

# **VILLAGE OF PIONEER**

*Financial Statements  
As of and for the Year Ended June 30, 2017*



# VILLAGE OF PIONEER, LOUISIANA

## Financial Statements As Of and For The Year Ended June 30, 2017

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**VILLAGE OF PIONEER, LOUISIANA**  
**Financial Statements**  
**As Of and For The Year Ended June 30, 2017**

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Village of Pioneer, Louisiana  
318 Cherry Street  
Pioneer, Louisiana 71266

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Pioneer, Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountants' Responsibility**

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

### **Accountants' Conclusion**

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

### **Other Matters**

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

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and page 33, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
September 18, 2018

**REQUIRED SUPPLEMENTAL INFORMATION  
(PART A)**

**Village of Pioneer**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2017**

As management of the Village of Pioneer, we offer readers of the Village of Pioneer's financial statements this narrative overview and analysis of the financial activities of the Village of Pioneer for the fiscal year ended June 30, 2017. It is designed to assist the reader in focusing on significant financial issues, identify changes in the Village's financial position, and identify material deviations and individual fund issues or concerns.

**Financial Highlights**

- The assets of the Village of Pioneer exceeded its liabilities at the year ended June 30, 2017 by \$993,210 (*net position*). Of this amount, \$951,630 represented *net investment in capital assets* and \$41,580 was available for spending at the government's discretion (*unrestricted net position*).
- The government's total net position increased by \$189,802.
- At June 30, 2017, the Village of Pioneer's Governmental Funds reported an ending fund balance of \$37,767, a decrease of \$1,631 in comparison with the prior year. The amount of \$37,693 is available for spending at the government's discretion (*unassigned fund balance*).

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Village of Pioneer's basic financial statements. The Village of Pioneer's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Village of Pioneer's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Village of Pioneer's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Pioneer is improving or deteriorating.

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected fees).

Both of the government-wide financial statements distinguish functions of the Village of Pioneer that are principally supported by fines and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village of Pioneer include general government, public safety, and public works. The business-type activity of the Village of Pioneer includes a sewer system.

The government-wide financial statements can be found on pages 11 and 12 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Pioneer, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Pioneer can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental funds and governmental activities.

The Village of Pioneer maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Sewer Improvements Capital Project Fund, both of which are considered to be major funds. The LGAP Special Revenue Fund is presented as a nonmajor fund in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances as "Aggregate Remaining Funds."

The governmental funds financial statements can be found on pages 14 through 17 of this report.

The Village of Pioneer adopts an annual appropriated budget for its General Fund. A Budgetary Comparison statement has been provided on page 33 to demonstrate compliance with the budgets.

**Proprietary funds.** The Village of Pioneer maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.



The proprietary fund financial statements can be found on pages 18 through 20 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 21 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Pioneer's compliance with budgets for its major fund.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Pioneer, assets exceeded liabilities by \$993,210 at the close of the 2017 fiscal year.

The largest amount (\$951,630) of the Village of Pioneer's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village of Pioneer uses these capital assets to provide services to citizens. Consequently, these assets are *not* available for future spending.

**Village of Pioneer**  
**Condensed Statement of Net Position**  
**For the Years Ended June 30, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 61,098	\$ 42,571	\$ 9,360	\$ 8,826	\$ 70,458	\$ 51,397
Capital assets	61,569	47,522	890,061	713,013	951,630	760,535
Total assets	<u>122,667</u>	<u>90,093</u>	<u>899,421</u>	<u>721,839</u>	<u>1,022,088</u>	<u>811,932</u>
Current and other liabilities	<u>23,331</u>	<u>3,172</u>	<u>5,547</u>	<u>5,352</u>	<u>28,878</u>	<u>8,524</u>
Total liabilities	<u>23,331</u>	<u>3,172</u>	<u>5,547</u>	<u>5,352</u>	<u>28,878</u>	<u>8,524</u>
Net Assets:						
Net investment in capital assets	61,569	47,522	890,061	713,013	951,630	760,535
Unrestricted	37,767	39,399	3,813	3,474	41,580	42,873
Total net position	<u>\$ 99,336</u>	<u>\$ 86,921</u>	<u>\$ 893,874</u>	<u>\$ 716,487</u>	<u>\$ 993,210</u>	<u>\$ 803,408</u>

In 2017, total net position of the Village increased by \$189,802. The changes in net position are discussed later in this MD&A.

