 |
| Investments | 125,941 |
| Accounts receivable | <u>1,290</u> |
| TOTAL ASSETS | <u>\$ 192,225</u> |
| LIABILITIES | |
| Accounts, salaries, and other payables | <u>\$ 1,238</u> |
| FUND BALANCE | |
| Unassigned | <u>190,987</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 192,225</u> |

See accompanying notes and accountants' report.

STATEMENT D

VILLAGE OF DUBBERLY, LOUISIANA
Reconciliation of the Governmental Fund Balance Sheet to
The Government-Wide Financial Statement of Net Position
December 31, 2020

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

| | |
|--|-------------------|
| Fund Balances, Total Governmental Funds (Statement C) | \$ 190,987 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds | 12,700 |
| Other assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds | <u>2,599</u> |
| Net Position of Governmental Activities (Statement A) | <u>\$ 206,286</u> |

See accompanying notes and accountants' report.

STATEMENT E

VILLAGE OF DUBBERLY, LOUISIANA
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Governmental Fund
For the Year Ended December 31, 2020

| | <u>General Fund</u> |
|---|--------------------------|
| REVENUES | |
| Taxes: | |
| Franchise | \$ 6,704 |
| Insurance premium | 14,980 |
| Intergovernmental - state | 6,000 |
| Fines and forfeitures | 1,667 |
| Investment earnings | 1,695 |
| Royalties | <u>15</u> |
| TOTAL REVENUES | <u>31,061</u> |
| | |
| EXPENDITURES | |
| Current: | |
| General government | 18,429 |
| Public safety | <u>13,068</u> |
| | |
| TOTAL EXPENDITURES | <u>31,497</u> |
| | |
| Excess (deficiency) of revenues over expenditures | (436) |
| | |
| Fund balances - beginning | <u>191,423</u> |
| | |
| Fund balance - ending | <u><u>\$ 190,987</u></u> |

See accompanying notes and accountants' report.

VILLAGE OF DUBBERLY, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of the Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2020

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

| | |
|--|-------------------|
| Net Change in Fund Balances, Total Governmental Funds (Statement E) | \$ (436) |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. | (2,170) |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | <u>630</u> |
| Change in Net Position of Governmental Activities (Statement B) | <u>\$ (1,976)</u> |

See accompanying notes and accountants' report.

STATEMENT G

VILLAGE OF DUBBERLY, LOUISIANA
Statement of Net Position - Proprietary Fund
December 31, 2020

| ASSETS | <u>Utility Fund</u> |
|--|-----------------------|
| Current assets: | |
| Cash and cash equivalents | \$ 106,222 |
| Accounts receivable | 12,048 |
| Prepaid assets | <u>8,145</u> |
| Total current assets | <u>126,415</u> |
| Noncurrent assets: | |
| Restricted assets | |
| Cash and cash equivalents | 26,161 |
| Capital assets | |
| Land and construction in progress | 23,785 |
| Utility plant and equipment | 1,181,359 |
| Accumulated depreciation | <u>(743,619)</u> |
| Total noncurrent assets | <u>487,686</u> |
| TOTAL ASSETS | <u>614,101</u> |
| LIABILITIES | |
| Current liabilities: | |
| Accounts, salaries, and other payables | <u>8,059</u> |
| Total current liabilities | <u>8,059</u> |
| Payable from restricted assets: | |
| Customer meter deposits | <u>26,161</u> |
| TOTAL LIABILITIES | <u>34,220</u> |
| NET POSITION | |
| Net investment in capital assets | 461,525 |
| Unrestricted | <u>118,356</u> |
| TOTAL NET POSITION | <u>\$ 579,881</u> |

See accompanying notes and accountants' report.

