

VILLAGE OF ANACOCO
ANNUAL FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2014

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INDEPENDENT AUDITOR'S REPORT

The Honorable Keith Lewing, Mayor
and the Members of the Board of Aldermen
Village of Anacoco, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and the major fund of the Village of Anacoco, Louisiana as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Village of Anacoco, Louisiana as of June 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and budgetary comparison information on page 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require 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. My opinion on the basic financial statements is not affected by this missing information.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Anacoco, Louisiana's basic financial statements. The schedule of per diem paid to board members is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of per diem paid to board members is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of per diem paid to board members is fairly stated in all material respects in relation to the basic financial statements as a whole

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 1, 2014, on my consideration of the Village of Anacoco, Louisiana's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Anacoco, Louisiana's internal control over financial reporting and compliance.



DeRidder, Louisiana
December 1, 2014

BASIC FINANCIAL STATEMENTS

Statement of Net Position
For the Year Ended June 30, 2014

	<u>Primary Government Governmental Activities</u>
ASSETS	
Cash	\$ 124,164
Receivables:	
Franchise taxes	5,300
Occupational licenses	12,186
Capital assets not being depreciated	86,189
Capital assets, being depreciated - net	348,635
Total assets	<u>\$ 576,474</u>
LIABILITIES	
Accounts payable	\$ 2,954
Payroll taxes payable	2,691
Total liabilities	<u>\$ 5,645</u>
NET POSITION	
Net investment in capital assets	\$ 434,824
Unrestricted	136,005
Total net position	<u>\$ 570,829</u>
Total liabilities and net position	<u>\$ 576,474</u>

The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2014

Program Activities	Expenses	Program Revenues		Net (Expenses)
		Fees, Fines, and Charges for Services	Capital Grants and Contributions	Revenues and Changes in Net Position
				Governmental Activities
Governmental activities:				
General government and administration	\$ 123,644	\$ -	\$ -	\$ (123,644)
Public safety	110,924	124,224	20,570	33,870
Public works	3,658	-	-	(3,658)
Recreation	2,777	-	3,000	223
Total governmental activities	\$ 241,003	\$ 124,224	\$ 23,570	\$ (93,209)
General revenues:				
Hotel/motel tax				\$ 27,381
Occupational licenses and permits				46,739
Franchise tax				39,170
Investment earnings				103
Rentals				2,277
Sale of assets				(489)
Miscellaneous				1,689
		Total general revenues		\$ 116,870
		Change in net position		23,661
Net position at beginning of year				547,168
Net position at end of year				\$ 570,829

The accompanying notes are an integral part of the statement.

Balance Sheet
 Governmental Funds
 For the Year Ended June 30, 2014

ASSETS	<u>General</u>
Cash	\$ 124,164
Receivables:	
Franchise taxes	5,300
Occupational licenses	12,186
Total assets	<u>\$ 141,650</u>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 2,954
Payroll taxes payable	2,691
Total liabilities	<u>\$ 5,645</u>
Fund Balances:	
Unassigned	<u>\$ 136,005</u>
Total liabilities and fund balances	<u>\$ 141,650</u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet
to Statement of Net Position
For the Year Ended June 30, 2014

Total fund balance - total governmental funds	\$ 136,005
Amounts reported for governmental 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 balance sheets.	<u>434,824</u>
Net position of governmental activities	<u><u>\$ 570,829</u></u>

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	<u>General Fund</u>
Revenues	
Taxes:	
Franchise	\$ 39,170
Hotel/motel	27,381
Occupational licenses and permits	46,739
Intergovernmental:	
Federal grants	13,000
Local grants	5,000
Investment income	103
Fines and forfeitures	124,224
Rentals	2,277
Local donations	5,570
Miscellaneous	1,689
Total revenues	<u>\$ 265,153</u>
Expenditures	
General government	\$ 110,515
Public safety	94,951
Recreation	603
Capital outlay	44,602
Total expenditures	<u>\$ 250,671</u>
Excess (deficiency) of revenues over expenditures	\$ 14,482
Other financing sources:	
Sale of assets	<u>\$ 1,057</u>
Net change in fund balance	\$ 15,539
Fund balances at beginning of year	<u>120,466</u>
Fund balances at end of year	<u><u>\$ 136,005</u></u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2014

