

VILLAGE OF PIONEER

**Financial Statements
As of and for the Year Ended June 30, 2016**

VILLAGE OF PIONEER, LOUISIANA

Financial Statements
As Of and For the Year Ended June 30, 2016

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VILLAGE OF PIONEER, LOUISIANA
Financial Statements
As Of and For the Year Ended June 30, 2016

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ACCOUNTANTS' COMPILATION REPORT

**Mayor Sonia Reiter and
the Board of Aldermen
Village of Pioneer**

Management is responsible for the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Pioneer (the Village), as of and for the year ended June 30, 2016, which collectively comprise the Village's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

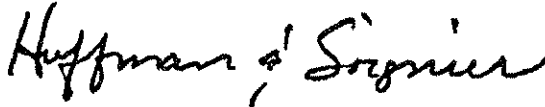
Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Mayor Sonia Reiter and
the Board of Aldermen
Pioneer, Louisiana

The supplementary information listed as Schedule of Agency Head Compensation and Schedule of Aldermen's compensation on Page 17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of Management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

We are not independent with respect to the Village of Pioneer.

A handwritten signature in cursive script that reads "Huffman & Signier".

(A Professional Accounting Corporation)

January 20, 2017

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF PIONEER
Pioneer, Louisiana

Statement of Net Position

June 30, 2016

See Accountants' Compilation Report

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 28,453	\$ 7,298	\$ 35,751
Receivables	13,918	1,528	15,446
Other current assets	200	-	200
Capital assets, net	47,522	713,013	760,535
Total Assets	<u>90,093</u>	<u>721,839</u>	<u>811,932</u>
Liabilities			
Accounts payable	733	-	733
Accrued expenses	2,439	-	2,439
Deposits held	-	5,352	5,352
Total liabilities	<u>3,172</u>	<u>5,352</u>	<u>8,524</u>
Net Position			
Net investment in capital assets	47,522	713,013	760,535
Unrestricted	39,399	3,474	42,873
Total net position	<u>\$ 86,921</u>	<u>\$ 716,487</u>	<u>\$ 803,408</u>

VILLAGE OF PIONEER

Pioneer, Louisiana

Statement of Activities
For the Year Ended June 30, 2016

See Accountants' Compilation Report

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business-Type Activities	Total
			Grants and Contributions	Grants and Contributions			
Primary government							
Governmental activities							
General government	\$ 61,915	\$ 25,543	\$ -	\$ -	\$ (36,372)	\$ -	\$ (36,372)
Public safety	62,498	118,847	-	-	56,349	-	56,349
Public works	21,898	3,000	7,112	3,388	(8,398)	-	(8,398)
Total governmental activities	<u>146,311</u>	<u>147,390</u>	<u>7,112</u>	<u>3,388</u>	<u>11,579</u>	<u>-</u>	<u>11,579</u>
Business-type activity							
Consolidated sewer district	59,183	21,597	-	-	-	(37,586)	(37,586)
Total business-type activities	<u>59,183</u>	<u>21,597</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,586)</u>	<u>(37,586)</u>
Total primary government	<u>\$ 205,494</u>	<u>\$ 168,987</u>	<u>\$ 7,112</u>	<u>\$ 3,388</u>	<u>11,579</u>	<u>(37,586)</u>	<u>(26,007)</u>
General revenues							
Other income					3,050	-	3,050
Transfers					(650)	650	-
Total general revenues					<u>2,400</u>	<u>650</u>	<u>3,050</u>
Change in net position					13,979	(36,936)	(22,957)
Net position at beginning of year					<u>72,942</u>	<u>753,423</u>	<u>826,365</u>
NET POSITION AT END OF YEAR					<u>\$ 86,921</u>	<u>\$ 716,487</u>	<u>\$ 803,408</u>