STATEMENT H

VILLAGE OF DUBBERLY, LOUISIANA
 Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund
 For the Year Ended December 31, 2020

| | <u>Utility Fund</u> |
|---|--------------------------|
| OPERATING REVENUES | |
| Charges for services | |
| Water | \$ 141,920 |
| Penalties/service charges | 70 |
| Other charges for services | <u>2,640</u> |
| TOTAL OPERATING REVENUES | <u>144,630</u> |
| OPERATING EXPENSES | |
| Salaries | 40,640 |
| Contract labor | 5,720 |
| Payroll taxes | 3,069 |
| Office | 3,890 |
| Utilities | 13,027 |
| Operating supplies | 9,985 |
| Insurance | 14,021 |
| Repairs and maintenance | 97,826 |
| Advertising | 1,733 |
| Other services and charges | 13,272 |
| Depreciation | <u>29,775</u> |
| TOTAL OPERATING EXPENSES | <u>232,958</u> |
| Operating loss | (88,328) |
| NONOPERATING REVENUES AND EXPENSES | |
| Investment income | 127 |
| Loss on disposal of capital assets | <u>(76)</u> |
| TOTAL NONOPERATING REVENUES AND EXPENSES | <u>51</u> |
| <i>Income before contributions and extraordinary item</i> | <u>(88,277)</u> |
| Capital contributions | 18,266 |
| Extraordinary item - Insurance recoveries net of impairment | <u>28,302</u> |
| <i>Change in net position</i> | (41,709) |
| Net position - beginning | <u>621,590</u> |
| Net position - end of year | <u><u>\$ 579,881</u></u> |

See accompanying notes and accountants' report.

STATEMENT I

VILLAGE OF DUBBERLY, LOUISIANA
Statement of Cash Flows - Proprietary Fund
Years Ended December 31, 2020

| | <u>Utility Fund</u> |
|--|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash received from customers | \$ 139,335 |
| Cash payments for supplies and services | (155,454) |
| Cash payments to employees for service and taxes | <u>(43,709)</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>(59,828)</u> |
| CASH FLOWS FROM CAPITAL ACTIVITIES | |
| Capital contribution | 43,266 |
| Insurance recovery for damage to capital assets | 41,549 |
| Acquisition/construction of capital assets | <u>(42,994)</u> |
| NET CASH PROVIDED (USED) FOR CAPITAL ACTIVITIES | <u>41,821</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest on interest-bearing deposits | <u>127</u> |
| NET CASH PROVIDED (USED) FOR INVESTING ACTIVITIES | <u>127</u> |
| Net increase (decrease) in cash and cash equivalents | (17,880) |
| Cash and cash equivalents at beginning of year | <u>150,263</u> |
| Cash and cash equivalents at end of year | <u><u>\$ 132,383</u></u> |

See accompanying notes and accountants' report.

STATEMENT I

VILLAGE OF DUBBERLY, LOUISIANA
Statement of Cash Flows - Proprietary Funds
Years Ended December 31, 2020

| | <u>Utility Fund</u> |
|---|-------------------------------|
| Reconciliation of operating income to net cash provided by operating activities: | |
| Operating loss | \$ (88,328) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Depreciation | 29,775 |
| Changes in assets and liabilities - | |
| (Increase) decrease in accounts receivable | (5,896) |
| (Increase) decrease in prepaid assets | (262) |
| Increase (decrease) in accounts payable | 4,283 |
| Increase (decrease) in customer deposits | <u>600</u> |
| Net cash provided (used) by operating activities | <u><u>\$ (59,828)</u></u> |

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

INTRODUCTION

The Village of Dubberly, Louisiana (the Village) was incorporated under the provisions of the Lawrason Act. The Village is located in the Parish of Webster, being in the northwest corner of the State of Louisiana. Elected officials of the Village are a mayor, three (3) aldermen, and a chief of police. The affairs of the Village are conducted and managed by the mayor and board of aldermen, referred to as "The Council". The Village provides a full range of municipal services as authorized by its charter. These include public safety (police), water, and general administrative services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental unites. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Village is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, the Village, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the Village are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB statements establish criteria for determining the governmental reporting entity and component units which should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is accountability. These basic criteria are described below:

1. *Appointing a voting majority of an organization's body, and:*
 - a. The ability of the Village to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Village.
2. Organizations that are fiscally dependent on the Village and there is a potential for the organization to provide specific financial benefits or to impose specific financial burdens on the Village.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

Based on the aforementioned criteria, the Village has determined there are no component units that should be included in its financial statements.

