

Village of Belcher, Louisiana

Financial Statements

As of and for the Year Ended December 31, 2019

Village of Belcher, Louisiana
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COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA
J. PRESTON DELAUNE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountants' Review Report

To the Honorable Jennifer C. Fant, Mayor
and the Village Council
Village of Belcher, Louisiana
Belcher, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Village of Belcher, Louisiana, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, 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 the 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 AICPA. 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 modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 17-18 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited,

reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted the management's discussion and analysis information that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

Supplementary Information

The supplementary information included in the accompanying Schedule of Compensation Paid to Council Members and Mayor on page 19, the Schedule of Compensation, Benefits and Other Payments to Agency Head on page 20 and the Schedule of Revenue and Expenditures – LCDBG Contract on page 21 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplemental information has been subjected to the review procedures applied in the review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.



Cook & Morehart
Certified Public Accountants
June 24, 2020

Village of Belcher
 Belcher, Louisiana
 Statement of Net Position
 December 31, 2019

	Governmental Activities
Assets	
Cash	\$ 225,915
Accounts receivable - franchise taxes	7,847
Capital assets not being depreciated	37,900
Depreciable capital assets, net	822,166
Total Assets	1,093,828
Liabilities	
Accounts payable	1,616
Total liabilities	1,616
Net Position	
Investment in capital assets	860,066
Unrestricted	232,146
Total net position	\$ 1,092,212

See accompanying notes and independent accountants' review report.

Village of Belcher
 Belcher, Louisiana
 Statement of Activities
 For the Year Ended December 31, 2019

	Program Revenues			
Expenses	Operating Grants and Contributions	Capital Grants and Contributions	Net(expense) Revenue and changes in net position	
<u>Functions/Programs:</u>				
Governmental activities:				
General government	\$ 87,574	\$ 10,949	\$ 262,002	\$ 185,377
Total governmental activities	87,574	10,949	262,002	185,377

General revenues:	
Franchise taxes	22,142
Licenses and permits	20,473
Investment earnings	1,542
Other miscellaneous	1,770
Total general revenues	45,927
Changes in net position	231,304
Net position, beginning, restated	860,908
Net position, ending	\$ 1,092,212

See accompanying notes and independent accountants' review report.

Village of Belcher
 Belcher, Louisiana
 Balance Sheet
 Governmental Funds
 December 31, 2019

Assets	General	Capital Project LCDBG	Total Governmental Funds
Cash	\$ 225,915	\$	\$ 225,915
Accounts receivable - franchise tax	7,847		7,847
Total Assets	\$ 233,762	\$	\$ 233,762
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 1,616		\$ 1,616
Total Liabilities	1,616		1,616
Fund balance:			
Unassigned	232,146		232,146
Total Fund Balance	232,146		232,146
Total Liabilities and Fund Balance	\$ 233,762	\$	\$ 233,762

See accompanying notes and independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2019

Fund Balance - Governmental Funds \$ 232,146

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

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the governmental
funds.

860,066

Net Position of Governmental Activities

\$ 1,092,212

See accompanying notes and independent accountants' review report.

Village of Belcher
 Belcher, Louisiana
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2019

Revenues:	General	Capital Project LCDBG	Total Governmental Funds
Franchise taxes	\$ 22,142	\$	\$ 22,142
Intergovernmental	10,949	262,002	272,951
Licenses and permits	20,473		20,473
Interest income	1,542		1,542
Miscellaneous	1,770		1,770
Total revenues	56,876	262,002	318,878
Expenditures:			
Current			
General government	41,173		41,173
Capital outlays		262,002	262,002
Total expenditures	41,173	262,002	303,175
Change in fund balances	15,703		15,703
Fund balances, beginning of year, restated	216,443		216,443
Fund balances, end of year	\$ 232,146	\$	\$ 232,146

See accompanying notes and independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in the Fund Balance of the Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019

Net change in fund balances - governmental funds	\$	15,703
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Amounts reported for governmental activities in the Statement of Activities are different because:

Government 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 \$(262,002) exceeds depreciation \$(46,401) in the current period.

