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VILLAGE OF REEVES, LOUISIANA  
ANNUAL FINANCIAL STATEMENTS AND  
ACCOUNTANTS' COMPILATION REPORT  
Year Ended June 30, 1998

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 NOV 18 1998

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**GRAGSON, CASIDAY & GUILLORY, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

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September 29, 1998

The Honorable Shelley Tyler, Mayor  
and the Board of Councilmen  
Village of Reeves, Louisiana

We have compiled the accompanying general purpose financial statements of the Village of Reeves, Louisiana as of June 30, 1998 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. 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.

*Gragson Casiday & Guillory*

VILLAGE OF REEVES, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 1998

	<u>Governmental</u> <u>Fund Types</u>		<u>Account</u> <u>Group</u>
	<u>General</u>	<u>Capital</u> <u>Project</u>	<u>General</u> <u>Fixed</u> <u>Assets</u>
<b>ASSETS</b>			
Cash	\$ 137,836	\$ 96	\$ -
Receivable			
Franchise taxes	955	-	-
Sewer charges	-	-	-
Interest	1,697	-	-
Other governmental units	255	-	-
Fixed assets, net	<u>-</u>	<u>-</u>	<u>42,289</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 140,743</u></b>	<b><u>\$ 96</u></b>	<b><u>\$ 42,289</u></b>
 <b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Accounts payable	\$ 376	\$ -	\$ -
Customer deposits	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>376</u>	<u>-</u>	<u>-</u>
 <b>Fund Equity</b>			
Contributed capital	-	-	-
Investment in general fixed assets	-	-	42,289
Retained earnings (deficit) - unreserved	-	-	-
Fund balance			
Board designated - sewer system improvements 50,000	-	-	-
Unreserved and undesignated	<u>90,367</u>	<u>96</u>	<u>-</u>
Total fund equity	<u>140,367</u>	<u>96</u>	<u>42,289</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 140,743</u></b>	<b><u>\$ 96</u></b>	<b><u>\$ 42,289</u></b>

See accompanying notes and accountants' report.

Proprietary Fund Type <u>Enterprise</u>	Totals (Memorandum only)	
	<u>1998</u>	<u>1997</u>
\$ 4,387	\$ 142,319	\$ 80,124
-	955	1,496
1,365	1,365	1,318
-	1,697	137
-	255	255
<u>680,486</u>	<u>722,775</u>	<u>737,252</u>
\$ <u>686,238</u>	\$ <u>869,366</u>	\$ <u>820,582</u>
\$ 413	\$ 789	\$ 1,666
48	48	48
<u>461</u>	<u>837</u>	<u>1,714</u>
687,103	687,103	701,534
-	42,289	42,159
(1,326)	(1,326)	(3,956)
-	50,000	-
-	90,463	79,131
<u>685,777</u>	<u>868,529</u>	<u>818,868</u>
\$ <u>686,238</u>	\$ <u>869,366</u>	\$ <u>820,582</u>

VILLAGE OF REEVES, LOUISIANA

Combined Statements of Revenues, Expenditures and Changes  
In Fund Balances - All Governmental Fund Types

Year Ended June 30, 1998

	<u>General</u>	<u>Capital Project</u>	Totals (Memorandum Only)	
			<u>1998</u>	<u>1997</u>
REVENUES				
Property taxes	\$ 3,224	\$ -	\$ 3,224	\$ 3,148
Franchise taxes	8,645		8,645	8,951
Occupational licenses	6,032	-	6,032	8,440
Tobacco taxes	1,017	-	1,017	800
Interest	4,564	16	4,580	1,920
State Rural Development Grant	-	5,000	5,000	10,000
Intergovernmental	67,458	-	67,458	36,604
Miscellaneous	10	-	10	4,385
Total Revenues	<u>90,950</u>	<u>5,016</u>	<u>95,966</u>	<u>74,248</u>
EXPENDITURES				
General government				
Advertisements	364	-	364	316
Bank charges	104	-	104	18
Contract labor	5,350	-	5,350	2,250
Dues	275	-	275	125
Insurance	4,210	-	4,210	4,517
Lawn service	530	-	530	390
Miscellaneous	315	-	315	413
Office supplies	719	-	719	121
Per diem	3,135	-	3,135	1,968
Professional fees	3,934	-	3,934	3,108
Repairs and maintenance	5,430	-	5,430	3,314
Taxes	189	-	189	-
Telephone	203	-	203	281
Utilities - city hall	586	-	586	571
Utilities - street lights	4,160	-	4,160	3,723
Capital outlay	130	5,000	5,130	17,141
Total expenditures	<u>29,634</u>	<u>5,000</u>	<u>34,634</u>	<u>38,256</u>
EXCESS OF REVENUES OVER EXPENDITURES	61,316	16	61,332	35,992

