

**VILLAGE OF WILSON, LOUISIANA
FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS
ENDED DECEMBER 31, 2021**

Village of Wilson, Louisiana
Basic Financial Statements
For the Twelve Months Ended December 31, 2021
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INDEPENDENT AUDITOR'S REVIEW REPORT

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

Report on the Audit of the Financial Statements

Opinions

I have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wilson, Louisiana as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Village of Wilson's basic financial statements as listed in the table of contents.

In my opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, of the Village of Wilson, Louisiana, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report I am required to be independent of the Village of Wilson, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Wilson's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Village of Wilson's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Wilson's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

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, 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted the management's discussion and analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such information is the responsibility of management. My opinion on the basis financial statements is not affected by this missing information. 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 inquiries 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 us with sufficient evidence to express an opinion or provide any assurance

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Wilson, Louisiana's basic financial statements. The accompanying schedules listed as Other Supplemental Information in the table of contents are presented for purposes of additional analysis and are not a required part of the basis financial statements.

The schedule of compensation paid to board members, schedule of compensation, benefits, and other payments to agency head, and the justice system funding schedule-collecting/disbursing entity were derived from and relate 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 information 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 September 27, 2022, on my consideration of the Village of Wilson'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 Village of Wilson's internal control over financial reporting and compliance.



Minda Raybourn CPA
Franklinton, LA
September 27, 2022

GOVERNMENT WIDE FINANCIAL STATEMENTS

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF NET POSITION
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

<u>ASSETS</u>	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>
Cash and cash equivalents	\$ 74,617	\$ 661	\$ 75,278
Due from other funds	200,293		200,293
Receivables, net	32,801	184,115	216,916
Other current assets			-
Restricted cash	84,437	19,795	104,232
Restricted investments	-	-	-
Capital assets, net	198,957	2,092,537	2,291,494
	<hr/>		
Total Assets	591,105	2,297,108	2,888,213
	<hr/>		
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	-	-	-
	<hr/>		
<u>LIABILITIES</u>			
Accounts payable	13,575	-	13,575
Accrued expenditures	-	230,365	230,365
Due to other funds	-	200,293	200,293
Payroll tax withholdings/payable	4,234	-	4,234
Customer deposits	-	15,922	15,922
Unearned revenue	124,183	-	124,183
Lease payable-current	11,508	18,347	29,855
Lease payable-noncurrent	4,006	59,409	63,415
Certificates of Indebtness-Short Term	-	20,012	20,012
Certificates of Indebtness-Long Term	-	6,481	6,481
	<hr/>		
Total Liabilities	157,506	550,829	708,335
	<hr/>		
<u>DEFERRED INFLOWS RESOURCES</u>	-	-	-
	<hr/>		
<u>NET POSITION</u>			
Net investment in capital assets	183,443	1,988,288	2,171,731
Restricted-Streets and Sidewalks	41,393	-	41,393
Restricted-Meter Deposits	-	3,873	3,873
Unrestricted	208,763	(245,882)	(37,119)
	<hr/>		
Total Net Position	\$ 433,599	\$ 1,746,279	\$ 2,179,878
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The accompanying notes are an integral part of these financial statements.

**VILLAGE OF WILSON, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net Revenues (Expenses)</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental Activities							
General government	\$ 110,069	\$ -	\$ 20,670	\$ -	\$ (89,399)	\$ -	\$ (89,399)
Public safety	57,787	31,659	-	-	(26,128)	-	(26,128)
Public works	98,688	-	-	-	(98,688)	-	(98,688)
Interest expense	1,529	-	-	-	(1,529)	-	(1,529)
Total Governmental Activities	268,073	31,659	20,670	-	(215,744)	-	(215,744)
Business-type Activities							
Water and Sewer	156,583	93,854	-	689,448	-	626,719	626,719
Total Business-type Activities	156,583	93,854	-	689,448	-	626,719	626,719
Total Primary Government	424,656	125,513	20,670	689,448	(215,744)	626,719	410,975

General Revenues and Transfers

Sales taxes	148,836	-	148,836
Franchise taxes	33,930	-	33,930
Occupational License	2,200	-	2,200
Interest earned	5	10	15
Miscellaneous	-	-	-
Transfers	(16,544)	16,544	-
Total General Revenues and Transfers	168,427	16,554	184,981
Change in Net Position	(47,317)	643,273	595,956
Net Position, beginning	480,916	1,103,006	1,583,922
Net Position, ending	\$ 433,599	\$ 1,746,279	\$ 2,179,878

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

**VILLAGE OF WILSON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021**

	<u>General</u>	<u>Street and Sidewalks</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 117,661	\$ 41,393	\$ 159,054
Due from enterprise fund	178,633	21,660	200,293
Receivables, net			-
Franchise fees	4,847	-	4,847
Sales taxes	11,861	16,093	27,954
Other current assets	-	-	-
	313,002	79,146	392,148
TOTAL ASSETS	313,002	79,146	392,148
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	2,659	10,916	13,575
Unearned revenue	124,183	-	124,183
Due to other funds	-	-	-
Payroll tax withholdings/payable	4,234	-	4,234
Deferred revenue	-	-	-
	131,076	10,916	141,992
Total Liabilities	131,076	10,916	141,992
Fund Balances			
Restricted	-	68,230	68,230
Committed for police protection	4,323	-	4,323
Unassigned	177,603	-	177,603
	181,926	68,230	250,156
Total Fund Balances	181,926	68,230	250,156
TOTAL LIABILITIES AND FUND BALANCES	313,002	79,146	392,148