215,601

Change in Net Position of Governmental Activities

\$ 231,304

See accompanying notes and independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019

Introduction

The Village of Belcher, Louisiana (The Village) was incorporated in 1968, under the provisions of the Lawrason Act. The Village is located in the Parish of Caddo. Elected officials of the Village of Belcher are a mayor and three (3) alderman who are elected every four years.

(1) Summary of Significant Accounting Policies

The Village of Belcher's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Village of Belcher are discussed below.

A. Reporting Entity

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

GASB established criteria for determining which component units should be considered part of the Village of Belcher for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing 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 for which the Village does not appoint a voting majority but are fiscally dependent 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.

In addition, the GASB states that a legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if *all* of the following criteria are met:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.

(Continued)

Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019
(Continued)

3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

In addition, other organizations should be evaluated as potential component units if they are closely related to, or financially integrated with, the primary government.

Based on the criteria described above, there are no component units to be included as part of the reporting entity.

B. Basic Financial Statements – Government-Wide Statements

The Village of Belcher's basic financial statements include both government-wide (reporting the funds maintained by the Village of Belcher as a whole) and fund financial statements (reporting the Village of Belcher's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's general fund and capital project fund are classified as governmental activities. The Village does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and 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 Village of Belcher's net position is reported in two parts – invested in capital assets and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village of Belcher's functions. The functions are also supported by general government revenues (sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Amounts reported as program revenues include 1) operating grants and contributions, and 2) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The net costs (by function) are normally covered by general revenue (franchise taxes, license and permit revenues, interest income, etc.).

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

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Village of Belcher are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

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Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019
(Continued)

The following fund types are used by the Village of Belcher:

1. Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village of Belcher:
 - a. General fund is the general operating fund of the Village of Belcher. It is used to account for all financial resources except those required to be accounted for in another fund.
 - b. Capital projects fund accounts for acquisition or construction of capital projects, other than those financed by proprietary funds. Revenues are derived primary from intergovernmental revenues, loans and earnings on investments.

The emphasis in fund financial statements is on the major funds in either the governmental category. Nonmajor funds by category are summarized into a single column. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds.

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund – LCDBG – accounts for all financial resources in regards to the LCDBG contract with the State of Louisiana, Division of Administration to construct water supply and distribution improvements.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures 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.

1. Accrual:

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

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Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019
(Continued)

E. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Village may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by R.S. 33:2955 and the Village's investment policy. 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.

F. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	15–30 years
Furniture and equipment	5–15 years
Other improvements	15–30 years

GASB requires the Village to report and depreciate new infrastructure assets effective July 1, 2003. Infrastructure assets include roads, bridges, traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is not required.

G. Revenues

Franchise taxes are reported in the period for which the tax was assessed. Fines, forfeitures, licenses, and permits are recognized in the period they are collected. Interest income on demand and time deposits is recorded when earned. Federal and state grants are recorded when the Village is entitled to the funds.

H. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Village's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

(Continued)

Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019
(Continued)

I. Interfund Activity

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

K. Fund Balance

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

1. Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.
2. Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes as a result of constraints imposed by the Village Council (the Village's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the board of aldermen removes those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned fund balances are amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the Mayor, an appointed body or official the Village Council has delegated the authority to assign, modify, or rescind amounts to be used for specific purposes.
5. Unassigned fund balance are the residual classification for the Village's general fund and include all spendable amounts not contained in the other classifications.

The Village's policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balances, and unassigned fund balances, in that order.

(Continued)

Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019
(Continued)

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

L. Postretirement Benefits

The Village provides no postretirement benefits to its employees.

M. Compensated Absences

The Village provides for leave for its employees, but does not allow any carry forward of that time not used during the year.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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. At this time, the Village has no transactions that meet the definition of deferred outflows of resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At this time, the Village has no transactions that meet the definition of deferred inflows of resources.

(2) Budget

The Village follows the following budget practices:

Formal budgetary accounting is employed as a management control. Village of Belcher prepares and adopts a budget each year for its general fund in accordance with Louisiana Revised Statutes. The Village's budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year. The budget is adopted on a cash basis. All budget appropriations lapse at year end. There was one budget amendment during the year ended December 31, 2019.

