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VILLAGE OF ATHENS, LOUISIANA

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FINANCIAL STATEMENTS

December 31, 1985

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Release Date... 8-7-98

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

RECEIVED
ADMINISTRATIVE SECTION
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June 26, 1996

The Honorable Bessie S. Powell, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

In planning and performing my audit of the general purpose financial statements of Village of Athens for the year ended December 31, 1995, I considered the Village's internal control structure to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during my audit I became aware of several matters that are opportunities for improving internal control and compliance with laws and regulations. I previously reported on the Village's internal control structure and compliance with laws and regulations in separate reports dated June 25, 1996. This letter does not affect my report dated June 26, 1996, on the general purpose financial statements of Village of Athens, Louisiana.

During disbursements testing, I noted several instances where the Village had been charged and paid sales tax on purchases. The Village, as a governmental entity, is exempt from paying sales tax. I recommend that invoices be monitored more closely to prevent this from occurring in the future.

The amount of restricted cash designated for customer deposits in the Water Fund is not sufficient to cover the liability for customer deposits. I recommend that the cash restricted for customer deposits be monitored to ensure that the balance is sufficient to cover the amounts owed to water customers for deposits.

I appreciate the courtesy extended to me during my audit, and will be pleased to discuss the contents of this letter at your convenience.

Very truly yours,


Marsha O. Millican, CPA

VILLAGE OF AUBREY, LOUISIANA

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STATE OF ARKANSAS, LOUISIANA

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December 31, 1998
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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

The Honorable Bobbie S. Powell, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

I have audited the accompanying general purpose financial statements of Village of Athens, Louisiana, as of December 31, 1995, and for the year then ended. These general purpose financial statements are the responsibility of Village of Athens, Louisiana, management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as discussed in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

Because of the inadequacy of accounting records for the general fixed assets account group, I was unable to form an opinion regarding the amounts at which general fixed assets are recorded in the accompanying balance sheet at December 31, 1995 (stated at \$82,603).

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the accounting records for general fixed assets been adequate, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Village of Athens, Louisiana, as of December 31, 1995, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated June 25, 1996, on my consideration of Village of Athol's internal control structure and a report dated June 25, 1996, on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion of the general purpose financial statements taken as a whole. The accompanying financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of Village of Athol, Louisiana. This information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



Certified Public Accountant

June 25, 1996

STATE OF ARIZONA, 1933-1934

Combined Balance Sheet - All Fund Types and Account Group
December 31, 1933

	Governmental Fund Types		Proprietary Fund Types		Assets, gross General Fixed Assets	Totals (Governmental Funds)
	General	Capital Projects	Enterprise			
Assets	\$ 8,208	\$ 1	\$ 14,697	\$ -	\$ -	\$ 23,906
Cash	-	-	-	-	-	2,779
Receivable, net of allowance for uncollectibles:	-	-	2,779	-	-	2,779
Accounts receivable	8,208	-	-	-	-	8,208
Due from other governments	-	81,483	-	-	-	81,483
Restricted assets:	-	-	-	-	-	-
Cash	-	-	6,071	-	60,483	6,071
Land, buildings, equipment, utility plant and equipment, net of accumulated depreciation	-	-	-	-	-	60,483
Other assets	-	-	-	-	-	-
Total assets	\$ 8,208	\$ 81,484	\$ 6,071	\$ -	\$ 60,483	\$ 157,166

Liabilities and Fund Equity

Liabilities

Accounts payable	\$ 1,374	\$ 81,483	\$ 313	\$ -	\$ 63,373
Leases payable	2,328	-	-	-	2,328
Payable from reperfected assets:					
Customers' deposits	-	-	4,326	-	4,326
Reverse bonds payable	-	-	23,856	-	23,856
Total liabilities	3,802	81,483	27,895	-	93,654

Fund Equity

Investment in general fixed assets	-	-	-	89,483	89,483
Retained earnings:					
Reserved for sewer construction	-	1	-	-	1
Unreserved	-	-	16,861	-	16,861
Fund balances:					
Unassigned	7,140	-	-	-	7,140

Total retained earnings (deficit)/fund balance	7,140	1	16,861	-	44,342
Total fund equity	7,140	1	16,861	89,483	113,975

Total liabilities and fund equity	\$ 10,942	\$ 81,484	\$ 217,895	\$ 89,483	\$ 113,629
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See accompanying notes to financial statements.

