

VILLAGE OF PIONEER

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

VILLAGE OF PIONEER, LOUISIANA

Financial Statements
As Of and For the Year Ended June 30, 2014

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VILLAGE OF PIONEER, LOUISIANA

**Financial Statements
As Of and For the Year Ended June 30, 2014**

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HUFFMAN & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed 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, Louisiana (the Village) as of and for the year ended June 30, 2014, 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 the Village's 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 of the Village 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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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 conformity with accounting principles generally accepted in the United States of America.

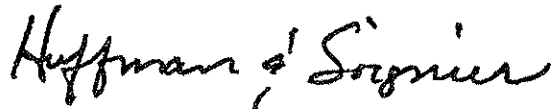
Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by

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

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. Other information listed as Schedule of Agency head compensation and Schedule of Aldermen's compensation on Page 29 along with the Budgetary Comparison Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States 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. The results of our review on the basic financial statements is not affected by this missing information.

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

(A Professional Accounting Corporation)

May 20, 2015

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF PIONEER
Pioneer, Louisiana

Statement of Net Position

June 30, 2014

See Independent Accountants' Review Report

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 12,581	\$ 6,019	\$ 18,600
Receivables	7,947	1,799	9,746
Due from other governmental units	89,461	-	89,461
Other current assets	200	-	200
Capital assets, net	48,620	759,631	808,251
Total Assets	<u>158,809</u>	<u>767,449</u>	<u>926,258</u>
Liabilities			
Accounts payable	89,975	834	90,809
Accrued expenses	2,638	-	2,638
Deposits held	-	5,593	5,593
Total liabilities	<u>92,613</u>	<u>6,427</u>	<u>99,040</u>
Net Position			
Net investment in capital assets	48,620	759,631	808,251
Unrestricted	17,576	1,391	18,967
Total net position	<u>\$ 66,196</u>	<u>\$ 761,022</u>	<u>\$ 827,218</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, 2014

See Independent Accountants' Review 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	\$ 44,297	\$ 27,172	\$ -	\$ -	\$ (17,125)	\$ -	\$ (17,125)
Public safety	47,374	71,347	-	-	23,973	-	23,973
Public works	321,508	-	6,080	306,883	(8,545)	-	(8,545)
Total governmental activities	<u>413,179</u>	<u>98,519</u>	<u>6,080</u>	<u>306,883</u>	<u>(1,697)</u>	<u>-</u>	<u>(1,697)</u>
Business-type activity							
Consolidated sewer district	41,961	21,194	-	-	-	(20,767)	(20,767)
Total business-type activities	<u>41,961</u>	<u>21,194</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,767)</u>	<u>(20,767)</u>
Total primary government	<u>\$ 455,140</u>	<u>\$ 119,713</u>	<u>\$ 6,080</u>	<u>\$ 306,883</u>	<u>(1,697)</u>	<u>(20,767)</u>	<u>(22,464)</u>
General revenues							
Contributions					1,000	306,883	307,883
Other revenues					78	-	78
Transfers					(4,242)	4,242	-
Total general revenues					<u>(3,164)</u>	<u>311,125</u>	<u>307,961</u>
Change in net position					<u>(4,861)</u>	<u>290,358</u>	<u>285,497</u>
Net position at beginning of year					<u>71,057</u>	<u>470,664</u>	<u>541,721</u>
NET POSITION AT END OF YEAR					<u>\$ 66,196</u>	<u>\$ 761,022</u>	<u>\$ 827,218</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, 2014

See Independent Accountants' Review Report

	Major Funds		Aggregate Remaining Fund	Total
	General	Sewer Improvements Capital Projects	Other Governmental Fund	
ASSETS				
Cash and cash equivalents	\$ 12,507	\$ 37	\$ 37	\$ 12,581
Receivables				
Fees and licenses	4,027	-	-	4,027
Fines and forfeitures	3,920	-	-	3,920
Due from other governmental units	-	89,461	-	89,461
Other current assets	200	-	-	200
Total assets	<u>\$ 20,654</u>	<u>\$ 89,498</u>	<u>\$ 37</u>	<u>\$ 110,189</u>
LIABILITIES				
Liabilities				
Accounts payable	\$ 514	\$ 89,461	\$ -	\$ 89,975
Accrued expenses	2,638	-	-	2,638
Total liabilities	<u>3,152</u>	<u>89,461</u>	<u>-</u>	<u>92,613</u>
FUND BALANCES				
Committed	-	37	37	74
Unassigned	17,502	-	-	17,502
Total fund balances	<u>17,502</u>	<u>37</u>	<u>37</u>	<u>17,576</u>
Total liabilities and fund balances	<u>\$ 20,654</u>	<u>\$ 89,498</u>	<u>\$ 37</u>	<u>\$ 110,189</u>

