

TOWN OF URANIA, LOUISIANA

Annual Financial Statements

June 30, 2020

TOWN OF URANIA, LOUISIANA
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INDEPENDENT AUDITOR'S REPORT

Honorable Terri Corley, Mayor
Town of Urania
PO Box 339
Urania, LA 71480

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and business-type activities of the Town of Urania, Louisiana, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the business-type activities of the Town of Urania, as of September 9, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended 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 budgetary comparison information 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Urania's basic financial statements. The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer and other schedules are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation of Benefits and Other Payments to Agency Head or Chief Executive Officer and other schedules are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer and other schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2020, on our consideration of the Town of Urania's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Urania's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana
September 9, 2020

TOWN OF URANIA

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town, we offer readers of the Town of Urania's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the Town's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999.

FINANCIAL HIGHLIGHTS

Governmental Funds

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$471,663 (*net position*). This is a \$12,692 increase from last year, mainly due to an increase in cash and investments in the amount of \$27,362.
- The Town had total revenues of \$239,402, in which \$95,622 came from collection of fines and \$96,917 came from fees and charges. This is a \$7,460 increase from last year's revenues, mainly due to an increase in taxes in the amount of \$15,147.
- The Town had total expenditures of \$396,384, which is a \$33,846 increase from last year, mainly due to an increase in general administrative in the amount of \$16,167 and an increase in police expense in the amount of \$7,491.

Enterprise Funds

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$3,377,200 (*net position*). This is a \$9,413 decrease from last year.
- The Town had total revenues of \$632,056, in which \$602,559 were operating revenues, \$9,697 were nonoperating revenues, and \$19,800 were capital contributions. This is a \$67,636 decrease from last year, mainly due to a decrease in water sales in the amount of \$127,943.
- The Town had total expenses of \$454,077 in which \$439,782 was for operating expenses and \$14,295 was for non-operating expenses. This is a \$39,898 increase from last year, mainly due to an increase in operating expenses in the amount of \$43,404.

MD&A

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Town is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the Town adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

USING THIS ANNUAL REPORT

The Town's annual report consists of financial statements that show information about the Town's funds, enterprise funds and governmental funds.

Our accountant has provided assurance in his independent accountant's report, located immediately following this Management's Discussion and Analysis, that the basic financial statements are fairly stated. Varying degrees of assurance are being provided by the accountant regarding the other information included in this report. A user of this report should read the independent accountant's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Reporting the Town's Most Significant Funds

The Town's financial statements provide detailed information about the most significant funds. The Town may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Town's enterprise fund uses the following accounting approach:

All of the Town's services are reported in an enterprise fund. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

MD&A

GOVERNMENTAL FUNDS

Comparative Statement of Net Position as of June 30, 2020:

	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Assets			
Cash & Investments	\$ 174,438	\$ 201,800	15.7
Receivables	10,004	23,582	135.7
Other Current Assets	15,423	14,730	-4.5
Capital Assets, Net of Depreciation	271,099	253,381	-6.5
Total Assets	<u>470,964</u>	<u>493,493</u>	4.8
Liabilities & Net Position			
Accounts, Salaries, & Other Payables	11,993	21,830	82.0
Total Liabilities	<u>11,993</u>	<u>21,830</u>	82.0
Net Position			
Net Investment in Capital Assets	271,099	253,381	-6.5
Restricted for Debt Service	-0-	-0-	0.0
Unrestricted	187,872	218,282	16.2
Total Net Position	<u>\$ 458,971</u>	<u>\$ 471,663</u>	2.8

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2020:

	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Revenues			
Fees & Charges	\$ 90,708	\$ 96,917	6.9
Taxes	7,415	22,562	204.3
Fines	101,282	95,622	-5.6
Grants	18,560	-0-	-100.0
Interest	224	251	12.1
Other	13,752	24,050	74.9
Total Revenues	<u>231,941</u>	<u>239,402</u>	3.2
Expenditures			
General & Administrative	212,681	228,848	7.6
Police Expense	74,338	81,829	10.0
Recreational	2,414	13,235	448.3
Fire	6,113	14,179	132.0
Street & Sanitation	30,318	46,093	52.0
Capital Outlay	36,674	12,200	-66.7
Debt Service	-0-	-0-	0.0
Total Expenditures	<u>362,538</u>	<u>396,384</u>	9.3
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(130,597)</u>	<u>(156,982)</u>	20.2
Transfers In (Out)	126,859	187,392	47.7
Net Change in Fund Balance	(3,738)	30,410	713.5
Fund Balances--Beginning	191,610	187,872	-2.0
Fund Balances--Ending	<u>\$ 187,872</u>	<u>\$ 218,282</u>	16.2