VILLAGE OF ACHESON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Charges
 in Fund Balance - All Governmental Fund Types
 Year Ended December 31, 1995

	Governmental Fund Types		Totals (Memorandum Only)
	General	Capital Projects	
Revenues:			
Taxes	\$ 10,449	\$ -	\$ 10,449
Licenses and permits	8,325	"	8,325
Intergovernmental	1,883	406,009	407,892
Tax on money and property	1,426	"	1,426
Total revenues	21,603	406,009	427,602
Expenditures:			
Currents			
General government	24,814	"	24,814
Capital projects	"	406,009	406,009
Total expenditures	24,814	406,009	430,804
Excess (deficiency) of revenues over expenditures	(3,211)	0	(3,211)
Fund balance at beginning of year	18,352	"	18,352
Fund balance at end of year	\$ 1,141	\$ 1	\$ 1,142

See accompanying notes to financial statements.

VILLAGE OF ATHENS, LOUISIANA

Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Budget (GAAP Basis) and Actual -
 General Fund
 Year Ended December 31, 1985

	General Fund		Variance- Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$ 10,076	\$ 10,848	\$ 772
Licenses and permits	7,530	8,525	995
Intergovernmental	376	1,503	1,127
Use of money and property	112	1,438	1,326
Total revenues	18,134	22,314	4,180
Expenditures:			
Current:			
General government	21,568	24,818	(3,250)
Total expenditures	21,568	24,818	(3,250)
Excess (deficiency) of revenues over expenditures	(3,434)	(2,504)	930
Fund balance, beginning of year	18,134	18,134	-
Fund balance, end of year	\$ 14,700	\$ 15,630	\$ 930

VILLAGE OF ACHERON, LOUISIANA

Statement of Revenues, Expenses, and
 Changes in Retained Earnings - Proprietary Fund Type
 Year Ended December 31, 1985

Operating revenues:	
charges for services:	
Water sales	\$ 35,453
Operating expenses:	
Water department expenses	17,981
general and administrative expenses	2,787
depreciation	<u>3,379</u>
Total operating expenses	<u>24,147</u>
Operating profit	11,306
Non-operating revenues (expenses):	
Interest income	1,072
Interest expense	<u>(1,924)</u>
Total non-operating revenues (expenses):	<u>88</u>
Net income	11,394
Retained earnings at beginning of year	<u>22,920</u>
Retained earnings at end of year	\$ <u>34,314</u>

See accompanying notes to financial statements.

VILLAGE OF ATHENS, LOUISIANA

Statement of Cash Flows - Proprietary Fund Type
Year Ended December 31, 1995

Cash flows from operating activities:	
Cash received from customers	\$ 12,516
Cash payments to suppliers and employees	(10,315)
Net cash provided by operating activities	<u>2,201</u>
Cash flows from capital and related financing activities:	
Principal paid on revenue bonds	(0,400)
Interest paid on revenue bonds	(1,538)
Net cash used by capital and related financing activities	<u>(1,938)</u>
Cash flows from investing activities:	
Interest received on investments	<u>1,052</u>
Net increase in cash	9,416
Cash, January 1, 1995 (including \$ 4,210 in restricted accounts)	<u>21,052</u>
Cash, December 31, 1995 (including \$ 6,071 in restricted accounts)	<u>\$ 31,068</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating profit	\$ 11,988
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	3,270
Changes in assets and liabilities:	
increase in accounts receivable	(204)
increase in other assets	(878)
increase in accounts payable	38
increase in customer deposits	<u>270</u>
Net cash provided by operating activities	<u>\$ 14,301</u>

VILLAGE OF ATHENS, LOUISIANA

Notes to Financial Statements
December 31, 1985

The Village of Athens, Louisiana, was incorporated under the provisions of the Louisiana Act. The Village operates under a Mayor-Board of Aldermen form of government. The Village provides the following services as authorized by its charter: water, recreation and parks, utility services, and general administrative services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Village of Athens, Louisiana, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units.