Net change in fund balances - total governmental funds	\$ 15,539
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	44,602
The net effect of various transactions involving capital assets (contributions, trades, etc.) is to decrease net position.	(1,546)
Depreciation expense on capital assets is reported in the government- wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	<u>(34,934)</u>
Change in net position of governmental activities	<u><u>\$ 23,661</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Village of Anacoco, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2014

INTRODUCTION

The Village of Anacoco was incorporated under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Village of Anacoco conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

The Village maintains a general fund that provides services and benefits to its citizens including repairs and maintenance of approximately 25 miles of roads and streets, and police protection to approximately 990 residents.

The Village is located within Vernon Parish in the southwestern part of the State of Louisiana and is comprised of approximately 990 residents. The governing board is composed of three elected aldermen that are compensated for regular and special board meetings. There are approximately seven employees that provide police protection and handle the clerical work for the Village.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 Anacoco, Louisiana

Notes to the Financial Statements (Continued)

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

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

The municipality reports the following major governmental fund:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources except for those in another fund.

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

The municipality has not established a policy for use of the unrestricted fund balance, therefore it considers committed fund balances to be used first, then assigned fund balances to be used next and finally the unassigned fund balance will be used.

C. Deposits and Investments

The municipality's cash is considered to be cash on hand and demand deposits. State law and the municipality's investment policy allow the municipality to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

D. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The municipality maintains a threshold level of \$1,000 or more for capitalizing capital assets.

According to GASB 34 the Village of Anacoco was not required to retroactively report infrastructure assets in its financial statements, therefore, these assets have not been reported in the financial statements.

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

Village of Anacoco, Louisiana

Notes to the Financial Statements (Continued)

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

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, and infrastructure	40-50 years
Land improvements	40-50 years
Buildings and building improvements	40-50 years
Furniture and fixtures	5-15 years
Equipment	3-15 years

E. Compensated Absences

• **Vacation Leave**

Any employee that has worked a full year is eligible for vacation leave of thirty hours. Vacation leave credited to an employee may be used by the employee with the approval of the Mayor. The total amount of accrued vacation leave shall not exceed thirty hours.

• **Sick Leave**

Sick leave is accrued at the rate of one day per quarter. The total amount of sick leave accrued shall not exceed eight hours per employee.

An employee must be employed by the Village for a minimum of two years to receive any type of sick leave with pay. Sick leave is defined as any period of time during which an employee may be excused from work without loss of pay due to

- Personal illness, injury or any other type of physical disability which prevents an employee from performing his usual duties, except injuries incurred on the job;
- Medical, dental, or optical consultation or treatment; or
- Serious illness in the employee's immediate family. For the purpose of this section, the immediate family shall be deemed to include parents, spouses, children (including step-children), of the employee.

Sick leave may be utilized by an employee who has sufficient leave to his credit for necessary absence from duty due to the above listed conditions. Sick leave shall not be charged for non-working days. Vacation leave may be used for sick leave purposes after sick leave has been exhausted. The minimum charge to sick leave records shall not be less than fifteen minutes.

An employee who has taken sick leave shall inform the Mayor of that fact and the reason as soon as possible. Failure to do so by noon of the first day of illness may result in denial of sick leave with pay for the period of absence. For absences in excess of three days, the Mayor may require a statement from a registered physician or some other acceptable proof that the employee or immediate family member was ill and the employee was unable to report to work.

Each employee upon termination shall be paid the value of his accrued annual leave in a lump sum payment according to the limits established above, and the privileges of this policy shall not extend to any employee who is dismissed for theft of agency funds or property. When an employee is paid wages on an hourly basis, his regular hourly rate will be multiplied by the number of hours of accrued annual leave.

