

OFFICIAL

FILE COPY

DO NOT REMOVE

Should inventory
expire from this
copy and FRAG
MARK is 1982

VILLAGE OF ASHLAND, LOUISIANA

FINANCIAL REPORT

JUNE 30, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, 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.

RSI 7-1997

Adoption Date _____

11
12
13
14
15
16
17
18

Village of Ashland, Louisiana

TABLE OF CONTENTS

	Exhibit	Page
Accountants' Compilation Report on the Financial Statements	—	i
General Purpose Financial Statements <u>Combined Statements - Ourselves</u>		
Combined Balance Sheet-All Fund Types and Account Groups	A	3
Statement of Revenues, Expenditures and Changes in Fund Balance-All Governmental Fund Types	B	4
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual-General and Special Revenue Fund Types	C	7
Notes to the Financial Statements	—	7-10
Independent Accountants' Report on Applying Agreed-Upon Procedures	—	11-12

Johnson, Thomas & Cunningham

Chartered Public Accountants

John G. Johnson, P.C.A., A.C.P.A., A.C.F.P.A., C.F.A.

Paul W. Thomas, P.C.A., A.C.P.A., A.C.F.P.A., C.F.A.

Raymond W. Cunningham, P.C.A., A.C.P.A., A.C.F.P.A., C.F.A.

200 Lakeside Drive

Metairie, Louisiana 70002

(504) 885-3111

Telex 150013 JTC

ACCOUNTANTS' COMPILATION REPORT ON THE FINANCIAL STATEMENTS

To the Board of Aldermen of
the Village of Ashland, Louisiana

We have compiled the accompanying general purpose financial statements of the Village of Ashland, Louisiana, as of June 30, 1997, and for the year then ended, in accordance with Statements on Standards established by the American Institute of Certified Public Accountants. The financial statements have been prepared on the modified accrual basis of accounting, which is the generally accepted accounting methods established by the Governmental Accounting Standards Board for governmental units.

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

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, CPAs, C

August 12, 1997

Metairie, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Village of Ashland, Louisiana

Combined Balance Sheet - All Fund Types and Account Group

June 30, 1997

	Governmental Fund Types		Account Group	Totals (Micro-enterprises Debit)
	General Fund	Capital Projects Fund	General Fixed Assets	
Assets				
Cash	\$15,191	\$0	\$ 0	\$ 15,191
Land	0	0	2,808	2,808
Buildings	0	0	187,817	187,817
Furniture & Equipment	0	0	187,871	187,871
Total Assets	\$15,191	\$0	\$190,686	\$195,877
Liabilities & Fund Equity				
Liabilities:				
Accounts Payable	\$ 82	\$0	\$ 0	\$ 82
Fund Equity:				
Investment in General Fixed Assets	\$ 0	\$0	\$175,688	\$175,688
Fund Balance:				
Unreserved-Undesignated	15,109	0	0	15,109
Total Fund Equity	\$15,109	\$0	\$175,688	\$190,797
Total Liabilities & Fund Equity	\$15,109	\$0	\$175,688	\$190,797

See accountants' compilation report and notes to financial statements.

Village of Ashland, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balances-
All Governmental Fund Types
Year Ended June 30, 1997

	Governmental Fund Types		Totals (Memorandum Only)
	General Fund	Capital Projects Fund	
REVENUES:			
Taxes	\$ 3,486	\$ 0	\$ 3,486
Licenses & Permits	5,680	0	5,680
Intergovernmental	1,883	216,567	218,450
Miscellaneous	2,626	0	2,626
Total Revenues	\$13,215	\$216,567	\$229,782
EXPENDITURES:			
Current-			
General Government	\$ 5,759	\$ 19,095	\$ 24,854
Public Safety	1,289	0	1,289
Public Works	619	0	619
Capital Outlay	0	192,921	192,921
Total Expenditures	\$ 7,279	\$212,016	\$219,295
Excess (Deficiency) of Revenues Over Expenditures	\$ 5,936	\$ 4,551	\$ 10,487
Fund Balances-Beginning of Year	18,122	(2,681)	15,441
Fund Balances-End of Year	\$24,058	\$ 1,870	\$ 25,928

See accountants' compilation report and notes to financial statements.

