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VILLAGE OF SALINE, LOUISIANA

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Financial Statements

June 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court

Release Date **DEC 22 1999**

Marsha O. Millican  
Certified Public Accountant  
Shreveport, Louisiana

VILLAGE OF SALINE, LOUISIANA

Financial Statements  
June 30, 1999

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# **Marsha O. Millican**

**CERTIFIED PUBLIC ACCOUNTANT**

The Honorable Peggy Choate, Mayor  
Members of the Board of Aldermen  
Village of Saline, Louisiana

I have compiled the accompanying general purpose financial statements of Village of Saline, Louisiana, as of June 30, 1999 and for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's assets, liabilities, fund balance/retained earnings, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.



Certified Public Accountant  
December 4, 1999

VILLAGE OF SALINE, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Group  
June 30, 1999

	<u>Governmental</u>		<u>Proprietary</u>		<u>Account Group</u>		<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Fund Types</u>	<u>Capital</u> <u>Projects</u>	<u>Fund Type</u>	<u>Enterprise</u>	<u>General</u> <u>Fixed</u> <u>Assets</u>		
<u>Assets</u>							
Cash	\$ 6,602	\$ -	\$ 13,042	\$ -	\$ -	\$ -	\$ 19,644
Receivables, net of allowance for uncollectibles:							
Accounts	979	-	2,479	-	-	-	3,458
Due from other funds	-	-	4,550	-	-	-	4,550
Due from other governments	-	1,521	-	-	-	-	1,521
Buildings	-	-	-	-	9,505	-	9,505
Improvements other than buildings	-	-	-	-	8,966	-	8,966
Equipment	-	-	-	-	10,439	-	10,439
Land	-	-	-	-	4,500	-	4,500
Utility plant and equipment (net of accumulated depreciation)	-	-	577,643	-	-	-	577,643
Other assets	-	-	1,035	-	-	-	1,035
<b>Total assets</b>	<b>\$ 7,581</b>	<b>\$ 1,521</b>	<b>\$ 598,749</b>	<b>\$ -</b>	<b>\$ 33,410</b>	<b>\$ -</b>	<b>\$ 641,261</b>

Liabilities

Accounts payable	\$	840	\$	-	\$	1,368	\$	-	\$	2,208
Due to other funds		3,029		1,521		-		-		4,550
Revenue bonds payable		-		-		60,081		-		60,081
Total liabilities		<u>3,869</u>		<u>1,521</u>		<u>61,449</u>		<u>-</u>		<u>66,839</u>

Fund Equity

Contributed capital		-		-		711,085		-		711,085
Investment in general fixed assets		-		-		-		33,410		33,410
Retained earnings:		-		-		( 173,785)		-		( 173,785)
Unreserved (deficit)		-		-		-		-		-
Fund balance:										
Undesignated (deficit)		<u>3,712</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>3,712</u>

Total retained earnings (deficit)/fund balance		<u>3,712</u>		<u>-</u>		<u>( 173,785)</u>		<u>-</u>		<u>( 170,073)</u>
Total fund equity		<u>3,712</u>		<u>-</u>		<u>537,300</u>		<u>33,410</u>		<u>574,422</u>

Total liabilities and fund equity		<u>\$ 7,581</u>		<u>\$ 1,521</u>		<u>\$ 598,749</u>		<u>\$ 33,410</u>		<u>\$ 641,261</u>
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See accountant's compilation report.