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, 2014

See Independent Accountants' Review Report

Fund balance - governmental funds	\$	17,576
Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the governmental fund		
Governmental capital assets	\$	328,347
Less: accumulated depreciation		<u>48,620</u>
		<u>(279,727)</u>
Net position of governmental fund	\$	<u><u>66,196</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, 2014

See Independent Accountants' Review Report

	Major Funds			Aggregate Remaining Fund	Total
	General	Sewer Improvements Capital Projects	Other Governmental Fund		
Revenues					
Charges for services	\$ 2,095	\$ -	\$ -	\$ -	\$ 2,095
Licenses and permits	17,809	-	-	-	17,809
Intergovernmental - Federal	-	306,883	-	-	306,883
Intergovernmental - State	-	-	6,080	-	6,080
Fees	7,268	-	-	-	7,268
Fines and forfeitures	71,347	-	-	-	71,347
Contributions	1,000	-	-	-	1,000
Other revenues	78	-	-	-	78
Total Revenues	<u>99,597</u>	<u>306,883</u>	<u>6,080</u>	<u>-</u>	<u>412,560</u>
Expenditures					
Current:					
General government	43,735	-	-	-	43,735
Public safety	40,070	-	-	-	40,070
Public works	9,289	13	4,612	-	13,914
Capital outlay	537	306,883	-	-	307,420
Total Expenditures	<u>93,631</u>	<u>306,896</u>	<u>4,612</u>	<u>-</u>	<u>405,139</u>
Excess (Deficiency) of Revenues over Expenditures	5,966	(13)	1,468	-	7,421
Other Financing Sources (Uses)					
Transfers in	1,130	50	50	-	1,230
Transfers out	(3,991)	-	(1,481)	-	(5,472)
Total Other Financing Sources (Uses)	<u>(2,861)</u>	<u>50</u>	<u>(1,431)</u>	<u>-</u>	<u>(4,242)</u>
Net Change in Fund Balances	3,105	37	37	-	3,179
Fund Balances at Beginning of Year	<u>14,397</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,397</u>
FUND BALANCES AT END OF YEAR	<u>\$ 17,502</u>	<u>\$ 37</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ 17,576</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, 2014**

See Independent Accountants' Review Report

Net change in fund balance	\$	3,179
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		537
Depreciation expense		(8,040)
		<u>(8,577)</u> <u>(8,040)</u>
 Change in net position of governmental activities	 \$	 <u>(4,861)</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, 2014

See Independent Accountants' Review Report

ASSETS**Current assets**

Cash and cash equivalents	\$	6,019
Accounts receivable - net		1,799
Total current assets		7,818

Capital assets

Non depreciable		306,883
Depreciable		817,581
Total capital assets		1,124,464
Accumulated depreciation		(364,833)
Net capital assets		759,631

Total assets

767,449

LIABILITIES**Current liabilities**

Accounts payable		834
Customer deposits		5,593
Total current liabilities		6,427

Total liabilities

6,427

NET POSITION

Net investment in capital assets		759,631
Unrestricted		1,391
Total net position	\$	761,022

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, 2014

See Independent Accountants' Review Report

Operating revenues	
User fees	\$ 21,194
Total operating revenues	<u>21,194</u>
Operating expenses	
Depreciation	19,990
Insurance	652
Maintenance & repairs	7,982
Material and supplies	1,999
Other operating expenses	567
Professional fees	2,317
Salaries and related benefits	4,190
Utilities and communications	4,264
Total operating expenses	<u>41,961</u>
Operating income (loss)	(20,767)
Other financing sources (uses)	
Capital contributions	306,883
Transfers in	4,342
Transfers out	(100)
Total other financing sources (uses)	<u>311,125</u>
Change in net position	290,358
Net position at beginning of year	<u>470,664</u>
Net position end of year	<u>\$ 761,022</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, 2014

See Independent Accountants' Review Report

Cash flows from operating activities	
Cash received from customers	\$ 20,968
Cash paid for employee services	(4,190)
Cash payments to suppliers for goods and services	(17,569)
Net cash used by operating activities	<u>(791)</u>
Cash flows from non-capital and related financing activities	
Transfers in	4,342
Transfers out	(100)
Net cash provided by financing activities	<u>4,242</u>
Net increase in cash and cash equivalents	3,451
Cash and cash equivalents, beginning of year	<u>2,568</u>
Cash and cash equivalents, end of year	<u>\$ 6,019</u>
Shown on the accompanying balance sheet as:	
Cash and cash equivalents	\$ 6,019
Reconciliation of operating income to net cash	
Operating loss	\$ (20,767)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	19,990
Change in assets and liabilities	
Accounts receivable	(226)
Accounts payable and accrued liabilities	112
Customer deposits	100
Net cash used by operating activities	<u>\$ (791)</u>
Noncash capital and related financing activities	
Capital contribution from Sewer Improvements Capital Projects Fund	\$ 306,883
Total noncash capital and related financing activities	<u>\$ 306,883</u>

The accompanying notes are an integral part of this financial statement.