FUND FINANCIAL STATEMENTS

VILLAGE OF PIONEER

Pioneer, Louisiana
Governmental Funds

Balance Sheet

June 30, 2016

See Accountants' Compilation Report

	<u>Major Fund</u>		<u>Aggregate Remaining Funds</u>	<u>Total</u>
	<u>General</u>	<u>Other Governmental Funds</u>		
ASSETS				
Cash and cash equivalents	\$ 28,379	\$ 74	\$ 28,453	
Receivables				
Fees and licenses	4,593	-	4,593	
Fines and forfeitures	9,325	-	9,325	
Other current assets	200	-	200	
Total assets	<u>\$ 42,497</u>	<u>\$ 74</u>	<u>\$ 42,571</u>	
LIABILITIES				
Liabilities				
Accounts payable	\$ 733	\$ -	\$ 733	
Accrued expenses	2,439	-	2,439	
Total liabilities	<u>3,172</u>	<u>-</u>	<u>3,172</u>	
FUND BALANCES				
Committed	-	74	74	
Unassigned	39,325	-	39,325	
Total fund balances	<u>39,325</u>	<u>74</u>	<u>39,399</u>	
Total liabilities and fund balances	<u>\$ 42,497</u>	<u>\$ 74</u>	<u>\$ 42,571</u>	

VILLAGE OF PIONEER
Pioneer, Louisiana
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2016

See Accountants' Compilation Report

Fund balance - governmental funds	\$	39,399
Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the governmental fund		
Governmental capital assets	\$	344,235
Less: accumulated depreciation		<u>(296,713)</u>
		<u>47,522</u>
Net position of governmental activities	\$	<u><u>86,921</u></u>

VILLAGE OF PIONEER
Pioneer, Louisiana
Governmental Funds
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2016

See Accountants' Compilation Report

	<u>Major Fund</u>	<u>Aggregate Remaining Funds</u>	<u>Total</u>
	<u>General</u>	<u>Other Governmental Funds</u>	
Revenues			
Charges for services	\$ 3,000	\$ -	\$ 3,000
Licenses and permits	18,770	-	18,770
Intergovernmental - Federal	-	-	-
Intergovernmental - State	-	10,500	10,500
Fees	6,773	-	6,773
Fines and forfeitures	118,847	-	118,847
Other income	3,050	-	3,050
Total Revenues	<u>150,440</u>	<u>10,500</u>	<u>160,940</u>
Expenditures			
Current:			
General government	61,333	-	61,333
Public safety	55,027	-	55,027
Public works	16,314	5,000	21,314
Capital outlay	13,659	-	13,659
Total Expenditures	<u>146,333</u>	<u>5,000</u>	<u>151,333</u>
Excess (Deficiency) of Revenues over Expenditures	4,107	5,500	9,607
Other Financing Sources (Uses)			
Transfers in	8,750	-	8,750
Transfers out	(3,900)	(5,500)	(9,400)
Total Other Financing Sources (Uses)	<u>4,850</u>	<u>(5,500)</u>	<u>(650)</u>
Net Change in Fund Balances	8,957	-	8,957
Fund Balances at Beginning of Year	<u>30,367</u>	<u>74</u>	<u>30,441</u>
FUND BALANCES AT END OF YEAR	<u>\$ 39,324</u>	<u>\$ 74</u>	<u>\$ 39,398</u>

VILLAGE OF PIONEER
Pioneer, Louisiana

**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of the Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2016**

See Accountants' Compilation Report

Net change in fund balance	\$	8,957
Amount reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		13,545
Depreciation expense		(8,524)
		5,021
Elimination of transfers in and out		
Transfers in		(8,750)
Transfers out		8,750
		-
Change in net position of governmental activities	\$	13,978

VILLAGE OF PIONEER
Pioneer, Louisiana

Business-type Activities - Enterprise Fund
Sewer Fund
Statement of Net Position
June 30, 2016

See Accountants' Compilation Report

ASSETS**Current assets**

Cash and cash equivalents	\$	7,298
Accounts receivable - net		1,528
Total current assets		8,826

Capital assets

Non depreciable		2,500
Depreciable		1,140,924
Total capital assets		1,143,424
Accumulated depreciation		(430,411)
Net capital assets		713,013

Total assets

721,839

LIABILITIES**Current liabilities**

Customer deposits		5,352
Total current liabilities		5,352

Total liabilities

5,352

NET POSITION

Net investment in capital assets		713,013
Unrestricted		3,474
Total net position	\$	716,487

VILLAGE OF PIONEER
Pioneer, Louisiana

Business Type Activity - Enterprise Fund
Sewer Fund
Statement of Revenues, Expenses,
and Changes in Net Position
For The Year Ended June 30, 2016