MD&A

ENTERPRISE FUND

Comparative Statement of Net Position as of June 30, 2020:

	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Current Assets			
Cash & Cash Equivalents	\$ 189,424	\$ 140,520	-25.8
Investments	183,668	294,137	60.2
Receivables (Net of Allowances For Uncollectable)	51,377	49,747	-3.2
Prepaid Insurance	27,747	28,027	1.0
Total Current Assets	<u>452,216</u>	<u>512,431</u>	13.3
Non-Current Assets			
Restricted Assets	24,163	24,810	2.7
Capital Assets (Net of Accumulated Depreciation)	3,306,392	3,208,041	-3.0
Total Non-Current Assets	<u>3,330,555</u>	<u>3,232,851</u>	-2.9
Total Assets	<u>3,782,771</u>	<u>3,745,282</u>	-1.0
Current Liabilities			
Accounts, Salaries, & Other Payables	13,695	8,388	-38.8
Due to Agency	1,103	-0-	-100.0
Total Current Liabilities	<u>14,798</u>	<u>8,388</u>	-43.3
Current Liabilities Payable From Restricted Assets			
Customer Deposits	24,163	24,810	2.7
Current Principal Payable	21,415	22,314	4.2
Total Current Liabilities Payable From Restricted Assets	<u>45,578</u>	<u>47,124</u>	3.4
Non-Current Liabilities			
Revenue Bonds	335,782	312,570	-6.9
Total Non-Current Liabilities	<u>335,782</u>	<u>312,570</u>	-6.9
Total Liabilities	<u>396,158</u>	<u>368,082</u>	-7.1
Net Position			
Net Investment in Capital Assets	2,949,195	2,873,157	-2.6
Unrestricted	437,418	504,043	15.2
Total Net Position	<u>\$ 3,386,613</u>	<u>\$ 3,377,200</u>	-0.3

MD&A

ENTERPRISE FUND

Comparative Statement of Revenues, Expenses, & Changes in Net Position for the year ended June 30, 2020:

	2019	2020	% Change
Operating Revenues			
Water Sales	\$ 423,870	\$ 295,927	-30.2
Sewer Charges	250,822	306,632	22.3
Total Operating Revenues	674,692	602,559	-10.7
Operating Expenses			
Administration	69,961	66,464	-5.0
Operations	194,759	238,163	22.3
Depreciation	134,265	135,155	0.7
Total Operating Expenses	398,985	439,782	10.2
Operating Income (Loss)	275,707	162,777	-41.0
Non-Operating Revenues (Expenses)			
Interest Earnings	-0-	-0-	0.0
Interest Expense	(15,194)	(14,295)	5.9
Gain on Sale of Capital Assets	-0-	9,697	100.0
Total Non-Operating Revenues (Expenses)	(15,194)	(4,598)	69.7
Income (Loss) Before Contributions & Transfers	260,513	158,179	-39.3
Transfers In/(Out)	(126,859)	(187,392)	47.7
Capital Contributions	25,000	19,800	-20.8
Change in Net Position	158,654	(9,413)	-105.9
Prior Period Adjustment	5,940	-0-	-100.0
Total Net Position – Beginning	3,222,019	3,386,613	5.1
Total Net Position – Ending	\$ 3,386,613	\$ 3,377,200	-0.3

MD&A

CAPITAL ASSETS

Capital Assets – Governmental Fund

At June 30, 2020, the Town had \$258,381 invested in capital assets, including equipment.

Capital Assets at Year-End

	2019	2020
Equipment	\$ 716,058	\$ 720,758
Land*	52,800	60,300
Accumulated Depreciation	(497,759)	(527,677)
Total	\$ 271,099	\$ 253,381

*Land in the amount of \$60,300 is not being depreciated.

Capital Assets – Enterprise Fund

At June 30, 2020, the Town had \$3,208,041 invested in capital assets, including the sewer system, machinery, and equipment.

Capital Assets at Year-End

	2019	2020
Sewer System	\$ 3,217,226	\$ 3,249,663
Water System	2,818,970	2,814,603
Accumulated Depreciation	(2,729,804)	(2,856,225)
Total	\$ 3,306,392	\$ 3,208,041

CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the Town of Urania for the year ended June 30, 2020:

		Certificate of Indebtness	
		Water	Total
Notes Payable 06/30/2019	\$	357,198	\$ 357,198
Additional Principal		-0-	-0-
Principal Retirement		(22,314)	(22,314)
Notes Payable 06/30/2020	\$	334,884	\$ 334,884

MD&A

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the entity's finances and to show that the entity's accountability for the money it receives. If you have questions about this report or need additional information, contact Mayor Terri Corley at the Town Hall, phone number (318) 495-3452.