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

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 treatment, 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.

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

The Village considered the criteria above and determined there were no component units that are required to be included in its financial statements.

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.

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, intergovernmental revenues, and other nonexchange transactions.

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 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.

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

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:

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. It is a major fund on the Governmental Fund statements.

Sewer Improvements Capital Projects Fund – This fund is used to account for resources and activities associated with capital outlay for sewer projects. It is a major fund on the Governmental Fund Statements.

Government Assistance Special Revenue Fund – This fund is used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes.

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

Sewer Fund – This fund is used to account for operations (a) that are financed or

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

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 Sewer Improvements Capital Projects Fund. If the Sewer Fund is financing a portion of the cost, then a transfer is made from the Sewer Fund to the Sewer Improvements Capital Projects Fund for the Sewer Fund's portion of the cost. At the end of each year, the Sewer Fund recognizes a capital contribution for the amount of Construction in Progress accounted for in the Sewer Improvements Capital Projects Fund for that year. The Sewer Fund depreciates the asset when it is complete and goes in production. The Sewer 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.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from nonexchange transactions, such as grants and donations, are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The fund financial statements are reported as follows:

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.

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

Interest earnings on time deposits are recognized as revenue when the time deposits have matured and interest is available. Substantially all other 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 except for certain claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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.

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.

D. 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.

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

3. Budgetary amendments involving the transfer of funds from one 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.

E. 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.

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 June 30, 2007. The accounting and reporting treatment applied to the fixed assets associated with a particular fund is determined by the fund’s measurement focus.

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

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 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

Bad Debts

The Village uses the allowance method for recording bad debts associated with customer utility accounts receivable. As of June 30, 2014, no allowance was recorded for customer utility receivables.

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

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

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.

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

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

by unrestricted if needed. Restricted net position reported in the Statement of Net Position as restricted for debt service and restricted for depreciation and contingency are as a result of externally imposed restrictions by its creditors.

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 could differ from those estimates.

Note 2 - Cash and Cash Equivalents

At June 30, 2014, the Village maintained cash and cash equivalents totaling \$18,599 in demand deposit accounts.

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. 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. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at June 30, 2014 were all secured by Federal deposit insurance.

The Village had no investments as of June 30, 2014.

Note 3 - Receivables

Receivables of \$99,207 at June 30, 2014, consist of the following:

Fund Type	Fines & Forfeitures	Fees & Licenses	Accounts	Grants	Total
General	\$ 3,920	\$ 4,027	\$ -	\$ -	\$ 7,947
Capital Projects	-	-	-	89,461	89,461
Enterprise	-	-	1,799	-	1,799
Total	\$ 3,920	\$ 4,027	\$ 1,799	\$ 89,461	\$ 99,207

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

At June 30, 2014, the Village had 86 residential and 13 commercial sewer customers. The rate charged for residential and commercial sewer service by the Village is \$18.70 per month.

Note 4 - Changes in Capital Assets

The changes in capital assets are as follows:

	Balance 6/30/2013	Additions and Transfers	Retirements and Transfers	Balance 6/30/2014
Governmental Activities:				
Non depreciable assets:				
Land	\$ 27,970	\$ -	\$ -	\$ 27,970
Total non depreciable assets	27,970	-	-	27,970
Depreciable assets:				
Vehicles and equipment	299,840	537	-	300,377
Total depreciable assets	299,840	537	-	300,377
Less accumulated depreciation	(271,150)	(8,577)	-	(279,727)
Total depreciable assets, net	28,690	(8,040)	-	20,650
Total governmental activities capital assets, net	\$ 56,660	\$ (8,040)	\$ -	\$ 48,620
Business-type Activities:				
Non depreciable assets:				
Land	\$ -	\$ 2,500	\$ -	\$ 2,500
Construction in progress	-	304,383	-	304,383
Total non depreciable assets	-	306,883	-	306,883
Depreciable assets:				
Sewer system	790,528	-	-	790,528
Equipment	27,053	-	-	27,053
Total depreciable assets	817,581	-	-	817,581
Less accumulated depreciation	(344,843)	(19,990)	-	(364,833)
Total depreciable assets, net	472,738	(19,990)	-	452,748
Total business-type capital assets, net	\$ 472,738	\$ 286,893	\$ -	\$ 759,631

