

**VILLAGE OF DOWNSVILLE
LOUISIANA**

**FINANCIAL STATEMENTS
DECEMBER 31, 2021**

VILLAGE OF DOWNSVILLE, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 2021

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ACCOUNTANT'S COMPILATION REPORT

The Honorable Reggie Skains, Mayor
and Council Members
Village of Downsville
P.O. Box 128
Downsville, Louisiana 71234

Management is responsible for the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Village of Downsville, Louisiana, as of and for the year ended December 31, 2021, which collectively comprise the Village of Downsville's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. 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. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

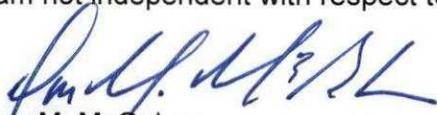
Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 14 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted the management's discussion and analysis information that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to my compilation engagement. I have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

The supplementary information contained in the schedule of compensation, benefits, and other payments on page 16 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to my compilation engagement. I have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

I am not independent with respect to the Village of Downsville.

A handwritten signature in blue ink, appearing to read "Don M. McGehee".

Don M. McGehee
Certified Public Accountant
June 9, 2022

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash	\$ 6,593	\$ 4,898	\$ 11,491
Accounts Receivable, net	0	15,562	15,562
Taxes Receivable	1,645	0	1,645
Internal Balances	19,826	(19,826)	0
Prepaid Expenses	321	552	873
Noncurrent Assets:			
Restricted Cash	0	37,403	37,403
Capital Assets, net	422,889	613,670	1,036,559
Other Assets	0	30	30
TOTAL ASSETS	<u>\$ 451,274</u>	<u>\$ 652,289</u>	<u>\$ 1,103,563</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 834	\$ 32,095	\$ 32,929
Accrued Expenses	0	412	412
Deferred Revenue	0	9,458	9,458
Accrued Interest Payable	0	36	36
Current Portion of Revenue Bonds Payable	0	4,593	4,593
Noncurrent Liabilities:			
Customer Deposits	0	14,752	14,752
Revenue Bonds Payable	0	77,860	77,860
TOTAL LIABILITIES	<u>834</u>	<u>139,206</u>	<u>140,040</u>
NET POSITION			
Invested in Capital Assets, net of related debt	422,889	531,217	954,106
Restricted for Debt Service	0	12,111	12,111
Unrestricted	27,551	(30,245)	(2,694)
TOTAL NET POSITION	<u>450,440</u>	<u>513,083</u>	<u>963,523</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 451,274</u>	<u>\$ 652,289</u>	<u>\$ 1,103,563</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES:							
General Government	\$ 3,964	\$ 0	\$ 0	\$ 0	\$ (3,964)	\$ 0	\$ (3,964)
Police	11,145	0	6,000	0	(5,145)	0	(5,145)
Streets	3,051	0	0	0	(3,051)	0	(3,051)
Parks and Recreation	<u>20,937</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(20,937)</u>	<u>0</u>	<u>(20,937)</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>39,097</u>	<u>0</u>	<u>6,000</u>	<u>0</u>	<u>(33,097)</u>	<u>0</u>	<u>(33,097)</u>
BUSINESS-TYPE ACTIVITIES:							
Water and Sewer	<u>103,835</u>	<u>82,464</u>	<u>25,310</u>	<u>0</u>	<u>0</u>	<u>3,939</u>	<u>3,939</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 142,932</u>	<u>\$ 82,464</u>	<u>\$ 31,310</u>	<u>\$ 0</u>	<u>(33,097)</u>	<u>3,939</u>	<u>(29,158)</u>
GENERAL REVENUES:							
Franchise Tax					5,997	0	5,997
Rent					300	0	300
Licenses					1,070	0	1,070
Investment Earnings					1	12	13
Other Revenue					758	0	758
TRANSFERS					<u>6,068</u>	<u>(6,068)</u>	<u>0</u>
TOTAL GENERAL REVENUES AND TRANSFERS					<u>14,194</u>	<u>(6,056)</u>	<u>8,138</u>
CHANGE IN NET POSITION					(18,903)	(2,117)	(21,020)
NET POSITION-BEGINNING					<u>469,343</u>	<u>515,200</u>	<u>984,543</u>
NET POSITION-ENDING					<u>\$ 450,440</u>	<u>\$ 513,083</u>	<u>\$ 963,523</u>

See accountant's report.

