

VILLAGE OF RODESSA, LOUISIANA

FINANCIAL STATEMENTS

December 31, 2017

Marsha O. Millican  
A Professional Accounting Corporation  
Shreveport, Louisiana

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# Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

The Honorable Paul Lockhard, Mayor  
and Members of the Board of Aldermen  
Rodessa, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and each major fund information of Village of Rodessa, as of and for the year ended December 31, 2017, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee for the American Institute of Certified Public Accountants. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying schedule of compensation, benefits, and other payments to agency head and the schedule of compensation paid to the mayor and board of aldermen are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. The information was subject to my compilation engagement, but I have not audited or reviewed the supplementary information, and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental 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 historical context. I have not audited or reviewed the information, and, accordingly do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. The management's discussion and analysis, although not a part of the basic financial statements, is required by the Governmental 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 historical context.

*Marsha O. Millican*

Certified Public Accountant

June 22, 2018

VILLAGE OF RODESSA, LOUISIANA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2017

ASSETS	Governmental Activities	Business-Type Activities	Total
Current Assets			
Cash	\$ 7,209	\$ 8,717	\$ 15,926
Accounts receivable	5,669	5,401	11,070
Total Current Assets	<u>12,878</u>	<u>14,118</u>	<u>26,996</u>
Noncurrent Assets			
Due from other funds	4,241	-	4,241
Restricted cash	-	9,454	9,454
Capital assets, net	273,749	1,299,522	1,573,271
Total Noncurrent Assets	<u>277,990</u>	<u>1,308,976</u>	<u>1,586,966</u>
Total Assets	<u>290,868</u>	<u>1,323,094</u>	<u>1,613,962</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
 <b>LIABILITIES AND NET POSITION</b>			
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable and accruals	1,319	1,333	2,652
Current portion of long term debt	-	-	-
Due to other funds	-	4,241	4,241
Total current liabilities	<u>1,319</u>	<u>5,574</u>	<u>6,893</u>
Noncurrent Liabilities			
Long-term debt, net of current portion	-	-	-
Customer deposits	-	9,454	9,454
Total Noncurrent liabilities	<u>-</u>	<u>9,454</u>	<u>9,454</u>
Total liabilities	<u>1,319</u>	<u>15,028</u>	<u>16,347</u>
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
 <b>NET POSITION</b>			
Investment in capital assets, Net of related debt	273,749	1,299,522	1,573,271
Unrestricted	15,800	8,544	24,344
Total Net Position	<u>\$ 289,549</u>	<u>\$ 1,308,066</u>	<u>\$ 1,597,615</u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Primary Government</b>							
<b>Governmental Activities</b>							
General Government	\$ 54,914	\$ -	\$ 12,400	\$ -	\$ (42,514)	\$ -	\$ (42,514)
Public Safety	17,261	-	-	-	(17,261)	-	(2,873)
Interest	154	-	-	-	(154)	-	-
Capital grants	-	-	-	-	-	-	-
Depreciation	19,585	-	-	-	(19,585)	-	(19,585)
Total Governmental Activities	<u>91,914</u>	<u>-</u>	<u>12,400</u>	<u>-</u>	<u>(79,514)</u>	<u>-</u>	<u>(79,514)</u>
<b>Business-Type Activities</b>							
Utility Fund	112,694	65,008	-	-	-	(47,686)	(47,686)
Total Business-Type Activities	<u>112,694</u>	<u>70,409</u>	<u>14,967</u>	<u>-</u>	<u>-</u>	<u>(47,686)</u>	<u>(47,686)</u>
<b>Total Primary Government</b>	<u>\$ 204,608</u>	<u>\$ 70,409</u>	<u>\$ 27,367</u>	<u>-</u>	<u>(79,514)</u>	<u>(47,686)</u>	<u>- (127,200)</u>
<b>General Revenues</b>							
Taxes					27,968	-	27,968
Licenses					9,841	-	9,841
Intergovernmental					6,000	-	6,000
Miscellaneous					12,180	-	12,180
Police Fines					19,747	-	19,747
Total General Revenues and Transfers					<u>75,736</u>	<u>-</u>	<u>75,736</u>
Change in Net Position					(3,778)	(47,686)	(51,464)
Net Position, Beginning of Year					<u>293,327</u>	<u>1,355,752</u>	<u>1,649,079</u>
Net Position, End of Year					<u>\$ 289,549</u>	<u>\$ 1,308,066</u>	<u>\$ 1,597,615</u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
BALANCE SHEET  
GENERAL FUND  
DECEMBER 31, 2017