Depreciation of \$19,990 was charged to expense in the business-type activities during 2014. Depreciation charged to governmental activities during 2014 is as follows:

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

General government	\$	562
Public safety		7,304
Public works		711
Total	\$	<u><u>8,577</u></u>

Note 5 – Interfund Transfers

The following transfers were made between the various funds of the Village during 2014:

	Transfers Out			
	Major Funds		Nonmajor	
	General	Sewer	Government Assistance Special Revenue Fund	Total
Transfers In				
Major Funds				
General	\$ -	\$ 100	\$ 1,030	\$ 1,130
Sewer Improvements	50	-	-	50
Sewer	3,891	-	451	4,342
Nonmajor Fund				-
Government Assistance				
Special Revenue Fund	50	-	-	50
Total	<u><u>\$ 3,991</u></u>	<u><u>\$ 100</u></u>	<u><u>\$ 1,481</u></u>	<u><u>\$ 5,572</u></u>

These transfers resulted from transactions for goods and services among funds and from financing of capital project costs by other funds.

Note 6 – Risk Financing Activities

The Village is a participating member in the Louisiana Risk Management Agency's Group Self-Insurance Fund for Municipal Liability Risk Sharing and Group Self-Insurance Fund for Workmen's compensation and Employer Liability (the Agency). The Agency functions as a Public Entity Risk Pool formed to pool the risk of public liability exposure to its members. The Village insures its law enforcement officers' comprehensive liability and errors and omissions risk through its participation in the Agency pools. The coverage provided by the pools is subject to \$1,000 deductibles for

VILLAGE OF PIONEER
Pioneer, LA
Notes to the Financial Statements
June 30, 2014

certain coverages and provides coverages up to \$500,000 for each type of insured risk. Premiums for coverage are retroactively rated based on experience and premiums are calculated based on the ultimate cost of the experience to date of the pool participants.

Note 7 – Subsequent Events

Management has evaluated subsequent events through May 20, 2015 the date the Financial Statements were available to be issued and determined that no other events occurred that are required to be disclosed.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF PIONEER
Pioneer, Louisiana
General Fund
Budgetary Comparison Schedule (GAAP Basis)
Fiscal Year Ended June 30, 2014

See Independent Accountants' Review Report

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
Budgetary fund balance at beginning of year	\$ 14,397	\$ 14,397	\$ 14,397	\$ -
Resources				
Charges for services	2,425	2,425	2,095	(330)
License and permits	18,840	18,840	17,809	(1,031)
Intergovernmental revenue - state	2,768	2,768	-	(2,768)
Fees	6,693	6,693	7,268	575
Fines and forfeitures	69,176	69,176	71,347	2,171
Contributions	1,000	1,000	1,000	-
Miscellaneous	15	15	78	63
Transfers in	-	-	1,130	1,130
Total Resources	<u>100,917</u>	<u>100,917</u>	<u>100,727</u>	<u>(190)</u>
Amounts available for appropriations	<u>115,314</u>	<u>115,314</u>	<u>115,124</u>	<u>(190)</u>
Charges to appropriations				
Current				
General government	47,697	47,697	43,735	3,962
Public safety	48,048	48,048	40,070	7,978
Public works	7,510	7,510	9,289	(1,779)
Capital outlay	2,184	2,184	537	1,647
Transfers out	-	-	3,991	(3,991)
Total Charges to appropriations	<u>105,439</u>	<u>105,439</u>	<u>97,622</u>	<u>7,817</u>
Budgetary fund balance at end of year	<u>\$ 9,875</u>	<u>\$ 9,875</u>	<u>\$ 17,502</u>	<u>\$ 7,627</u>

OTHER INFORMATION

VILLAGE OF PIONEER
Pioneer, Louisiana
Schedule of Compensation, Benefits, and
Other Payments to Agency Head
For the Year Ended June 30, 2014

See Independent Accountants' Review Report

Agency Head Name: Sonia Reiter, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 4,400

Schedule of Aldermen's Compensation
For the Year Ended June 30, 2014

See Independent Accountants' Review Report

<u>Aldermen</u>	<u>Amount</u>
Timmy Whatley	\$ 275
Clifton Ward	275
Tamara Gunter	150
TOTAL	\$ <u>700</u>

