

Village of Athens, Louisiana
Annual Financial Statements
For the Year Ended December 31, 2017

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Village of Athens, Louisiana
Management Discussion and Analysis
December 31, 2017

The management of the Village of Athens, Louisiana offers readers of the Village of Athens, Louisiana's (Village) financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2017. This management discussion and analysis ("MD&A") is designed to provide an objective analysis of the Village's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of Village finances. It is also intended to provide readers with an analysis of the Village's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Village. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Village's financial activity, identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

The Village has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34. This reporting model changes the presentation of financial data, and also the manner in which the information is recorded. We encourage readers to consider the information presented here in conjunction with additional information presented throughout this report.

Overview of the Financial Statements

This section is intended to serve as an introduction to the Village's financial statements. The Village's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed by GASB Statement No. 34 to change the way in which governmental financial statements are presented. It now provides readers with a concise "entity-wide" Statement of Net Position and Statement of Activities, which seek to give the user of the financial statements a broad overview of the Village's financial position and results of operations in a manner similar to private sector businesses.

The statement of net position presents information on all of the Village's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. The difference between the two is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or weakening.

The statement of activities presents information which shows how the government's net position changed during this fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes).

Village of Athens, Louisiana
Management Discussion and Analysis
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Each of these reports is broken down between governmental activities and business-type activities. Governmental activities normally are those activities that are supported by taxes, licenses, permits, fines, and intergovernmental revenues; for example, the police department. Business-type activities are functions that are intended to support their costs through charges for services or fees; such as the Water and Sewer Departments.

Government-wide Financial Analysis

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Village's assets exceeded its liabilities by \$1,165,077 (net position); this represents an increase of \$202,535 from the last fiscal year. Of this total net asset amount, \$209,303 is unrestricted net position. The Village's net position are comprised of \$334,235 from governmental activities and \$830,842 from business-type activities.

The following is a condensed statement of the Village of Athens's net position as of December 31, 2017:

	Governmental- Type Activities	Business-Type Activities	Total
Assets			
Current & Other Assets	\$101,923	\$123,617	\$225,540
Capital Assets (net)	238,220	717,554	955,774
Total Assets	\$340,143	\$841,171	\$1,181,314
Liabilities			
Other Liabilities	\$5,908	\$10,329	\$16,237
Long-term Liabilities	0	0	0
Total Liabilities	5,908	10,329	16,237
Net Position			
Invested in capital assets, net	238,220	717,554	955,774
Unrestricted	96,015	113,288	209,303
Total Net Position	\$334,235	\$830,842	\$1,165,077

The Village's net position \$955,774 or 82% reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, Village infrastructure, etc.) less any related debt used to acquire those assets still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of \$209,303 is unrestricted net position, which may be used to meet the government's on-going obligations to citizens and creditors.

Village of Athens, Louisiana
Management Discussion and Analysis
December 31, 2017

Total liabilities of \$16,237 are equal to 1% of the total net position.

The following is a summary of the statement of activities:

	Governmental- Type Activities	Business- Type Activities	Total	2016
Revenue				
Program Revenue	\$55,962	\$265,209	\$321,171	\$71,793
General Revenue & Transfers	71,283	171	71,454	62,741
Total Revenue	<u>127,245</u>	<u>265,380</u>	<u>392,625</u>	<u>134,534</u>
Expenses				
General	84,856		84,856	35,927
Water		96,670	96,670	97,302
Depreciation	8,564		8,564	8,262
Total Expenses	<u>93,420</u>	<u>96,670</u>	<u>190,090</u>	<u>141,491</u>
Increase (Decrease) in Net Position	33,825	168,710	202,535	(6,957)
Net Position, Beginning	300,410	662,132	962,542	971,649
Prior period adjustment	0	0	0	0
Net Position, Ending	<u>\$334,235</u>	<u>\$830,842</u>	<u>\$1,165,077</u>	<u>\$964,692</u>

Governmental Activities

The governmental activities of the Village include General Government. In that, revenues normally associated with municipal operations, (e.g. property tax, franchise fees, license fees, fines, and operating grants) are sufficient for the funding of these activities.