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ASSETS		
Cash		\$ 7,209
Taxes receivable		5,669
Due from other funds		4,241
Other receivables		<u>-</u>
Total Assets		<u>\$ 17,119</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable and accruals		<u>\$ 1,319</u>
Fund Balance		
Unassigned		<u>15,800</u>
Total Fund Balance		<u>15,800</u>
Total Liabilities and Fund Balances		<u>\$ 17,119</u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2017

Total Fund Balance for Governmental Funds	\$ 15,800
Total Net Position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	273,749
Certain liabilities, such as debt, are not due and payable in the current period and therefore are not reported in the funds	<u>-</u>
Total Net Position of Governmental Activities	<u>\$ 289,549</u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

<b>Revenues:</b>	
Occupational Licenses	\$ 9,841
Advalorem Taxes	4,664
Franchise Taxes	10,585
Police Fines	19,747
Intergovernmental	18,400
Sales Taxes	12,719
Other Income	<u>12,180</u>
Total Revenues	<u>88,136</u>
<b>Expenditures:</b>	
General Government	67,314
Public Safety	<u>17,261</u>
Debt Service:	
Principal	1,711
Interest	<u>154</u>
Total Expenditures	<u>86,440</u>
Net changes in fund balance	1,696
Fund Balance, Beginning of Year	<u>14,104</u>
Fund Balances, End of Year	<u><u>\$ 15,800</u></u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017

Net changes in Fund Balances - Total Government Funds	\$ 1,696
The change in Net Position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$19,585) exceeds capital outlay (\$12,400) in the current period.	(7,185)
Payments on debt are recorded as expenditures in the funds, but are reported in the statement of net position as a reduction of liabilities	<u>1,711</u>
Changes in Net Position of Governmental Activities	<u>\$ (3,778)</u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2017

Assets	
Current Assets	
Cash	\$ 8,717
Accounts receivable	5,401
Due from other funds	-
Total Current Assets	14,118
Noncurrent Assets	
Restricted cash	9,454
Capital Assets, Net	1,299,522
Total Noncurrent Assets	1,308,976
Total Assets	1,323,094
Deferred Outflows of Resources	
	-
Liabilities and Net Position	
Liabilities	
Accounts payable and accruals	\$ 1,333
Notes payable - due within one year	-
Due to other funds	4,241
Total Current Liabilities	5,574
Noncurrent Liabilities	
Notes payable - long term	-
Customer deposits	9,454
Total Noncurrent Liabilities	9,454
Total Liabilities	15,028
Deferred Inflows of Resources	
	-
Net Position	
Investments in capital assets, Net of related debt	1,299,522
Unrestricted	8,544
Total Net Position	\$ 1,308,066

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

<b>OPERATING REVENUES</b>	
Charges for Services	\$ 65,008
Miscellaneous	-
Total Operating Revenues	<u>65,008</u>
<b>OPERATING EXPENSES</b>	
Personal Services	12,527
Utilities	6,863
Repair and maintenance	25,160
Other supplies and expenses	21,169
Depreciation	46,975
Total Operating Expenses	<u>112,694</u>
Change in Net Position before other financing sources	(47,686)
<b>OTHER FINANCING SOURCES:</b>	
Grants	-
Change in Net Position	(47,686)
Net Position, Beginning of Year	<u>1,355,752</u>
Net Position, End of Year	<u><u>\$ 1,308,066</u></u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE  
YEAR ENDED DECEMBER 31, 2017

Cash flows from operating activities:	
Cash received from customers	\$ 73,818
Cash payments to suppliers and employees	(84,606)
Other operating income	-
Net cash provided by operating activities	<u>(3,050)</u>
Cash flows from capital and related financing activities	
State grants	-
Principal payments on long-term debt	-
Purchase of fixed assets	-
Net cash used by capital and related financing activities	<u>-</u>
Increase (Decrease) in cash	(3,050)
Cash, January 1, 2017 (including \$9,614 in restricted accounts)	<u>21,221</u>
Cash, December 31, 2017 (including \$9,454 in restricted accounts)	<u>\$ 18,171</u>
Reconciliation of changes in net position to net cash provided by operating activities:	
Changes in net assets before other financing sources	\$ (47,686)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	46,975
Changes in assets and liabilities	
Increase in accounts receivable	(1,350)
Increase in accounts payable	203
Decrease in due to other funds	(1,032)
Decrease in customer deposits	<u>(160)</u>
Net cash provided by operating activities	<u>\$ (3,050)</u>

See accountant's compilation report.

VILLAGE OF RODESSA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

The Village of Rodessa, Louisiana was incorporated under the provisions of the Lawrason Act. The Village operates under a Mayor-Aldermen form of government. The Village's major operations includes general administrative services, public safety and utilities.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.                      Basis of Accounting**

The accompanying financial statements of Village of Rodessa have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June, 1999.