BASIC FINANCIAL STATEMENTS

TOWN OF URANIA, LOUISIANA
Statement of Net Position
June 30, 2020

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
CURRENT ASSETS			
Cash	\$ 172,275	\$ 140,520	\$ 312,795
Investments	29,525	294,137	323,662
Receivables (Net of Allowances for Uncollectible)	23,582	49,747	73,329
Prepaid Insurance	14,730	28,027	42,757
TOTAL CURRENT ASSETS	<u>240,112</u>	<u>512,431</u>	<u>752,543</u>
NON-CURRENT ASSETS			
Restricted Assets	-0-	24,810	24,810
Capital Assets (Net of Accumulated Depreciation)	253,381	3,208,041	3,461,422
TOTAL NON-CURRENT ASSETS	<u>253,381</u>	<u>3,232,851</u>	<u>3,486,232</u>
TOTAL ASSETS	<u>493,493</u>	<u>3,745,282</u>	<u>4,238,775</u>
CURRENT LIABILITIES			
Accounts, Salaries, & Other Payables	21,830	8,388	30,218
TOTAL CURRENT LIABILITIES	<u>21,830</u>	<u>8,388</u>	<u>30,218</u>
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS			
Customer Deposits	-0-	24,810	24,810
Current Bonds & Notes Payable	-0-	22,314	22,314
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	<u>-0-</u>	<u>47,124</u>	<u>47,124</u>
NON-CURRENT LIABILITIES			
Bonds & Notes Payable	-0-	312,570	312,570
TOTAL NON-CURRENT LIABILITIES	<u>-0-</u>	<u>312,570</u>	<u>312,570</u>
TOTAL LIABILITIES	<u>21,830</u>	<u>368,082</u>	<u>389,912</u>
NET POSITION			
Net Investment in Capital Assets	253,381	2,873,157	3,126,538
Unrestricted	218,282	504,043	722,325
TOTAL NET POSITION	<u>\$ 471,663</u>	<u>\$ 3,377,200</u>	<u>\$ 3,848,863</u>

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2020

	PROGRAM REVENUES			Net (Expenses) Revenue	NET REVENUES (EXPENSES) & CHANGES OF PRIMARY GOVERNMENT		
	Expenses	Charges for Services	Capital Grants & Contributions		Governmental Activities	Business Type Activities	Total Activities
Governmental Activities							
General Government	\$ (234,313)	\$ 28,731	\$ -0-	\$ (205,582)	\$ (205,582)		\$ (205,582)
Police	(87,039)	888	-0-	(86,151)	(86,151)		(86,151)
Fire	(14,929)	20,756	-0-	5,827	5,827		5,827
Recreation	(26,431)	3,500	-0-	(22,931)	(22,931)		(22,931)
Street & Sanitation	(51,390)	43,042	-0-	(8,348)	(8,348)		(8,348)
Total Governmental Activities	<u>(414,102)</u>	<u>96,917</u>	<u>-0-</u>	<u>(317,185)</u>	<u>(317,185)</u>		<u>(317,185)</u>
Business Type Activities							
Water & Sewer	(439,782)	602,559	19,800	182,577		\$ 182,577	182,577
Interest on Long-Term Debt	(14,295)	-0-	-0-	(14,295)		(14,295)	(14,295)
Total Business Type Activities	<u>(454,077)</u>	<u>602,559</u>	<u>19,800</u>	<u>168,282</u>		<u>168,282</u>	<u>168,282</u>
Total Primary Government	\$ <u>(868,179)</u>	\$ <u>699,476</u>	\$ <u>19,800</u>	\$ <u>(148,903)</u>			<u>(148,903)</u>
			General Revenues				
			Fines		95,622	-0-	95,622
			Taxes				
			Ad Valorem Tax		7,299	-0-	7,299
			Franchise Tax		15,263	-0-	15,263
			Interest Income		251	-0-	251
			Donations		19,284	-0-	19,284
			Other Income		4,766	9,697	14,463
			Transfers In (Out)		187,392	(187,392)	-0-
			Total General Revenues		<u>329,877</u>	<u>(177,695)</u>	<u>152,182</u>
			Change in Net Position		12,692	(9,413)	3,279
			Net Position - Beginning		458,971	3,386,613	3,845,584
			Net Position - Ending		\$ <u>471,663</u>	\$ <u>3,377,200</u>	\$ <u>3,848,863</u>

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Balance Sheet, Governmental Funds
June 30, 2020

