

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA

REPORT ON AUDIT OF
BASIC FINANCIAL STATEMENTS

YEAR ENDED
JUNE 30, 2020

TOWN OF FARMERVILLE
FARMERVILLE LOUISIANA
ANNUAL FINANCIAL REPORT
JUNE 30, 2020

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December 3, 2020

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor Stein Baughman
and Members of the Board of Alderman and Alderwomen
Town of Farmerville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Farmerville, 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 of 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 Town'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 Town'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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Farmerville, Louisiana, as of June 30, 2020, and the respective changes in the 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, schedule of funding of progress of other postemployment benefits plans, the budgetary comparison information and the schedule of proportionate share of the net pension liability and schedule of contributions related to Municipal Employees' Retirement System and Municipal Police Employees' Retirement systems to be presented to supplement the basic financial statements. Such information, although not a part of

To the Honorable Mayor Stein Baughman
and Members of the Board of Alderman and Alderwomen
December 3, 2020
Page 2

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 Corrective Action Plan 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 Farmerville, Louisiana's basic financial statements. The other supplemental information (pages 58-65, 68-69 and A-E) as listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The other supplemental information on pages A-E and 58-69 are the responsibility of management and were 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 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 other supplemental information on pages A-E and 58-69 are fairly stated in all material respects in relation to the basic financial statements as a whole.

The supplemental information on pages A-E, schedule of insurance in force and the schedule of cash accounts and investments have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2020, on our consideration of the Town of Farmerville'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 Town of Farmerville's internal control over financial reporting and compliance.

This report is intended for the information of the Mayor, Members of the Board of Aldermen and Alderwomen, management of the Town of Farmerville, Louisiana, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document..

Garrett & Garrett, CPA



West Monroe, Louisiana
December 3, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

**TOWN OF FARMERVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

The management of the Town of Farmerville, Louisiana offers readers of the Town of Farmerville, Louisiana's (Town) financial statements this narrative overview an analysis of the financial activities of the Town for the fiscal year ended June 30, 2020. Management discussion and analysis is designed to provide an objective analysis of the Town's financial activities based on currently known facts, decisions, or conditions.

Overview of the Financial Statements

The Town's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements.

Government-Wide Financial Statements

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. The statement of activities shows how the government's net position changed during this fiscal year. All changes in net position are reported as soon as the underlying event occurs regardless of the timing of the related cash flows.

Each of the reports are broken down between governmental activities and business-type activities. Governmental activities normally are those activities that are supported by taxes, licenses, permits, fines and intergovernmental revenues for example, the police and fire departments. Business-type activities are functions that are intended to support their costs through charges for services or fees such as the water and sewer departments.

Fund Financial Statements

The Town of Farmerville, Louisiana maintains two individual governmental funds, General Government, and Special Revenue. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund. The Town adopts an annual budget for its general fund. A statement of revenues, expenditures and changes in fund balance is presented on Statement A which compares actual revenues and expenditures to the original budget and amended budget figures. The original budget was adopted on June 2019 and it was amended in June 2020.

The Town operates one proprietary fund. The Town uses an enterprise fund to account for its water and sewer disposal operations. This enterprise fund reports the same functions presented as business-type activities in the government-wide financial statements.

The notes to the financial statements have additional information presented that is essential to a full understanding of the data provided in the government-wide financial statements. The notes are found on pages 13-43.

Government-wide Financial Analysis

Overall, the Town's financial position and results of its operation improved in fiscal 2020. The largest percentage of the total assets (77%) is the Town's investment in net capital assets. The Town has outstanding debt of \$4,945,525.86, which was used to finance some of the cost of capital assets of \$20,027,256.94. (For more detailed information on the Town's debt and capital assets, see pages 25-28) The total liabilities and deferred inflows are \$9,301,897.87.

**TOWN OF FARMERVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

The following table reflects the condensed statement of net position at June 30, 2020.