See accompanying notes and accountants' report.

Continued

VILLAGE OF REEVES, LOUISIANA

Combined Statements of Revenues, Expenditures and Changes  
In Fund Balances - All Governmental Fund Types - Continued

Year Ended June 30, 1998

	<u>General</u>	<u>Capital Project</u>	<u>Totals (Memorandum Only)</u>	
			<u>1998</u>	<u>1997</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers	\$ -	\$ -	\$ -	\$ (1,652)
EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	61,316	16	61,332	34,340
FUND BALANCE, BEGINNING	<u>79,051</u>	<u>80</u>	<u>79,131</u>	<u>44,791</u>
FUND BALANCE, ENDING	<u>\$ 140,367</u>	<u>\$ 96</u>	<u>\$ 140,463</u>	<u>\$ 79,131</u>

See accompanying notes and accountants' report.

VILLAGE OF REEVES, LOUISIANA

Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - General Fund

Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 3,000	\$ 3,224	\$ 224
Franchise taxes	6,500	8,645	2,145
Occupational licenses	5,600	6,032	432
Tobacco taxes	1,000	1,017	17
Interest	1,000	4,564	3,564
Intergovernmental	12,836	67,458	54,622
Miscellaneous	-	10	10
Total Revenues	<u>29,936</u>	<u>90,950</u>	<u>61,014</u>
EXPENDITURES			
General government	350	364	(14)
Advertisements	-	104	(104)
Bank charges	4,650	5,350	(700)
Contract labor	175	275	(100)
Dues	4,462	4,210	252
Insurance	420	530	(110)
Lawn service	40	315	(275)
Miscellaneous	795	719	76
Office supplies	8,000	3,135	4,865
Per diem	3,400	3,934	(534)
Professional fees	2,300	5,430	(3,130)
Repairs and maintenance	575	189	386
Taxes	300	203	97
Telephone	669	586	83
Utilities - city hall	3,800	4,160	(360)
Utilities - street lights	-	130	(130)
Capital outlay	-	-	-
Total expenditures	<u>29,936</u>	<u>29,634</u>	<u>302</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	61,316	61,316
FUND BALANCE, BEGINNING	<u>79,051</u>	<u>79,051</u>	-
FUND BALANCE, ENDING	\$ <u>79,051</u>	\$ <u>140,367</u>	\$ <u>61,316</u>

See accompanying notes and accountants' report.

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS



VILLAGE OF REEVES, LOUISIANA

Statement of Revenues, Expenses and Changes in  
Retained Earnings (Deficit) - Proprietary Fund Type