Business-type Activities

The business-type activities of the Village are those that charge a fee to customers for the services provided. The Village has only one business-type activity, which is accounted for in the enterprise fund. The Village uses enterprise funds to account for the revenues and expenses related to the provision of water services.

Fund Financial Statements - Governmental Funds

The fund financial statements provide more detailed information about the Village's most significant funds - not the Village as a whole. Funds are accounting devices that the Village uses to keep track of specific sources of funding and spending for a particular purpose.

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Management Discussion and Analysis
December 31, 2017

The Village currently maintains one individual governmental fund type, General Fund. Information is presented separately in the Governmental Funds Balance Sheet (Statement C) and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Statements E) for the General Fund which is considered to be a major fund.

The Village adopts an annual budget for the General Fund. A statement of revenues, expenditures, and changes in fund balance for the General Fund is presented in the Required Supplemental Information (Schedule 1), which compares actual revenues and expenditures to the original budget and amended budget figures.

Financial Analysis of the Village's Governmental Fund

The Village of Athens's governmental fund (General Fund) reported an ending fund balance of \$96,015, which is an increase of \$40,239. This increase is caused by maintaining expenditures well below revenues.

Fund Financial Statements - Proprietary Funds

The Village maintains one proprietary fund. Proprietary funds are used to report the same functions as business-type activities. The Village uses enterprise funds (the first type of proprietary fund) to account for its Water Operations. This enterprise fund reports the same functions presented as business-type activities in the government-wide financial statements.

Financial Analysis of the Village's Proprietary Fund

The Village's proprietary fund shows an increase in ending net position of \$168,710. The 2017 operating loss of the Water Fund totaling \$14,469 represents a decrease in loss of \$11,040 from fiscal year 2016.

In that, financial statements of enterprise funds are presented on the same basis of accounting as in both the governmental-wide financial statements and the individual fund statements. All comments and analysis made under business-type activities apply to these funds.

General Fund Budgetary Highlights

The Village did not amend the original General Fund budget during the course of the year.

The actual revenue for the current fiscal year was sufficient to meet all expenditures. The final budgeted revenues and other sources and the actual results differ by a positive \$68,015. The final budgeted expenditures and the actual results differ by a negative \$35,724.

Village of Athens, Louisiana
Management Discussion and Analysis
December 31, 2017

Capital Asset and Debt Administration

The total investment in net capital assets as of December 31, 2017 is \$955,774.

The capital assets purchased in fiscal 2017 for governmental activities was a radio for the police car.

Current Financial Factors

The Village is not currently working on any projects for the fiscal year 2018.

Requests for Information

This financial report is designed to provide a general overview of the Village of Athens's finances for all with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mayor, 15327 Hwy 9, PO Box 69, Athens, LA 71003.

WADE & PERRY
Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Accountant's Review Report

The Honorable Ann Brown, Mayor
and Members of the Board of Aldermen
Village of Athens, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Athens, as of and for the year ended December 31, 2017, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Village. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our report.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Schedule be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented

for purposes of additional analysis and is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context.

The Schedule of compensation, benefits, and other payments to the agency head or chief executive officer and Schedule of compensation paid board members are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Budgetary Comparison Schedule and the Schedule of compensation, benefits, and other payments to the agency head or chief executive officer have been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto. The Management's Discussion and Analysis has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management. We have not audited the management's discussion and analysis and accordingly, do not express an opinion or any other form of assurance on it.

Other Reporting Requirements

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated April 16, 2018, on the results of our agreed-upon procedures on page 31 through 33 and pages 35 through 38 present the Louisiana Attestation Questionnaire, management's letter, and management's response.