Payment for annual leave under this section shall not constitute employment beyond the last day of active duty.

As of June 30, 2014 accrued vacation and sick leave was immaterial and has not been recorded.

F. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. As of June 30, 2014 the village had no long-term obligations.

G. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the municipality, which are either unusual in nature or infrequent in occurrence.

H. 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.

I. Fund Balances

Unassigned Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION The municipality uses the following budget practices:

1. The Village Clerk and Mayor prepare a proposed budget and submit same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after the publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen. These amended amounts are shown in the financial statements.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Aldermen.

Village of Anacoco, Louisiana

Notes to the Financial Statements (Continued)

EXCESS OF EXPENDITURES OVER APPROPRIATIONS The following individual fund had actual expenditures over budgeted appropriations for the year ended June 30, 2014.

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Budget</u>
General Fund	\$ 269,815	\$ 244,361	\$ 244,416	\$ 55

3. CASH AND CASH EQUIVALENTS

At June 30, 2014, the municipality has cash and cash equivalents (book balances) totaling \$124,164 as follows:

Interest bearing demand deposits	\$ 25,667
Demand deposits	98,497
Total	<u>\$ 124,164</u>

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

At June 30, 2014, the municipality has \$128,312 in deposits (collected bank balances). These deposits are secured from risk by \$128,312 of federal deposit insurance.

4. RECEIVABLES

The receivables of \$17,486 at June 30, 2014, are as follows:

<u>Class of receivable</u>	<u>General Fund</u>
Taxes:	
Franchise	\$ 5,300
Occupational license	12,186
Total	<u>\$ 17,486</u>

Village of Anacoco, Louisiana

Notes to the Financial Statements (Continued)

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2014, for the primary government is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 86,189	\$ -	\$ -	\$ 86,189
Capital assets being depreciated				
Buildings	178,485	12,658	-	191,143
Vehicles	62,056	5,731	-	67,787
Improvements other buildings	329,919	-	-	329,919
Machinery and equipment	112,483	26,213	5,974	132,722
Total capital assets being depreciated	<u>682,943</u>	<u>44,602</u>	<u>5,974</u>	<u>721,571</u>
Less accumulated depreciation for:				
Buildings	49,453	4,974	-	54,427
Vehicles	16,674	12,890	-	29,564
Improvements other than buildings	185,104	10,306	-	195,410
Equipment	91,199	6,764	4,428	93,535
Total accumulated depreciation	<u>342,430</u>	<u>34,934</u>	<u>4,428</u>	<u>372,936</u>
Total capital assets being depreciated, net	<u>\$ 340,513</u>	<u>\$ 9,668</u>	<u>\$ (1,546)</u>	<u>\$ 348,635</u>

Depreciation expense of \$34,934 for the year ended June 30, 2014, was charged to the following governmental functions:

Public works	\$ 3,658
Public safety	15,973
General administration	13,129
Recreation	2,174
Total	<u>\$ 34,934</u>

6. ACCOUNTS AND OTHER PAYABLES

The payables of \$5,645 at June 30, 2014, are as follows:

	General Fund
Payroll taxes	\$ 2,691
Accounts	2,954
Total	<u>\$ 5,645</u>

Village of Anacoco, Louisiana

Notes to the Financial Statements (Concluded)

7. BUDGETARY/GAAP BASIS COMPARISON

<u>General Fund</u>	<u>Actual Amount Budgetary Basis</u>	<u>Actual Amount GAAP Basis</u>	<u>Difference</u>
Revenues			
Franchise taxes	\$ 37,046	\$ 39,170	\$ 2,124
Occupational license	50,202	46,739	3,463
Local grants	3,000	5,000	2,000
Sale of assets	-	1,057	1,057
Expenditures			
General government and administration	\$ 129,821	\$ 110,515	\$ 19,306
Public safety	88,916	94,951	6,035
Recreation	460	603	143
Capital outlay	25,219	44,602	19,383

The difference shown above are the result of adjustments and reclassifications made to the financial statements of the Village of Anacoco, Louisiana.