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities as follows:

**Village of Pioneer  
Condensed Statement of Activities  
For the Years Ended June 30, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for services	\$ 122,386	\$ 147,390	\$ 22,437	\$ 21,597	\$ 144,823	\$ 168,987
Operating grants and contributions	-	7,112	-	-	-	7,112
Capital grants and contributions	223,598	3,388	-	-	223,598	3,388
<b>General Revenues</b>						
Other general revenues	19,673	3,050	211,336	-	231,009	3,050
Transfers	(4,143)	(650)	4,143	650	-	-
<b>Total revenues</b>	<u>361,514</u>	<u>160,290</u>	<u>237,916</u>	<u>22,247</u>	<u>599,430</u>	<u>182,537</u>
<b>Expenses</b>						
General government	49,637	61,915	-	-	49,637	61,915
Public safety	59,814	62,498	-	-	59,814	62,498
Public works	239,648	21,898	-	-	239,648	21,898
Sewer	-	-	60,529	59,183	60,529	59,183
<b>Total expenses</b>	<u>349,099</u>	<u>146,311</u>	<u>60,529</u>	<u>59,183</u>	<u>409,628</u>	<u>205,494</u>
Increase (decrease) in net position	\$ <u>12,415</u>	\$ <u>13,979</u>	\$ <u>177,387</u>	\$ <u>(36,936)</u>	\$ <u>189,802</u>	\$ <u>(22,957)</u>

### Governmental Activities

Governmental activities increased the Village of Pioneer's net position by \$12,415. Key elements of the changes in net position are as follows:

Expenses are classified by functions/programs. General government expenses accounted for \$49,637 in 2017. Public safety accounted for \$59,814 while public works accounted for \$239,648 for fiscal 2017.

The related program revenues for fiscal 2017 directly related to these expenses totaled \$345,984 which resulted in net program expense of \$3,115. The costs of governmental activities exceeding restricted federal and state grants are paid primarily from the following sources:

- Fines and forfeitures are the largest and most significant source of revenue for the Village of Pioneer, providing \$115,350 of revenues, a decrease of \$3,497 (2.9%) as compared to 2016.
- Licenses and permits are the next largest revenue source to the Village, generating \$17,339, a decrease of \$1,431 (7.6%) in General Fund revenue.
- Fees of \$7,036, an increase of \$263 (3.9%) from 2016's \$6,773 recognized by the Village.

**Business-Type Activities.** Business-type activities increased the Village of Pioneer's net position by \$177,387. This increase was primarily attributable to capital contributions from the Sewer

Improvements Capital Project fund of \$211,336.

### **Financial Analysis of the Government's Funds**

As noted earlier, the Village of Pioneer uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Village of Pioneer's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Pioneer's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

### **General Fund Budgetary Highlights**

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA- R.S 39:1301 et seq), the Village of Pioneer must adopt a budget for the General Fund and all Special Revenue funds prior to December 31. The original budget for the Village was adopted on June 6, 2016.

There were no changes between the original General Fund budget and the final amended budget. Budgeted resources were \$96,997 and budgeted appropriations were \$96,160. The actual resources were \$139,725 or \$42,728 (44.1%) over budget. Actual charges to appropriations were \$143,690 or \$47,530 (49.4%) over budget.

### **Capital Asset and Debt Administration**

**Capital Assets.** The Village of Pioneer's investment in capital assets for its governmental and business type activities as of June 30, 2017, amounts to \$951,630 (net of accumulated depreciation), which increased by \$189,174 over the prior year due primarily to capital expenditures for the improvement and expansion of the sewer system. Collectively, the additions were offset by depreciation expense in the current year of \$38,824.

The \$951,630 investment in capital assets includes land, construction in progress, buildings and system improvements, and machinery and equipment.

#### **Village of Pioneer Capital Assets June 30, 2017**

Land	\$	40,513
Construction in progress		223,598
Building and improvements		255,988
Vehicles and equipment		83,609
Sewer system		1,113,870
Total		<u>1,717,578</u>
Less: accumulated depreciation		(765,948)
Total Capital Assets	\$	<u><u>951,630</u></u>

## **Economic Factors and Next Year's Budget**

During the 2017 fiscal year, the Village of Pioneer began a project to upgrade and expand its sewer collection system. The project is being funded through a grant from the United States Department of Agriculture. The Village plans to complete the project and offer improved services to its residents.

## **Requests for Information**

This financial report is designed to provide a general overview of the Village of Pioneer's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village Clerk, PO Box 153, Pioneer, Louisiana 71266.

**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Statement of Net Position**  
**June 30, 2017**

See Independent Accountants' Review Report

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 32,747	\$ 7,244	\$ 39,991
Receivables	12,098	2,116	14,214
Due from other governments	16,053	-	16,053
Other current assets	200	-	200
Capital assets, net	61,569	890,061	951,630
<b>Total Assets</b>	<u>122,667</u>	<u>899,421</u>	<u>1,022,088</u>
<b>Liabilities</b>			
Accounts payable	18,897	347	19,244
Accrued expenses	4,434	-	4,434
Deposits held	-	5,200	5,200
<b>Total liabilities</b>	<u>23,331</u>	<u>5,547</u>	<u>28,878</u>
<b>Net Position</b>			
Net investment in capital assets	61,569	890,061	951,630
Unrestricted	37,767	3,813	41,580
<b>Total net position</b>	<u>\$ 99,336</u>	<u>\$ 893,874</u>	<u>\$ 993,210</u>

The accompanying notes are an integral part of this statement.