Ruston, Louisiana
April 16, 2018

Village of Athens, Louisiana
Statement of Net Position
December 31, 2017

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and cash investments	\$88,378	\$98,506	\$186,884
Receivables	24,120	6,191	30,311
Internal balances	(10,575)	10,575	0
Restricted cash	0	8,345	8,345
Prepaid insurance	0	0	0
Capital assets (net)	238,220	717,554	955,774
TOTAL ASSETS	\$340,143	\$841,171	\$1,181,314
Deferred outflows of resources	0	0	0
LIABILITIES			
Accounts, salaries, and other payables	\$5,908	\$1,984	\$7,892
Customer deposits	0	8,345	8,345
TOTAL LIABILITIES	5,908	10,329	16,237
Deferred inflows of resources	0	0	0
NET POSITION			
Net investment in capital assets	238,220	717,554	955,774
Restricted	0	0	0
Unrestricted	96,015	113,288	209,303
TOTAL NET POSITION	\$334,235	\$830,842	\$1,165,077

See accompanying notes and accountants' report.

Village of Athens, Louisiana
Statement of Activities
Year Ended December 31, 2017

	Program Revenues			Net (Expenses) Revenues and Changes of Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities
Governmental Activities:						
General government	\$70,503				(\$70,503)	(\$70,503)
Public safety	14,353	\$55,962			41,609	41,609
Depreciation	8,564				(8,564)	(8,564)
Total governmental activities	<u>93,420</u>	<u>55,962</u>	<u>0</u>	<u>0</u>	<u>(37,458)</u>	<u>0</u>
Business-type activities						
Utilities	96,670	82,201		\$183,008		\$168,539
Total business-type activities	<u>96,670</u>	<u>82,201</u>	<u>0</u>	<u>183,008</u>	<u>0</u>	<u>168,539</u>
Total primary government	<u>\$190,090</u>	<u>\$138,163</u>	<u>\$0</u>	<u>\$183,008</u>	<u>(\$37,458)</u>	<u>\$168,539</u>
General revenues:						
Franchise fees					\$5,399	5,399
Ad valorem taxes					9,500	9,500
Sales taxes					27,460	27,460
Licenses and other taxes					17,378	17,378
Use of money and property					2,514	\$171
Other general revenues					7,532	7,532
Donated assets					1,500	1,500
Total general revenues and transfers					<u>71,283</u>	<u>171</u>
Change in Net Position					33,825	168,710
Net Position - beginning					300,410	662,132
Prior period adjustment					0	0
Net Position - ending					<u>\$334,235</u>	<u>\$830,842</u>

See accompanying notes and accountants' report.

Village of Athens, Louisiana
 Balance Sheet, Governmental Funds
 December 31, 2017

	ASSETS	Total Governmental Funds
Cash and cash investments		\$88,378
Receivable		24,120
Due from other funds		0
Prepaid insurance		0
TOTAL ASSETS		<u>\$112,498</u>
	LIABILITIES AND FUND BALANCES	
Liabilities:		
Accounts, salaries, and other payables		\$5,908
Due to other funds		10,575
Total liabilities		<u>16,483</u>
Fund balances:		
Unassigned		96,015
Total fund balances		<u>96,015</u>
TOTAL LIABILITIES AND FUND BALANCES		<u>\$112,498</u>

See accompanying notes and accountants' report.

Village of Athens, Louisiana
 Reconciliation of The Governmental Funds Balance Sheet
 to The Government-Wide Financial Statement of Net Position
 December 31, 2017

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Fund balances, Total governmental funds (Statement C)		\$96,015
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	347,330	
Less accumulated depreciation	<u>(109,110)</u>	<u>238,220</u>
Net Position of Governmental Activities (Statement A)		<u><u>\$334,235</u></u>

See accompanying notes and accountants' report.

