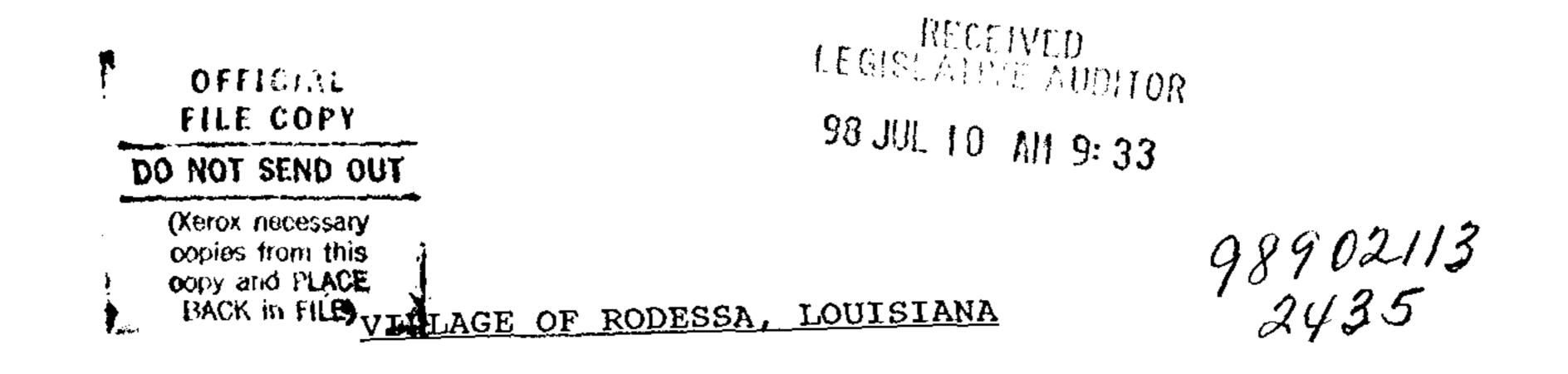
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### FINANCIAL STATEMENTS

### DECEMBER 31, 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.

Release Date AUG 1 2 1998

### Marsha O. Millican Certified Public Accountant Shreveport, Louisiana

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Financial Statements December 31, 1997

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### Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

The Honorable Milton Hartsell, Mayor Members of the Board of Aldermen Village of Rodessa, Louisiana

I have compiled the accompanying general purpose financial statements of Village of Rodessa, Louisiana, as of December 31, 1997, and for the year then ended in accordance with Statements for 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.

Marsha D. Millican

Certified Public Accountant June 30, 1998

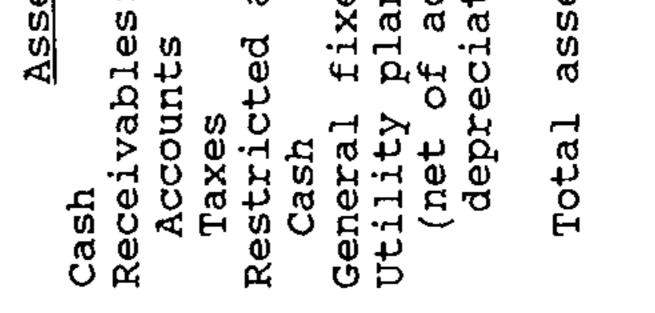
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		Totals	(Memorandum <u>Only</u> )	\$ 26,232	256 5,714	7,400	605,791		353,246	\$ 998,639
	count Group	<u>Account Group</u> General	Fixed Assets	۱ v	ΕL	I	605,791			\$ 605,791
ATHENS, RODESSA	Types and Account	Proprietary Fund Type	Enterprise	\$ 16,962	256	7,400	l		353,246	\$ 377,864
VILLAGE OF ATHENS	Combined Balance Sheet - All Fund December 31,	Governmental Fund Type	General	<u>ssets</u> \$ 9,270	  - 5,714	l assets:	xed assets	Lant and equipment accumulated	ation)	sets <u>3 14,984</u>



\_ \_ \_ \_

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	\$ 1,182 7,030	\$	2,420	1 I 50	\$ 3,602 7,030
rom resurnched assers: r deposits		2	814	1	5,814
iabilities	8,212	α	.234		16,446
und Equity					
ed capital		δ	8,000	1	8,000
c in general fixed			1	605,791	L 605,791
earnings: ved	1	361,	, 630	t	361,630
nce: nated	6,772				6,772
etained earnings cit)/fund balance	6,772	361,	630		368,402
und equity	6,772	369	630	605,791	982,193
iabilities and equity	<u>\$ 14,984</u>	\$ 377	864	\$ 605,791	\$ 998,639

See accountant's compilation report.

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LiabilitiesAccounts payableAccounts payableNotes payable from restrPayable from restrPayable from restrCustomer depositTotal liabilitieTotal liabilitieFund EquitInvestment in geneassetsRetained capitaUnreservedFund balance:UndesignatedTotal retained e(deficit)/fundTotal liabilitieTotal liabilitieTotal liabilitie

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### VILLAGE OF RODESSA, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund <u>Year Ended December 31, 1997</u>

Revenues:	
Taxes	\$ 15,904
Intergovernmental	1,590
Licenses and permits	9,683
	3,086
Fines and penalties	321
Use of money and property	
Miscellaneous	1,842
Total revenues	32,426
Expenditures:	
Current:	04 0FC
General government	24,256
Public safety	<u> </u>
Total expenditures	37,941
Excess of expenditures	
over revenues	( 5,515)
Fund balance at beginning of	
year	<u> </u>
Fund balance at end	
of year	<u>\$ 6,772</u>

### See accountant's compilation report.

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### VILLAGE OF RODESSA, LOUISIANA

### Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual General Fund <u>Year Ended December 31, 1997</u>

			Gen	eral Fund		
	1	Budget		Actual	Fav	iance- orable <u>vorable</u> )
Revenues:						
Taxes	\$	11,080	\$	15,904	\$	4,824
Licenses and permits		9,995		9,683	(	312)
Intergovernmental		1,590		1,590		-
Fines and penalties		1,700		3,086		1,386
Miscellaneous		200		1,842		1,642
Use of money and property	·	275		321	<u> </u>	46

Total revenues	24,840	32,426	7,586
Expenditures: Current:			
General governnment Public safety	18,630 6,210	24,256 13,685	( 5,626) ( <u>7,475</u> )
	24,840	37,941	( 13,101)
Total expenditures	247040	<u> </u>	<u> </u>
Excess of expenditures over revenues	_	( 5,515)	( 5,515)
Fund balance, beginning of year	12,287	<u>12,287</u>	
Fund balance, end of year	<u>\$ 12,287</u>	<u>\$6,772</u>	<u>\$(5,515</u> )

### See accountant's compilation report.

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### VILLAGE OF RODESSA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Retained Earnings - Proprietary Fund Type <u>Year Ended December 31, 1997</u>

Operating revenues:

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Charges for services Miscellaneous revenues	26,877 2,235
Total operating revenues	<u>     29,112</u>
Operating expenses: Cost of sales and services Adminstrative Depreciation	32,442 584 <u>30,497</u>
Total operating expenses	<u>63,523</u>
Operating loss	<u>( 34,411</u> )

Non-operating revenues: Interest income		701
Total non-operating revenues (expenses)		701
Net loss	(	33,710)
Retained earnings, beginning of year		<u>395,340</u>
Retained earnings, end of year	<u>\$</u>	361,630

### See accountant's compilation report.

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### VILLAGE OF RODESSA, LOUISIANA

Statement of Cash Flows - Proprietary Fund Type <u>Year Ended December 31, 1997</u>

Cash flows from operating activities: Cash received from customers Cash payments to suppliers and employees	\$ (_	29,177 <u>31,676</u> )
Net cash used by operating activities	(_	2,499)
Cash flows from capital and related financing activities: Contribution from state Purchase of equipment	(_	8,000 8,000)
Net cash used by capital and related financing activities		••• 
Cash flows from investing activities: Interest on investments Maturity of investments		701 10,946

11,647
9,148
<u> </u>
<u>\$    24,362</u>
\$( 34,411)
30,497
<i></i>
65 55
556
794
<u>\$_( 2,499</u> )

### See accountant's compilation report.

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### Schedule of Compensation Paid -Mayor and Aldermen <u>For the Year Ended December 31, 1997</u>

Milton Hartsell, Mayor Gladys Alexander Terrer Wiska	\$ 2,000 480 480
Jerry Hicks Robert Hill	<u>480</u>
Total	<u>\$ 3,440</u>

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### Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Milton Hartsell, Mayor Members of the Board of Aldermen Village of Rodessa, 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 Rodessa and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating managements' assertions about the Village of Rodessa's compliance with certain laws and regulations during the year ended December 31, 1997, 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 ependitures 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.

<u>Code of Ethics for Public Officials and Pubic Employees</u> 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.

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

Management provided the required list including the noted information.

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4. Determine whether any of those employees included in the listing obtained from management in agree-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. The budget
  - was not amended during the year.
- 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 November 11, 1996, which indicated that the budget had 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. 9

(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.

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(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 was required by state law to have an annual compilation accompanied by an attestation report on compliance with laws and regulations filed with the Legislative Auditor's office no later than March 31, 1998. The required reports were not filed with the Legislative Auditor's office by the due date.

### <u>Meetings</u>

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 Rodessa 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.

### <u>Debt</u>

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.

The Village borrowed funds to purchase a police vehicle without

obtaining the approval of the State Bond Commission.

<u>Advances and Bonuses</u>

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.

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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 Rodessa 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.

Mardra D. Millian

Certified Public Accountant June 30, 1998

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Management's Corrective Action Plan

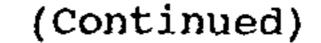
For the Year Ended December 31, 1997

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.

Finding: The village did not file its annual

compilation and	l attestati	ion report on
compliance with	laws and	regulations
by March 31, 19		

Management's Corrective Action Plan: Officials of the village did not realize that the village met the requirements of filing an annual compilation and attestation report on compliance with laws and regulations. The mayor, clerk, and aldermen will monitor the amount of village revenue on a monthly basis and file annual reports on a timely basis in accordance with state law. Finding: The village borrowed funds to purchase a police vehicle without obtaining the approval of the State Bond Commission as required by R.S. 39:1410.60. Management's Corrective Action Plan: The mayor and clerk will obtain permission from the State Bond Commission before borrowing funds in the future.



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### Management's Correctve Action Plan (Continued)

### For the Year Ended December 31, 1997

Prior Year Finding:	The segregation of duties in inadequate to provide effective internal control. This is due to economic and space limitations.	
Management's Corrective		
Action Plan:	No action was recommended and none has been taken.	

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LOUISIANA ATTESTATION QUESTIONNAIRE (For Attestation Engagements of Government) 6-11-98 (Date Transmitted)	
Marsha Q. 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  $1e^{-10.48}$ (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 [LTNO[]

### 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**

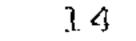
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We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39;1301-14) or the budget requirements of LSA-RS 39;34. Yes I No! I

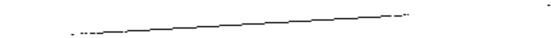
### Accounting and Reporting

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 1/ No []

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

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

### **Meetings**

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

### 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.

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.

Date Treasurer Date 6-10-98