Year Ended June 30, 1998

	<u>1998</u>	<u>1997</u>
OPERATING REVENUES		
Sewer service charges	\$ <u>15,339</u>	\$ <u>13,908</u>
OPERATING EXPENSES		
Bank charges	52	-
Contract labor	4,200	-
Depreciation	14,607	14,608
Inspection	-	35
Payroll taxes	-	793
Postage	-	430
Professional fees	-	462
Salaries	-	5,721
Samples	1,440	780
Supplies	2,432	3,191
Utilities	<u>4,409</u>	<u>5,340</u>
	<u>27,140</u>	<u>31,360</u>
OPERATING LOSS BEFORE OPERATING TRANSFERS	(11,801)	(17,452)
OTHER FINANCING SOURCES (USES)		
Operating Transfers	<u>-</u>	<u>1,652</u>
NET LOSS	(11,801)	(15,800)
Add current year's depreciation on fixed assets acquired by funds externally restricted for capital expenditures that reduces contributed capital	<u>14,431</u>	<u>14,431</u>
INCREASE (DECREASE) IN RETAINED EARNINGS	2,630	(1,369)
RETAINED EARNINGS (DEFICIT), BEGINNING	<u>(3,956)</u>	<u>(2,587)</u>
RETAINED EARNINGS (DEFICIT), ENDING	\$ <u>(1,326)</u>	\$ <u>(3,956)</u>

See accompanying notes and accountants' report.

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS

VILLAGE OF REEVES, LOUISIANA

Statement of Cash Flows - Proprietary Fund Type

Year Ended June 30, 1998

	<u>1998</u>	<u>1997</u>
Cash Flows From Operating Activities		
Operating loss	\$ (11,801)	\$ (17,452)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	14,607	14,608
Increase in receivable	(47)	-
Decrease in accounts payable	<u>(874)</u>	<u>-</u>
Net cash from operating activities	1,885	(2,844)
Cash Flows From Noncapital Financing Activities		
Operating transfers in (out) from other fund	<u>-</u>	<u>1,652</u>
Net increase (decrease) in cash	1,885	(1,192)
Cash, beginning	<u>2,502</u>	<u>3,694</u>
Cash, ending	\$ <u>4,387</u>	\$ <u>2,502</u>

See accompanying notes and accountants' report.

VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Reeves, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

1. Reporting Entity

As the governing authority of the Village, for reporting purposes, the Village of Reeves, Louisiana is the financial reporting entity. The financial reporting entity consists of (a) the primary government (Village), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Village of Reeves, Louisiana for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Village to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Village.
2. Organizations for which the Village does not appoint a voting majority but are fiscally dependent on the Village.
3. Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, there are no component units included in the Village's reporting entity.

Continued

VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2. Fund Accounting

The accounts of the Village are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenses or expenditures.

The following funds and groups of accounts are used by the Village:

Governmental Fund Types:

General Fund-

The General Fund is the general operating fund of the Village. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Capital Project Fund-

Capital Project Fund accounts for financial resources to be used for the construction of the street improvements project.

Proprietary Fund Type:

Enterprise Fund-

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing sewer services to the general public on a continuing basis is financed through user charges.

General Fixed Assets Account Group:

General Fixed Assets-

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost. No depreciation is recorded on general fixed assets. Public domain ("infrastructure") general fixed assets including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the Village.

Continued

VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

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 as available if they are collected within 60 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.

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

Those revenues susceptible to accrual are property taxes, franchise taxes, tobacco taxes, licenses, interest and sewer fees.

4. Budgets

A budget is adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Continued

VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The proposed budget is presented to the government's Board of Council for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

5. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the Village may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1998, the Village has \$143,322 in deposits (collected bank balances). These deposits are secured from risk by \$117,937 of federal deposit insurance and \$25,385 of pledged securities held by the custodian bank in the name of the fiscal agent bank.

6. Accounts Receivable

Uncollectible amounts due for sewer charges and other receivables are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectable. This method does not result in a charge to bad debts that is materially different from the amount that would be charged if the reserve method were used.

7. Statement of Cash Flows

For the purpose of the Statement of Cash Flows, for the enterprise fund, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Continued

VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

8. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

9. Total Columns on Combined Statements

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, or results of operations in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

10. Comparative Data

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Village's financial position and operations. However, presentation of prior year totals by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE B - PROPERTY TAXES

For the year ended June 30, 1998, taxes for general purposes were levied on property as follows:

<u>Millage</u>	<u>Assessed Valuations</u>	<u>Taxes Levied</u>
6.40	\$ 508,860	\$ 3,257

Property tax millage rates are adopted in July of the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31st. Property taxes not paid by February 28th are subject to property lien.