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF WILSON, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021**

Total Fund Balances - Total Governmental Funds	\$	250,156
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheets.		198,957
Long- term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds		(15,514)
Total Net Position of Governmental Activities	\$	433,599

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF WILSON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021**

<u>REVENUES</u>	<u>General</u>	<u>Streets and Sidewalks</u>	<u>Total Governmental Funds</u>
Sales taxes	65,976	82,860	148,836
Franchise fees	33,930	-	33,930
Grants	20,670	-	20,670
Occupational licenses	2,200	-	2,200
Fines	31,659	-	31,659
Interest earned	-	5	5
Other revenues	-	-	-
	<hr/>		
Total Revenues	154,435	82,865	237,300
<u>EXPENDITURES</u>			
General government	107,525	-	107,525
Public safety			
Police	48,964		48,964
Public works	-	67,106	67,106
Capital outlay	-	-	-
	<hr/>		
Total Expenditures	156,489	67,106	223,595
Deficiency of Revenues over Expenditures	(2,054)	15,759	13,705
<hr/>			
<u>OTHER FINANCING SOURCES (USES)</u>			
Grants and other contributions	-	-	-
Lease Payments	-	(12,315)	(12,315)
Transfers-governmental funds	-	-	-
Transfers-enterprise funds	(16,544)		(16,544)
Total Other Financing Sources (Uses)	(16,544)	(12,315)	(28,859)
	<hr/>		
Change in Fund Balances	(18,598)	3,444	(15,154)
Fund Balances, beginning	199,894	64,786	264,680
	<hr/>		
Fund Balances, ending	181,296	68,230	249,526
	<hr/>		

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF WILSON, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Total Governmental Funds	\$	(15,154)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures.

However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciaton expense

Depreciation		(42,949)
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Capital outlay		-
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Long term lease proceeds provide current financial resources to Governmental Funds, but issuing debt increases long term liabilities in the Government Wide Statement of Net Postion. Repayment of capital lease principal is an expenditure in the governmental Funds, but the repayment reduces long-term liabilities in the Government Wide statements.

Lease issued during the period		-
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Lease principal payments during the current period		10,786
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Change in Net Position - Governmental Activities	\$	<u>(47,317)</u>
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The accompanying notes are an integral part of these financial statements.

**VILLAGE OF WILSON, LOUISIANA
BALANCE SHEET
PROPRIETARY FUNDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021**

		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$	661
Accounts receivable, net		184,115
	Total Current Assets	184,776
Restricted Assets		
Cash and cash equivalents		19,795
Investments		-
		19,795
Non-Current Assets		
Capital Assets:		
Construction in Progress		779,106
Water system		1,706,860
Sewer system		745,423
Less: Accumulated depreciation		(1,138,852)
	Total Non-Current Assets	2,092,537
TOTAL ASSETS		2,297,108
 <u>LIABILITIES</u>		
Current Liabilities		
Accounts Payable		-
Accrued expenditures		230,365
Payroll tax withholdings/payables		-
Due to other funds		200,293
Lease Payable-Current Portion		18,347
Notes Payable-Current Portion		20,012
	Total Current Liabilities	469,017
Long-Term Liabilities		
Payable from restricted assets		
Customer deposits		15,922
Lease Payable-Long Term Portion		59,409
Notes Payable-Long Term Portion		6,481
	Total Long-Term Liabilities	81,812
	Total Liabilities	550,829
 <u>NET POSITION</u>		
Net investment in capital assets		1,988,288
Restricted-customer deposits		3,873
Unrestricted		(245,883)
	Total Net Position	1,746,279
TOTAL LIABILITIES AND NET POSITION	\$	2,297,108

The accompanying notes are an integral part of these financial statements.

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

		<u>Enterprise Funds</u>	<u>Water and Sewer</u>
<u>OPERATING REVENUES</u>			
Water & sewer sales and service	\$		93,854
Total Operating Revenues			93,854
 <u>OPERATING EXPENSES</u>			
Salaries			7,677
Payroll taxes			732
Bad Debt Expense			4,170
Insurance			4,290
Repairs and maintenance			24,908
Dues and subscriptions			1,565
Office expense			905
Utilities			16,829
SDWF fees			4,175
Depreciation			62,362
Professional			15,308
Chemicals			8,887
Other			(330)
Total Operating Expenses			151,478
Operating Loss			(57,624)
 <u>NON-OPERATING REVENUES (EXPENSES)</u>			
Grants and other contributions			689,448
Interest income			10
Interest paid			(5,105)
Transfers			16,544
Total Non-Operating Revenues (Expenses)			700,897
Change in Net Position			643,273
Total Net Position, beginning			1,103,006
Total Net Position, ending	\$		1,746,279

The accompanying notes are an integral part of these financial statements.