Village of Athens, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2017

	Total Governmental Funds
REVENUES	
Franchise fees	\$5,399
Ad valorem taxes	9,500
Sales tax	27,460
Insurance licenses	15,817
Beer tax	1,561
Traffic tickets	55,962
Other revenues	7,532
Total Revenues	<u>123,231</u>
EXPENDITURES	
Salaries	23,275
Office expenses	4,907
Insurance	12,360
Utilities	9,413
Repairs and maintenance	10,133
Auto expenses	3,614
Accounting	2,083
Taxes	1,781
Legal expenses	505
Other expenses	2,432
Public safety	14,353
Capital outlay	650
Total Expenditures	<u>85,506</u>
Excess (Deficiency) of Revenues over (under) Expenditures	37,725
OTHER FINANCING SOURCES (USES)	
Use of money and property	2,514
Unrealized gain/(loss) on investments	0
Operating transfers in (out)	0
Total Other Financing Sources (Uses)	<u>2,514</u>
Net Change in Fund Balance	40,239
Fund Balance – beginning	55,776
Prior period adjustment	0
Fund Balance – ending	<u><u>\$96,015</u></u>

See accompanying notes and accountants' report.

Village of Athens, Louisiana
Reconciliation of The Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2017

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total governmental funds (Statement E)	\$40,239
Donated assets are reported as revenue in the statement of activities	1,500
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$650) exceeded depreciation (\$8,564) in the current period.	<u>(7,914)</u>
Change in Net Position of Governmental Activities, Statement B	<u>\$33,825</u>

See accompanying notes and accountants' report.

Village of Athens, Louisiana
Statement of Net Position, Proprietary Funds
December 31, 2017

	Business-Type Activities - Enterprise Funds	
	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets:		
Cash and cash investments	\$98,506	\$77,968
Receivables	6,191	5,626
Due from other funds	10,575	10,575
Total current assets	<u>115,272</u>	<u>94,169</u>
Restricted assets:		
Cash and cash investments (Customer Deposits)	8,345	7,967
Non-current assets:		
Capital assets (net of accumulated depreciation)	717,554	572,730
Total Non-current assets	<u>717,554</u>	<u>572,730</u>
TOTAL ASSETS	<u><u>\$841,171</u></u>	<u><u>\$674,866</u></u>
LIABILITIES		
Current Liabilities:		
Accounts, salaries, and other payables	\$1,984	\$4,766
Due to other funds	0	0
Loans and interest payable	0	0
Total current liabilities	<u>1,984</u>	<u>4,766</u>
Current liabilities payable from restricted assets	<u>8,345</u>	<u>7,967</u>
Non-current liabilities:		
Loans payable	0	0
Total non-current liabilities	<u>0</u>	<u>0</u>
Total liabilities	<u>10,329</u>	<u>12,733</u>
NET POSITION		
Net investment in capital assets	717,554	572,730
Unrestricted	113,288	89,403
TOTAL NET POSITION	<u><u>\$830,842</u></u>	<u><u>\$662,133</u></u>

See accompanying notes and accountants' report.

Village of Athens, Louisiana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds	
	2017	2016
Operating Revenues		
Charges for services:		
Water sales	\$80,636	\$71,793
Other services	1,565	0
Total Operating Revenues	<u>82,201</u>	<u>71,793</u>
Operating Expenses		
Cost of sales and services	65,637	70,665
Administration	0	0
Depreciation	31,033	26,637
Total Operating Expenses	<u>96,670</u>	<u>97,302</u>
Operating income (loss)	(14,469)	(25,509)
Nonoperating revenue (expenses)		
Interest earnings	171	128
Interest expense	0	0
Total Nonoperating Revenue (Expenses)	<u>171</u>	<u>128</u>
Income before contributions and transfers	(14,298)	(25,381)
Capital contributions - state grant	183,008	0
Transfers in (out)	0	0
Change in Net Position	168,710	(25,381)
Total Net Position - Beginning	662,132	687,513
Prior period adjustment	0	0
Total Net Position - Ending	<u>\$830,842</u>	<u>\$662,132</u>

See accompanying notes and accountants' report.