		GENERAL FUND
ASSETS		
Cash	\$	172,275
Investments		29,525
Receivables (Net of Allowances for Uncollectible)		23,582
Prepaid Insurance		14,730
TOTAL ASSETS		240,112
 LIABILITIES		
Accounts, Salaries, & Other Payables		21,830
TOTAL LIABILITIES		21,830
 FUND BALANCE		
Unassigned		218,282
TOTAL FUND BALANCE		218,282
 TOTAL LIABILITIES & FUND BALANCE	\$	240,112

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position
June 30, 2020

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

Fund Balance, Total Governmental Funds (Statement C)	\$ 218,282
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	253,381
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Other	<u>-0-</u>
Net Position of Governmental Activities (Statement A)	<u>\$ 471,663</u>

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Revenues, Expenditures &
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	GENERAL
REVENUES	
Fees & Charges	\$ 96,917
Taxes:	
Ad Valorem Tax	7,299
Franchise Tax	15,263
Fines	95,622
Grants	-0-
Interest	251
Donations	19,284
Other	4,766
TOTAL REVENUES	239,402
EXPENDITURES	
General & Administrative	228,848
Police Expense	81,829
Fire	14,179
Recreational	13,235
Street & Sanitation	46,093
Capital Outlay	12,200
TOTAL EXPENDITURES	396,384
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(156,982)
OTHER FINANCING SOURCES (USES)	
Transfers In (Out)	187,392
TOTAL OTHER FINANCING SOURCES (USES)	187,392
NET CHANGE IN FUND BALANCE	30,410
FUND BALANCES--BEGINNING	187,872
FUND BALANCES--ENDING	\$ 218,282

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Reconciliation of the Statement of Revenues, Expenditures,
& Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2020

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

Net Change in Fund Balances, Total Governmental Funds, Statement E		\$ 30,410				
<p>Governmental funds report capital outlays 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 capital outlays exceeded depreciation in the current period.</p>	<table style="border-collapse: collapse;"> <tr> <td style="padding-right: 10px;">Capital Outlay</td> <td style="text-align: right;">12,200</td> </tr> <tr> <td style="padding-right: 10px;">Current Depr.</td> <td style="text-align: right;"><u>(29,918)</u></td> </tr> </table>	Capital Outlay	12,200	Current Depr.	<u>(29,918)</u>	(17,718)
Capital Outlay	12,200					
Current Depr.	<u>(29,918)</u>					
<p>The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>						
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		<u>-0-</u>				
Changes in Net Position of Governmental Activities, Statement B		<u>\$ 12,692</u>				

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Net Position
Proprietary Fund
June 30, 2020

		BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS (MAJOR ENTERPRISE FUND) WATER & SEWER
CURRENT ASSETS		
Cash & Cash Equivalents	\$	140,520
Investments		294,137
Receivables (Net of Allowances for Uncollectable)		49,747
Prepaid Insurance		28,027
TOTAL CURRENT ASSETS		512,431
NON-CURRENT ASSETS		
Restricted Assets		24,810
Capital Assets (Net of Accumulated Depreciation)		3,208,041
TOTAL NON-CURRENT ASSETS		3,232,851
TOTAL ASSETS		3,745,282
CURRENT LIABILITIES		
Accounts, Salaries, & Other Payables		8,388
TOTAL CURRENT LIABILITIES		8,388
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS		
Customer Deposits		24,810
Current Principal Payable		22,314
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS		47,124
NON-CURRENT LIABILITIES		
Revenue Bonds		312,570
TOTAL NON-CURRENT LIABILITIES		312,570
TOTAL LIABILITIES		368,082
NET POSITION		
Net Investment in Capital Assets		2,873,157
Unrestricted		504,043
TOTAL NET POSITION	\$	3,377,200

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Revenues, Expenses & Changes in Net Position
Proprietary Fund
June 30, 2020

		BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUND (MAJOR ENTERPRISE FUND) WATER & SEWER
OPERATING REVENUES		
Water Sales	\$	295,927
Sewer Charges		306,632
TOTAL OPERATING REVENUES		602,559
OPERATING EXPENSES		
Administration		66,464
Operations		238,163
Depreciation		135,155
TOTAL OPERATING EXPENSES		439,782
OPERATING INCOME (LOSS)		162,777
NON-OPERATING REVENUES (EXPENSES)		
Interest Expense		(14,295)
Gains on Sale of Capital Assets		9,697
TOTAL NON-OPERATING REVENUES (EXPENSES)		(4,598)
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS		158,179
Transfer In/(Out)		(187,392)
Capital Contributions		19,800
CHANGE IN NET POSITION		(9,413)
TOTAL NET POSITION – BEGINNING		3,386,613
TOTAL NET POSITION – ENDING	\$	3,377,200

The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Cash Flows
Proprietary Fund
June 30, 2020

