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VILLAGE OF ATHENS, LOUISIANA

FINANCIAL STATEMENTS
December 31, 2003

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Release Date 7-28-04

Marsha G. Millison
Certified Public Accountant
Shreveport, Louisiana

VILLAGE OF ATHENS, LOUISIANA

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

The Honorable Mable James, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

I have audited the accompanying general purpose financial statements of the Village of Athens, Louisiana, as of December 31, 2003, as listed in the foregoing table of contents. These financial statements are the responsibility of Village of Athens, Louisiana's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those 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 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.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Village of Athens, Louisiana, as of December 31, 2003, and the results of its operations and the cash flows of its proprietary fund types and similar trust and agency funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated July 16, 2004, on my consideration of Village of Athens, Louisiana's internal control over financial reporting and its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The schedule listed in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of Village of Abbeville, Louisiana. The information in this schedule 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.

Michael D. Miller

Certified Public Accountant
July 18, 2024

VILLAGE OF STROSS, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Group
December 31, 2021

	Governmental Fund Types		Proprietary Fund Type	Account Group		Totals (Memorandum only)
	General	Capital Projects	Enterprise	General Fund Assets	-	
Assets						
Cash	\$ 25,466	\$ -	\$ 21,466	\$ -	\$ -	\$ 49,872
Receivables, net of allowance for un-collectibles	-	-	-	-	-	-
Accounts Payable	-	-	8,797	-	-	8,797
Taxes	6,121	-	-	-	-	6,121
Restricted assets:						
cash	-	-	5,840	-	-	5,840
Due from other funds	2,100	-	-	-	-	2,100
General fund assets	-	-	-	182,128	-	182,128
Utility plant and equipment (net of accumulated depreciation)	-	-	-	-	-	-
Total assets	\$ 34,127	\$ -	\$ 31,403	\$ 182,128	\$ -	\$ 247,658

VILLAGE OF ATHENS, LOUISIANA

Statement of Revenues, and Charges
in Fund Balance - All Governmental Fund Types ~~and~~
Year Ended December 31, 2003

	Governmental Fund Types		Totals (Memorandum Only)
	General	Capital Projects	
Revenues:			
Taxes	\$ 13,325	\$ -	\$ 13,325
Licenses and permits	11,333	-	11,333
Intergovernmental	-	98,182	98,182
Miscellaneous	132	-	132
Total revenues	<u>24,789</u>	<u>98,182</u>	<u>122,971</u>
Expenditures:			
Current:			
general government	21,533	-	21,533
public safety	-	-	-
Capital projects	-	100,682	100,682
Total expenditures	<u>21,533</u>	<u>100,682</u>	<u>122,215</u>
Excess (deficiency) of revenue over expenditures	3,256	(2,500)	501
Fund balance, beginning of year	<u>29,328</u>	<u>-</u>	<u>29,328</u>
Fund balance, end of year	<u>\$ 32,584</u>	<u>\$ 2,500</u>	<u>\$ 35,084</u>

See accompanying notes to financial statements.

VILLAGE OF STEENS, LOUISIANA

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget (GMAP Basis) and Actual
General Fund
Year Ended December 31, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 13,880	\$ 13,936	\$ 156
Licenses and permits	11,290	11,212	(78)
Miscellaneous	150	217	67
Total revenues	<u>25,320</u>	<u>25,365</u>	<u>145</u>
Expenditures:			
Current:			
General government	<u>21,885</u>	<u>21,933</u>	<u>1,552</u>
Total expenditures	<u>21,885</u>	<u>21,933</u>	<u>1,552</u>
Excess of revenues over expenditures	1,945	1,943	1,696
Fund balance, beginning of year	<u>12,328</u>	<u>12,328</u>	-
Fund balance, end of year	<u>\$ 14,273</u>	<u>\$ 14,271</u>	<u>\$ 1,696</u>

See accompanying notes to financial statements.

VILLAGE OF ATHENS, LOUISIANA

Statement of Revenues, Expenses, and
Changes in Retained Earnings - Proprietary Fund Type
Year Ended December 31, 2021

Operating revenues:	
Changes for services:	
Water sales	\$ 19,324
Sewer revenue	14,439
Miscellaneous	<u>432</u>
Total operating revenue	<u>34,195</u>
Operating expenses:	
Water department expense	45,484
Sewer department expense	<u>19,174</u>
Total operating expenses	<u>64,658</u>
Net operating loss	(30,463)
Retained earnings at beginning of year	<u>(18,462)</u>
Retained earnings at end of year	<u>\$(48,925)</u>

See accompanying notes to financial statements.

VILLAGE OF ATHENS, LOUISIANA

Statement of Cash Flows - Proprietary Type
Year Ended December 31, 2003

Cash flows from operating activities:	
Cash received from customers	\$ 51,340
Cash payments to suppliers and employees	(43,627)
Other operating income	<u>427</u>
Net cash used by operating activities	<u>(1,860)</u>
Net decrease in cash	(9,832)
Cash, January 1, 2003 (including \$6,779 in restricted accounts)	<u>39,130</u>
Cash, December 31, 2003 (including \$1,940 in restricted accounts)	<u>\$ 29,298</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating loss	\$ (20,497)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	17,698
Changes in assets and liabilities:	
Decrease in accounts receivable	2,388
Increase in due from other funds	-
Increase in customer deposits	195
Decrease in accounts payable	<u>(2,284)</u>
Net cash used by operating activities	<u>\$ (9,832)</u>

see accompanying notes to financial statements.