VILLAGE OF SALINE, LOUISIANA

Combined Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - All Governmental Fund Types  
Year Ended June 30, 1999

	<u>GOVERNMENTAL FUND TYPES</u>		<u>TOTALS</u>
	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>	<u>(MEMORANDUM ONLY)</u>
Revenues:			
Taxes	\$ 8,752	\$ -	\$ 8,752
Licenses and permits	7,615	-	7,615
Intergovernmental	1,724	1,521	3,245
Fines and forfeits	1,022	-	1,022
Miscellaneous	82	-	82
Total revenues	<u>19,195</u>	<u>1,521</u>	<u>20,716</u>
Expenditures:			
Current:			
General government	14,513	-	14,513
Public safety	4,820	-	4,820
Capital projects	-	1,521	1,521
Total expenditures	<u>19,333</u>	<u>1,521</u>	<u>20,854</u>
Excess (deficiency) of revenues over expenditures before other sources	( 138)	-	( 138)
Other sources:			
Transfers from other funds	<u>3,726</u>	<u>-</u>	<u>3,726</u>
Excess of revenue over expenditures	3,588	-	3,588
Fund balance - beginning of year	<u>124</u>	<u>-</u>	<u>124</u>
Fund balance - end of year	<u>\$ 3,712</u>	<u>\$ -</u>	<u>\$ 3,712</u>

See accountant's compilation report.

VILLAGE OF SALINE, LOUISIANA

Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget (GAAP Basis) and Actual -  
 General Fund  
Year Ended June 30, 1999

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 8,785	\$ 8,752	\$( 33)
Licenses and permits	7,003	7,615	612
Intergovernmental	1,723	1,724	1
Fines and forfeits	1,550	1,022	( 84)
Miscellaneous	1,010	82	( 928)
Total revenues	<u>20,071</u>	<u>19,195</u>	<u>( 876)</u>
Expenditures:			
Current:			
General government	12,973	14,513	( 1,540)
Public safety	4,832	4,820	12
Total expenditures	<u>17,805</u>	<u>19,333</u>	<u>( 1,528)</u>
Excess (deficiency) of revenues over expenditures before other sources	2,266	( 138)	( 2,128)
Other sources:			
Transfers from other funds	<u>-</u>	<u>3,726</u>	<u>3,726</u>
Excess (deficiency) of revenue over expenditures	2,266	3,588	1,322
Fund balance at beginning of year	<u>124</u>	<u>124</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,390</u>	<u>\$ 3,712</u>	<u>\$ 1,322</u>

See accountant's compilation report.



VILLAGE OF SALINE, LOUISIANA

Statement of Revenues, Expenses, and Changes in  
Retained Earnings (Deficit) - Proprietary Fund Type  
Year Ended June 30, 1999

Operating revenues:	
Charges for sales and services	\$ 41,578
Miscellaneous revenues	<u>          -</u>
Total operating revenues	<u>41,578</u>
Operating expenses:	
Costs of sales and services	32,651
Administration	1,163
Depreciation	<u>15,606</u>
Total operating expenses	<u>49,420</u>
Operating (loss)	<u>( 7,842)</u>
Non-operating revenues (expenses):	
Interest income	294
Interest expense	( 4,009)
Tranfers to other funds	<u>( 3,726)</u>
Total non-operating revenues (expenses)	<u>( 7,441)</u>
Net (loss)	( 15,283)
Retained earnings (deficit) - beginning of year	<u>( 158,502)</u>
Retained earnings (deficit) - end of year	<u><u>\$ ( 173,785)</u></u>

See accountant's compilation reports.



VILLAGE OF SALINE, LOUISIANAStatement of Cash Flows - Proprietary Fund Type  
Year Ended June 30, 1999

Cash flows from operating activities:	
Cash received from customers	\$ 42,003
Cash payments to suppliers and employees	( 36,665)
Other operating income	<u>-</u>
Net cash provided by operating activities	<u>5,338</u>
Cash flows from investing activities:	
Interest received on investments	<u>294</u>
Cash flows from capital and related financing activities:	
Transfers to other funds	( 3,726)
Principal paid on revenue bonds	( 1,271)
Interest paid on revenue bonds	<u>( 4,009)</u>
Net cash used by capital and related financing activities	<u>( 9,006)</u>
Net decrease in cash	( 3,374)
Cash, beginning of year	<u>16,416</u>
Cash, end of year	<u>\$ 13,042</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating (loss)	\$( 7,842)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	15,606
Amortization of bond issuance costs	61
Changes in assets and liabilities:	
(Increase) in accounts receivable	( 122)
(Increase) in due from other funds	( 1,486)
Decrease in accounts payable	<u>( 879)</u>
Net cash provided by operating activities	<u>\$ 5,338</u>

See accountant's compilation report.