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUND (MAJOR ENTERPRISE FUND)
	WATER & SEWER
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers & Users	\$ 604,836
Payments to Suppliers & Employees	(311,317)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	293,519
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to Other Funds	(187,392)
Gain on Sale of Capital Assets	9,697
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(177,695)
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Capital Grants	19,800
Capital Purchases	(36,804)
Principal Paid on Capital Debt	(22,314)
Interest Paid on Capital Debt	(14,295)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	(53,613)
CASH FLOWS FROM INVESTING ACTIVITIES	
(Increase) Decrease in Investments & Restricted Funds	(111,115)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(111,115)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(48,904)
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	189,424
CASH & CASH EQUIVALENTS, END OF YEAR	140,520
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	162,777
Depreciation Expense	135,155
(Increase) Decrease in Accounts Receivable	1,630
(Increase) Decrease in Prepaid Insurance	(280)
Increase (Decrease) in Accounts Payable	(5,307)
Increase (Decrease) in Due to Agency	(1,103)
Increase (Decrease) Customer Deposits	647
TOTAL ADJUSTMENTS	130,742
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 293,519

The accompanying notes are an integral part of this statement.

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Urania was incorporated under the provisions of the Lawrason Act. The entity operates under the Mayor-Board of Alderman form of government. The entity provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water, gas and sewer services) and general administrative functions, including coordination of related services with parish, state, and federal governing bodies.

The accounting and reporting policies of the Town of Urania conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

A. GOVERNMENT-WIDE & 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 and its component units. 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.

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) charges 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 meetings 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.

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & 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 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.

Property taxes, 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The municipality reports the following major governmental funds:

- The General Fund is the municipality'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 municipality reports the following major proprietary fund:

- Enterprise Fund
 - Water Activities
 - Sewer Activities

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 government's enterprise operations. Elimination of these 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.

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

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. The principal operating revenues are charges for services and sales taxes. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. EQUITY CLASSIFICATIONS

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. The decision is typically made by management at the incurrence of the expense.

In the Fund Financial Statements, governmental fund equity is classified as a fund balance. The District has implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance – amounts constrained to specific purposes 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 action to remove or change the constraint;

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

- d. Assigned fund balance – amounts a 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;
- e. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

D. CASH, CASH EQUIVALENTS, & INVESTMENTS

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. 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.

Louisiana Revised Statute 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 Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

All cash and investments (CD's over 90 days) are reported at cost and are on deposit at federally insured banks.

Deposits

It is the Town's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Town's deposits are categorized to give an indication of the level of risk assumed by the Town at fiscal year-end. All deposits were secured at the year-end. The categories are described as follows:

- *Category 1* – Insured or collateralized with securities held by the Town or by its agent in the Town's name.
- *Category 2* – Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name.
- *Category 3* – Uncollateralized.

TOWN OF URANIA, LOUISIANA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

Total Cash	\$ <u>635,993</u>
FDIC (<i>Category 1</i>)	386,205
Securities (<i>Category 2</i>)	327,173
Uncollateralized (<i>Category 3</i>)	-0-
Total Secured	\$ <u>713,378</u>

E. RECEIVABLES & 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 noncurrent 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”.

F. INVENTORIES

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations and, accordingly, these supplies are expensed as purchased.

G. FIXED ASSETS & LONG-TERM LIABILITIES

For the year ended June 30, 2020, no interest costs were capitalized for construction of fixed assets. The Town of Urania has a capitalization policy of \$1,500.

Depreciation of all exhaustible fixed assets is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet and governmental fund Statement of Activities. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Life In Years</u>
Water System	20-40
Sewer System	20-40
Buildings	40
Equipment	5-10

TOWN OF URANIA, LOUISIANA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(2) AD VALOREM TAXES

The entity levies taxes on real and business personal property located within its boundaries. The entity utilizes the services of the LaSalle Parish Tax Assessor to assess the property values and prepare the entity's property tax roll. The entity bills and collects its own property taxes.

Property Tax Calendar

Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On or About October 15
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	January 1

For the year ended June 30, 2020, taxes of 2.65 mills were levied against property having a valuation of some \$2,754,210 which produced some \$7,299 in revenue.

Ad Valorem Taxes are broken down as follows:

	Mills
Urania General Alimony	<u>2.65</u>
Total	<u>2.65</u>

(3) RESTRICTED ASSETS - PROPRIETARY FUND TYPES

At June 30, 2020, restricted assets of the Enterprise Funds were invested in either interest bearing checking accounts or time deposits and were restricted for the following purposes:

	Water
Meter Deposit	<u>\$ 24,810</u>
Total	<u>\$ 24,810</u>

TOWN OF URANIA, LOUISIANA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(4) ACCOUNTS RECEIVABLE & ALLOWANACE FOR BAD DEBTS

At June 30, 2020, no reserve for bad debts in the general fund was required since the estimated uncollectible receivables outstanding were considered immaterial.