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE EIGHTEEN MONTHS DECEMBER 31, 2021

	<u>Business-type Activities</u> <u>Enterprise Funds</u> <u>Water and Sewer</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 97,241
Cash paid to employees for services	(7,677)
Cash paid to suppliers for goods and services	<u>(83,294)</u>
Net Cash Provided/(Used) for Operating Activities	6,270
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers between funds	<u>16,544</u>
Net Cash Provided/(Used) by Non-Capital Financing Activities	16,544
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(17,656)
Proceeds from grantors	513,112
Construction in progress	(513,112)
Principal payments	(30,415)
Interest paid	<u>(5,105)</u>
Net Cash Provided/(Used) by Capital and Related Financing Activities	(53,176)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment earnings	<u>10</u>
Net Cash Provided/(Used) by Investing Activities	<u>10</u>
Net Increase in Cash and Cash Equivalents	(30,352)
Cash and Cash Equivalents, Beginning of Year	<u>50,808</u>
Cash and Cash Equivalents, End of Year	<u><u>20,456</u></u>
Currents Assets:	
Cash and cash equivalents	661
Restricted Assets:	
Cash and cash equivalents	<u>19,795</u>
Cash and Cash Equivalents, end of year	<u><u>20,456</u></u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF WILSON, LOUISIANA
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS
FOR THE EIGHTEEN MONTHS ENDED DECEMBER 31, 2021

		<u>Business-type Activities</u>
		<u>Enterprise Funds</u>
		<u>Water and Sewer</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES:		
Net operating change	\$	(57,624)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:		
Depreciation		62,362
(Increase) decrease in assets:		
Accounts receivable		7,258
Increase (decrease) in liabilities:		
Due to/from		(6,876)
Accounts and other payables		(100)
Customer deposits		1,250
		1,250
Net Cash Used for Operating Activities		6,270

BALANCE SHEET PRESENTATION OF CASH

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

INTRODUCTION

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

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

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

The Village is situated in the northwest part of East Feliciana Parish. It is approximately 28.5 square miles in size with a population of 579 persons. Within the boundaries are approximately 10 miles of roads maintained by the Village. It serves an average of 130 water and 60 sewer customers and employs 8 persons.

The Village changed its fiscal year end from June 30 to December 31 during 2020.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The following is a summary of certain significant accounting policies:

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

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

Government-wide statements distinguish between governmental-type and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

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

Eliminating Internal Activity

Inter-fund receivables and payables are eliminated in the statement of net assets except for the net residual amounts due to between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the statement of activities. Allocated expenses are reported by the function to which they were allocated.

Capitalizing Assets

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

Program Revenues

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

Direct/Indirect Expenses

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

Operating Revenues

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

Restricted Net Position

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

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

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

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

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

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

Proprietary funds include:

1. Enterprises Funds – account for operations (a) where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Enterprise Fund of the Village provides water and sewer utility services.

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

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

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

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

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

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

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

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

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

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

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

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

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

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

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

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

Net Investment in Capital Assets

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

VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Restricted Net Position

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

Unrestricted Net Position

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

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

Non-spendable

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

Restricted

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

Committed

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

Assigned

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

Unassigned

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

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

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

Sales Taxes: The Village receives 2.94% of one percent East Feliciana sales tax collected on sales occurring within the Village boundaries. Those proceeds are available for any lawful purpose for operating the Village. The Village recognized \$65,977 of sales tax revenue during the twelve months ended December 31, 2021.

The Village receives 3.9892% of a one percent East Feliciana sales tax collected on sales occurring within the Village boundaries. The proceeds are restricted for the street maintenance and repairs for the Village. The Village recognized \$82,860 of sales tax revenue during the twelve months ended December 31, 2021.

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Village uses the following budget practices:

1. The Village Clerk prepares a proposed budget and submits same to the Mayor and 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 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 the transfer of funds from one department, program or function to another or involving the increase in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the general and enterprise funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for enterprise funds are presented on the accrual basis of accounting. Other governmental funds are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

There were no funds, other than noted below, that had actual revenues and other sources under budgeted revenues and other sources or actual expenditures and other uses over budgeted amounts resulting in unfavorable variances greater than five percent in accordance with the Local Government Budget Act for the fiscal year ended December 31, 2021.

The general fund revenues were under budget by 40.82% or \$106,506 due to transfer of funds.

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 3 – CASH AND CASH EQUIVALENTS

A summary of cash and cash equivalents (book balances) at December 31, 2021 is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
Demand deposits	\$ 148,284	\$ 20,456	
Interest-bearing demand deposits	10,771	-	
Total	\$ 159,054	\$ 20,456	

These deposits are stated at cost, which approximates market value. 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. Even though the pledged securities may be considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the municipality that the fiscal agent has failed to pay deposited funds upon demand.

Custodial credit risk as it relates to cash deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. The Village does not have a formal policy for custodial risk. However, 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. At December 31, 2021, the Village has deposits (collected bank balances), within one bank, consisting of \$180,031 in demand deposits. The demand deposits are secured from risk by \$250,000 of federal deposit insurance.