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Statement of Activities**  
**For the Year Ended June 30, 2017**

**See Independent Accountants' Review Report**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Functions/Programs</b>							
<b>Primary government</b>							
Governmental activities							
General government	\$ 49,637	\$ 7,036	\$ -	\$ -	\$ (42,601)	\$ -	\$ (42,601)
Public safety	59,814	115,350	-	-	55,536	-	55,536
Public works	239,648	-	-	223,598	(16,050)	-	(16,050)
Total governmental activities	<u>349,099</u>	<u>122,386</u>	<u>-</u>	<u>223,598</u>	<u>(3,115)</u>	<u>-</u>	<u>(3,115)</u>
Business-type activity							
Sewer	60,529	22,437	-	-	-	(38,092)	(38,092)
Total business-type activities	<u>60,529</u>	<u>22,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(38,092)</u>	<u>(38,092)</u>
Total primary government	<u>\$ 409,628</u>	<u>\$ 144,823</u>	<u>\$ -</u>	<u>\$ 223,598</u>	<u>(3,115)</u>	<u>(38,092)</u>	<u>(41,207)</u>
General revenues							
Licenses and permits					17,339	-	17,339
Contributions					-	211,336	211,336
Other income					2,334	-	2,334
Transfers					(4,143)	4,143	-
Total general revenues					<u>15,530</u>	<u>215,479</u>	<u>231,009</u>
Change in net position					12,415	177,387	189,802
Net position at beginning of year					<u>86,921</u>	<u>716,487</u>	<u>803,408</u>
<b>NET POSITION AT END OF YEAR</b>					<u>\$ 99,336</u>	<u>\$ 893,874</u>	<u>\$ 993,210</u>

The accompanying notes are an integral part of this statement.

**FUND FINANCIAL STATEMENTS**



**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2017**

See Independent Accountants' Review Report

	<u>Major Funds</u>		<u>Aggregate Remaining Funds</u>	<u>Total</u>
	<u>General</u>	<u>Sewer Improvements Capital Project</u>	<u>Other Governmental Funds</u>	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 24,113	\$ 37	\$ 8,597	\$ 32,747
Accounts receivable	12,098	-	-	12,098
Due from other governments	-	16,053	-	16,053
Due from other funds	8,560	-	-	8,560
Other current assets	200	-	-	200
<b>Total assets</b>	<b>\$ 44,971</b>	<b>\$ 16,090</b>	<b>\$ 8,597</b>	<b>\$ 69,658</b>
<b>LIABILITIES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 2,844	\$ 16,053	\$ -	\$ 18,897
Accrued expenses	4,434	-	-	4,434
Due to other funds	-	-	8,560	8,560
<b>Total liabilities</b>	<b>7,278</b>	<b>16,053</b>	<b>8,560</b>	<b>31,891</b>
<b>FUND BALANCES</b>				
Committed	-	37	37	74
Unassigned	37,693	-	-	37,693
<b>Total fund balances</b>	<b>37,693</b>	<b>37</b>	<b>37</b>	<b>37,767</b>
<b>Total liabilities and fund balances</b>	<b>\$ 44,971</b>	<b>\$ 16,090</b>	<b>\$ 8,597</b>	<b>\$ 69,658</b>

The accompanying notes are an integral part of this statement.

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**June 30, 2017**

**See Independent Accountants' Review Report**

Fund balance - governmental funds	\$	37,767
Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the governmental fund		
Governmental capital assets	\$	360,897
Less: accumulated depreciation		<u>(299,328)</u>
		<u>61,569</u>
Net position of governmental activities	\$	<u><u>99,336</u></u>

The accompanying notes are an integral part of this statement.

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Governmental Funds**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2017**

See Independent Accountants' Review Report

	Major Funds		Aggregate Remaining Funds	Total
	General	Sewer Improvements Capital Project	Other Governmental Funds	
<b>Revenues</b>				
Licenses and permits	\$ 17,339	\$ -	\$ -	\$ 17,339
Intergovernmental - Federal	-	211,336	-	211,336
Intergovernmental - State	-	-	12,262	12,262
Fees	7,036	-	-	7,036
Fines and forfeitures	115,350	-	-	115,350
Other income	2,334	-	-	2,334
Total Revenues	<u>142,059</u>	<u>211,336</u>	<u>12,262</u>	<u>365,657</u>
<b>Expenditures</b>				
Current:				
General government	49,363	-	-	49,363
Public safety	58,172	-	-	58,172
Public works	27,612	-	-	27,612
Capital outlay	4,400	211,336	12,262	227,998
Total Expenditures	<u>139,547</u>	<u>211,336</u>	<u>12,262</u>	<u>363,145</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	2,512	-	-	2,512
<b>Other Financing Sources (Uses)</b>				
Transfers out	(4,143)	-	-	(4,143)
Total Other Financing Sources (Uses)	<u>(4,143)</u>	<u>-</u>	<u>-</u>	<u>(4,143)</u>
<b>Net Change in Fund Balances</b>	(1,631)	-	-	(1,631)
<b>Fund Balances at Beginning of Year</b>	<u>39,324</u>	<u>37</u>	<u>37</u>	<u>39,398</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 37,693</u>	<u>\$ 37</u>	<u>\$ 37</u>	<u>\$ 37,767</u>