**B.                      Reporting Entity**

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, Village of Rodessa 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 or 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 bond debt.

**C.                      Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position page 2, and the Statement of Activities, page 3) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the 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.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services privileges provided by a given function or segment, and b) 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.





VILLAGE OF RODESSA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F.                      Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Village defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**G.                      Receivables**

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

**H.                      Bad Debts**

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2017, \$-0- of Governmental and Business-Type Activities receivables were considered to be uncollectible.

**I.                      Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased that have a useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Position. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and other improvements, and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

**J.                      Sales Taxes**

The Village collects a one (1) percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to construction, acquiring, extending, improving and/or maintaining drainage facilities, streets, street lighting facilities, bridges, sidewalks, waterworks, sewers and sewer disposal works, recreational facilities, public parks, public buildings and equipment, payment of salaries of municipal employees, maintaining and operating the municipal police department including the purchase of equipment thereof, or for any one or more of said purposes, title to which improvements shall be in the public.

VILLAGE OF RODESSA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Compensated Absences**

Leave cannot be accumulated or carried over from one year to the next. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

**L. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 3 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**A. Deposits with Financial Institutions**

For reporting purposes, deposits with financial institutions includes savings, demand deposits, time deposits, and certificates of deposit. Under state law the Village may deposit funds within a fiscal agent bank selected and designated by the Village Council. Further, the fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits 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 bank. These pledged 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. The carrying amount of the Village's deposits at December 31, 2017 was \$25,380 including petty cash of \$750 was as follows:

Cash in Banks	\$	25,380
Investments		-
Total	\$	25,380

Bank balances at December 31, 2017 totaled \$25,926 and were secured as follows:

Secured by FDIC Insurance	\$	25,926
Collateralized by securities pledged in the Village's name		-
Total	\$	25,926

VILLAGE OF RODESSA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE 4 ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2017:

	Governmental Activities	Business-Type Activities	Total
Taxes	\$ 5,669	\$ -	\$ 5,669
Other	-	-	-
Charges for services	-	5,401	5,401
Total.	<u>\$ 5,669</u>	<u>\$ 5,401</u>	<u>\$ 11,070</u>

**NOTE 5 CAPITAL ASSETS**

A summary of Village of Rodessa's capital assets at December 31, 2017 follows:

	Balance 1/1/2017	Additions	Retirements	Balance 12/31/2017
<b>Government Activities</b>				
Capital Assets, not being depreciated				
Land	\$ 4,660	\$ -	\$ -	\$ 4,660
Total Capital Assets, not being depreciated	<u>4,660</u>	<u>-</u>	<u>-</u>	<u>4,660</u>
Capital Assets, being depreciated				
Buildings and other improvements	563,210	12,400	-	575,610
Less accumulated depreciation	(311,317)	(14,949)	-	(326,266)
Total Buildings and other improvements	<u>251,893</u>	<u>(2,549)</u>	<u>-</u>	<u>249,344</u>
Equipment and other assets	58,857	-	-	58,857
Less accumulated depreciation	(34,476)	(4,636)	-	(39,112)
Total Equipment , Furniture & Fixtures	<u>24,381</u>	<u>(4,636)</u>	<u>-</u>	<u>19,745</u>
Total Capital Assets, being depreciated	<u>276,274</u>	<u>(7,185)</u>	<u>-</u>	<u>269,089</u>
<b>Governmental Activities</b>				
Total Capital Assets, net	<u>\$ 280,934</u>	<u>\$ (7,185)</u>	<u>\$ -</u>	<u>\$ 273,749</u>
<b>Business-Type Activities</b>				
Capital Assets, not being depreciated				
Land	\$ -	\$ -	\$ -	\$ -
Total Capital Assets, not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Assets, being depreciated				
Distribution System	2,419,465	-	-	2,419,467
Less accumulated depreciation	(1,102,798)	(42,075)	-	(1,144,873)
Total Distribution System	<u>1,316,667</u>	<u>(42,075)</u>	<u>-</u>	<u>1,274,594</u>
Equipment, furniture & fixtures	42,447	-	-	42,447
Less accumulated depreciation	(12,619)	(4,900)	-	(17,519)
Total Equipment , Furniture & Fixtures	<u>29,828</u>	<u>(4,900)</u>	<u>-</u>	<u>24,928</u>
Total Capital Assets, being depreciated	<u>1,346,495</u>	<u>(46,975)</u>	<u>-</u>	<u>1,299,522</u>
<b>Business-Type Activities</b>				
Total Capital Assets, net	<u>\$ 1,346,495</u>	<u>\$ (46,975)</u>	<u>\$ -</u>	<u>\$ 1,299,522</u>
<b>Primary Government</b>				
Total Capital Assets, net	<u>\$ 1,627,429</u>	<u>\$ (54,160)</u>	<u>\$ -</u>	<u>\$ 1,573,271</u>

VILLAGE OF RODESSA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2017

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUALS**

The following is a summary of accounts payable at December 31, 2017:

	Governmental Activities	Business-Type Activities	Total
Vendor	\$ 686	\$ 1,333	\$ 2,705
Payroll taxes	633	-	633
Construction	-	-	-
Total	<u>\$ 1,319</u>	<u>\$ 1,333</u>	<u>\$ 3,338</u>

**NOTE 7 LEASES**

Village of Rodessa was not obligated under any operating lease commitments at December 31, 2017.