NOTE 4 – RECEIVABLES

The following is a summary of receivables, not including interfund or intergovernmental transactions, at December 31, 2021:

	General Fund	Special Revenue Fund	Enterprise Fund	Total
Accounts	\$ -	\$ -	\$ 7,780	\$ 7,780
Grant	-	-	176,335	176,335
Franhise Taxes	4,847	-	-	4,847
Sales Tax	11,861	16,093	-	27,954
Total	\$ 16,708	\$ 16,093	\$ 184,115	\$ 216,916

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Utility meters are read on the 15th of each month and bills are computed and mailed by the 25th of each month. The amount of water used from the date the meter is read until the end of the month is an unbilled receivable in the Enterprise Fund. These receivables, included in the above totals, were \$3,474 at December 31, 2021.

The Village had a receivable for grant funding for the water well project in the amount of \$176,335.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, were as follows:

VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Beginning</u>	<u>Additions</u>	<u>Retirement</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets, not being depreciated				
Land	\$ 20,069	\$ -	\$ -	\$ 20,069
Capital Assets, being depreciated				
Building and Improvements	95,786	-	-	95,786
Less: accumulated depreciation	(36,781)	(4,153)	-	(40,934)
Net Buildings and Improvements	59,005	(4,153)	-	54,852
Equipment	195,781	-	-	195,781
Less: accumulated depreciation	(179,970)	(10,541)	-	(190,511)
Net Equipment	15,811	(10,541)	-	5,270
Office furniture	4,343	-	-	4,343
Less: accumulated depreciation	(4,343)	-	-	(4,343)
Net Office furniture	-	-	-	-
Vehicles	83,117	-	-	83,117
Less: accumulated depreciation	(46,782)	(7,390)	-	(54,172)
Net Vehicles	36,335	(7,390)	-	28,945
Infrastructure	417,307	-	-	417,307
Less: accumulated depreciation	(306,620)	(20,865)	-	(327,485)
Net Infrastructure	110,687	(20,865)	-	89,822
Total Capital Assets, being depreciated, net	221,838	(42,949)	-	178,889
Capital Assets, Net	\$ 241,907	\$ (42,949)	\$ -	\$ 198,958

	<u>Beginning</u>	<u>Additions</u>	<u>Retirement</u>	<u>Ending Balance</u>
Business-type Activities				
Capital Assets, not being depreciated				
Construction in Progress	\$ 35,630	\$ 743,477	\$ -	\$ 779,107
Capital Assets, being depreciated				
Equipment	45,793	-	-	45,793
Less: accumulated depreciation	(45,793)	-	-	(45,793)
Net Equipment	-	-	-	-
Water system	1,643,409	17,657	-	1,661,066
Less: accumulated depreciation	(633,759)	(43,726)	-	(677,485)
Net Water System	1,009,650	(26,069)	-	983,581
Sewer system	745,423	-	-	745,423
Less: accumulated depreciation	(396,938)	(18,636)	-	(415,574)
Net Sewer System	348,485	(18,636)	-	329,849
Capital Assets, net	\$ 1,393,765	\$ 698,772	\$ -	\$ 2,092,537

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 2,544
Public Safety	8,823
Public Works	<u>31,582</u>
Total	<u>\$ 42,949</u>

Depreciation expense was charged for business type activities as follows:

Water	\$ 43,726
Sewer	18,636
Total	<u>\$ 62,362</u>

The Village made various major repairs on the water system in the amount of \$17,657. No disposals were incurred.

On April 30, 2020, the Village was awarded a grant for construction of a water well. The grant is a LCDBG Public Facilities Program grant administered under Office of Community Development under the Division of Administration. The amount of the grant is \$778,510. In 2021, the Village publicly bid out the project. The project was awarded to the lowest bidder, Mid South Water, LLC. As of December 31, 2021, the Village has spent in construction costs \$779,107 towards the project.

NOTE 6 – RETIREMENT SYSTEM

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

NOTE 7 – ACCOUNTS AND OTHER PAYABLES

The following is a summary of payables by fund at December 31, 2021:

Class	General Fund	Special Revenue Fund	Enterprise Fund	Total
Accounts Payable	\$ 2,659	\$ 10,916	\$ -	\$ 13,575
Payroll Taxes	4,234	-	-	4,234
Customer Deposits	-	-	15,922	15,922
Retainage	-	-	33,750	33,750
Capital Expenditure	-	-	196,615	196,615
Unearned Revenue	124,183	-	-	124,183
Total	<u>\$ 131,076</u>	<u>\$ 10,916</u>	<u>\$ 246,287</u>	<u>\$ 264,096</u>

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Unearned revenue consists of 2 grants received but not used: 1) Pennington grant for \$40,000 and 2) American Rescue Plan Act funding of \$84,183.

The Village has accrued \$196,615 in capital expenditure costs for the water well described in Note 6.