8. SUBSEQUENT EVENTS

As of October 1, 2014 the Village of Anacoco, Louisiana took over operations of the Anacoco Water System, Inc. (a nonprofit corporation). Anacoco Water System Inc. ceased to exist and the assets and liabilities of the water system were legally merged into the village. The merged assets and liabilities are as follows:

Assets	
Cash	\$ 351,482
Accounts receivable	25,858
Property, plant and equipment (net of depreciation)	165,536
Total	<u>\$ 542,876</u>
Liabilities	
Accounts payable	\$ 241
Payroll taxes payable	511
Customer deposits	27400
Total	<u>\$ 28,152</u>

REQUIRED SUPPLEMENTAL INFORMATION

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over (under)	Actual Amount GAAP Basis
	Original	Final			
Revenues					
Taxes:					
Franchise	\$ 22,000	\$ 37,050	\$ 37,046	\$ (4)	\$ 39,170
Hotel/motel	20,000	27,381	27,381	-	27,381
Occupational licenses and permits	30,000	50,200	50,202	2	46,739
Intergovernmental:					
Federal grants	10,000	13,000	13,000	-	13,000
Local grants	-	3,000	3,000	-	5,000
Investment income	200	100	103	3	103
Fines and forfeitures	100,200	124,200	124,224	24	124,224
Rentals	1,800	2,277	2,277	-	2,277
Local donations	-	-	-	-	5,570
Miscellaneous	600	1,689	1,689	-	1,689
Total revenues	<u>\$ 184,800</u>	<u>\$ 258,897</u>	<u>\$ 258,922</u>	<u>\$ 25</u>	<u>\$ 265,153</u>
Expenditures					
General government and administration	\$ 109,675	\$ 134,470	\$ 129,821	\$ 4,649	\$ 110,515
Public safety	98,840	84,326	88,916	(4,590)	94,951
Recreation	500	-	460	(460)	603
Capital outlay	60,800	25,565	25,219	346	44,602
Total expenditures	<u>\$ 269,815</u>	<u>\$ 244,361</u>	<u>\$ 244,416</u>	<u>\$ (55)</u>	<u>\$ 250,671</u>
Excess or (deficiency) of revenues over expenditures	\$ (85,015)	\$ 14,536	\$ 14,506	\$ (30)	\$ 14,482
Other financing sources:					
Sale of assets	\$ -	\$ -	\$ -	\$ -	\$ 1,057
Net change in fund balance	\$ (85,015)	\$ 14,536	\$ 14,506	\$ (30)	\$ 15,539
Fund balances at beginning of year	<u>105,000</u>	<u>120,466</u>	<u>120,466</u>	<u>-</u>	<u>120,466</u>
Fund balances at end of year	<u>\$ 19,985</u>	<u>\$ 135,002</u>	<u>\$ 134,972</u>	<u>\$ (30)</u>	<u>\$ 136,005</u>

OTHER SUPPLEMENTAL SCHEDULES

Schedule of Compensation Paid to Board Members
 Year Ended June 30, 2014

<u>BOARD MEMBERS</u>	<u>COMPENSATION PAID</u>
LaVerne Miers	\$ 1,200
Shane Freeman	1,200
Mark Phillips	1,200
Total	<u>\$ 3,600</u>

OTHER REPORTS

Schedule of Prior Year Audit Findings
Year Ended June 30, 2014

There were no prior year audit findings as of June 30, 2013.

Schedule of Current Year Audit Findings
and Management's Response
Year Ended June 30, 2014

There were no current year audit findings reported as of June 30, 2014.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

The Honorable Keith Lewing, Mayor
and the Members of the Board of Aldermen
Village of Anacoco, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Village of Anacoco, Louisiana as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Village of Anacoco, Louisiana's basic financial statements, and have issued my report thereon dated December 1, 2014.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of Obtaining reasonable assurance about whether the Village of Anacoco, Louisiana's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



DeRidder, Louisiana
December 1, 2014