**NOTE 8 RISK MANAGEMENT**

Village of Rodessa is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village.

**NOTE 9 NOTES PAYABLE**

Notes payable at December 31, 2017 consisted of the following:

Governmental Fund

Note dated May 1, 2014, payable in 36 monthly payments, bearing bearing interest at 8.99%, collateralized by equipment	<u>\$ -</u>
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Proprietary

Note dated June 10, 2014, payable in 36 monthly payments, bearing interest at 6.04%, collateralized by equipment	<u>\$ -</u>
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The annual requirements to amortize all debt as of December 31, 2015 are as follows:

The Village paid its bank notes in full during the year ended December 31, 2017.

VILLAGE OF RODESSA, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
GENERAL FUND  
BUDGET (GAAP) BASIS AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>				
Taxes, Licenses, and Permits	37,468	\$ 35,083	\$ 37,809	\$ 2,726
Police Fines	6,000	19,000	19,747	747
Intergovernmental	-	-	18,400	18,400
Miscellaneous	11,133	12,091	12,180	89
Total Revenues	<u>54,601</u>	<u>66,174</u>	<u>88,136</u>	<u>21,962</u>
<b>Expenditures</b>				
General Government	47,932	58,835	67,314	(8,479)
Public Safety	6,459	6,861	17,261	(10,400)
Debt Service	-	-	1,865	(1,865)
Total Expenditures	<u>54,391</u>	<u>65,696</u>	<u>86,440</u>	<u>(20,744)</u>
<b>Net Changes in Fund Balances</b>				
before Other Sources	210	478	1,696	1,169
<b>Other Sources</b>				
Transfers from Other Funds	-	-	-	-
Total Other Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	210	478	1,696	1,169
Fund Balances, Beginning of Year	<u>14,104</u>	<u>14,104</u>	<u>14,104</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 14,314</u>	<u>\$ 14,582</u>	<u>\$ 15,800</u>	<u>\$ 1,169</u>

VILLAGE OF RODESSA, LOUISIANA  
SCHEDULE OF COMPENSATION PAID  
MAYOR AND ALDERMEN

For the Year Ended December 31, 2017

Paul Lockard, Mayor	\$	1,200
Henry House		480
Eddie Durmon		-
Dan Harville		-
Laura Carol		-
Sid Falgout		-
		<hr/>
Total	\$	<u>1,680</u>

VILLAGE OF RODESSA, LOUISIANA  
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER PAYMENTS  
TO AGENCY HEAD  
FOR THE YEAR ENDED DECEMBER 31, 2017

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Agency Head: Honorable Paul Lockhard, Mayor

Salary	<u>\$ 1,200</u>
Payroll Taxes	<u>\$ 92</u>
Reimbursements	<u>\$ -</u>
Conferences	<u>\$ -</u>

VILLAGE OF RODESSA, LOUISIANA  
SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2017

Finding #2017-1: The segregation of duties is inadequate.

Criteria: Effective internal control requires the segregation of duties.

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

Cause: The condition is due to space and economic limitations.

Effect: Unknown.

Recommendation: Whether or not it would be cost effective to correct a condition is not a factor in reporting requirements under accounting standards generally accepted in the United States of America. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all conditions reported under accounting standards generally accepted in the United States of America. In this case, both management and the independent accountant do not believe that correcting the condition described above is cost effective or practical, and, accordingly, do not believe that any corrective action is necessary.

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 #2017-2 The Village is not in compliance with the state budget law.

Criteria: State law requires the budget be amended when actual expenses exceed budgeted expenses by 5% or more.

Condition: Although the budget was amended, actual expenses exceeded budgeted amounts by more than 5%.

Cause: The Village did not budget capital outlay or supplemental pay.

Effect: The Village is not in compliance with state law.

Recommendation: I recommend the Village comply with state law.

Management's Response and Corrective Action Plan: We agree with the finding. We will amend the budget as required by state law in the future.

VILLAGE OF RODESSA, LOUISIANA  
CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2017

FINDING # 2016-1:

The segregation of duties is inadequate to provide effective internal control.

Status: Unresolved.