NOTE 8 – LONG-TERM OBLIGATIONS

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Indebtedness	\$ 46,122	\$ -	\$ (19,629)	\$ 26,493	\$ 20,012

The maturity schedule is as follows:

Year Ended	Principal	Interest	Total
June 30			
2022	\$ 20,012	\$ 673	\$ 20,685
2023	6,481	54	6,535
Total	\$ 26,493	\$ 727	\$ 27,220

NOTE 9-INTERFUND RECEIVABLES AND PAYABLES

The Village had the following interfund receivables and payables for December 31, 2021:

	Interfund Receivables	Interfund Payables
General Fund	\$ 178,633	\$ -
Streets and Sidewalk Fund	21,660	-
Enterprise Fund	-	200,293
Total	\$ 200,293	\$ 200,293

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 10-LEASE PAYABLE

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

On December 5, 2019, the Village entered into a lease purchase agreement for the acquisition of a water meter system for \$95,420. The first payment on the lease will be due on January 17, 2021, and the last payment will be due on January 17, 2025. The lease payments are yearly in the amount of \$21,353.30. The interest rate is 3.866%. The Village has the option at the end of the lease term to purchase the system for \$1.

The activity for the year is disclosed as follows:

	Beginning			Ending	
	Balance	Additions	Reductions	Balance	Due Within One Year
Lease Payable-Tractor	\$ 26,300	\$ -	\$ (10,786)	\$ 15,514	\$ 11,508
Lease Payable-Water Meters	95,420	-	(17,664)	77,756	18,347
	<u>\$ 121,720</u>	<u>\$ -</u>	<u>\$ (28,450)</u>	<u>\$ 93,270</u>	<u>\$ 29,855</u>

The maturity schedule is as follows:

Year Ended	June 30		
	Principal	Interest	Total
2022	\$ 29,854	\$ 3,674	\$ 33,528
2023	23,063	2,349	25,412
2024	19,793	1,560	21,353
2025	20,560	795	21,355
Total	<u>\$ 93,270</u>	<u>\$ 8,378</u>	<u>\$ 101,648</u>

NOTE 11 – RELATED PARTY TRANSACTIONS

There were no related party transactions that require disclosure.

NOTE 12– LITIGATION

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

**VILLAGE OF WILSON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13-COMMITMENTS

As described in Note 6, On April 30, 2020, the Village was awarded a grant for construction of a water well. The grant is a LCDBG Public Facilities Program grant administered under Office of Community Development under the Division of Administration. The amount of the grant is \$778,510. In 2021, the Village publicly bid out the project. The project was awarded to the lowest bidder, Mid South Water, LLC. As of December 31, 2021, the Village has incurred \$674,996 in costs as part of the contract. The amount left on the contract for completion is \$47,439. As of December 31, 2021, the Village has spent in construction costs \$779,107 towards the project.

NOTE 14 – COVID 19

In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic, and this pandemic has resulted in federal, state, and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders, and quarantining of people that may have been exposed to the virus.

COVID-19 and actions taken to mitigate it have and are expected to continue to have adverse effects on the economy. As the COVID-19 pandemic is complex and rapidly evolving, we cannot reasonably estimate the duration or severity of this pandemic nor its full impact on the entity, its financial position, change in financial position, or cash flows.

NOTE 15 – SUBSEQUENT EVENTS

There were no events between the close of the year through September 27, 2022, the date on which this report was available to be issued, that would materially impact the accompanying financial statements.

REQUIRED SUPPLEMENTARY SCHEDULES

**VILLAGE OF WILSON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales tax	\$ 53,252	\$ 53,252	\$ 65,976	\$ 12,724
Franchise fees	28,521	29,083	33,930	4,847
Occupational licenses	3,525	2,200	2,200	-
Fines	36,097	31,382	31,659	277
Other revenues	96	-	-	-
	<hr/>			
Total Revenues	121,491	115,917	133,765	17,848
EXPENDITURES				
General government	91,634	105,205	107,525	(2,320)
Public Safety:				
Police	35,169	45,660	48,964	(3,304)
	<hr/>			
Total Expenditures	126,803	150,865	156,489	(5,624)
	<hr/>			
Excess (Deficiency) of Revenues over Expenditures	(5,312)	(34,948)	(22,724)	23,472
OTHER FINANCING SOURCES (USES)				
Grants and other contributions	-	40,000	20,670	(19,330)
Transfers	10,250	105,024	(16,544)	(121,568)
	<hr/>			
Total Other Financing Sources (Uses)	10,250	145,024	4,126	(140,898)
	<hr/>			
Change in Fund Balances	4,938	110,076	(18,598)	(117,426)
	<hr/>			
Fund Balances, beginning	-	-	-	-
	<hr/>			
Fund Balances, ending	4,938	110,076	(18,598)	(117,426)
	<hr/>			