See Accountants' Compilation Report

Operating revenues	
User fees	\$ 21,597
Total operating revenues	<u>21,597</u>
Operating expenses	
Collection fees	1,852
Depreciation	36,157
Dues and fees	414
Insurance	369
Maintenance & repairs	7,876
Salaries and related benefits	7,389
Supplies and chemicals	2,909
Utilities and communications	2,217
Total operating expenses	<u>59,183</u>
Operating income (loss)	(37,586)
Other financing sources (uses)	
Transfers in	650
Total other financing sources (uses)	<u>650</u>
Change in net position	(36,936)
Net position at beginning of year	<u>753,423</u>
Net position end of year	<u>\$ 716,487</u>

VILLAGE OF PIONEER
Pioneer, Louisiana
Business-type Activity - Enterprise Fund
Sewer Fund
Statement of Cash Flows
For the Year Ended June 30, 2016

See Accountants' Compilation Report

Cash flows from operating activities	
Cash received from customers	\$ 22,002
Cash paid for employee services	(7,389)
Cash payments to suppliers for goods and services	<u>(15,637)</u>
Net cash used by operating activities	<u>(1,024)</u>
Cash flows from non-capital and related financing activities	
Transfers in	<u>650</u>
Net cash provided by financing activities	<u>650</u>
Net increase in cash and cash equivalents	(374)
Cash and cash equivalents, beginning of year	<u>18,959</u>
Cash and cash equivalents, end of year	<u>\$ 18,585</u>
Shown on the accompanying balance sheet as:	
Cash and cash equivalents	\$ 7,298
Reconciliation of operating income to net cash	
Operating loss	\$ (37,586)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	36,157
Change in assets and liabilities	
Accounts receivable	488
Customer deposits	<u>(83)</u>
Net cash used by operating activities	<u>\$ (1,024)</u>

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF PIONEER
Pioneer, Louisiana
General Fund
Budgetary Comparison Schedule (GAAP Basis)
Fiscal Year Ended June 30, 2016

See Accountants' Compilation Report

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
Budgetary fund balance at beginning of year	\$ 12,343	\$ 12,343	\$ 35,547	\$ 23,204
Resources				
Charges for services	2,095	2,095	3,000	905
License and permits	15,992	15,992	18,770	2,778
Intergovernmental revenue - state	1,000	1,000	-	(1,000)
Fees	6,887	6,887	6,773	(114)
Fines and forfeitures	70,308	70,308	118,847	48,539
Miscellaneous	10	10	-	(10)
Transfers in	100	100	8,750	8,650
Total Resources	<u>96,392</u>	<u>96,392</u>	<u>156,140</u>	<u>59,748</u>
Amounts available for appropriations	<u>108,735</u>	<u>108,735</u>	<u>191,687</u>	<u>82,952</u>
Charges to appropriations				
Current				
General government	51,612	51,612	61,333	(9,721)
Public safety	38,932	38,932	55,027	(16,095)
Public works	2,916	2,916	16,314	(13,398)
Capital outlay	300	300	13,659	(13,359)
Transfers out	2,400	2,400	3,900	(1,500)
Total Charges to appropriations	<u>96,160</u>	<u>96,160</u>	<u>150,233</u>	<u>(54,073)</u>
Budgetary fund balance at end of year	<u>\$ 12,575</u>	<u>\$ 12,575</u>	<u>\$ 41,454</u>	<u>\$ 28,879</u>

SUPPLEMENTARY INFORMATION

VILLAGE OF PIONEER
Pioneer, Louisiana
Schedule of Compensation, Benefits, and
Other Payments to Agency Head
For the Year Ended June 30, 2016

See Accountants' Compilation Report

Agency Head Name: Sonia Reiter, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 5,900

Schedule of Aldermen's Compensation
For the Year Ended June 30, 2016

See Accountants' Compilation Report

<u>Aldermen</u>	<u>Amount</u>
Clifton Ward	\$ 300
Tamara Gunter	300
John Carroll	300
TOTAL	<u>\$ 900</u>

OTHER INFORMATION

MANAGEMENT LETTER

**Mayor Sonia Reiter and
The Board of Aldermen
Village of Pioneer
Pioneer, Louisiana**

We compiled the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Pioneer (the Village), as of and for the year ended June 30, 2016. We did not audit or review the financial statements and accordingly, did not express an opinion or provide any assurance about whether the financial statements were in accordance with accounting principles generally accepted in the United States of America. However, during our compilation we became aware of certain matters that offer an opportunity for strengthening the Village's internal controls and the overall environment for compliance with laws and regulations. This letter will summarize our comments and suggestions regarding these matters.