Village of Athens, Louisiana
Statement of Cash Flows, Proprietary Funds
For the Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities		
Receipts from customers and users	\$81,636	\$72,077
Receipts from other funds	0	0
Payments to suppliers	(68,421)	(67,146)
Payments to employees	0	0
Payments to other funds	378	3,162
Net Cash Provided by Operating Activities	<u>13,593</u>	<u>8,093</u>
Cash Flows from Noncapital Financing Activities		
Transfers to other funds	0	0
Net Cash Provided (Used) by Noncapital Financing Activities	<u>0</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of capital assets	(175,856)	(3,386)
Capital contributions	183,008	0
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>7,152</u>	<u>(3,386)</u>
Cash Flows from Investing Activities		
Interest and dividends received	171	128
Net Cash Provided by Investing Activities	<u>171</u>	<u>128</u>
Net Increase in Cash and equivalents	20,916	4,835
Cash and equivalents, Beginning of Year	85,935	81,100
Cash and equivalents, End of Year	<u>\$106,851</u>	<u>\$85,935</u>
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities		
Operating income	(\$14,471)	(\$25,509)
Depreciation expense	31,033	26,637
(Increase) decrease in accounts receivable	(565)	284
Increase (decrease) in customer deposits	378	3,037
Increase (decrease) in accounts payable	(2,782)	3,519
Increase (decrease) in interfund - net	0	125
Net Cash Provided by Operating Activities	<u>\$13,593</u>	<u>\$8,093</u>
Reconciliation of total cash and cash investments:		
Current assets - cash and cash investments	\$98,506	\$77,968
Restricted assets - cash and cash investments	8,345	7,967
Total cash and cash investments	<u>\$106,851</u>	<u>\$85,935</u>

See accompanying notes and accountants' report.

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31,2017

INTRODUCTION

The Village was incorporated in 1901 under the provisions of Louisiana Revised Statutes 33:52. The Village operates under a form of government consisting of an elected mayor and a Village council, which has three elected members. The Village, with 4 part-time employees, provides utility services and administrative services to its residents. The Village consists of approximately 190 citizens.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Village is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the village have been prepared in conformity with U.S. generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

In June, 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Village's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Village's activities, including infrastructure (if any).
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31,2017

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charge to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivables due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Village reports the following major proprietary funds:

The Water fund is to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, but not limited to, administration, operations, maintenance, financing, and related debt service and billing.

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31,2017

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Principal operating revenues of the proprietary funds include water and sewer services to the residents of the Village. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

The Village's cash and cash equivalents are considered to be demand deposits, interest-bearing demand deposits, and investments with original maturities of three months or less from the date of acquisition. State law and the Village's investment policy allow the Village to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments for the Village are reported at fair value.

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31,2017

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectives. The Village calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

Property taxes are levied on a calendar year basis and become due on January 1 of each year on all property subject to taxation in the municipality by the parish assessor and approved by the Village through a yearly resolution. The Village has approved an 8.70 mill tax to be dedicated and used for general operations of the Village. Property taxes are collected through the local sheriff's office and remitted, net of collection fees, to the Village.

The following are the principal taxpayers and related property tax revenue for the Village:

<u>Taxpayer</u>	<u>Type of business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Ad valorem Tax Revenue for Town</u>
Gibsland bank & trust	financial institution	101,060	9.18%	\$7,298
Century telephone	telecommunications	41,000	3.72%	2,971
Total		<u>142,060</u>	<u>12.90%</u>	<u>\$10,269</u>

Sales Taxes. Sales taxes are collected by Claiborne parish sales and use tax commission and remitted to the Village. Amounts remitted during the current period and amounts collected by the governmental agency during the current period and remitted within 60 days to the Village are recognized as revenue.

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

Restricted assets include cash and cash investments in the Proprietary funds which are restricted to their use. These restrictions are principally related to requirements of bond issues and utility meter deposits. It is the Village's policy to use restricted assets before unrestricted assets for their intended purposes.

G. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31, 2017

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Water and sewer system and lines	20-40 years
Buildings and improvements	40 years
Vehicles	3-5 years
Equipment	3-10 years

H. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

I. Fund Equity

In the government wide statements, net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Proprietary fund equity is classified in the same manner as in the government-wide statements. In the fund financial statements, governmental fund equity is classified as fund balance.

The Village adopted GASB 54 in the year ended December 31, 2011. As such, fund balances of the governmental funds are classified as follow:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors contributors, or laws or regulations of other governments.

Committed - amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31,2017

Assigned - amounts the government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned - all other spendable amounts.

As of December 31, 2017, fund balances are composed of the following:

	General Fund
Nonspendable	\$0
Assigned	0
Unassigned	96,015
Total fund balances	\$96,015

J. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented only for enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

K. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from the estimates.

L. RISK MANAGEMENT

The village is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the village maintains commercial insurance policies covering its vehicles, professional liability and surety bond coverage. No claims were paid on any of the policies which exceeded to policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2017.

M. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31,2017

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGET INFORMATION The Village uses the following budget practices:

The Village adopted a budget for the year ended December 31, 2017 for the General fund. The Village follows the following procedures in establishing the budgetary data reflected in the financial statements. During the December meeting, the Village clerk submits to the board of aldermen a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and expenses and the means of financing them. During the December meeting, the budget is legally enacted through passage of an ordinance. The public is invited to attend all meetings. The Village clerk is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures or expenses of any fund must be approved by the board of aldermen. Appropriations lapse at the end of the year.

The Village's daily management and Village council will monitor the budget and actual figures on a monthly basis for needed amendments.

3. CASH AND CASH EQUIVALENTS

At December 31, 2017, the Village has cash and cash equivalents (book balances) totaling \$195,229 as follows:

Demand deposits	\$195,229
Interest-bearing demand deposits	0
Time deposits	<u>0</u>
Total	<u><u>\$195,229</u></u>

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 December 31, 2017, the Village has \$199,070 in deposits (collected bank balances). These deposits are secured from risk by \$199,070 of federal deposit insurance and \$0 of pledged securities held by the custodial bank in the name of the fiscal agent bank. (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Village that the fiscal agent has failed to pay deposited funds upon demand.

4. RECEIVABLES

The receivables of \$30,311 at December 31, 2017, are as follows:

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31, 2017

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Water Fund</u>	<u>Total</u>
Franchise taxes	\$1,027		\$1,027
Tickets	14,109		14,109
Taxes-sales, ad valorem	8,681		8,681
State funds - beer	303		303
Accounts		<u>\$6,191</u>	<u>6,191</u>
Total	<u>\$24,120</u>	<u>\$6,191</u>	<u>\$30,311</u>

The Village's policy for bad debt accounting and write-offs is to send a letter to the occupant and owner after the due date. After 60 days, the utility line is sealed close. Reconnect fees must be paid to have service resumed. For deceased accounts, the clerk requests permission from the board to adjust the accounts to close.

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2017 is as follows:

Due To/From Other Funds:		
<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
	General	(\$10,575)
Utility		<u>10,575</u>
Total		<u>\$0</u>

6. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2017, for the primary government is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	<u>\$0</u>			<u>\$0</u>
Total capital assets not being depreciated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital assets being depreciated:				
Buildings	280,599			280,599
Improvements	41,283			41,283
Machinery and equipment	<u>26,448</u>	<u>\$1,500</u>	<u>(\$2,500)</u>	<u>25,448</u>
Total capital assets being depreciated	<u>348,330</u>	<u>1,500</u>	<u>(2,500)</u>	<u>347,330</u>
Less accumulated depreciation	<u>100,823</u>	<u>\$8,564</u>	<u>(277)</u>	<u>109,110</u>
Total capital assets being depreciated, net	<u>\$247,507</u>	<u>(\$7,064)</u>	<u>(\$2,223)</u>	<u>\$238,220</u>