See Independent Auditor's Report

VILLAGE OF WILSON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE EIGHTEEN MONTHS ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales tax	\$ 72,257	\$ 65,902	\$ 82,860	\$ 16,958
Investment earnings	-	4	5	1
Total Revenues	<u>72,257</u>	<u>65,906</u>	<u>82,865</u>	<u>16,959</u>
EXPENDITURES				
Public Works	<u>61,320</u>	<u>68,506</u>	<u>67,106</u>	<u>1,400</u>
Total Expenditures	<u>61,320</u>	<u>68,506</u>	<u>67,106</u>	<u>1,400</u>
Excess (Deficiency) of Revenues over Expenditures	10,937	(2,600)	15,759	15,559
OTHER FINANCING SOURCES (USES)				
Transfers	-	-	-	-
Lease Payments	<u>(7,163)</u>	<u>(7,163)</u>	<u>(12,315)</u>	<u>(5,152)</u>
Total Other Financing Sources (Uses)	<u>(7,163)</u>	<u>(7,163)</u>	<u>(12,315)</u>	<u>(5,152)</u>
Change in Fund Balances	3,774	(9,763)	3,444	(13,207)
Fund Balances, beginning	<u>62,284</u>	<u>62,284</u>	<u>62,284</u>	<u>-</u>
Fund Balances, ending	<u><u>66,058</u></u>	<u><u>52,521</u></u>	<u><u>65,728</u></u>	<u><u>(13,207)</u></u>

See Independent Auditor's Report

OTHER SUPPLEMENTAL INFORMATION

VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO GOVERNING MEMBERS
FOR THE Twelve MONTHS ENDED DECEMBER 31, 2021

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

<u>Name</u>	<u>Amount</u>
Alderwoman Yvonne Allen	\$ 2,405
Alderwoman Georgia Honore	925
Alderwoman Debra D. Thomas	1,213
Alderwoman Harriett Sensley	<u>2,405</u>
Total	<u>\$ 6,948</u>

Ms. Honore passed away. Ms. Thomas was appointed to her position.

See Independent Auditor's Report.

**VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE TWELVE MONTHS DECEMBER 31, 2021**

Agency Head

Marilyn Broadway
Mayor

Purpose

Salary

Amount

\$ 10,400

Total Compensation, Benefits and Other Payments

10,400

See Independent Auditor's Report.

VILLAGE OF WILSON , LOUISIANA
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session

As of December 31, 2021

Cash Basis Presentation	First Six Month Period Ended 06/30/2021	Second Six Month Period Ended 12/31/2021
Beginning Balance of Amounts Collected (i.e. cash on hand)		
Add: Collections		
Criminal Fines - Other	20,387	11,272
Subtotal Collections	20,387	11,272
Less: Disbursements To Governments & Nonprofits:		
<i>Louisiana Commission on Law Enforcement Criminal court cost/fees</i>	-	-
<i>EFP District Attorney/Juvenile Justice Center, Criminal court costs/fees</i>	-	-
<i>Treasurer, State of Louisiana, CMIS, Criminal court costs/fees</i>	-	-
<i>Louisiana Supreme Court, Criminal court costs/fees</i>	-	-
<i>Traumatic Head & Spinal Cord Injury Fund, Criminal court costs/fees</i>	-	-
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
<i>Village of Wilson Criminal Fees Other</i>	20,387	8,614
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Subtotal Disbursements/Retainage	20,387	8,614
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	-	2,658
Ending Balance of "Partial Payments"	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	-	-
Total Waivers During the Fiscal Period	-	-

See Independent Auditor's Report

Minda B. Raybourn

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

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, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Wilson, Louisiana, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise City of Village of Wilson, Louisiana basic financial statements and have issued my report thereon dated September 27, 2022.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Village of Wilson, Louisiana's internal control over financial reporting (internal control) as a basis for designing 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 Village of Wilson, Louisiana's internal control. Accordingly, I do not express an opinion on the effectiveness of Village of Wilson, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. I identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-001 that I consider to be material weaknesses.

Report on Compliance and Other Matters

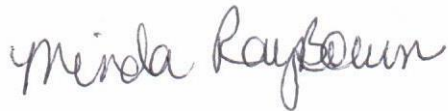
As part of obtaining reasonable assurance about whether Village of Wilson, Louisiana's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2021-C1 and 2021-C2.

Village of Wilson, Louisiana's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village of Wilson, Louisiana's response to the findings identified in my audit and described in the accompanying schedule of findings and questioned responses. The Village of Wilson, Louisiana's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on the response.

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.



Minda B. Raybourn CPA
Franklinton, LA
September 27, 2022

**VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021**

I have audited the financial statements of the Village of Wilson, Louisiana as of and for the year ended December 31, 2021, and have issued my report thereon dated September 27, 2022. 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. My audit of the financial statements as of December 31, 2021, resulted in an unmodified opinion.

Current Year Findings - Financial Statement Audit

Section I Summary of Auditor's Reports		
A. Report on Compliance and Internal Control Material to the Financial Statements		
Internal Control	Significant Deficiencies	No
	Material Weakness	Yes
Compliance	Material to Financial Statements	Yes
B. Federal Awards		
N/A		

Section II Internal Control Findings

FINDING 2021-001 Water and Sewer Losses

Criteria: Municipalities with utility funds should ensure these funds are reflecting a profit and not suffering losses year after year.

Condition: The Village's water and sewer services have operating losses the last two years in a row as follows:

2021 (\$57,624)
2020 (\$39,290)

Cause: The Village's current rate structure is not enough to cover operating expenditures.