FUND FINANCIAL STATEMENTS

VILLAGE OF DOWNSVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
GENERAL FUND
DECEMBER 31, 2021

ASSETS

Cash	\$ 6,593
Franchise Tax Receivable	1,645
Due from Water and Sewer Fund	19,826
Prepaid Insurance	<u>321</u>
TOTAL ASSETS	\$ <u>28,385</u>

LIABILITIES AND FUND BALANCE

LIABILITIES:

Accounts Payable	\$ <u>834</u>
TOTAL LIABILITIES	<u>834</u>

FUND BALANCE:

Nonspendable--	
Prepaid Insurance	321
Unassigned	<u>27,230</u>
TOTAL FUND BALANCE	<u>27,551</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>28,385</u>

RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Total Fund Balance-Governmental Fund	\$ 27,551
 Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>422,889</u>
 Net Position of Governmental Activities	 \$ <u>450,440</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--GOVERNMENTAL FUND
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUES	
Franchise Taxes	\$ 5,997
Licenses and Permits	1,070
Intergovernmental	
State Supplemental Pay	6,000
Rent	300
Miscellaneous	758
Interest	<u>1</u>
TOTAL REVENUES	<u>14,126</u>
EXPENDITURES	
General Government	
Dues	125
Legal and Accounting	700
Insurance	100
Office Supplies	164
Publication	11
Town Hall Expense	2,864
Police Department	
Insurance	885
Salaries	10,260
Street Department	
Street Lights	3,051
Park and Recreation Department	
Professional Fees	300
Utilities	<u>273</u>
TOTAL EXPENDITURES	<u>18,733</u>
DEFICIENCY OF REVENUES	
 UNDER EXPENDITURES	(4,607)
OTHER FINANCING SOURCES	
Operating Transfer In--Water and Sewer Fund	<u>6,068</u>
TOTAL OTHER FINANCING SOURCES	<u>6,068</u>
EXCESS OF REVENUES AND OTHER SOURCES	
 OVER EXPENDITURES	1,461
FUND BALANCE-BEGINNING	<u>26,090</u>
FUND BALANCE-ENDING	<u>\$ 27,551</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, 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, 2021

NET CHANGE IN FUND BALANCES-GOVERNMENTAL FUNDS **\$ 1,461**

Amounts reported for Governmental Activities in the
Statement of Activities are Different Because:

Capital outlays are not recognized as expenditures in the Statement of Activities, but an economic cost of the capital outlay is allocated over the estimated useful life of the related asset and reported as depreciation expense. To reconcile the difference in accounting between the fund accounting method and the government-wide method, an adjustment is necessary to recognize the difference by which depreciation expense in the government-wide fund statements exceeds capital outlay expense recognized in the government fund statements.