C. BASIC FINANCIAL STATEMENTS

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds.) Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police and general administrative services are classified as governmental activities. The Village's water services are classified as business-type activities.

Government-wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities. The functions are also supported by general government revenues (interest, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expense (including depreciation) by related program revenues, operating and capital grants.

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.

Program revenues - Program revenues included in the Statement of Activities 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses - The Village reports all direct expenses by function in the Statement of Activities. Indirect expenses not allocated to functions are reported separately in the Statement of Activities.

The government wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fiduciary funds are not included in the government-wide financial statements.

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

Fund financial statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Major Governmental Fund

General Fund – This fund accounts for all activities of the Village not specifically required to be accounted for in another fund. This fund accounts for transactions for services such as general government and public safety services.

Major Proprietary Fund

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

D. BASIS OF ACCOUNTING

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

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

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

The 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 Village considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. Principal revenue sources considered susceptible to accrual include grants and taxes. All other revenues are considered to be measurable and available only when cash is received by the Village.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Proprietary Funds – The financial statements of the proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting similar to the government-wide statements described above.

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. The principal operating revenues of the proprietary funds are from charges for water services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

E. CASH & CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits, those investments with original maturities of 90 days or less.

Under state law, the Village may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and United States, or under the laws of the United States.

For purposes of the proprietary fund Statements of Cash Flows, the Village considers all investments with a maturity of three months or less when purchased to be cash equivalents.

F. INVESTMENTS

If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Under state law, the Village may invest in United States bonds, treasury notes, and certificates. In addition, the Village may invest in bonds, debentures, notes or other evidence of indebtedness

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the U.S and also collateralized mortgage obligations, which have not been stripped into interest only and principal only obligations.

Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Long-term investments, those with original maturities greater than one (1) year, are valued at the last reported sales price at current exchange rates.

The Village's investments are in certificates of deposit.

G. RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of accounts receivable. The major receivable balance of the governmental activities is franchise fees. Business-type activities report utilities as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accrual for franchise taxes, grants and other intergovernmental revenues since they are usually both measurable and available.

Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned and only if paid within 30 days, when considered both measurable and available.

H. PREPAID ITEMS

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

I. 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 acquisition value at the date of donation. The Village maintains a threshold level of \$2,500 or more for capitalizing assets.

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

| Description | Estimated <u>Lives</u> |
|-------------------------------------|---------------------------|
| Roads, bridges, and infrastructure | 25-50 years |
| Land improvements | 10-30 years |
| Buildings and building improvements | 10-40 years |
| Furniture and fixtures | 5-15 years |
| Vehicles | 5-10 years |
| Equipment | 5-15 years |

J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has no items that qualify for reporting in this category.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Village has no items that qualify for reporting in this category.

K. INTERFUND ACTIVITY

Interfund activity is reported as loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related costs as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental and business-type activities in the Statement of Net Position.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

M. COMPENSATED ABSENCES

The Village does not have a policy that provides vacation or sick leave to employees; consequently, there is no liability for compensated absences.

N. POST-EMPLOYMENT HEALTH CARE BENEFITS

The Village does not provide medical coverage for its retirees; consequently, there is no liability for post-employment health care benefits.

O. RESTRICTED NET POSITION

For the government-wide Statement of Net Position, net position is reported as restricted if either of the following conditions exists:

- Restrictions are externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Restrictions are imposed by law through constitutional provision or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources when expenses are incurred for purpose for which both restricted and unrestricted net position are available.