2016-01 Financial statements not filed timely

Criteria:

Louisiana Revised Statute 24:513 requires that the Village prepare and submit its compiled financial statements to the Louisiana Legislative Auditor no later than six months after the end of the most recent fiscal year.

Condition:

The Village did not submit its compiled financial statements to the Louisiana Legislative Auditor in the prescribed timeframe.

Cause:

A failure of the Village's computer system and complications in restoring data backups caused delays in providing financial information to the Village's accountants and uncertainty over the type of engagement required led to an inability to submit compiled financial statements in a timely manner.

Effect:

The Village was not in compliance with the statute.

Recommendation:

We recommend that, in the future, the Village coordinate with its accountants in such a manner as to allow compiled financial statements to be submitted in a timely manner.

Management's Response:

We now have our backup system working properly and therefore we will have the information ready for the CPA in a timely manner after yearend. This will give the CPA firm adequate time to perform the services necessary to perform the year end reporting in order to have the report submitted within the six month time frame.

2016-02 Compliance with Local Budget Act

Criteria:

Louisiana Revised Statute 39:1311 requires the Village to amend its budget any time total actual expenditures and other financing uses plus projected expenditures and other financing uses exceed budgeted amounts by 5% or more.

Condition:

Actual expenditures and other financing uses exceeded budgeted expenses and other financing uses for the year ended June 30, 2016 by \$54,073 or 56%.

Cause:

The Village did not monitor its expenditures on an ongoing basis compared to the approved budget and, therefore, did not amend its budget as prescribed by law.

Effect:

The Village was not in compliance with the statute.

Recommendation:

We recommend that the Village monitor its actual expenditures compared to the approved budget and, if the combined actual and projected expenditures and other financing uses exceed the budgeted amounts by 5% or more or if its actual and projected revenues and other financing sources fall short of the budgeted revenues and financing sources by 5% or more, the Village should amend its budget as prescribed by law.

Management's Response:

We will monitor our expenditures and other financing uses, and revenues and other financing sources and compare them to our budget. If the actual and projected amounts are outside of the 5% variance the Village will amend its budget as prescribed by law.

2016-03 Incomplete Accounting Records

Criteria:

Generally accepted accounting principles require the Village to record all financial transactions in a uniform manner.

Condition:

During the course of our compilation procedures, we became aware that the Village maintained two bank accounts for which the account balances and activities were not recorded in its QuickBooks general ledger files.

Cause:

In an attempt to maintain funds sufficient to cover unforeseen expenditures and fund all potential sewer system customer deposits, the Village opened two separate bank accounts apart from its normal operating accounts.

Effect:

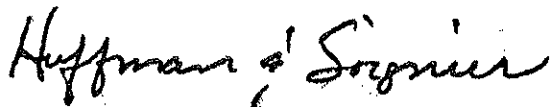
The new bank accounts were not included in the Village's general ledger and, therefore, the general ledger did not include revenues of \$13,388 and expenses of \$8,542.

Recommendation:

We recommend that management of the Village ensure that all transactions and bank activity are entered into the general ledger on a consistent and timely basis.

Management's Response:

The Village Clerk will record all transactions and bank activity for all accounts into the accounting system on a consistent and timely basis. Management of the Village will oversee these transactions.



(A Professional Accounting Corporation)
January 12, 2017

VILLAGE OF PIONEER, LOUISIANA

Summary Status of Prior Year Management Letter Comment As of and For the Year Ended June 30, 2016

The following is a summary of the status of the prior year management letter comment reported in the Huffman & Soignier (APAC) accountants' compilation report dated December 22, 2015 covering the compilation of the financial statements of the Village of Pioneer as of and for the year ended June 30, 2015.

Management Letter – Local Government Budget Act

Finding

During the year ended June 30, 2015, the Village of Pioneer's (the Village) actual General Fund expenditures exceeded its budgeted expenditures by 36% and, therefore, the Village was not in compliance with the Local Government Budget Act.

Status

The Village was, again, not in compliance with the Local Government Budget Act for the year ended June 30, 2016.