	Enterprise Fund		Governmental Fund
	Water & Sewer Fund		General Fund
Fees & Charges	\$ -0-	\$	23,582
Customer Allowance	51,980		-0-
	(2,233)		-0-
Total	\$ 49,747	\$	23,582

*Allowances for uncollectables is estimated 5% of gross billing for water and sewer fund.

(5) FIXED ASSETS

ENTERPRISE FUND: PROPERTY, PLANT, AND EQUIPMENT

A summary of enterprise fund property, plant, and equipment at June 30, 2020, is as follows:

	Balance 6-30-2019		Additions		(Deletions)		Balance 6-30-2020
Water System	\$ 2,818,970	\$	-0-	\$	(4,367)	\$	2,814,603
Water Accumulated Depreciation	(1,280,329)		(69,051)		4,367		(1,345,013)
Net	1,538,641		(69,051)		-0-		1,469,590
Sewer Plant	3,217,226		36,804		(4,367)		3,249,663
Sewer Accumulated Depreciation	(1,449,475)		(66,104)		4,367		(1,511,212)
Net	\$ 1,767,751	\$	(29,300)	\$	-0-	\$	1,738,451

GOVERNMENTAL FUND

A summary of governmental fund depreciable assets at June 30, 2020, is as follows:

	Balance 6-30-2019		Additions		(Deletions)		Balance 6-30-2020
Buildings & Equipment	\$ 716,058	\$	9,700	\$	(5,000)	\$	720,758
Land*	52,800		7,500		-0-		60,300
Accumulated Depreciation	(497,759)		(29,918)		-0-		(527,677)
Net	\$ 271,099	\$	(12,718)	\$	(5,000)	\$	253,381

*Land in the amount of \$60,300 is not being depreciated

TOWN OF URANIA, LOUISIANA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(6) CHANGES IN LONG-TERM DEBT

The following is a summary of bond and note transactions of the Town of Urania for the year ended June 30, 2020:

		Certificate of Indebtness		
		<u>Water</u>	<u>Total</u>	
Notes Payable 06/30/2019	\$	357,198	\$	357,198
Additional Principal		-0-		-0-
Principal Retirement		(22,314)		(22,314)
Notes Payable 06/30/2020	\$	<u>334,884</u>	\$	<u>334,884</u>

Notes and bonds payable at June 30, 2020, are comprised of the following individual issues:

Certificates of Indebtedness (for Water Enterprise Fund):

\$410,000 water certificates of indebtedness to be issued December 1, 2016, 15 year maturity. \$3,051 in monthly installments at fixed 4.119%. (No bond covenants)	\$	334,884
Total	\$	<u>334,884</u>

Annual Requirements to Amortize all Debts

The annual requirements to amortize all debt outstanding as of June 30, 2020, including interest payments are as follows:

<u>Year Ending June 30,</u>	<u>Water Note Payable</u>	<u>Total</u>
2021	36,609	36,609
2022	36,609	36,609
2023	36,609	36,609
2024	36,609	36,609
2025	36,609	36,609
2026-2030	183,045	183,045
2031-2035	36,609	36,609
Total	<u>\$ 402,699</u>	<u>\$ 402,699</u>

(7) USE OF 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 assets and liabilities and disclosure 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.

TOWN OF URANIA, LOUISIANA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(8) ENCUMBRANCES

The entity does not utilize encumbrance accounting.

(9) RETIREMENT PLANS

The entity does not offer its employees a retirement plan. All employees are in the social security system.

(10) TRANSFERS

Transfers between funds were made for operational purposes.

(11) ELECTED OFFICIAL'S SALARIES

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>	<u>Annualized Salary</u>
Terri Corley PO Box 654 Urania, LA 71480	Mayor	01/01/07 - 01/01/23	\$15,600
Pat McDougald PO Box 615 Urania, LA 71480	Board Member	01/01/07 - 01/01/23	\$600
Jay Ivy PO Box 673 Urania, LA 71480	Board Member	01/01/15 - 01/01/23	\$600
Dawn Book PO Box 429 Urania, LA 71480	Board Member	08/04/08 - 01/01/23	\$600
William "Bill" Brown PO Box 577 Urania, LA 71480	Board Member	01/01/11 - 01/01/23	\$600
Carl "Tom" Douglas PO Box 654 Urania, LA 71480	Board Member	01/01/19 - 01/01/23	\$600
Wayne Corley PO Box 654 Urania, LA 71480	Chief of Police	01/01/07 - 01/01/23	\$36,000

TOWN OF URANIA, LOUISIANA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(12) WATER AND SEWER RATES

The Town of Urania has the following water and sewer rates. The deposit amounts are listed below:

Renter	\$ 250
Owner	\$ 100

<u>Water: (315 Customers)</u>	<u>Minimum Charge</u>	<u>Next</u>
Residential	\$25.00 for 1 st 2,000 gallons water used	\$5.00 per 1,000 gallons used thereafter
Commercial	\$50.00 for 1 st 2,000 gallons water used	\$5.00 per 1,000 gallons used thereafter
Industrial & Institutional Users	\$200.00 for 1 st 2,000 gallons water used	\$7.50 per 1,000 gallons used thereafter
 <u>Sewer: (277 Customers)</u>		
Residential	Flat rate of \$18.50	
Commercial	Flat rate of \$50.00	
Industrial & Institutional Users	\$800.00 for 1 st 25,000 gallons water used	\$5.00 per 1,000 gallons used thereafter
School	Flat rate of \$250.00	

(13) SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the Statement of Net Position date though, September 9, 2020, of the independent auditor’s report for potential recognition or disclosure in the financial statements. The following item is reported as a subsequent event.

(14) CONTINGENCIES

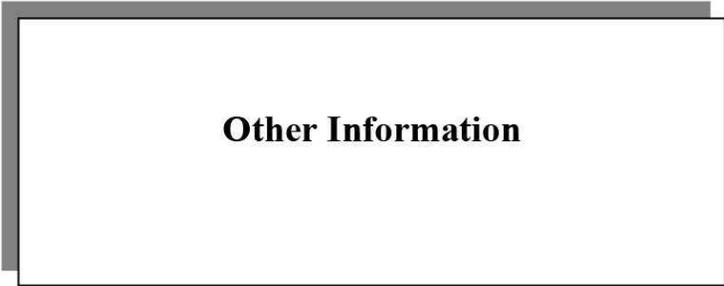
On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public place and businesses. The coronavirus and actions taken to mitigate it have had and are expected to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Entity operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the Town anticipates this could negatively affect its operating results, the related financial impact and duration cannot be reasonably estimated at this time.

**REQUIRED SUPPLEMENTAL
INFORMATION**

TOWN OF URANIA, LOUISIANA
Statement of Revenues, Expenditures, & Changes in Fund Balance
Budget & Actual
General Fund
For the Year Ended June 30, 2020

	BUDGET AMOUNTS		ACTUAL	BUDGET
	ORIGINAL	FINAL	AMOUNTS BUDGETARY BASIS	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Fees & Charges	\$ 50,000	\$ 70,000	\$ 96,917	\$ 26,917
Taxes	9,000	8,000	22,562	14,562
Fines	92,000	98,000	95,622	(2,378)
Grants	32,000	19,800	-0-	(19,800)
Interest	-0-	12,200	251	(11,949)
Other	18,000	23,000	24,050	1,050
TOTAL REVENUES	<u>201,000</u>	<u>231,000</u>	<u>239,402</u>	<u>8,402</u>
EXPENDITURES				
General & Administrative	126,000	272,000	228,848	43,152
Police Expense	11,000	76,000	81,829	(5,829)
Recreational	6,000	4,000	13,235	(9,235)
Fire	7,000	12,000	14,179	(2,179)
Street & Sanitation	26,000	38,000	46,093	(8,093)
Capital Outlay	30,000	12,000	12,200	(200)
TOTAL EXPENDITURES	<u>206,000</u>	<u>414,000</u>	<u>396,384</u>	<u>17,616</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,000)</u>	<u>(183,000)</u>	<u>(156,982)</u>	<u>26,018</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	<u>5,000</u>	<u>100,000</u>	<u>187,392</u>	<u>87,392</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,000</u>	<u>100,000</u>	<u>187,392</u>	<u>87,392</u>
NET CHANGE IN FUND BALANCE	<u>\$ -0-</u>	<u>\$ (83,000)</u>	30,410	<u>\$ 113,410</u>
FUND BALANCES--BEGINNING			187,872	
FUND BALANCES--ENDING			<u>\$ 218,282</u>	

The accompanying notes are an integral part of this statement.



Other Information

Town of Urania, Louisiana
Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2020

Town of Urania
Mayor Terri B. Corley

Purpose	Amount
Salary	\$ 15,600
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (Expense Allowance)	3,840
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditors report.