P. FUND EQUITY IN FUND FINANCIAL STATEMENTS

Fund balance is reported within the following categories:

Non-spendable – Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted – Fund balance that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

Committed – Fund balance that can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Village aldermen, the government’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Village alderman remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the field have been specifically committed for use in satisfying those contractual requirements.

Assigned – Fund balance that is constrained by the Village’s “intent” to be used for specific purposes, but are neither restricted not committed. The Village alderman and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted not committed.

Unassigned – Fund balance that is the residual classification for the General fund. It is also used to report negative fund balance in other governmental funds.

Minimum Fund Balance – The Village does not have a minimum fund balance policy.

The Village reduces committed amounts, followed by assigned amounts, and then unassigned amounts when an expense is incurred for purposes for which any of those unrestricted balance classifications could be used. When both restricted and unrestricted resources are available for use, it is the Village’s policy to use externally restricted resources first, then unrestricted resources.

Q. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, the effect of interfund activity has been eliminated within the governmental and business-type activities column.

R. ESTIMATES

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

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

- a) The Village Clerk prepares a proposed budget and submits it to the Mayor and the Council prior to the beginning of each fiscal year.
- b) The budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- c) Budgets are adopted on a basis consistent with generally accepted accounting principles (CASH). Budgeted amounts, as originally adopted, are amended from time to time by the Council.
- d) The revenues and expenditures shown on page 8 are reconciled with the amounts reflected on the budgetary comparison schedule on page 28 as follows:

| | |
|--|---------------|
| Deficiency of revenues over expenditures, GAAP basis | \$ (436) |
| Adjustments: | |
| Decrease in accounts receivable | 115 |
| Increase in accounts payable | <u>564</u> |
| Excess of revenues over expenditures, budget- cash basis | \$ <u>243</u> |

Excess of expenditures over appropriations in individual funds

The following fund had actual expenditures over budgeted expenditures for the year ended December 31, 2020.

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--------------|------------------|------------------|-----------------|
| General fund | \$ <u>24,908</u> | \$ <u>24,933</u> | \$ <u>(25)</u> |

3. CASH AND CASH EQUIVALENTS

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 at least 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 year-end, the Village's carrying amount of deposits was \$197,377

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

These deposits are reported as follows:

| | |
|---------------------------|-------------------|
| Cash and cash equivalents | \$ 171,216 |
| Restricted cash | <u>26,161</u> |
| Total | \$ <u>197,377</u> |

Custodial credit risk – deposits – At December 31, 2020, the Village bank balances of \$279,975 are secured from risk by federal deposit insurance.

The Village has not formally adopted a deposit policy that limits the government’s allowable deposits and addresses custodial credit risk.

4. INVESTMENTS

As of December 31, 2020, the Village had the following investments:

Types of investments

| | |
|---------------------------|-------------------|
| Money market funds – LAMP | \$ 44,712 |
| Certificates of deposit | <u>81,229</u> |
| Total investments | \$ <u>125,941</u> |

The Village participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, and concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor’s
- Custodial credit risk: LAMP participants’ investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity’s

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 47 as of December 31, 2020.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with SEC as an investment company.

If you have any questions, please feel free to contact the LAMP Administrative office at 800-249-5267.

Village's Investment policies

The Village has not formally adopted an investment policy that limits the government's allowable investments and addresses interest rate risk, credit risk, concentration of credit risk, or custodial credit risk.

5. ACCOUNTS RECEIVABLE

The receivables of governmental activities at December 31, 2020 are \$1,290 for franchise taxes. At December 31, 2020, the Water fund had accounts receivable of \$12,048, which is made up of amounts owed for water services.

These receivables are expected to be collected in full; therefore, there is no allowance for doubtful accounts recognized.

6. RESTRICTED ASSETS

At December 31, 2020, the Village had restricted assets totaling \$26,161, deposits held for utility customer deposits.