SUPPLEMENTARY INFORMATION

VILLAGE OF PIONEER
Pioneer, LA

Schedule of Findings and Responses
For the Year Ended June 30, 2014

14-01 Financial statements not filed timely

Finding

Louisiana Revised Statute 24:513 requires that the Village prepare and submit its financial statements to the Louisiana Legislative Auditor no later than six months after the end of the most recent fiscal year. In the past, the Village received less than \$200,000 in funding and, therefore, reported using compiled financial statements. During the year ended June 30, 2014, the Village received more than \$200,000 in funding and was required by state law to submit reviewed financial statements with agreed upon procedures applied. However, this change was not corrected in a manner sufficient to perform the engagement by the prescribed deadline. As such, the Village did not submit financial statements in a timely manner, which caused the Village to not be in compliance with state law.

Recommendation

We recommend that the Village coordinate with its accountants in such a manner as to ensure that financial statements are filed timely by the date required by state law each year.

Management's Response

The Village will coordinate with its accountants to ensure that financial statements are filed in a timely manner.

VILLAGE OF PIONEER
Pioneer, Louisiana

Summary Status of Prior Year Management Letter Comment
For the Year Ended June 30, 2014

The following is a summary of the status of the prior year management letter comment reported in the Huffman & Soignier (APAC) accountants' report dated December 31, 2013 covering the compilation of the financial statements of the Village of Pioneer as of and for the year ended June 30, 2013.

MANAGEMENT LETTER

Recommendation:

It was recommended that the Village evaluate its sewer user fees to ensure that sufficient cash is available at all times to liquidate operating liabilities and be able to liquidate the customer deposits.

Status:

The Village now maintains sufficient cash to liquidate operating liabilities at all times. This matter has been resolved.

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED UPON PROCEDURES

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

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 (the Village) and the Legislative Auditor, State of Louisiana (collectively, the Specified Users), solely to assist you with respect to the accounting records of Management as of June 30, 2014. The Village's Management is responsible for the Village's accounting records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this 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.

Our procedures and findings are as follows:

Public Bid Law

1. We selected all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determined that such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law).

Code of Ethics for Public Officials and Public Employees

2. We obtained from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.
3. We obtained from management a listing of all employees paid during the period under examination.

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

4. We determined that none 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.

Budgeting

5. We obtained a copy of the legally adopted budget and all amendments.
6. We traced the budget adoption and amendments to the minute book.
7. We compared the revenues and expenditures of the final budget to actual revenues and expenditures and determined that actual revenues were not below budgeted revenues by 5 % or more and actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

8. We randomly selected six disbursements made during the period under examination and: (a) traced payments to supporting documentation as to proper amount and payee, (b) determined that payments were properly coded to the correct fund and general ledger account, and (c) determined that payments received approval from proper authorities.

Meetings

9. We examined evidence indicating that agendas for meetings recorded in the minute book were posted or advertised in the Village's journal of record as required by R.S. 42:19 A(2)(a).

Debt

10. We examined bank deposits for the period under examination and determined that no such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

Advances and Bonuses

11. We examined payroll records and minutes for the year and determined that no payments have been made to employees that may constitute bonuses, advance, or gifts.

Prior Comments and Recommendations

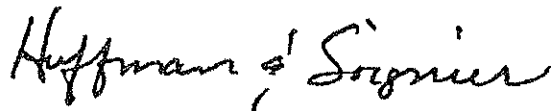
12. We reviewed prior year suggestions, recommendations, and/or comments and determined that such matters have been resolved.

The twelve procedures enumerated above did not disclose any exceptions.

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

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

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

A handwritten signature in black ink that reads "Huffman & Signier". The signature is written in a cursive, flowing style.

**(A Professional Accounting Corporation)
May 20, 2015**

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

5/20/15 (Date Transmitted)

Huffman + Doignon, CPA's
1100 North 18th Street, Ste. 200
Monroe, LA 71201

(Auditors)

In connection with your review of our financial statements as of [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. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

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 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

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

We have provided you with any communications from regulatory agencies 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 this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

Sasha Bartlett, Clerk Secretary 5/20/15 Date

Sasha Bartlett, Clerk Treasurer 5/20/15 Date

Sonia Ruit, Mayor President 5/20/15 Date

John Caruso, Alderman ^{Secretary} 5/20/15 Date

Ally Wong, Alderman/Mayor ^{Pro Tem} ~~Treasurer~~ 5/20/15 Date

Larry Butler, Alderwoman ~~President~~ 5/20/15 Date