The accompanying notes are an integral part of this statement.

**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, 2017**

See Independent Accountants' Review Report

Net change in fund balance		\$	(1,631)
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		\$	227,998
Capital contributions to Sewer Fund			(211,336)
Depreciation expense			(2,616)
			<u>14,046</u>
Change in net position of governmental activities		\$	<u>12,415</u>

The accompanying notes are an integral part of this statement.

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Business-type Activities - Enterprise Fund**  
**Sewer Fund**  
**Statement of Net Position**  
**June 30, 2017**

**See Independent Accountants' Review Report**

**ASSETS****Current assets**

Cash and cash equivalents	\$ 7,244
Accounts receivable - net	2,116
Total current assets	<u>9,360</u>

**Capital assets**

Non depreciable	213,836
Depreciable	1,142,845
Total capital assets	<u>1,356,681</u>
Accumulated depreciation	<u>(466,620)</u>
Net capital assets	<u>890,061</u>

<b>Total assets</b>	<u>899,421</u>
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**LIABILITIES****Current liabilities**

Accounts payable	347
Customer deposits	5,200
Total current liabilities	<u>5,547</u>

<b>Total liabilities</b>	<u>5,547</u>
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**NET POSITION**

Net investment in capital assets	890,061
Unrestricted	3,813
Total net position	<u>\$ 893,874</u>

The accompanying notes are an integral part of this statement.

**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, 2017**

See Independent Accountants' Review Report

<b>Operating revenues</b>	
User fees	\$ 22,437
Total operating revenues	<u>22,437</u>
<b>Operating expenses</b>	
Collection fees	2,314
Depreciation	36,209
Dues and fees	45
Maintenance & repairs	7,464
Other operating expenses	532
Salaries and related benefits	9,059
Supplies and chemicals	2,547
Utilities and communications	2,359
Total operating expenses	<u>60,529</u>
Operating income (loss)	(38,092)
<b>Other financing sources (uses)</b>	
Capital contributions	211,336
Transfers in	4,143
Total other financing sources (uses)	<u>215,479</u>
<b>Change in net position</b>	177,387
<b>Net position at beginning of year</b>	<u>716,487</u>
<b>Net position end of year</b>	<u>\$ 893,874</u>

The accompanying notes are an integral part of this statement.

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Business-type Activity - Enterprise Fund**  
**Sewer Fund**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2017**

See Independent Accountants' Review Report

<b>Cash flows from operating activities</b>	
Cash received from customers	\$ 21,697
Cash paid for employee services	(9,059)
Cash payments to suppliers for goods and services	(14,914)
Net cash used by operating activities	<u>(2,276)</u>
<b>Cash flows from non-capital and related financing activities</b>	
Transfers in	4,143
Net cash provided by non-capital and financing activities	<u>4,143</u>
<b>Cash flows from investing activities</b>	
Purchase of equipment	(1,921)
Net cash used by financing activities	<u>(1,921)</u>
<b>Net decrease in cash and cash equivalents</b>	(54)
<b>Cash and cash equivalents, beginning of year</b>	<u>7,298</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 7,244</u>
<b>Shown on the accompanying balance sheet as:</b>	
Cash and cash equivalents	\$ 7,244
<b>Reconciliation of operating income to net cash</b>	
Operating loss	\$ (38,092)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	36,209
Change in assets and liabilities	
Accounts receivable	(587)
Accounts payable and accrued liabilities	347
Customer deposits	(153)
Net cash used by operating activities	<u>\$ (2,276)</u>
<b>Noncash capital and related financing activities</b>	
Capital contribution from Sewer Improvements Capital Projects Fund	\$ 211,336
<b>Total noncash capital and related financing activities</b>	<u>\$ 211,336</u>

The accompanying notes are an integral part of this statement.

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

**Note 1 - Summary of Significant Accounting Policies**

***A. Financial Reporting Entity***

The accompanying financial statements include all funds of the Village of Pioneer, Louisiana (the Village). The accompanying financial statements of the Village have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Village consists of an executive branch of government headed by a mayor and a legislative branch of government consisting of three aldermen. The Village's major operations include police protection, street and drainage maintenance, waste water collection, and administrative services.