The following is a summary of the more significant accounting policies:

Reporting Entity. These financial statements include all funds and account groups over which the Village exercises control, authority, management, influence or accountability. Control by or influence over by the Village was determined on the basis of budget, adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Fund Accounting. The accounts of the Village of Athens, Louisiana, are organized on the basis of funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including acquisition or construction of general fixed-assets (capital project funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

VILLAGE OF ATHENS, LOUISIANA

Notes to Financial Statements
December 31, 1985

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Basis of Accounting. The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 be used to pay liabilities of the current period. The government considers property taxes available if they are collected within sixty days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Those revenues susceptible to accrual are property taxes, franchise taxes, interest revenue and charges for services. Fines, permits, and licenses revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by the proprietary fund type. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgets and Budgetary Accounting. The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

Prior to July 1, the Mayor submits to the Board of Aldermen a proposed budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at Village Hall to obtain taxpayer comments.

The budget is legally enacted through passage of a resolution.

Budgetary amendments involving the transfer of funds from one department, program or function to another or amendments involving increases in expenditures require the approval of the Board of Aldermen.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The budget is employed as a management control device during the year for the General Fund.

Budgeted amounts presented in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

All budget appropriations lapse at year end.

VILLAGE OF AUBREY, LOUISIANA

Notes to Financial Statements
December 31, 1985

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Cash and Cash Equivalents. The Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Bad Debts. Accounts and taxes receivable are considered to be fully collectible.

Property, Plant, and Equipment. The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included in their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Property, plant, and equipment used in governmental fund type organizations (general fixed assets) are accounted for in the General fixed assets account group, and are recorded as expenditures in the governmental fund types when purchased. Public domain "infrastructure" general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All property, plant, and equipment are stated at historical cost, or estimated cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

The account group is not a fund. It is concerned only with the measurement of financial position and is not involved with the measurement of results of operations.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus and all assets and all liabilities (whether current or noncurrent) associated with their activity are included in their balance sheets.

VILLAGE OF ABERNATHY, LOUISIANA

Notes to Financial Statements
December 31, 1995

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Depreciation is provided in the Enterprise Fund in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated service lives on the straight line basis. The estimated service lives by asset type are as follows:

Water system	40 years
Equipment	5 years

Total Columns on Combined Statements - Georgia. Total columns on the combined statements - overview are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS:

At December 31, 1995, the carrying amount of the Village's cash deposits was \$20,320 and the bank balance was \$26,334. This difference is due to the outstanding checks and deposits at December 31, 1995. All deposits were fully collateralized by FDIC insurance.

3. AD VALOREM TAXES:

Ad valorem taxes attach as an enforceable lien on property as of January 1, each year. Taxes are levied by the Village and billed to the taxpayers in September, and become delinquent on January 1, of the following year. Revenues from ad valorem taxes are budgeted in the year billed. For the year ended December 31, 1995, taxes of 3.41 mills were levied on property with assessed valuations totaling \$418,687. Total taxes levied for the year ended December 31, 1995 were \$4,564.

4. FIXED ASSETS:

A summary of changes in general fixed assets follows:

	Balance Jan 1, 1995	Additions	Balance Dec 31, 1995
Buildings	\$ 50,480	-	\$ 50,480
Equipment	20,857	2,847	23,704
Total	\$ 71,337	2,847	\$ 74,184

VILLAGE OF ATHENS

Notes to Financial Statements
December 31, 1995

4 - FIXED ASSETS (CONTINUED)

A summary of proprietary fund type property, plant, and equipment at December 31, 1995, follows:

Water system	\$ 124,736
Equipment	527
Land	<u>800</u>
Total	125,179
Less: accumulated depreciation	<u>(97,528)</u>
Net property, plant, and equipment	<u>\$ 27,651</u>

5. LONG-TERM DEBT:

The following is a summary of changes of long-term debt for the year ended December 31, 1995:

	Capital Lease	Revenue Bonds	Total
Balance, 1/1/95	\$ -	\$ 29,200	\$ 29,200
Additions	2,847	-	2,847
Retirements	<u>(2,128)</u>	<u>(4,428)</u>	<u>(6,556)</u>
Balance 12/31/95	<u>\$ 2,128</u>	<u>\$ 24,772</u>	<u>\$ 26,900</u>

Long-term debt consisted of the following at December 31, 1995:

General Fund:

Series - capital lease dated January 31, 1995, payable in thirty six monthly installments of \$98. \$ 2,128

Proprietary Fund Type:

1994 Waterworks Improvement Revenue Bonds, bond issue dated May 20, 1994, due in annual installments of \$2,000 to \$4,100 through January 1, 2001; interest at 3.8% per cent. \$ 24,772

VILLAGE OF ATHENS, LOUISIANA

Notes to Financial Statements
December 31, 1995

3. LONG-TERM DEBT: (continued)

The annual requirements for amortizing all debt outstanding as of December 31, 1995, including interest payments of \$1,324 are as follows:

Year Ending December 31	Total
1996	\$ 580
1997	5,224
1998	5,167
1999	5,162
2000	5,154
2001	<u>4,952</u>
Total	<u>\$ 28,259</u>

4. CAPITAL PROJECTS FUND:

On August 10, 1993, the Village entered into an agreement with the Louisiana Division of Administration for construction of a wastewater treatment plant and sewerage collection facilities. The original approved grant amount was \$731,125. Grants receivable at December 31, 1995 was \$61,483. Revenues and expenditures under this grant for the year ended December 31, 1995 were \$ 406,888 and \$406,000, respectively.

VILLAGE OF ATHENS, LOUISIANA

Schedule of Compensation Paid -
Mayor and Aldermen
For the Year Ended December 31, 1993

Scott Pearce	\$	500
Clayton Spurlock		500
Malver Stinson		<u>500</u>
Total	\$	<u>1,500</u>

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable Bobbie S. Powell, Mayor
and the Members of the Board of Aldermen of
Village of Athens, Louisiana

I have audited the general purpose financial statements of Village of Athens, Louisiana, as of and for the year ended December 31, 1990, and have issued my report thereon dated June 25, 1990. These general purpose financial statements are the responsibility of Village of Athens, Louisiana, management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-110, "Audits of State and Local Governments." These standards and OMB Circular A-110 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of Village of Athens, Louisiana, taken as a whole. The accompanying schedule of federal financial assistance is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Marsha O. Millican

Certified Public Accountant
June 25, 1990

VILLAGE OF ATMORE, LOUISIANA
 Schedule of Federal Financial Assistance
 For the Year Ended December 31, 2019

Federal Agency/ Participating Authority/ Funding Title	Federal Title Number	Program Award Amount	Reporting Period of Jan. 1, 2019	Balance/ Revenue Received	Commitments/ Encumbrances	Ending Balance at Dec. 31, 2019
I.B. - Operations of RZD						
Spauld Hurmah, Louisiana Division of Administration Community Development RZSD Grant #		14,129	1,231,123	1,429,123	1,429,123	1,429,123

-continue major program

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH CERTAINMENT AUDITING STANDARDS

The Honorable Debbie S. Powell, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

I have audited the general purpose financial statements of Village of Athens, Louisiana, as of and for the year ended December 31, 1995, and have issued my report thereon dated June 28, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of Village of Athens, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of Village of Athens for the year ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. A reportable condition involves matters coming to my attention relative to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the Village's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Finding:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic and space limitations.
Recommendation:	No action is recommended.
Management's Response:	We concur with the finding.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe that the reportable condition described above is a material weakness. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of Village of Athens, Louisiana.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of Village of Athens, Louisiana, in a separate letter dated June 25, 1996.