Village of Athens
Notes to the Financial Statements
As of and For the Year Ended December 31, 2017

	<u>Beginning Balance</u>	<u>Adjust</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$0				\$0
Construction in progress	<u>0</u>				<u>0</u>
Total capital assets not being depreciated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital assets being depreciated:					
Utility system	669,513				669,513
Improvements other than buildings	342,700		\$175,856		518,556
Machinery and equipment	<u>67,706</u>				<u>67,706</u>
Total capital assets being depreciated	<u>1,079,919</u>	<u>0</u>	<u>175,856</u>	<u>0</u>	<u>1,255,775</u>
Less accumulated depreciation	<u>507,190</u>		<u>31,033</u>		<u>538,223</u>
Total capital assets being depreciated, net	<u>\$572,729</u>	<u>\$0</u>	<u>\$144,823</u>	<u>\$0</u>	<u>\$717,552</u>

Depreciation expense of \$8,564 for the year ended December 31, 2017, was charged to the general government function. Additions include donated property with a value of \$1,500.

7. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$7,892 at December 31, 2017, are as follows:

	<u>General Fund</u>	<u>Water Fund</u>	<u>Total</u>
Accounts	<u>\$5,908</u>	<u>\$1,984</u>	<u>\$7,892</u>
Total	<u>\$5,908</u>	<u>\$1,984</u>	<u>\$7,892</u>

8. CONTINGENT LIABILITIES

At December 31, 2017, the Village is not involved in any pending or threatened litigation, claims or assessments.

9. DATE OF MANAGEMENT REVIEW

Subsequent events have been evaluated through April 16, 2018, the date which the financial statements were available to be issued.

OTHER SUPPLEMENTAL SCHEDULES

Village of Athens
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended December 31, 2017

Agency Head Name: Ann Brown (current mayor), Jennifer Hay (former mayor)

Purpose	Ann <u>Brown</u>	Jennifer <u>Hay</u>
Salary	\$7,070	\$2,401
Benefits-insurance	0	0
Benefits-retirement	0	0
Benefits-other	0	0
Car allowance	0	0
Vehicle provided by government	0	0
Per diem	0	0
Reimbursements	72	30
Travel	50	0
Registration fees	0	0
Conference travel	0	0
Continuing professional education fees	0	0
Housing	0	0
Unvouchered expenses	0	0
Special meals	0	0

Village of Athens
Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2017

Schedule 2

The following serve on the Board of Village of Athens:

Ann Brown	\$7,070	Mayor
Andy Smock	\$0	Alderman
Stephen Faulk	\$0	Alderman
Brenda English	\$0	Alderman

REQUIRED SUPPLEMENTAL INFORMATION

Village of Athens, Louisiana
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual - General Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts GAAP Basis</u>	<u>Favorable (Unfavorable) Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Ad Valorem	\$6,200	\$6,200	\$9,500	\$3,300
Sales tax	26,900	26,900	27,460	560
Licenses and permits	17,137	17,137	15,817	(1,320)
Traffic tickets			55,962	55,962
Other taxes	5,093	5,093	6,960	1,867
Miscellaneous income			7,532	7,532
Use of money and property	2,400	2,400	2,514	114
Total Revenues	<u>57,730</u>	<u>57,730</u>	<u>125,745</u>	<u>68,015</u>
EXPENDITURES				
General government	49,282	49,282	85,506	(36,224)
Capital outlay	500	500		500
Total Expenditures	<u>49,782</u>	<u>49,782</u>	<u>85,506</u>	<u>(35,724)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	7,948	7,948	40,239	32,291
OTHER FINANCING SOURCES (USES)				
Operating transfers in	0	0	0	0
Operating transfers out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	7,948	7,948	40,239	32,291
Fund Balance (Deficit) at Beginning of Year	71,470	71,470	55,776	(15,694)
Prior Period Adjustment	0	0	0	0
Fund Balance (Deficit) at End of Year	<u>\$79,418</u>	<u>\$79,418</u>	<u>\$96,015</u>	<u>\$16,597</u>

