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VILLAGE OF ATHENS, LOUISIANA

FINANCIAL STATEMENTS

December 31, 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 8-11-99

Marsha O. Millican
Certified Public Accountant
Shreveport, Louisiana

VILLAGE ATHENS, LOUISIANA

Financial Statements
December 31, 1998

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

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

I have compiled the accompanying financial statements of Village of Athens, Louisiana, as of December 31, 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. 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 financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's assets, liabilities, fund balance/retained earnings, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.



Certified Public Accountant
June 28, 1999

VILLAGE OF ATHENS, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Group
December 31, 1998

	Governmental Fund Type <u>General</u>	Proprietary Fund Type <u>Enterprise</u>	Account Group <u>General Fixed Assets</u>	<u>Totals</u> (Memorandum Only)
<u>Assets</u>				
Cash	\$ 23,259	\$ 37,900	\$ -	\$ 61,159
Receivables:				
Taxes	5,046	-	-	5,046
Accounts	-	7,174	-	7,174
Restricted assets:				
Cash	-	6,216	-	6,216
Utility fixed assets	-	499,727	-	499,727
General fixed assets	-	-	100,109	100,109
Total Assets	<u>\$ 28,305</u>	<u>\$ 551,017</u>	<u>\$ 100,109</u>	<u>\$ 679,431</u>
<u>Liabilities</u>				
Accounts payable	\$ 1,337	\$ 1,989	\$ -	\$ 3,326
Payroll taxes payable	195	184	-	379
Payable from restricted assets:				
Customer deposits	-	6,520	-	6,520
Total Liabilities	<u>1,532</u>	<u>8,693</u>	<u>-</u>	<u>10,225</u>
<u>Fund Equity</u>				
Contributed capital	-	518,221	-	518,221
Investment in general fixed assets	-	-	100,109	100,109
Retained earnings:				
Unreserved	-	24,103	-	24,103
Fund Balance - Unreserved	<u>26,773</u>	<u>-</u>	<u>-</u>	<u>26,773</u>
Total retained earnings/fund balance	<u>26,773</u>	<u>24,103</u>	<u>-</u>	<u>50,876</u>
Total fund equity	<u>26,773</u>	<u>542,324</u>	<u>100,109</u>	<u>669,206</u>
Total Liabilities and Fund Equity	<u>\$ 28,305</u>	<u>\$ 551,017</u>	<u>\$ 100,109</u>	<u>\$ 679,431</u>

See accountant's compilation report.

VILLAGE OF ATHENS, LOUISIANA

Statement of Revenues, Expenditures, and Changes
in Fund Balance - General Fund
Year Ended December 31, 1998

Revenues:	
Taxes	\$ 15,532
Intergovernmental	16,503
Licenses and permits	10,659
Miscellaneous	<u>1,518</u>
Total revenues	<u>44,212</u>
Expenditures:	
Current:	
General government	<u>37,433</u>
Total expenditures	<u>37,433</u>
Excess of revenues over expenditures	6,779
Fund balance at beginning of year	<u>19,994</u>
Fund balance at end of year	<u>\$ 26,773</u>

See accountant's compilation report.

VILLAGE OF ATHENS, LOUISIANA

Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Budget (GAAP Basis) and Actual
 General Fund
Year Ended December 31, 1998

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 15,600	\$ 15,532	\$(68)
Licenses and permits	11,060	10,659	(401)
Intergovernmental	16,505	16,503	(2)
Miscellaneous	<u>612</u>	<u>1,518</u>	<u>906</u>
Total revenues	<u>43,777</u>	<u>44,212</u>	<u>435</u>
Expenditures:			
Current:			
General government	<u>39,423</u>	<u>37,433</u>	<u>1,990</u>
Total expenditures	<u>39,423</u>	<u>37,433</u>	<u>1,990</u>
Excess of revenue over expenditures	4,354	6,779	2,425
Fund balance, beginning of year	<u>19,994</u>	<u>19,994</u>	<u>-</u>
Fund balance, end of year	<u>\$ 24,348</u>	<u>\$ 26,773</u>	<u>\$ 2,425</u>

See accountant's compilation report.

VILLAGE OF ATHENS, LOUISIANAStatement of Revenues, Expenses, and Changes in
Retained Earnings - Proprietary Fund Type
Year Ended December 31, 1998

Operating revenues:	
Water sales	\$ 33,518
Sewer revenue	21,037
Miscellaneous revenue	<u>1,199</u>
Total operating revenues	55,754
Operating expenses:	
Water department expenses	27,994
Sewer department expenses	<u>23,257</u>
Total operating expenses	<u>51,251</u>
Net income	4,503
Retained earnings at beginning of year	<u>19,600</u>
Retained earnings at end of year	<u>\$ 24,103</u>

See accountant's compilation report.