Town of Urania, Louisiana
Schedule of Assets, Liabilities, & Equity
Capital Grants
For the Year Ended June 30, 2020

	LCDBG	LGAP	CWEF	TOTAL
ASSETS				
Cash	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Grant Revenues Receivable	-0-	-0-	-0-	-0-
TOTAL ASSETS	-0-	-0-	-0-	-0-
LIABILITIES & FUND EQUITY				
Accounts Payable	-0-	-0-	-0-	-0-
Due To Village	-0-	-0-	-0-	-0-
Unearned Revenue	-0-	-0-	-0-	-0-
TOTAL LIABILITIES	-0-	-0-	-0-	-0-
FUND BALANCE	-0-	-0-	-0-	-0-
TOTAL LIABILITIES & FUND BALANCE	\$ -0-	\$ -0-	\$ -0-	\$ -0-

LCDBG – Louisiana Community Development Block Grant

LGAP – Local Government Assistance Program

CWEF – Community Water Environment Fund

See independent auditor’s report.

Town of Urania, Louisiana
Schedule of Revenues, Expenditures &
Changes in Fund Balances
Capital Grants
For the Year Ended June 30, 2020

	LCDBG	LGAP	CWEF	TOTAL
REVENUES				
Capital Grants	\$ -0-	\$ -0-	\$ 19,800	\$ 19,800
TOTAL REVENUES	-0-	-0-	19,800	19,800
EXPENDITURES				
Administrative Services	-0-	-0-	-0-	-0-
Engineering Services	-0-	-0-	-0-	-0-
Project Construction	-0-	-0-	19,800	19,800
TOTAL EXPENDITURES	-0-	-0-	19,800	19,800
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-0-	-0-	-0-	-0-
FUND BALANCES--BEGINNING	-0-	-0-	-0-	-0-
FUND BALANCES--ENDING	\$ -0-	\$ -0-	\$ -0-	\$ -0-

LCDBG – Louisiana Community Development Block Grant

LGAP – Local Government Assistance Program

CWEF – Community Water Environment Fund

See independent auditor's report.

OTHER REPORTS

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INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Terri Corley, Mayor
Town of Urania
PO Box 339
Urania, LA 71480

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the business-type activities of the Town of Urania, Louisiana, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements and have issued our report thereon dated September 9, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Urania's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Urania's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Urania’s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in

internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies (2020-1 Small Size of Entity).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Urania's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Town of Urania's Response to Findings

The Town of Urania's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Cost. The Town of Urania's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

Jena, Louisiana
September 9, 2020

TOWN OF URANIA, LOUISIANA

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2020**

We have audited the basic financial statements of the Town of Urania, Louisiana, as of and for the year ended June 30, 2020, and have issued our report thereon dated September 9, 2020. We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Section I - Summary of Auditor's Results

Our audit of the financial statements as of June 30, 2020, resulted in an unmodified opinion.

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes No Other Conditions Yes No

Type of Opinion on Compliance Unmodified Qualified
For Major Programs Disclaimer Adverse

Are the finding required to be reported in accordance with Uniform Guidance?

Yes No

c. Identification of Major Programs:

CFDA Number (s)	Name of Federal Program (or Cluster)
------------------------	---

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 750,000

Is the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance? Yes No

TOWN OF URANIA, LOUISIANA

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)
For the Year Ended June 30, 2020**

Section II Financial Statement Findings

2020-1 Small Size of Entity (Internal Control)

Condition: Because of the small size of the Town and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the Town’s cash.

Criteria: Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving and check writing.

Cause of Condition: Small size of entity and lack of employees.

Effect of Condition: Significant deficiency in internal controls.

Recommendation: We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Client Response and Corrective Action: Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Contact Person: Terri Corley

Anticipated Completion Date: N/A

Section III Federal Awards Findings and Questioned Costs

Not applicable.

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MANAGEMENT LETTER COMMENTS

During the course of our review, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Town's plan for corrective action.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

No items to report.

TOWN OF URANIA, LOUISIANA

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Town of Urania, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2019.

PRIOR YEAR FINDINGS

2019-1 Small Size of Entity (Unresolved)

Condition: Because of the small size of the Town and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the Town's cash.

Criteria: Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving and check writing.

Cause of Condition: Small size of entity and lack of employees.

Effect of Condition: Significant deficiency in internal controls.

Recommendation: We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Client Response and Corrective Action: Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

TOWN OF URANIA, LOUISIANA

MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS

PRIOR YEAR FINDINGS (CONTINUED)

2019-2 Budget Variance (Resolved)

Condition: The Town had an unfavorable expenditure variance of \$113,038 or 45.31% in its general fund budget for the year ended June 30, 2019.

Criteria: The Budget Act requires that budgets be amended when the variance exceeds 5%.

Cause of Condition: Under budgeting expenditures.

Effect of Condition: Violating the Budget Act.

Recommendation: The Town should amend its budget when there is an unfavorable variance in revenue or expenditures of more than 5%.

Client Response and Corrective Action: The Town will amend its budget when there is an unfavorable variance in revenue or expenditures of more than 5%.