(3) Cash and Cash Equivalents

At December 31, 2019, the Village has cash and cash equivalents (book balances), totaling \$225,915, as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2019 (book balances) totaled \$225,915. 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.

(Continued)

Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019
(Continued)

B. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2019, 100% of the Village's bank balances were secured by FDIC insurance.

(4) Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2019 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 37,900	\$	\$	\$ 37,900
Construction in progress	39,440	262,002	(301,442)	
Total capital assets, not being depreciated	<u>77,340</u>	<u>262,002</u>	<u>(301,442)</u>	<u>37,900</u>
Capital assets, being depreciated				
Buildings and improvements	136,017			136,017
Furniture and equipment	104,815		(69,687)	35,128
Other improvements	881,643	301,442		1,183,085
Total capital assets being depreciated	<u>1,122,475</u>	<u>301,442</u>	<u>(69,687)</u>	<u>1,354,230</u>
Less accumulated depreciation for:				
Buildings and improvements	(110,956)	(1,598)		(112,554)
Furniture and equipment	(87,320)	(1,999)	69,687	(19,632)
Other improvements	(357,074)	(42,804)		(399,878)
Total accumulated depreciation	<u>(555,350)</u>	<u>(46,401)</u>	<u>69,687</u>	<u>(532,064)</u>
Total capital assets being depreciated, net	<u>567,125</u>	<u>255,041</u>		<u>822,166</u>
Governmental activities capital assets, net	<u>\$ 644,465</u>	<u>\$ 517,043</u>	<u>\$ (301,442)</u>	<u>\$ 860,066</u>

Depreciation expense for the year ended December 31, 2019 was \$46,401.

(Continued)

Village of Belcher
Belcher, Louisiana
Notes to the Financial Statements
December 31, 2019
(Continued)

(5) Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village attempts to minimize risk from significant losses through the purchase of insurance.

(6) Subsequent Events

Subsequent events have been evaluated through June 24, 2020, the date the financial statements were available to be issued.

As a result of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact operating results. While the duration of the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

(7) Restatement of Net Position and Fund Balance

The Village restated the fund balance of the general fund at December 31, 2018, which was previously reported on the cash basis of accounting. The fund balance was originally reported on the cash basis of \$210,345 and restated to the modified accrual basis of \$216,443. The net position of the Village's governmental activities were also restated to the accrual basis of accounting. The Village had previously only reported cash basis fund financial statements.

Village of Belcher
 Belcher, Louisiana
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget (Cash Basis) and Actual
 General Fund
 For the Year Ended December 31, 2019

	Budgeted Amount		Actual Amount	Variance with
	Original	Final		Final Budget
Revenues				Positive
Franchise tax	\$	\$	\$ 21,694	\$ 21,694
Intergovernmental			10,949	10,949
License and permits			20,473	20,473
Interest income			1,542	1,542
Miscellaneous			1,770	1,770
Total revenues			56,428	56,428
Expenditures				
Current				
General government	37,600	42,600	41,254	1,346
Total expenditures	37,600	42,600	41,254	1,346
Net change in fund balance	(37,600)	(42,600)	15,174	57,774
Fund balance, beginning of year	210,345	210,345	210,345	
Fund balance, end of year	\$ 172,745	\$ 167,745	\$ 225,519	\$ 57,774

See independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Notes to Required Supplementary Information
December 31, 2019

The Village's budget is adopted on a cash basis for all funds. There was one amendment to the December 31, 2019 budget. Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all amendments. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	<u>General Fund</u>
Excess of revenues and other sources over expenditures and other uses (budget basis)	\$ 15,174
Adjustments:	
Expenditure accruals – net	<u>529</u>
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 15,703</u>

See independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Schedule of Compensation Paid to Council Members and Mayor
For the Year Ended December 31, 2019

The following serve without compensation:

Mayor:

Jennifer C. Fant

Council Members:

Kathleen Jackson

Edna "Sandy" Duncan (until November, 2019)

Carol McWhiney (beginning November, 2019)