VILLAGE OF ATHENS, LOUISIANAStatement of Cash Flows - Proprietary Fund Type
Year Ended December 31, 1998

Cash flows from operating activities:	
Cash received from customers	\$ 54,023
Cash payments to suppliers and employees	(35,635)
Other operating income	<u>1,518</u>
Net cash provided by operating activities	<u>19,906</u>
Cash flows from capital and related financing activities:	
Principal paid on revenue bonds	<u>(11,800)</u>
Net cash provided by capital and related financing activities	<u>(11,800)</u>
Net increase in cash	8,106
Cash, January 1, 1998 (including \$6,093 in restricted accounts)	<u>36,010</u>
Cash, December 31, 1998 (including \$6,216 in restricted accounts)	<u>\$ 44,116</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 4,503
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	16,126
Changes in assets and liabilities:	
Increase in accounts receivable	(532)
Decrease in customer deposits	(35)
Decrease in accounts payable	<u>(156)</u>
Net cash used by operating activities	<u>\$ 19,906</u>

See accountant's compilation report.

VILLAGE OF ATHENS, LOUISIANA

Schedule of Compensation Paid
Mayor and Aldermen
For the Year Ended December 31, 1998

Clayton M. Spurlock, Jr.	\$ 900
Melver Stassen	900
John D. Cullins, Jr.	<u>900</u>
Total	<u>\$ 2,700</u>

VILLAGE OF ATHENS, LOUISIANA

Corrective Action Taken on Prior Year Findings
For the Year Ended December 31, 1998

Prior Year
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:

The Village amended the budget and complied with the state budget law.

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Bobbie Powell, Mayor
Members of the Board of Aldermen
Village of Athens, 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 Athens and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating managements' assertions about the Village of Athen's compliance with certain laws and regulations during the year ended December 31, 1998, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Insititute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000 and determine whether such purchases were made in accordance with LSA-RS 38:221-2251.

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

Code of Ethics for Public Officials and Pubic Employees

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

Management provided the required list including the noted information.

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

Management provided the required list including the noted information.

4. Determine whether any of those employees included in the listing obtained from management in 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 and the amended budget.

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

I traced the adoption of the original budget to the minutes of a meeting held on December 9, 1997, which indicated that the budget had been approved by all of the aldermen. I traced the adoption of the amended budget to the minutes of a meeting held on September 8, 1998 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 revenues exceeded budgeted revenues. Actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

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

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

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

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

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

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

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

The financial statements of the Village were compiled in accordance with LSA-RS 24:513.

Meetings

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

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

Debt

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

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

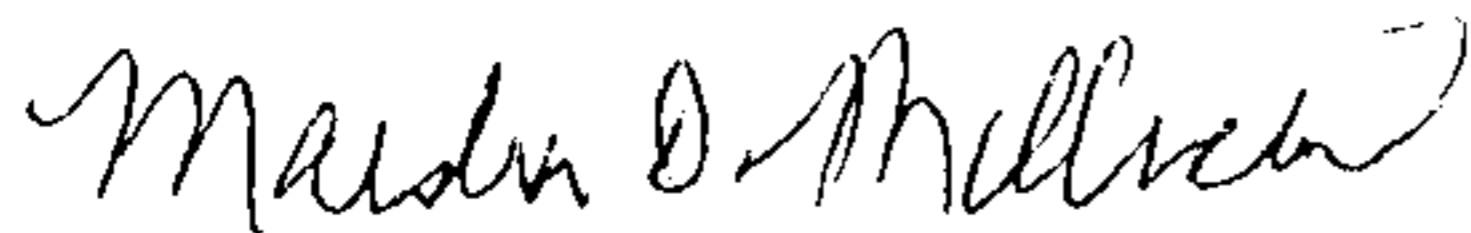
Advances and Bonuses

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

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

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

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

A handwritten signature in cursive script, appearing to read "Maudin D. Miller".

Certified Public Accountant
June 28, 1999

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

6/28/99 (Date Transmitted)

Marsha O. Millican
Certified Public Accountant
754 Dalzell
Shreveport, Louisiana 71104 (Auditors)

In connection with your compilation of our financial statements as of ^{12/31/98} [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 6/28/99 (date of completion/representations).

Public Bid Law

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

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No

Budgeting

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

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:453, and/or 39:92, as applicable.

Yes No

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

Yes No

Meetings

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

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Catherine S. Lilla clerk 6/28/99 Date
Bobbe Stouffer Mayor 6/28/99 Date