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

GASB Statement Number 61, *The Financial Reporting Entity: Omnibus—An Amendment of GASB Statements No. 14 and No. 34*, establishes criteria for determining which component units should be considered part of the Village for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is accountability. These criteria include:

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

There are no component units that should be included in the Village's reporting entity.



**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

***B. Basis of Presentation***

The Village's basic financial statements consist of the government-wide statements on all activities of the government and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*. Both the entity-wide financial statements and the proprietary fund financial statements follow the guidance included in GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

***Government-wide Financial Statements***

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the government. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the Village as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

*Governmental Activities* represent programs which normally are supported by taxes and intergovernmental revenues.

*Business-type Activities* are financed in whole or in part by fees charged to external parties for goods and services.

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

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

***Fund Financial Statements***

The Village uses funds to report on its financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Emphasis of fund reporting is on the major fund level in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the provision of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The Village's current operations require the use of the governmental and proprietary categories. The fund types used by the Village are described as follows:

Governmental activities presented as Governmental Funds in the fund financial statements:

**Major Funds:**

*General Fund* – This fund is the general operating fund of the Village. It is used to account for all financial resources of the Village except for those required to be accounted for in another fund.

*Sewer Improvements Capital Projects* – This fund is used to account for resources and activities associated with proceeds from a grant from the United States Department of Environmental Quality (DEQ) used for capital expansion and improvements to the Village's sewer system.

**NonMajor Funds:**

*Local Government Assistance Program* – This special revenue fund is used to

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

account for resources and activities associated with state grants received from the Local Government Assistance Program.

Business-type activities presented as Enterprise Funds in the fund financial statements:

*Enterprise Fund* – This fund is used to account for operations (a) that are financed or operated in a manner similar to private business enterprises – where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and 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 revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Capital projects for the Enterprise fund that use part or all of general government resources to fund the capital project is normally accounted for in a Capital Projects fund. If the Enterprise fund is financing a portion of the cost, then a transfer is made from the Enterprise fund to the Capital Projects fund for the Enterprise fund’s portion of the cost. At the end of each year, the Enterprise fund recognizes a capital contribution for the amount of Construction in Progress for that year. The Enterprise fund depreciates the asset when it is complete and goes in production. The Enterprise fund is presented in the business-type activities column in government-wide financial statements and is considered a major fund in the Enterprise Fund statements.

*Governmental Funds*

*Revenues:*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days after year-end.

Substantially all revenues are recognized when actually received by the Village.

*Expenditures:*

Expenditures in the governmental funds are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

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

*Proprietary Funds*

The Proprietary Fund is accounted for using the accrual method of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

*Revenues:*

The Village distinguishes operating revenues and expenses from non-operating items. The principle operating revenues are charges to customers for services. The Village also recognizes as operating revenues charges to customers for connecting to the sewer system.

*Expenses:*

Operating expenses consist of amounts paid for wages and related benefits, contractual services, supplies used, equipment and facility maintenance and operations, depreciation, and other items directly or indirectly required for the provision of services. All expenses not meeting the previously mentioned definitions are reported as nonoperating expenses.

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

**C. *Budgets and Budgetary Accounting***

The Village follows these procedures in establishing the budgetary data reflected in these financial statements.

1. The proposed budget is submitted to the Board of Aldermen in June. Notice of the location and availability of the proposed budget for public inspection and the date of the public hearing to be conducted on the budget is then advertised in the official journal of the Village.
2. After the public hearing, the budget is adopted by passing an ordinance approving the budget at the selected June board meeting.
3. Budgetary amendments involving the transfer of funds from one

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.

4. All legally adopted budgets of the Village are adopted on a basis consistent with GAAP. Encumbrance accounting is not used by the Village.

***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Equity***

***Cash, Cash Equivalents, and Investments***

Under state law, the Village may deposit in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or national banks having their principal offices in Louisiana. For the purpose of the Statement of Cash Flows, cash equivalents include all highly liquid investments (including restricted assets) with a maturity date of three months or less when purchased. Deposits with maturity dates greater than three months are classified as investments. The Village did not maintain any investments at June 30, 2017.

***Interfund Receivables and Payables***

Short term cash loans between funds are considered temporary in nature. These amounts are reported as "due from/due to other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

***Capital Assets***

Capital assets, which include land, building, other improvements, machinery and equipment, vehicles, furniture and fixtures, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

As permitted by GASB Statement No. 34, the Village has elected not to report infrastructure assets retroactively but began accounting for them prospectively in the year ended December 31, 2010. The accounting and reporting treatment applied to the fixed assets associated with a particular fund is determined by the fund's measurement focus.