Notes to the Schedule

(1) method of budgetary accounting - GAAP, modified accrual basis

(2) explanation of material variances - underbudgeted ticket revenue and various general government expenditures

WADE & PERRY

Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Board of Aldermen
Village of Athens
Athens, LA 71003

We have performed the procedures enumerated below, which were agreed to by Village of Athens, and the Louisiana Legislative Auditor (the specified parties), on the Village's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2017, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Village's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$152,550. Compare the documentation for these expenditures to LRS 38:2211-2296 (the public bid law) or RS 39:1551-1775 (state procurement code), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year for material and supplies exceeding \$30,000 and there were no expenditures made for public works exceeding \$152,550.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by LRS 42:1101-1124 (the ethics law).

Management provided us with the required list and no violations of the code of ethics were noted.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the required list.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

The Village did not have any employees per agreed-upon procedure (3) to check against a list in agreed-upon procedure (2).

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

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

Management provided us with a copy of the original budget. No amendments were done.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced the adoption of the original budget to the minutes of a meeting held in December, 2016.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenses. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted revenues did not exceed actual revenues for 2017. Actual expenditures for the year exceeded budgeted expenditures by \$35,724 or 72%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

(a) Report whether the six disbursements agree to the amount and payee in the supporting documentation;

We examined supporting documentation for all six of the selected disbursements and found that payment was for the proper amount for all six.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account

All six payments were properly coded to the correct fund and general ledger accounts.

(c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of supporting documentation indicated approval from the Board for all of the six selected disbursements.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by LRS 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

The Village has complied with the open meetings law.

Debt

11. Obtain bank deposits slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits appear to be proceeds of banks loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected copies of all bank statements 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. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advance or gifts.

A reading of the minutes of the Village did not indicate approval for payments to any individuals which would constitute bonuses, advance or gifts.

Prior Year Comments

13. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

The prior year report, dated March 27, 2017, did not include any comments or unresolved matters other than those noted on page 35.

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 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Wade R. Perry
Ruston, Louisiana
April 16, 2018

Village of Athens
Summary of Prior Year Findings
December 31, 2017

Finding #2016-1

Segregation of duties - no change was noted based on my observation while performing the current year review/attestation.

Village of Athens
Management Letter
For the Year Ended December 31, 2017

We have performed our review of the Village of Athens and have applied certain agreed-upon procedures. As part of those procedures, we have the following information to report to you.

Actual expenditures exceeded budgeted expenditures by \$35,724 or 72%. We recommend the Village amend its budget when actual expenditures exceed budgeted expenditures by more than 5%.

There is a lack of segregation of duties. The condition is due to space and economic limitations. This is a repeat finding.

Village of Athens
Management's Response
For the Year Ended December 31, 2017

The following is our response to the management letter issued to us by the firm Wade & Perry, CPAs for the year ended December 31, 2017:

We will review budget versus actual during the meetings and make amendments as necessary.
We agree and will consider segregating duties to aldermen as feasibly possible.

Allen Braem

Mayor
Title

5/8/18
Date

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

3/23/18 (Date Transmitted)

Wade and Perry, CPAs (CPA Firm Name)
116 N. Pinecrest Drive (CPA Firm Address)
Ruston, LA 71270 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of Dec. 31, 2017 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the 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 R.S. 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 R.S. 42:1119.

Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

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 R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

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 R.S. 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, R.S. 14:138, and AG opinion 79-729.

Yes No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

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.

Yes No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants 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 your report.

Yes No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes No []

The previous responses have been made to the best of our belief and knowledge.

<u><i>[Signature]</i></u>	Secretary	<u>3/23/18</u>	Date
<u><i>[Signature]</i></u>	Treasurer	<u>3/23/18</u>	Date
<u><i>[Signature]</i></u>	President	<u>3/23/18</u>	Date