VILLAGE OF SALINE, LOUISIANA

Schedule of Compensation Paid -  
Mayor and Aldermen  
For the Year Ended June 30, 1999

Honorable Peggy Choate, Mayor	\$ 2,700
Brenda Matthews	-
Stacey Harp	-
Freddie Hood	-
Ronald Sullivan	-
Anthony Daniels	-
	<hr/>
Total	<u>\$ 2,700</u>

# Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

## Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Peggy Choate, Mayor  
Members of the Board of Aldermen  
Village of Saline, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Village of Saline and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating managements' assertions about the Village of Saline's compliance with certain laws and regulations during the year ended June 30, 1999, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Insititute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I 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 \$5,000, or public works exceeding \$50,000 and determine whether such purchases were made in accordance with LSA-RS 38:221-2251.

No expenditure was made during the year for materials and supplies exceeding \$5,000 nor any expenditure was made for public works exceeding \$50,000.

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

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

Management provided the required list including the noted information.

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

Management provided the required list including the noted information.

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 of employees provided by management for procedure (3) appeared on the list provided by management for procedure (2).

#### Budgeting

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

Management provided a copy of the original budget and the amended budget.

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

I traced the adoption of the original budget to the minutes of a meeting held on September 8, 1998, which indicated that the budget had been approved by all of the aldermen. I traced the adoption of the amended budget to the minutes of a meeting held on June 7, 1999, which indicated that the amended budget has been approved by all of the aldermen.

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 budgeted amounts by 5% or more.

I compared the revenues and expenditures of the budget to the actual revenues and expenditures. Actual expenditures exceeded budgeted amounts by more than 5%.

#### Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

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

I examined supporting documentation for each of the six selected 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

The six selected disbursements were properly coded to the correct fund and general ledger account.

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

The six selected disbursements were traced to the Village's minute book where they were approved by the aldermen.

9. Determine that financial statements were audited or compiled in accordance with LSA-RS 24:513.

The Village's financial statements were compiled in accordance with LSA-RS 24:513. The required reports were filed with the Legislative Auditor's office by the due date.

#### Meetings

10. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12.

The Village of Saline is only required to post a notice of each meeting and the accompanying agenda on the door of the Village's office building. Management has informed me that these documents were properly posted.

#### Debt

11. 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.

No deposits were found that appeared to be proceeds of bank loans, bonds, or like indebtedness.

#### Advances and Bonuses

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

A reading of the minutes of the Village for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on managements's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Village of Saline 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.

*Marsha D. Millican*

Certified Public Accountant  
December 4, 1999

VILLAGE OF SALINE, LOUISIANA

Management's Corrective Action Plan

For the Year Ended June 30, 1999

Finding:

The village did not comply with the requirements of the state budget law. Actual expenditures exceeded budgeted expenditures by 5% or more.

Management's  
Corrective  
Action Plan:

The mayor, clerk, and aldermen will monitor budget variances on a monthly basis. The budget will be amended when necessary to comply with the state budget law.



LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

12/4/99 (Date Transmitted)

Marsha O. Millican, CPA  
754 Dalzell  
Shreveport, Louisiana 71104

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 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 regulation 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 12/4/99 (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, 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 LSA-RS 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 LSA-RS 42:1119.

Yes [] No [  ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

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 LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No [  ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

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 LSA-RS 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, LSA-RS 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 which may occur subsequent to the issuance of your report.

Peggy M. Choate

12/4/99 Date