Village of Oakland, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual (General) and Capital Projects - Year Type
Year Ended June 30, 1997

	General Fund		Capital Projects - Bond		Variance Favorable (Disfavorable)
	Budget	Actual	Budget	Actual	
REVENUES:					
Total	\$ 3,080	\$ 3,448	\$ 0	\$ 0	\$ 0
Licenses & Permits	5,885	5,850	0	0	0
Intergovernmental	1,558	1,283	344,721	316,287	(158,034)
Miscellaneous	3,208	2,824	0	0	0
Total Revenues	\$13,458	\$12,225	\$344,721	\$316,287	\$103,150
EXPENDITURES:					
General Government	\$ 5,197	\$ 5,178	\$ 20,419	\$ 19,899	\$ 11,462
Public Safety	1,005	1,115	0	0	0
Public Works	80	418	0	0	0
Capital Outlay	0	0	313,311	195,561	28,750
Total Expenditures	\$ 6,082	\$ 6,711	\$343,731	\$315,460	\$ 23,465
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,360	\$ 4,974	\$ 0	\$ 4,891	\$ 3,681
Fund Balance-Beginning of Year	10,110	10,110	0	(1,681)	(1,681)
Fund Balance-End of Year	\$14,470	\$14,470	\$ 0	\$ 3,210	\$ 0

See accompanying' comparative financial report and notes to financial statements

NOTES TO FINANCIAL STATEMENTS

Village of Ashland, Louisiana
Notes to the Financial Statements
June 30, 1997

INTRODUCTION

The Village of Ashland, Louisiana, was incorporated under the provisions of the Louisiana Act. The Village operates under a Mayor-Board of Aldermen form of government. The financial statements of the Village include funds and activities which are controlled or dependent upon the Village. Control or dependence is determined on the basis of oversight control, budget adoption, and funding. The Village's operations include police protection, public works, and general and administrative services.

Other authorities and governmental entities established within the vicinity of the Village of Ashland, some of which may include "Ashland" in their names, have been included because control and/or financial responsibility by the Village of Ashland is considered remote.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Village of Ashland is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (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 primary government are such that inclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Village does not have any component units.

B. FUND ACCOUNTING

The Village uses funds and an account group 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 relating to certain government functions or activities.

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

The various fund types are grouped, in the financial statements in this report, into two generic fund types, and one broad fund category as follows:

Governmental Funds

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt.

Village of Ashland, Louisiana
Notes to the Financial Statements
June 30, 1997

1. **General Fund**—the general operating fund of the Village's and accounts for all financial resources, except those required to be accounted for in other funds.
2. **Capital Projects Fund**—account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Account Group

The account group is used to establish accounting control and accountability for the Village's general fund assets. The following is a description of the Village's account group:

General Fixed Assets Account Group

This account group is established to account for all general fixed assets of the Village.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement basis. All governmental funds are accounted for using a current financial resources measurement basis. With this measurement basis, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

All governmental funds are accounted for using the modified accrual basis of accounting. They recognize an expenditure when they become measurable and available as net current assets. Revenues that are considered measurable to account include earned grant revenues, other intergovernmental revenues, and interest income. Franchise fees, licenses and other income are recognized when received because they are not objectively measurable.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

B. BUDGETS

Annual operating budgets are adopted for the General and Capital Projects Funds. The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to the beginning of each fiscal year, the Clerk prepares a proposed budget and submits same to the Village council.

Village of Ashland, Louisiana
Notes to the Financial Statements
June 30, 1997

- The Village council approves the budget, or amends it as necessary, and it is held open for public inspection.
- All budgetary appropriations lapse at the end of each fiscal year.
- The budget is adopted on a basis consistent with generally accepted accounting principles.