Effect: Utility fund of municipalities should be earning a profit. With utility losses, the Village cannot recoup unless decisive action is taken in regards to rate structuring, expenditure cutting, and streamlining operations. Currently, the general fund is paying for some of the utility expenditures. Several accounts are in delinquent status.

Recommendation: I recommend the Town review each expenditure to see if they can be decreased. Rate studies should be performed on both water and sewer services. I recommend a top to bottom review of operations to see what can be streamlined. The current meter system needs to be reviewed for billing problems and resolved. In addition, the Village needs to implement a vigorous cutoff policy for delinquent accounts.

Management Response: We will implement the auditor's recommendations.

**VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021**

Section III Compliance Findings

Finding 2021-C1 Court Costs from Mayor's Court

Criteria: Mandatory costs that must be paid by all Mayor's courts in all cases include fees for the following:

1. Law Enforcement Officer Training
2. Trial Court Management Information System
3. Judicial College
4. Crime Stoppers Organizations

Mandatory costs that must be paid by all Mayor's courts in all cases, except traffic cases, include fees for the following:

1. Crime Victims Reparations Fund

Mandatory costs that must be paid by all Mayor's courts in cases involving traffic violations include fees for the following:

1. Traumatic Head and Spinal Cord Injuries Services
2. Disability Affairs Trust Fund
3. Fees concerning a defendant who failed to appear at a Traffic Citation Summons
4. Fees concerning license renewal or reissuance
5. Traffic Violations/Fees to cover submitting abstract or conviction of Office of Motor Vehicles

Mandatory costs that are to be assessed by only some or specific Mayor's courts to all types of cases include fees for the following:

1. Witness Fees
2. Feliciana Juvenile Justice District

Condition: The Village has not submitted court costs to various agencies as required by law since March 27, 2020

Cause: The Village clerk resigned effective March 27, 2020. The Village hired a new clerk in June of 2020. The new clerk was not aware of the required mandatory costs that are to be paid.

Effect: Noncompliance with state law.

Recommendation: Immediately, management needs to calculate the mandatory costs from March 2020 through to date that is owed for each agency. Management should utilize a records management system to track the required costs that are to be paid to each agency.

Response: We are in the process of compiling information from March 2020 through to date for each agency that the Village owes funds to. As soon as possible, the village will pay each agency that is owed. The Village will also implement policies and procedures to ensure compliance by using the records management system to remit funds and submit all funds by the required due dates.

Finding 2021-C2 Noncompliance with Local Government Budget Act

Criteria: Per Louisiana R.S. 39:1311, the Local Government Budget Act, total actual revenues and other sources cannot be under budgeted revenues and other sources by 5% or more.

Condition: The general fund revenues were 40.82% under budgeted revenues and other sources.

Cause: The final actual general fund revenues and other sources did not cover the budgeted revenues and other sources by 5%.

Effect: Noncompliance with state law.

Recommendation: The Village needs to ensure all revenues and other sources are budgeted accurately during the amendment process and before the close of the fiscal year.

Response: We will work with our external accountant to ensure that all funds are compliant before the end of the fiscal year.

**VILLAGE OF WILSON, LOUISIANA
SCHEDULE OF PRIOR YEAR FINIDNGS
FOR THE YEAR TWELVE MONTHS ENDED DECEMBER 31, 2020**

Finding 2020-001 Court Costs from Mayor's Courts

Criteria: Mandatory costs that must be paid by all Mayor's courts in all cases include fees for the following:

5. Law Enforcement Officer Training
6. Trial Court Management Information System
7. Judicial College
8. Crime Stoppers Organizations

Mandatory costs that must be paid by all Mayor's courts in all cases, except traffic cases, include fees for the following:

2. Crime Victims Reparations Fund

Mandatory costs that must be paid by all Mayor's courts in cases involving traffic violations include fees for the following:

6. Traumatic Head and Spinal Cord Injuries Services
7. Disability Affairs Trust Fund
8. Fees concerning a defendant who failed to appear at a Traffic Citation Summons
9. Fees concerning license renewal or reissuance
10. Traffic Violations/Fees to cover submitting abstract or conviction of Office of Motor Vehicles

Mandatory costs that are to be assessed by only some or specific Mayor's courts to all types of cases include fees for the following:

3. Witness Fees
4. Feliciana Juvenile Justice District

Condition: The Village has not submitted court costs to various agencies as required by law since March 27, 2020.

Cause: The Village clerk resigned effective March 27, 2020. The Village hired a new clerk in June of 2020. The new clerk was not aware of the required mandatory costs that are to be paid.

Effect: Noncompliance with state law.

Recommendation: Immediately, management needs to calculate the mandatory costs from March 2020 through to date that is owed for each agency. Management should utilize a records management system to track the required costs that are to be paid to each agency.

Response: We are in the process of compiling information from March 2020 through to date for each agency that the Village owes funds to. As soon as possible, the village will pay each agency that is owed. The Village will also implement policies and procedures to ensure compliance by using the records management system to remit funds and submit all funds by the required due dates.

Status: Unresolved.

Finding 2020-002 Noncompliance with Local Government Budget Act

Criteria: Per Louisiana R.S. 39:1311, the Local Government Budget Act, total actual expenditures and other uses cannot exceed budgeted expenditures and other uses by 5% or more.