VILLAGE OF ATHENS, LOUISIANA

Notes to financial Statements
December 31, 2022

The Village of Athens, Louisiana was incorporated under the provisions of the Larson Act. The Village operates under a Mayor-Board of Alderman form of government.

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 town 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 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).

(Continued)

VILLAGE OF ATOCHE, LOUISIANA

Notes to Financial Statements
December 31, 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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).

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 related fund liability is incurred. Those revenues susceptible to accrual are property taxes, franchise taxes, interest revenue and charges for services. Fines, permits, and license 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 the 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.

(Continued)

VILLAGE OF ATHENS, LOUISIANA

Notes to Financial Statements
December 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public hearings are conducted at Town 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.

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 other financing sources) and decreases (expenditures and other financing uses)

(Continued)

VILLAGE OF ATHENS, LOUISIANA

Notes to Financial Statements
December 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 all 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 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 on their balance sheets.

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 by asset type as follows:

Water and Sewer Systems	40 years
Equipment	5 years

Total columns on combined statements - Overview. Total columns on the combined statements - Overview are captioned (Memorandum Only) to indicate that they are presented only to

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VILLAGE OF ATRISS, LOUISIANA

Notes to Financial Statements (Continued)
December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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, 2021, all cash 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, 2021, taxes of 7.35 mills were levied on property with assessed valuations totaling \$945,205. Total taxes levied for the year ended December 31, 2021 were \$6,748.

4. FIXED ASSETS:

A summary of proprietary fund type property, plant, and equipment at December 31, 2021 follows:

Water system	\$ 155,827
Sewer system	518,521
Equipment	827
Land	<u>828</u>
Total	675,483
Less: accumulated depreciation	<u>234,486</u>
Net property, plant, and equipment	<u>\$ 441,207</u>

5. COMMUNITY DEVELOPMENT BLOCK GRANT:

The Village was awarded a community development block grant for water system improvements for fire protection in August, 2021. Revenue and expenditures under this grant for the year ended December 31, 2021 were \$ 28,182 and \$100,482.

VILLAGE OF STAMM, LOUISIANA

Schedule of Compensation Paid

Mayor and Aldermen

For the Year Ended December 31, 2002

Hobie Jones, Mayor	\$	2,700
Dean Chandler		900
Francis Washington		900
Ralph Stassen		<u>900</u>
Total	\$	<u>5,400</u>

VILLAGE OF ATHENS, LOUISIANA

Corrective Action Taken on Prior Year Findings

For the Year Ended December 31, 2002

Finding # 1:

The Village did not maintain its books and records in accordance with generally accepted accounting principles nor was documentation adequate to permit an audit of the financial statements in accordance with generally accepted auditing procedures. The Village did not properly safeguard village revenues.

Status: Resolved.

Finding # 2:

The segregation of duties is inadequate to provide effective internal control. This is a repeat finding.

Status: Unresolved.

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN ASPECT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Wable James, Mayor
and Board of Aldermen
Village of Athens, Louisiana

I have audited the financial statements of Village of Athens as of and for the year ended December 31, 2003, and have issued my report thereon dated July 18, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Village of Athens' financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item # 2.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Village of Athens, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Village of Athens, Louisiana's ability to record, process summarize and report

financial data consistent with the assertions of management in the general purpose financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as finding #1 and #2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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 over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

However, I believe the reportable condition #1 to be a material weakness.

This report is intended solely for the information and use of management, the Board of Aldermen and applicable federal and state cognizant agencies and is not intended to be, and should not be, used by anyone other than the specified parties. Under Louisiana Revised Statute 24:513, this report is distributed as a public document.

Maria D. Trudica

Certified Public Accountant
July 18, 2004

VILLAGE OF ATHENS, LOUISIANA

Schedule of Findings

For the Year Ended December 31, 2011

FINDING # 1:

Condition: The segregation of duties is inadequate to provide effective internal control. This is a repeat finding.

Criteria: The Town Clerk is part time and performs interrelated duties.

Cause:

The condition is due to space and economic limitations.

Recommendation:

No action is recommended.

Management's Response and Corrective Action Plan:

We agree with the finding. We will make every effort to segregate duties as allowed by space and economic limitations.

FINDING #2:

Condition: During the year, the Village started reading its own meters and preparing the utility billings to customers. The software used by the Village was not customized for utility billings. The software generated billings, but not monthly reports required to effectively manage utility billings. More time was required to reconstruct utility receivables at year end, resulting the village's audit report being filed after the June 30, 2013 deadline.

Criteria: Utility billings are not effectively managed.

Cause: Village officials thought the software was adequate for utility billings when purchased.

Recommendation: I recommend the Village purchase software specifically designed for utility billing.

Management's Response and Corrective Action Plan:

We will purchase software specifically designed for utility billing.