(20,364)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ (18,903)**

VILLAGE OF DOWNSVILLE, LOUISIANA

STATEMENT OF NET POSITION

PROPRIETARY FUND

DECEMBER 31, 2021

	<u>Water and Sewer Enterprise Fund</u>
ASSETS	
CURRENT ASSETS:	
Cash	\$ 4,898
Accounts Receivable, net	15,562
Prepaid Insurance	<u>552</u>
TOTAL CURRENT ASSETS	<u>21,012</u>
NONCURRENT ASSETS:	
Restricted Cash	<u>37,403</u>
Capital Assets:	
Land	1,000
Equipment	3,484
Sewer System Improvements	417,675
Water Distribution System	1,409,461
Less Accumulated Depreciation	<u>(1,217,950)</u>
Capital Assets, net	<u>613,670</u>
Other Assets	<u>30</u>
TOTAL NONCURRENT ASSETS	<u>651,103</u>
TOTAL ASSETS	<u>672,115</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	32,096
Accrued Expenses	411
Deferred Revenue	9,458
Due to General Fund	19,826
Accrued Interest Payable	36
Current Maturities of Long-Term Debt	<u>4,593</u>
TOTAL CURRENT LIABILITIES	<u>66,420</u>
NONCURRENT LIABILITIES:	
Customer Deposits	14,752
Long-Term Debt	<u>77,860</u>
TOTAL NONCURRENT LIABILITIES	<u>92,612</u>
TOTAL LIABILITIES	<u>159,032</u>
NET POSITION	
Invested in Capital Assets, net of related debt	531,217
Restricted for Debt Service	12,111
Unrestricted	<u>(30,245)</u>
TOTAL NET POSITION	<u>\$ 513,083</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Water and Sewer Enterprise Fund</u>
OPERATING REVENUES	
Water Sales	\$ 56,969
Sewer Charges	<u>25,495</u>
TOTAL OPERATING REVENUES	<u>82,464</u>
OPERATING EXPENSES	
Accounting	2,700
Depreciation	27,081
Dues	300
Insurance	2,062
Miscellaneous	40
Office Supplies	1,550
Outside Services	18,900
Purchased Water	14,497
Safe Drinking Water Fee	855
Salaries	6,000
System Repair and Maintenance	17,896
System Supplies and Expense	1,078
Taxes-Payroll	479
Telephone and Utilities	<u>5,945</u>
TOTAL OPERATING EXPENSES	<u>99,383</u>
OPERATING LOSS	(16,919)
NON-OPERATING REVENUES AND (EXPENSES)	
Intergovernmental Revenue - Grant	25,310
Interest Income	12
Interest Expense	<u>(4,452)</u>
NET NON-OPERATING REVENUES (EXPENSES)	<u>20,870</u>
INCOME BEFORE TRANSFERS	3,951
TRANSFERS OUT	<u>(6,068)</u>
CHANGE IN NET POSITION	(2,117)
TOTAL NET POSITION - BEGINNING	<u>515,200</u>
TOTAL NET POSITION - ENDING	<u>\$ 513,083</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Water and Sewer Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 82,809
Cash Payments for Goods and Services	(85,588)
Cash Payments for Salaries and Wages	<u>(6,000)</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>(8,779)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from Operating Grants	34,768
Operating Transfers to General Fund	<u>(6,068)</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>28,700</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal Payments on Revenue Bonds	(4,359)
Interest Payments on Revenue Bonds	<u>(4,453)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(8,812)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	<u>12</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>12</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,121
CASH AT BEGINNING OF YEAR	<u>31,180</u>
CASH AT END OF YEAR	<u>\$ 42,301</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:	
Operating Loss	\$ (16,919)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities--	
Depreciation	27,081
(Increase) Decrease in Accounts Receivable	120
Increase (Decrease) in Accounts Payable	(19,291)
Increase (Decrease) in Accrued Expenses	5
Increase (Decrease) in Customers' Deposits	<u>225</u>
Total Adjustments	<u>8,140</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>\$ (8,779)</u>
CASH PER STATEMENT OF NET POSITION	
Current Cash	\$ 4,898
Restricted Cash	<u>37,403</u>
TOTAL CASH AT YEAR END	<u>\$ 42,301</u>

See accountant's report.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
--BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Budget
	Original	Final	Budgetary Basis	Favorable (Unfavorable)
REVENUES				
Franchise Taxes	\$ 5,000	\$ 4,650	\$ 5,997	\$ 1,347
Licenses and Permits	900	900	1,070	170
State Supplemental Police Pay	6,000	6,000	6,000	0
Rent	200	200	300	100
Miscellaneous	50	0	758	758
Interest	5	1	1	0
TOTAL REVENUE	<u>12,155</u>	<u>11,751</u>	<u>14,126</u>	<u>2,375</u>
EXPENDITURES				
General Government				
Beautification Committee	100	100	0	100
Dues	125	125	125	0
Legal and Accounting	0	0	700	(700)
Insurance	0	0	100	(100)
Maintenance of Town Property	100	100	0	100
Miscellaneous	500	500	0	500
Office Supplies	200	230	164	66
Publications	50	50	11	39
Town Hall Expense	3,800	3,800	2,864	936
Travel	500	500	0	500
Police				
Auto Maintenance and Repairs	100	100	0	100
Insurance	885	885	885	0
Salaries	10,260	10,260	10,260	0
Supplies	50	50	0	50
Streets				
Street Lights	3,000	3,240	3,051	189
Park and Recreation				
Operations	200	400	0	400
Professional Fees	0	0	300	(300)
Utilities	0	0	273	(273)
TOTAL EXPENDITURES	<u>19,870</u>	<u>20,340</u>	<u>18,733</u>	<u>1,607</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(7,715)	(8,589)	(4,607)	3,982
OTHER FINANCING SOURCES				
Operating Transfer In--Utility Fund	7,260	7,260	6,068	(1,192)
TOTAL OTHER FINANCING SOURCES	<u>7,260</u>	<u>7,260</u>	<u>6,068</u>	<u>(1,192)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(455)	(1,329)	1,461	2,790
FUND BALANCE - BEGINNING	<u>26,160</u>	<u>26,160</u>	<u>26,090</u>	<u>(70)</u>
FUND BALANCE - ENDING	<u>\$ 25,705</u>	<u>\$ 24,831</u>	<u>\$ 27,551</u>	<u>\$ 2,720</u>

See accountant's report.

SUPPLEMENTARY INFORMATION

VILLAGE OF DOWNSVILLE, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE MAYOR
FOR THE YEAR ENDED DECEMBER 31, 2021

Mayor, Reggie Skains:

Purpose

Amount

There were no payments made to the Mayor.

See accountant's report.