All purchased capital assets are recorded at cost where historical records are available and at estimated cost where historical records are not available. The Village considers assets with an individual cost of \$500 or more and an estimated

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

useful life of one year or more a capital asset. Donated fixed assets are valued at fair market value at the date of the gift. Major additions are capitalized while maintenance and repairs that do not improve or extend the life of the respective assets are charged to expense.

Capital assets are depreciated over the estimated useful lives of the assets using the straight-line method. Estimated useful lives are as follows:

Buildings	10 to 30 years
Vehicles and equipment	3 to 10 years
Fire protection system	50 years
Sewer systems	20 to 40 years
Infrastructure	20 years

***Fund Equity of Fund Financial Statements***

*GASB 54 - Fund Balance Reporting and Governmental Fund Type Definitions* requires the fund balance amounts to be reported within the fund balances categories as follows:

**Nonspendable** – Fund balance that is not in spendable form or is legally or contractually required to be maintained intact. This category includes items that are not easily convertible to cash such as prepaid expenses.

**Restricted** - Portions of fund equity reported in the Fund Financial Statements are restricted by local, state or Federal grant regulations for future use and are, therefore, not available for future appropriation or expenditure.

**Committed** - Committed fund balances indicate the Village's tentative plans for the use of financial resources in a future period. Fund balance commitments are made by Board approved resolutions.

**Assigned** - The Board of Aldermen can assign the General Fund's unassigned fund balance as they determine needed for the payment of future commitments. The Board of Aldermen has not established a formal policy regarding the order of spending fund balances that are restricted, committed, or assigned. The Village's informal policy for the spending prioritization of fund balances is that restricted would receive top priority followed by committed. Assigned balances receive the least priority and would be authorized to be spent only if adequate funds were available. If expenditures incurred exceed the amount that has been committed or assigned to a specific purpose, amounts unassigned would be reduced to eliminate the deficit. The Village does not have any assigned fund balances in the current fiscal year.

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

**Unassigned** - The unassigned portion of fund balance is the amount not in other spendable classifications. The Village has not established benchmarks for unassigned fund balance requirements.

The Board of Aldermen has not established a formal policy regarding the order of spending fund balances that are restricted, committed, or assigned. The Village's informal policy for the spending prioritization of fund balances is that restricted would receive top priority followed by committed. Assigned balances receive the least priority and would be authorized to be spent only if adequate funds were available. If expenditures incurred exceed the amount that would have been committed or assigned to a specific purpose, amounts unassigned would be reduced to eliminate the deficit.

***Net Position***

In the government-wide and proprietary statements, equity is classified as net position and is displayed in three components:

**Net investment in capital assets:** Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

**Restricted net position:** Consists of net resources with constraints placed on their use by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

**Unrestricted net position:** All other net resources that do not meet the definition of "restricted" or "net investment in capital assets."

The Board of Aldermen has not established a formal policy regarding the order of spending net position when both restricted and unrestricted resources are available for use but informally, restricted resources are used first and followed by unrestricted if needed.

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of the assets and liabilities and disclosure of the contingent assets and liabilities the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

could differ from those estimates.

**Note 2 - Cash**

At June 30, 2017, the Village had cash in demand deposits totaling \$39,991.

*Custodial credit risk – deposits.* These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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 pledged securities plus the federal deposit insurance must at all times equal the amount of deposit with the fiscal agent. At June 30, 2017, the Village maintained bank balances totaling \$44,192, all of which were secured by federal depository insurance.

**Note 3 - Receivables**

Accounts receivable at December 31, 2017, consist of the following:

Fund Type	Fees and Licenses	Fines and Forfeitures	User Fees	Total
General	\$ 2,673	\$ 9,425	\$ -	\$ 12,098
Enterprise	-	-	2,116	2,116
<b>Total</b>	<u>\$ 2,673</u>	<u>\$ 9,425</u>	<u>\$ 2,116</u>	<u>\$ 14,214</u>

At June 30, 2017, the Village had 91 residential and 13 commercial sewer customers. The Village charges a flat monthly rate of \$17 for all customers.

Also, at June 30, 2017, the Village recognized \$16,053 in amounts due from the United States Department of Agriculture related to a grant used for improving and additions to the sewer system.