Condition: The special revenue expenditures were 8.49% over budgeted expenditures.

Cause: The final amended budget for the special revenue expenditures and other uses did not cover the actual expenditures and other uses by 5%.

Effect: Noncompliance with state law.

Recommendation: The Village needs to ensure all expenditures and other uses are budgeted accurately during the amendment process and before the close of the fiscal year.

Response: We will work with our external accountant to ensure that all funds are compliant before the end of the fiscal year.

Status: Partially resolved.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. Village of Wilson, Louisiana (the "Village") management is responsible for those C/C areas identified in the SAUPs.

The Village has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
No exceptions to this procedure.
- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
No exceptions to this procedure..
- c) **Disbursements**, including processing, reviewing, and approving.
No exceptions to this procedure.
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
The Village does not have receipts or collections procedures.
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
Rates of pay or approval and maintenance of pay rate schedules are not included in the policies and procedures.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Monitoring processes are not included in the contracting policies and procedures
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Required approvals of statements and monitoring card usage are not addressed.
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
No exceptions to this procedure.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained

to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The village does not have policies and procedures in place for documentation requirements that the employees and officials are to be notified of any changes to the ethics policy.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exceptions to this procedure.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The Village does not have IT disaster recovery/business continuity policies and procedures.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

The Village does not have policies and procedures addressing annual employee training and annual reporting.

Management's Response: We will implement the policies and procedures noted above before the end of the current fiscal year.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions to this procedure.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

The minutes do not reference the budget to actual comparison but the financial statements are provided with copies of the previous month's minutes.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

This is not applicable.

Bank Reconciliations

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

The listing of bank accounts and management's representation were obtained. The main operating accounting and 4 additional accounts were selected.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

No exception to this procedure.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Management/board members who do not handle cash, post ledger, or issue checks do not review each bank reconciliation. The external accountant prepares the bank reconciliations.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions to this procedure.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A list of deposit sites and management's representation was obtained

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

No exception to this procedure.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

The municipal clerk is responsible for cash collections and has one cash drawer. Due to limited staff, the village does not have more than one person for this function.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The municipal clerk is responsible for collection cash and does post the collection entries to the general ledger. The external accountant will reconcile general ledger postings to each other and to the deposit..

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

The village has an external accountant that will reconcile collections to the general ledger by revenue source.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

No exception to this procedure.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection*

log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

The utility collections were not supported by source documentation. All other procedures had not exceptions.

Management Response: Due to limited staff and funding, the Village does not have more than one person to handle collections. The Village does have an external accountant to reconcile collections, source documents, and deposits. We will implement policies and procedures over collections to ensure that source documentation will be filed to support all collections.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Management's representation was obtained. The entity has one location that processes payments.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions to this procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions to this procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

No exceptions to this procedure.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions to this procedure.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions to this procedure.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions to this procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Management's listing of credit cards and management's representation was obtained.

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

No exceptions to this procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

No exceptions to this procedure.

- 13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

No exceptions to this procedure.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- 14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

The listing of travel expenses and management’s representation were obtained.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Reimbursement rate was under the rates established by the state and US GSA.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions to this procedure.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions to this procedure.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

The reimbursement was reviewed and approved by the mayor.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Management's listing and management's representations were obtained.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions to this procedure.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

The contracts were not approved by the board.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

This was not applicable.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

There were no exceptions to this procedure.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

A listing and management's representation were obtained.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions to this procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions to this procedure.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions to this procedure.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions to this procedure.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

A listing was obtained and management's representation was obtained. One employee resigned. The hours agreed to the cumulative leave records. The pay rate agreed to the village's policy for termination pay.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

The Village does not have retirement contributions, health insurance, or garnishments. The payroll taxes were paid timely.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
No exceptions to this procedure.
 - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity’s ethics policy during the fiscal period, as applicable.
No exceptions to this procedure.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management’s representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
A listing of bonds and management representation were obtained. The Village did not have issuances of debt in 2021.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
No exception to this procedure.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
Management asserted there were no misappropriations. Management’s representations were obtained.
24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
No exception to this procedure.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- a) Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

I performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

I performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

I performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

The board members have not received the one hour of sexual harassment training during the fiscal year.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

No exception to this procedure.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

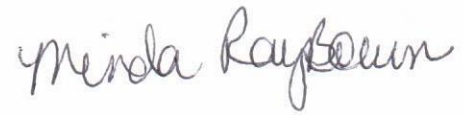
The Village did not file the annual sexual harassment report for 2021. No board members or staff completed the training requirements. Management asserted there were no sexual harassment complaints.

Management's Response: We will implement policies and procedures before the end of the current year to ensure that the annual report is filed each year and to have all board members and personnel complete the required training.

We were engaged by the Village to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, 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 LLA as a public document.

A handwritten signature in black ink that reads "Minda Raybourn". The signature is written in a cursive style with a light grey background behind it.

Minda B. Raybourn CPA
Franklinton, LA
September 26, 2022