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

7. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2020, for the primary government is as follows:

| | Balance Dec. 31, <u>2019</u> | <u>Additions</u> | <u>Deletions</u> | Balance Dec. 31, <u>2020</u> |
|--|------------------------------------|-------------------|-------------------|------------------------------------|
| Governmental activities | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ <u>5,912</u> | \$ <u>-</u> | \$ <u>-</u> | \$ <u>5,912</u> |
| Total capital assets, not being depreciated | <u>5,912</u> | <u>-</u> | <u>-</u> | <u>5,912</u> |
| Capital assets being depreciated: | | | | |
| Buildings and equipment | <u>77,319</u> | <u>-</u> | <u>-</u> | <u>77,319</u> |
| Total capital assets being depreciated | <u>77,319</u> | <u>-</u> | <u>-</u> | <u>77,319</u> |
| Less accumulated depreciation for: | | | | |
| Building and equipment | <u>68,361</u> | <u>2,170</u> | <u>-</u> | <u>70,531</u> |
| Total accumulated depreciation | <u>68,361</u> | <u>2,170</u> | <u>-</u> | <u>70,531</u> |
| Total capital assets, being depreciated, net | <u>8,958</u> | <u>(2,170)</u> | <u>-</u> | <u>6,788</u> |
| Governmental activities capital assets, net | \$ <u>14,870</u> | \$ <u>(2,170)</u> | \$ <u>-</u> | \$ <u>12,700</u> |
| Business-type activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ <u>5,519</u> | \$ <u>-</u> | \$ <u>-</u> | \$ <u>5,519</u> |
| Construction in progress | <u>7,972</u> | <u>18,266</u> | <u>(7,972)</u> | <u>18,266</u> |
| Total capital assets, not being depreciated | <u>13,491</u> | <u>18,266</u> | <u>(7,972)</u> | <u>23,785</u> |
| Capital assets being depreciated: | | | | |
| Utility plant and equipment | 1,147,692 | 32,700 | (389) | 1,180,003 |
| Office equipment | <u>11,909</u> | <u>-</u> | <u>(10,553)</u> | <u>1,356</u> |
| Total capital assets being depreciated | <u>1,159,601</u> | <u>32,700</u> | <u>(10,942)</u> | <u>1,181,359</u> |
| Less accumulated depreciation for: | | | | |
| Utility plant and equipment | 699,587 | 42,989 | (313) | 742,263 |
| Office equipment | <u>11,876</u> | <u>33</u> | <u>(10,553)</u> | <u>1,356</u> |
| Total accumulated depreciation | <u>711,463</u> | <u>43,022</u> | <u>(10,866)</u> | <u>743,619</u> |
| Total capital assets, being depreciated, net | <u>448,138</u> | <u>(10,322)</u> | <u>(76)</u> | <u>437,740</u> |
| Business-type activities capital assets, net | \$ <u>461,629</u> | \$ <u>7,944</u> | \$ <u>(8,048)</u> | \$ <u>461,525</u> |

VILLAGE OF DUBBERLY, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

Depreciation expense for the year ended December 31, 2020 was charged to functions of the primary government as follows

| | |
|---------------------------|------------------|
| Government activities: | |
| General government | \$ <u>2,170</u> |
| Business-type activities: | |
| Water | \$ <u>29,775</u> |

8. IMPAIRMENT LOSS AND INSURANCE RECOVERIES

The Village suffered a loss in May 2020 when a lightning strike made the Patterson well inoperable. A loss of \$13,247 is recognized as of December 31, 2020. At the date of this report, the Village has received \$36,680 worth of insurance recovery. This asset was used by the Water fund and was in the process of being repaired before year end, however the well was still idle on December 31, 2020. The well became usable again in 2021.

The Fellowship well was also damaged by a lighting strike in the fiscal year ended December 31, 2020. The Village received \$4,869 worth of insurance recovery. The Well was repaired before year end. No impairment loss is recognized on this well as of December 31, 2020.

The carrying amount of impaired capital assets that are idle at December 31, 2020 is \$56,205.