This report is intended for the information of management, the Board of Aldermen, and applicable Federal and State cognizant agencies. However, this report is a matter of public record and its distribution is not limited.

Walter D. Mathison
Certified Public Accountant
June 25, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED
ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

The Honorable Debbie S. Powell, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

I have audited the financial statements of Village of Athens, Louisiana, as of and for the year ended December 31, 1995, and have issued my report thereon dated June 15, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of office of Management and Budget Circular A-118, "Audits of State and Local Governments." These standards and OMB Circular A-118 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Village of Athens, Louisiana, is the responsibility of the management of Village of Athens, Louisiana. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Village's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under government auditing standards.

This report is intended for the information of management, the Board of Aldermen, and applicable federal and state cognizant agencies. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant
June 20, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Hubert S. Powell, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

I have audited the general purpose financial statements of Village of Athens, Louisiana, as of and for the year ended December 31, 1988, and have issued my report thereon dated June 25, 1989.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of State and Local Governments." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing my audit for the year ended December 31, 1988, I considered the internal control structure of Village of Athens, Louisiana, in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements of Village of Athens, Louisiana, and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated June 25, 1989.

The management of Village of Athens, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations.

Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected.

Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Cash Receipts
Cash Disbursements

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

During the year ended December 31, 1985, Village of Athens, Louisiana, expended 100% of its total federal financial assistance under a major federal financial assistance program.

I performed tests of controls, as required by GAO circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned to the Village of Athens, Louisiana's major federal financial assistance program, which is identified in the Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the Village of Athens's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

Finding: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic and space limitations.

Recommendation: No action is recommended.

Response: We concur with the finding.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe the reportable condition described above is not a material weakness.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of Village of Athens, Louisiana, in a separate letter dated June 23, 1996.

This report is intended for the information of management, the Board of Aldermen, and applicable federal and state cognizant agencies. However, this report is a matter of public record and its distribution is not limited.

Maudie D. Miller

Certified Public Accountant
June 24, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Reverend Bobbie S. Powell, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

I have audited the general purpose financial statements of Village of Athens, Louisiana, on of and for the year ended December 31, 1995, and have issued my report thereon dated June 25, 1996.

I have applied procedures to test Village of Athens, Louisiana's compliance with the following Requirements applicable to its federal financial assistance programs, which are identified in the schedule of Federal Financial Assistance, for the year ended June 30, 1995: political activity, Davis-Bacon Act, civil rights, cash management, federal financial reports, allowable cost/expense principles, and administrative requirements.

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Village of Athens, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that Village of Athens, Louisiana, had not complied, in all material respects, with those requirements.

This report is intended for the information of management, the Board of Aldermen, and applicable federal and state equipment agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Marsha O. Millican

Certified Public Accountant
June 25, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

The Honorable Bobbie S. Powell, Mayor
and Members of the Board of Aldermen
The Village of Athens, Louisiana

I have audited the general purpose financial statements of Village of Athens, Louisiana, as of and for the year ended December 31, 1995, and have issued my Report Thereon dated June 25, 1996.

I have also audited Village of Athens's compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to its major federal financial assistance program which is identified in the Schedule of Federal Financial Assistance for the year ended December 31, 1995. The management of Village of Athens, Louisiana, is responsible for Village of Athens's compliance with these requirements. My responsibility is to express an opinion on compliance with these requirements based on my audit.

I conducted my audit of compliance with these requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-129, "Audits of State and Local Governments." These standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Village of Athens, Louisiana's compliance with these requirements. I believe my audit provided a reasonable basis for my opinion.

In my opinion, Village of Athens, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed and eligibility that are applicable to its major federal financial assistance program for the year ended December 31, 1995.

This report is intended for the information of management, the Board of Aldermen, and applicable federal and state cognizant agencies. However, this report is a matter of public record and its distribution is not limited.

Marsha O. Millican

Certified Public Accountant
June 25, 1996