E. ENCUMBRANCES

The Village of Ashland does not employ the use of "encumbrance" accounting.

F. CASH AND CASH EQUIVALENTS AND INVESTMENTS

For reporting purposes, cash and cash equivalents include cash and time deposits. At June 30, 1997, the Village had cash and cash equivalents totaling \$15,191. Cash and cash equivalents are stated at cost which approximates market. Under Louisiana law, these deposits must be secured by federal deposit insurance, or by the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging bank, in a holding or custodial bank in the form of a safekeeping receipt held by the Village. The deposits at June 30, 1997, were secured as follows:

	Bank Balance	FDC Insurance	Balance Uninsured
Cash & Cash Equivalents	\$15,191	\$15,191	0

G. FIXED ASSETS

Fixed assets of the governmental funds are recorded as capital assets at the time purchased, and the related assets are capitalized in the general fixed assets account group. Public domain or infrastructure are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

H. RETIREMENT COMMITMENTS

The employees of the Village of Ashland are members of the Social Security retirement system.

I. PENDING LITIGATION

At June 30, 1997, there were no pending civil suits against the Village of Ashland.

Village of Ashland, Louisiana
Notes to the Financial Statements
June 30, 1997

A. COMPENSATION PAID TO COUNCIL MEMBERS

The Village of Ashland does not provide any form of compensation to the members of its council.

K. TOTAL COLUMNS ON COMBINED STATEMENTS-OVERVIEW

Total columns on the Combined Statements-Overview are captioned "Miscellaneous 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 consolidated financial statements have not been made in the aggregation of this data.

L. COMPENSATED ABSENCES

The Village does not have a formal leave policy.

2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 1-1-96	Additions	Deletions	Balance 6-30-97
General Fixed Assets:				
Land	\$ 3,800	\$0	\$0	\$ 3,800
Building	197,817	0	0	197,817
Equipment	196,483	0	0	196,483
Furniture & Fixtures	1,388	0	0	1,388
Totals	\$279,488	\$0	\$0	\$279,488

John H. Johnson, Sr. C.P.A., A.C.P.A., A. Professional Corporation

Paul W. Thomas, C.P.A., A.C.P.A., A. Professional Corporation

Raymond B. Cunningham, C.P.A., A.C.P.A., A. Professional Corporation

204 Poydras Street

New Orleans, Louisiana 70112

(504) 584-8447

F. 00017010 11/87

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

To the Board of Aldermen of
the Village of Ashland, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and summarized below, which were agreed to by the management of the Village of Ashland and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Ashland's compliance with certain laws and regulations during the year ended June 30, 1997 included in the accompanying Louisiana Detection Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 48:2311-2321 (the public bid law).

We examined all applicable transactions and found no instances of non-compliance.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RE 42:1181-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list, including the noted information.

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

Management provided us with the required list.

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

None of the employees included on the list of employees provided by management (agreed-upon procedure (1)) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

- Obtained a copy of the legally adopted budget and all amendments.

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

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

We traced the adoption of the budget and amendments to the minute book.

- Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceeded budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

- Randomly select 6 disbursements made during the period under examination and:
 - Trace payments to supporting documentation as to proper amount and payee;

We 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.

- determine if payments were properly coded to the correct fund and general ledger account; and

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

- determine whether payments received approval from proper authorities.

All payments examined were properly approved by the proper authorities.

Meetings

- Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertorial as required by USA 428 42.1 through 42.13 (the open meetings law).

The Village of Ashland is only required to post a notice of each meeting and the accompanying agenda on the door of the Village's office building.

Debt

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

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

Advances and Loans

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

We were not engaged to, and did not, perform an examination, 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 Suliana 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. However, this report is a matter of public record and its distribution is not limited.

Johnson, Thomas R. Cunningham, CPA
Johnson, Thomas R. Cunningham, CPA

August 12, 1997
Maitheville, Louisiana