9. CUSTOMERS' DEPOSITS

Deposits held for customers that are currently active on the water and sewer systems total \$26,161 at December 31, 2020. These amounts are payable from restricted assets. See Note 6.

10. LONG-TERM OBLIGATIONS

As of December 31, 2020 the Village had no governmental long-term debt.

11. ON BEHALF PAYMENTS

During the fiscal year ended December 31, 2020, the Village police department received supplemental pay from the State of Louisiana. In accordance with GASB Statement No. 24, the Village recognized revenues and expenditures for supplemental pay of \$6,000 in the General fund.

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 27, 2021. This date represents the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

VILLAGE OF DUBBERLY, LOUISIANA
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2020

| | <u>Budgeted amounts</u> | | Actual | Variance with |
|--------------------------------------|-------------------------|---------------|-------------------|------------------------------|
| | <u>Original</u> | <u>Final</u> | (Cash basis) | final budget Over (under) |
| REVENUES | | | | |
| Franchise tax | \$ 6,000 | \$ 6,820 | \$ 6,819 | \$ (1) |
| Insurance premium tax | 16,700 | 15,000 | 14,980 | (20) |
| Fines and forfeitures | 2,500 | 1,675 | 1,667 | (8) |
| Interest | 1,550 | 1,700 | 1,695 | (5) |
| Royalties | 25 | 20 | 15 | (5) |
| TOTAL REVENUES | <u>26,775</u> | <u>25,215</u> | <u>25,176</u> | <u>(39)</u> |
| EXPENDITURES | | | | |
| General government | 20,425 | 18,008 | 17,985 | 23 |
| Public safety | 4,000 | 6,900 | 6,948 | (48) |
| TOTAL EXPENDITURES | <u>24,425</u> | <u>24,908</u> | <u>24,933</u> | <u>(25)</u> |
| Excess of revenues over expenditures | 2,350 | 307 | 243 | (64) |
| Fund balance at beginning of year | - | - | 190,553 | 190,553 |
| Fund balance at end of year | <u>\$ 2,350</u> | <u>\$ 307</u> | <u>\$ 190,796</u> | <u>\$ 190,489</u> |

SUPPLEMENTARY INFORMATION

SCHEDULE 2

VILLAGE OF DUBBERLY, LOUISIANA
Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2020

The Village of Dubberly, Louisiana paid the following amounts to the mayor and members of the board as of December 31, 2020:

| | <u>Compensation</u> |
|-------------------|------------------------|
| Mayor | |
| Curtis Hirth | \$ 3,000 |
| Board | |
| Johnny Brown | 1,200 |
| Lynn Cooley | 1,200 |
| Douglas Culpepper | <u>1,200</u> |
| TOTAL | <u>\$ 6,600</u> |

SCHEDULE 3

VILLAGE OF DUBBERLY, LOUISIANA
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2020

| | |
|--|-----------------|
| Agency head name: Curtis Hirth - Mayor | <u>Amount</u> |
| Salary | <u>\$ 3,000</u> |
| TOTAL | <u>\$ 3,000</u> |

VILLAGE OF DUBBERLY, LOUISIANA
Justice System Funding Schedule - Receiving Entity
For the Year Ended December 31, 2020

| Cash Basis Presentation | First Six Month Period Ended 6/30/2020 | Second Six Month Period Ended 12/31/2020 |
|--|---|---|
| Receipts From: | | |
| <i>City Court of Minden - Criminal Court Costs/Fees</i> | \$ 1,567 | \$ - |
| <i>City Court of Minden - Criminal Fines - Contempt</i> | 50 | 50 |
| Subtotal Receipts | <u>\$ 1,617</u> | <u>\$ 50</u> |
| Ending Balance of Amounts Assessed but Not Received | <u>\$ -</u> | <u>\$ -</u> |