NOTE C - FIXED ASSETS

1. General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Balance June 30, 1997</u>	<u>Net Additions</u>	<u>Balance June 30, 1998</u>
Land	\$ 14,350	\$ -	\$ 14,350
Building	16,062	-	16,062
Equipment	6,055	130	6,185
Fire protection system	<u>5,692</u>	<u>-</u>	<u>5,692</u>
	\$ <u>42,159</u>	\$ <u>130</u>	\$ <u>42,289</u>

2. Proprietary Fund Fixed Assets

A summary of changes in proprietary fund fixed assets follows:

	<u>Balance June 30, 1997</u>	<u>Net Additions</u>	<u>Balance June 30, 1998</u>
Sewer plant	\$ 730,396	\$ <u>-</u>	\$ 730,396
Less: Accumulated depreciation	<u>35,303</u>		<u>49,910</u>
	\$ <u>695,093</u>		\$ <u>680,486</u>



VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE C - FIXED ASSETS - CONTINUED

Additions to the proprietary fund fixed assets are recorded at cost. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful life is 50 years.

NOTE D - CONTRIBUTED CAPITAL

During the year, contributed capital changed by the following amount:

Depreciation of fixed assets acquired by funds externally restricted for capital expenditures	\$ 14,431
CONTRIBUTED CAPITAL, BEGINNING	<u>701,534</u>
CONTRIBUTED CAPITAL, ENDING	\$ <u>687,103</u>

NOTE E - PER DIEM

Total per diem paid for the year ended June 30, 1998 consisted of the following:

Former Mayor Nettie Heintz	\$ 550
Mayor Shelley Tyler	1,250
Councilwoman Peggy Kennedy	197
Councilwoman Jeanie Markway	45
Councilwoman Carol Estay Smith	383
Councilman Sammy Pitre	557
Councilman Kevin Willis	<u>153</u>
	\$ <u>3,135</u>

VILLAGE OF REEVES, LOUISIANA

Notes to Financial Statements

June 30, 1998

NOTE F - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE G - RETAINED EARNINGS (DEFICIT) - PROPRIETARY FUND TYPE

The retained earnings of the proprietary fund type has a deficit of \$1,326 at June 30, 1998. The Village intends to eliminate the deficit through future operating income.

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

September 29, 1998

The Honorable Shelley Tyler, Mayor and the  
Board of Councilmen  
Village of Reeves, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Village of Reeves, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Village of Reeves, Louisiana's compliance with certain laws and regulations during the year ended June 30, 1998 included in the accompanying Louisiana Attestation 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 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$5,000 or for public works exceeding \$50,000.

## 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-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

*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.

*No individuals listed in (3) above were included in the family member list in (2) above.*

## Budgeting

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

*The Village provided us with the legally adopted budget for the year ended June 30, 1998.*

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

*We traced the adopted budget to approval in the minutes.*

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

*Actual revenues did not fail to meet budgeted amounts by more than 5% and actual expenditures did not exceed 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;

*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.*

- (b) determine if payments were properly coded to the correct fund and general ledger account.

*The payments were properly coded to the correct fund and general ledger account.*

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

The payments received proper approvals.

#### Meetings

9. 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 open meetings law).

The Village is only required to post a notice of each meeting and the accompanying agenda at the city hall, a public place. We found no evidence of noncompliance.

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

#### Advances and Bonuses

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 Village and a review of payroll records indicated no payments for any 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 Village of Reeves, Louisiana, 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.



VILLAGE OF REEVES, LA.  
P.O. BOX 119  
REEVES, LOUISIANA 70658

September 29, 1998

Gragson, Casiday, and Guillory L.L.P.  
P.O. Drawer 1847  
Lake Charles, LA 70602

In connection with your compilation of the financial statements of the Village of Reeves, Louisiana as of June 30, 1998 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 September 29, 1998.

**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 Board have 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 the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

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 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 filed 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 47:1410.60.

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.

Shelley Tyler Mayor  
Hanaka Hunsicker Clerk