David Strahan

See independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2019

Agency Head: Jennifer C. Fant, Mayor

<u>Purpose</u>	<u>Amount</u>
Conference Travel	\$ 602

See independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Schedule of Revenue and Expenditures
LCDBG Contract Number 2000288223
For the Year Ended December 31, 2019

Revenue:

LCDBG funds	<u>\$ 262,002</u>
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Expenditures:

Public works - water:

Engineering	21,120
Construction	233,892
Other	900
	<u>255,912</u>

Administration:

Adminstrative	<u>6,090</u>
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Total expenditures	<u>262,002</u>
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Excess revenue over (under) expenditures	<u><u>\$</u></u>
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See independent accountants' review report.

Village of Belcher
Belcher, Louisiana
Schedule of Prior Year Findings
Schedule For Louisiana Legislative Auditor
December 31, 2019

There were no findings for the prior year compilation report for the year ended December 31, 2018.

Schedule of Current Year Findings
Schedule For Louisiana Legislative Auditor
December 31, 2019

2019-1 Finding – Budget

Finding:	The Village did not budget revenues for the budget adopted for 2019.
Recommendation:	We recommend the Village's revenues and other sources of funds be included in the budget document when presenting and adopting budgets for the Village.
Management Response:	The Village will include revenues and other sources when adopting budgets for the Village.

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA
J. PRESTON DELAUNE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountants' Report On Applying Agreed-Upon Procedures

To the Honorable Jennifer C. Fant, Mayor
and the Village Council
Village of Belcher, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Village of Belcher and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Belcher's compliance with certain laws and regulations during the year ended December 31, 2019 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants 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 \$157,700. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement) or R.S. 38:221-2296 (the public bid law), whichever is applicable; report whether the expenditures were made in accordance with these laws.

Expenditures subject to the public bid law were made in accordance with the public bid law.

Code of Ethics for Public Officials and Public Employees

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

The Village provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the fiscal year.

The Village provided us with the required list.

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

None of the employees included on the list of employees provided by the Village [agreed-upon procedures (3)] appeared on the list provided by the Village in agreed-upon procedure (2).

5. Obtain a list of all disbursement 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.

Obtained listings, no vendors appeared on both lists.

Budgeting

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

The Village provided us with a copy of the original budget. There was one amendment to the budget during the year ended December 31, 2019.

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 a meeting held in December 3, 2018, which indicated that the budget had been adopted by the Council. No exceptions were noted.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues fail to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures.

- 1) Revenues met budgeted revenues by 5% or more. (See Finding 2019-1)
- 2) Expenditures did not exceed budgeted amounts by greater than 5%.

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 those 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.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

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.

Inspection of documentation supporting each of the six selected disbursements indicated the six disbursements were approved in accordance with management's policies and procedures.

Meetings

10. Obtain evidence from management indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:12 (the open meetings law).

The Village posted its meetings and agendas as required by LSA-RS 42:11 through 42:12 (the open meetings law).

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there were 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 inspected copies of all bank deposit slips for the period under examination 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 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.

A reading of the minutes of the Village for the year ended December 31, 2019 indicated no approval for the payments noted that constituted bonuses, advances, or gifts. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

State Audit Law

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

The required report for the year ended December 31, 2019 was submitted timely.

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

We inquired and management stated that the Village did not enter into any contracts that utilize state funds that were subject to public bid law while the Village was not in compliance with R.S. 24:513.

Prior Comments and Recommendations

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

There were no prior year suggestions, recommendations, and/or comments.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, 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.

This report is intended solely for the use of management of the Village of Belcher and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "Cook & Morehart", with a long horizontal flourish extending to the right.

Cook & Morehart
Certified Public Accountants
June 24, 2020

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

6-15-20 (Date Transmitted)

COOK + MOREHART, CPAs (CPA Firm Name)
P.O. Box 78240 (CPA Firm Address)
Shreveport, LA 71137-8240 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12-31-19 (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.

George C. Smith

MAYOR
~~Secretary~~

6-15-20

Date

Treasurer

Date

President

Date