OTHER REPORTS

WISE, MARTIN & COLE, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

601 Main Street P. O. Box 897
Minden, Louisiana 71058-0897
(318) 377-3171 Fax (318) 377-3177

MICHAEL W. WISE, CPA
KRISTINE H. COLE, CPA

KRISTIE K. MARTIN, CPA
HANNAH M. COLVIN, CPA

CARLOS E. MARTIN, CPA (2020)

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Honorable Curtis Hirth, Mayor
and the Members of the Board of Aldermen
Village of Dubberly, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Village of Dubberly, Louisiana and the Louisiana Legislative Auditor (the specified parties) on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2020, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Village's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures for materials or supplies exceeding \$30,000. There were no public works exceeding \$250,000 that would be subject to the provisions of R.S. 38:2211-2296.

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 RS 42:1101-1124 (the ethics law)

Management provided us with the requested information.

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

Management provided us with the requested information.

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

None of the employees included on the list provided by management for agreed-upon procedure 3 appeared on the list provided by management for agreed-upon procedure 2.

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

Management provided the requested information. None of the businesses of board members, employees and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

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

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

7. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to documentation in the minutes of the meeting of the Board held December 9, 2019. We traced the adoption of the amended budget to documentation in the minutes of the meeting of the Board held December 14, 2020.

8. 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.

Actual revenues did not fail to meet budgeted revenues by more than 5%, and actual expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

9. Obtain list of all disbursements made during the fiscal year. Randomly select six 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 in the supporting documentation;

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

- b. Report whether the six disbursements are coded to the correct fund and general ledger account; and

All six disbursements were properly coded to the correct fund and general ledger account.

- c. Report whether the six disbursements were approved in accordance with management's policies and procedures.

Exception: The Village has no written policy and procedures for disbursements. The Village Clerk asserts that Board approves expenses after checks are written.

Management response: The Village will draft policy and procedures over 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 RS 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management represents that the Village is only required to post a notice of each meeting and the accompanying agenda on the marquee sign next to the Village's office. Although management asserted that such documents were properly posted, we could find no evidence supporting that assertion other than copies of the notices and agendas.

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 bank 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 examined all bank deposits for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of 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, advances or gifts.

We scanned payroll disbursements and read the meeting minutes of the Village's board for the fiscal year.

Exception: One employee is paid in advance on the 15th of each month.

Management response: The Village will investigate to determine whether an advance is being made. If needed, the Village will adjust date of pay to employees so that payments for the month will not be advanced.

State Audit Law

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

The Village of Dubberly filed an emergency declared extension allowing filing of report by September 30, 2021. The Village did provide for a timely report in accordance with R.S. 24:513.

14. Inquire of management a report whether the agency entered 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)

The Village of Dubberly did not enter into any contracts that utilized state funds and were subject to the public bid law.

Prior-Year Comments

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

The prior year report, dated November 18, 2020, included no findings.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards, applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Village of Dubberly'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 of Dubberly's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 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.

Wise Martin & Cole LLC

Minden, Louisiana
September 27, 2021

Attachments:
Signed Louisiana Attestation Questionnaire

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

3-8-21 (Date Transmitted)

Wise, Mate & Cole LLC (CPA Firm Name)

PO Box 897 (CPA Firm Address)

Monroe La 71058-0897 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of Dec 31, 2020 (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.

| | | | |
|-------------------------------|----------------|-----------------|------|
| <u><i>Douglas B. Cupp</i></u> | Council member | <u>3-8-2021</u> | Date |
| <u><i>Paula Corley</i></u> | Council member | <u>3-8-21</u> | Date |
| <u><i>Jeff Brown</i></u> | Council member | <u>3-8-21</u> | Date |

OTHER INFORMATION

VILLAGE OF DUBBERLY, LOUISIANA

Summary Schedules of Prior Year Findings
For the year ended December 31, 2020

There were no findings required to be reported for the year ended December 31, 2019.

VILLAGE OF DUBBERLY, LOUISIANA

**Schedule of Current Year Findings
For the year ended December 31, 2020**

There are no findings required to be reported for the year ended December 31, 2020.