**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

**Note 4 - Changes in Capital Assets**

The changes in capital assets are as follows:

	Balance 7/1/2016	Additions and Transfers	Retirements and Transfers	Balance 6/30/2017
<b>Governmental Activities:</b>				
Non depreciable assets:				
Land	\$ 38,013	\$ -	\$ -	\$ 38,013
Construction in progress	-	12,262	-	12,262
Total non depreciable assets	<u>38,013</u>	<u>12,262</u>	<u>-</u>	<u>50,275</u>
Depreciable assets:				
Buildings	255,988	-	-	255,988
Vehicles and equipment	50,234	4,400	-	54,634
Total depreciable assets	<u>306,222</u>	<u>4,400</u>	<u>-</u>	<u>310,622</u>
Less accumulated depreciation	<u>(296,713)</u>	<u>(2,615)</u>	<u>-</u>	<u>(299,328)</u>
Total depreciable assets, net	<u>9,509</u>	<u>1,785</u>	<u>-</u>	<u>11,294</u>
Total governmental activities capital assets, net	<u>\$ 47,522</u>	<u>\$ 14,047</u>	<u>\$ -</u>	<u>\$ 61,569</u>
<b>Business-type activities:</b>				
Non depreciable assets				
Land	\$ 2,500	\$ -	\$ -	\$ 2,500
Construction in progress	-	211,336	-	211,336
Total non depreciable assets	<u>2,500</u>	<u>211,336</u>	<u>-</u>	<u>213,836</u>
Depreciable assets:				
Sewer system	1,118,642	-	-	1,118,642
Equipment	24,203	-	-	24,203
Total depreciable assets	<u>1,142,845</u>	<u>-</u>	<u>-</u>	<u>1,142,845</u>
Less accumulated depreciation	<u>(430,411)</u>	<u>(36,209)</u>	<u>-</u>	<u>(466,620)</u>
Total depreciable assets, net	<u>712,434</u>	<u>(36,209)</u>	<u>-</u>	<u>676,225</u>
Total business-type capital assets, net	<u>\$ 714,934</u>	<u>\$ 175,127</u>	<u>\$ -</u>	<u>\$ 890,061</u>

**VILLAGE OF PIONEER**  
**Pioneer, LA**  
**Notes to Financial Statements**  
**June 30, 2017**

Depreciation charged to governmental activities during 2017 is as follows:

General government	\$ 273
Public safety	1,642
Public works	700
Total	<u>\$ 2,615</u>

Depreciation of \$36,209 was charged to expense in the business-type activities during 2017.

**Note 5 – Interfund Receivables and Payables**

At June 30, 2017, the General Fund was owed \$8,560 from the nonmajor special revenue fund for amounts paid in relation to the construction of a tractor shed to be reimbursed through the proceeds from a state grant.

**Note 6 – Interfund Transfers**

During 2017, the Village's General Fund transferred \$4,143 to its Sewer Fund resulting from transactions for services.

**Note 7 – Litigation and Claims**

The Village was not involved nor was the Village aware of any unasserted claims.

**Note 8 – Subsequent Events**

Management has evaluated subsequent events through September 18, 2018 the date which the financial statements were available to be issued and determined that no events occurred that require disclosure.

**REQUIRED SUPPLEMENTAL INFORMATION  
(PART B)**

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**General Fund**  
**Budgetary Comparison Schedule (GAAP Basis)**  
**Fiscal Year Ended June 30, 2017**

See Independent Accountants' Review Report

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>
				<u>(Negative)</u>
<b>Budgetary fund balance at beginning of year</b>	\$ 39,324	\$ 39,324	\$ 39,324	\$ -
<b>Resources</b>				
Charges for services	2,095	2,095	-	(2,095)
License and permits	15,992	15,992	17,339	1,347
Intergovernmental revenue - state	1,537	1,537	-	(1,537)
Fees	6,887	6,887	7,036	149
Fines and forfeitures	70,308	70,308	115,350	45,042
Miscellaneous	78	78	2,334	2,256
Transfers in	100	100	-	(100)
<b>Total Resources</b>	<u>96,997</u>	<u>96,997</u>	<u>142,059</u>	<u>45,062</u>
<b>Amounts available for appropriations</b>	<u>136,321</u>	<u>136,321</u>	<u>181,383</u>	<u>45,062</u>
<b>Charges to appropriations</b>				
<b>Current</b>				
General government	52,493	52,493	49,363	3,130
Public safety	38,932	38,932	58,172	(19,240)
Public works	2,335	2,335	27,612	(25,277)
Capital outlay	-	-	4,400	(4,400)
Transfers out	2,400	2,400	4,143	(1,743)
<b>Total Charges to appropriations</b>	<u>96,160</u>	<u>96,160</u>	<u>143,690</u>	<u>(47,530)</u>
<b>Budgetary fund balance at end of year</b>	<u>\$ 40,161</u>	<u>\$ 40,161</u>	<u>\$ 37,693</u>	<u>\$ (2,468)</u>

**OTHER SUPPLEMENTAL INFORMATION**

**VILLAGE OF PIONEER**  
**Pioneer, Louisiana**  
**Schedule of Compensation, Benefits, and**  
**Other Payments to Agency Head**  
**For the Year Ended June 30, 2017**

**See Independent Accountants' Review Report**

**Agency Head Name:**

Sonia Reiter, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 6,000

**Schedule of Aldermen's Compensation**  
**For the Year Ended June 30, 2017**

**See Accountants' Compilation Report**

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

# CAMERON, HINES & COMPANY

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

Village of Pioneer, Louisiana  
318 Cherry Street  
Pioneer, Louisiana 71266

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Village of Pioneer, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Pioneer, Louisiana's compliance with certain laws and regulations during the fiscal year ended June 30, 2017 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the Village of Pioneer, Louisiana is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the *American Institute of Public Accountants* and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable

There were no expenditures made during the year for materials and supplies exceeding \$30,000. There were expenditures made during the year for public works exceeding \$150,000, and the Village complied with the public bid law.

### Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board member, and employees, as well as their immediate families.

Management provided us the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

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

### Budgeting

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

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

The original budget was adopted on June 6, 2016. There were no amendments to the budget.

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

We compared the revenues and expenditures of the budget to actual revenues and expenditures. Actual revenues did not vary unfavorably by more than 5% for the fiscal year. Expenditures for the year exceeded budgeted amounts by more than 5%.

### Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

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

(b) determine if payments were properly coded to the correct fund and general ledger account;  
and

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



(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approval from the proper authorities.

#### Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:1 – 13 (the open meetings law).

We examined copies of notices and agendas for all council meetings held during the fiscal year.

#### Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

#### Advances and Bonuses

11. Examine payroll records for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

We inspected payroll records for the fiscal year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to perform, and did not perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
September 18, 2018

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

September 17, 2018 (Date Transmitted)

Cameron, Hines & Company (APAC) (CPA Firm Name)  
104 Regency Place (CPA Firm Address)  
West Monroe, LA 71291 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2017 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes  No

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes  No

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes  No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes  No

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes  No

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes  No

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes  No

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes  No

**Prior-Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes  No

**General**

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes  No

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes  No

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes  No

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes  No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes  No

The previous responses have been made to the best of our belief and knowledge.

Loni Rents MAYOR 9/18/18 DATE

Rasha Bartlett CLERK 9/18/18 DATE

**VILLAGE OF PIONEER  
PIONEER, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
June 30, 2017**

**2017-01      Compliance with Local Government Budget Act**

**Condition**

It was noted during the review and agreed-upon procedures that the Village did not amend the budget for expenditures exceeding budgeted expenditures by more than 5%.

**Criteria**

Louisiana Revised Statute 39:1311 requires that the Village budget should be amended if income is under budgeted amounts by more than 5%, or the expenditures exceed budgeted amounts by more than 5%.

**Cause**

The Village did not amend its budget as required by state law.

**Effect**

The Village was not in compliance with the Local Government Budget Act.

**Recommendation**

We recommend that the Village clerk contact the Village accountants for assistance to amend its budgeted as required by state law.

**Response**

The Village clerk will contact the Village accountants to assist in any necessary budget amendments.

**2017-02      Compliance with Annual Filing Deadline**

**Condition**

It was noted that the Village did not timely file its annual report for June 30, 2017.

**Criteria**

Louisiana Revised Statute 24:513 requires timely filing of annual reports within six months after the end of its fiscal year.

**Cause**

The Village did not file its report for June 30, 2017 within six months of the end of its fiscal year.

**VILLAGE OF PIONEER  
PIONEER, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
June 30, 2017**

**2017-02      Compliance with Annual Filing Deadline (continued)**

**Effect**

The Village was not in compliance with state statute.

**Recommendation**

We recommend that the Village coordinate with its accountants to compile the necessary financial information to submit its financials to the state in a timely manner.

**Response**

The Village will contact its accountant to help insure timely filing of its annual report.

**VILLAGE OF PIONEER  
PIONEER, LOUISIANA  
SUMMARY OF STATUS OF PRIOR YEAR  
MANAGEMENT LETTER COMMENTS  
June 30, 2017**

The following is a summary of the status of findings included in Huffman & Soignier's (APAC) compilation report dated January 20, 2017.

**2016-01      Compliance with Local Government Budget Act**

**Condition Found**

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 to the Louisiana Legislative Auditor in a timely manner.

**Effect**

The Village was not in compliance with state statute.

**Recommendations to Prevent Future Occurrences**

It was recommended 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.

**Status**

This management letter comment is no longer applicable to the financial statements in question. However, the Village has continued to have difficulty in submitting the subsequent year's financial statements in a timely manner.

**2016-02      Compliance with Local Budget Act**

**Condition Found**

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.

**VILLAGE OF PIONEER  
PIONEER, LOUISIANA  
SUMMARY OF STATUS OF PRIOR YEAR  
MANAGEMENT LETTER COMMENTS  
June 30, 2017**

**2016-02      Compliance with Local Budget Act (continued)**

**Effect**

The Village was not in compliance with state statute.

**Recommendations to Prevent Future Occurrences**

It was recommended 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.

**Status**

The Village's actual General Fund expenditures exceeded its budgeted expenditures by more than the allowed 5% for the year ended June 30, 2017.