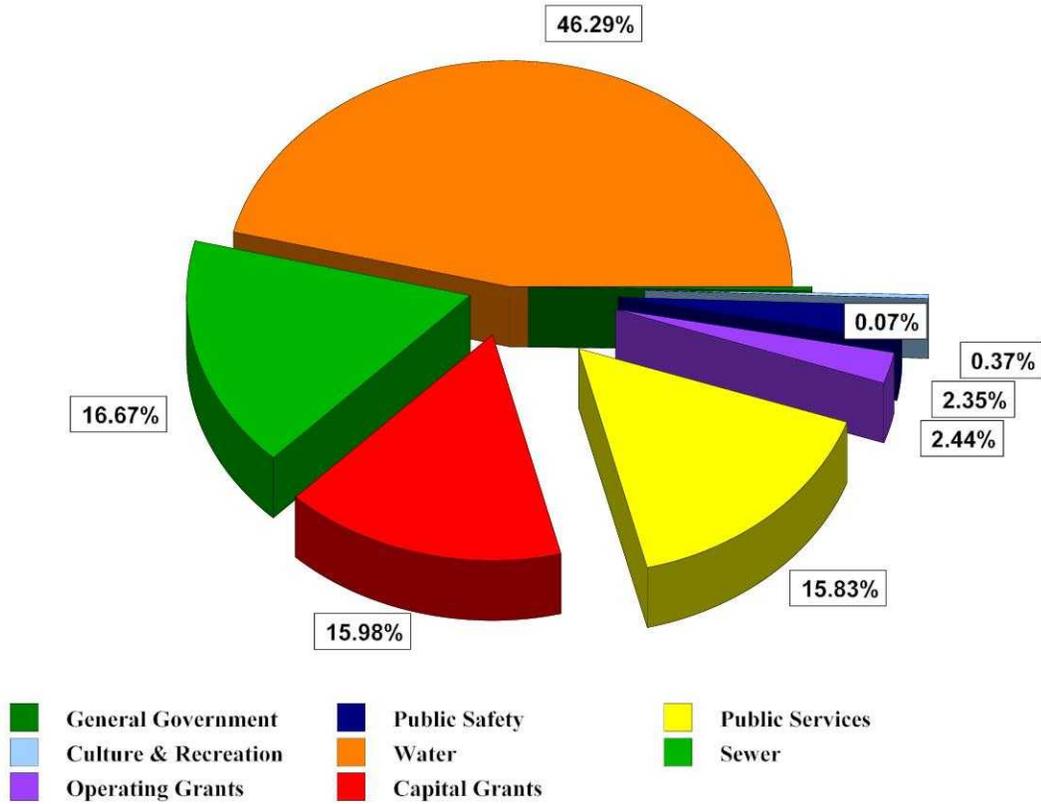
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2020 TOTAL	2019 TOTAL
<u>Assets</u>				
Current Assets	\$ 2,763,182.67	\$ 912,995.13	\$ 3,676,177.80	\$ 4,374,093.12
Non-Current Assets	1,530,430.03	699,313.40	2,229,743.43	731,664.90
Capital Assets	9,086,296.77	10,940,960.17	20,027,256.94	19,629,448.13
Total Assets	<u>\$ 13,379,909.47</u>	<u>\$ 12,553,268.70</u>	<u>\$ 25,933,178.17</u>	<u>\$ 24,735,206.15</u>
<u>Deferred Outflows of Resources</u>	<u>\$ 107,855.00</u>	<u>\$ 98,751.00</u>	<u>\$ 206,606.00</u>	<u>\$ 500,909.00</u>
<u>Liabilities</u>				
Current Liabilities	\$ 996,482.88	\$ 335,880.77	\$ 1,332,363.65	\$ 879,147.55
Non-current Liabilities	4,528,786.67	3,235,374.55	7,764,161.22	8,097,052.04
Total Liabilities	<u>\$ 5,525,269.55</u>	<u>\$ 3,571,255.32</u>	<u>\$ 9,096,524.87</u>	<u>\$ 8,976,199.59</u>
<u>Deferred Inflows of Resources</u>	<u>\$ 151,388.00</u>	<u>\$ 53,985.00</u>	<u>\$ 205,373.00</u>	<u>\$ 74,486.00</u>
<u>Net Position</u>				
Net Investment in Capital Assets	\$ 6,477,755.83	\$ 8,579,944.00	\$ 15,057,699.83	\$ 14,532,811.21
Restricted	480,000.80	490,049.72	970,050.52	522,291.07
Unrestricted	853,350.29	(43,214.34)	810,135.95	1,130,327.28
Total Net Position	<u>\$ 7,811,106.92</u>	<u>\$ 9,026,779.38</u>	<u>\$ 16,837,886.30</u>	<u>\$ 16,185,429.56</u>

The Town's governmental activities increased/decreased the net position by \$915,608.04. The total change in business-type activities decreased the Town's net position by \$263,151.30. Below is a summary of the Statement of Activities.

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2020 TOTAL	2019 TOTAL
<u>Revenues</u>				
Program Revenues	\$ 593,714.39	\$ 2,007,900.54	\$ 2,601,614.93	\$ 2,441,722.50
General Revenues	3,924,612.67	(6,576.52)	3,918,036.15	3,467,180.15
Grants and Contributions	570,561.78	17,000.00	587,561.78	418,896.45
Total Revenues	<u>\$ 5,088,888.84</u>	<u>\$ 2,018,324.02</u>	<u>\$ 7,107,212.86</u>	<u>\$ 6,327,799.10</u>
<u>Expenses</u>				
General and Administrative	\$ 524,884.08	\$.00	\$ 524,884.08	\$ 904,183.41
Public Safety	1,949,461.09	.00	1,949,461.09	1,371,820.50
Public Services	1,266,353.62	.00	1,266,353.62	1,110,750.68
Culture and Recreation	326,251.53	.00	326,251.53	325,232.36
Prison Labor and Expenditures	1,671.51	.00	1,671.51	1,583.69
Capital Projects	.00	.00	.00	2,161,981.22
Water & Sewer	.00	2,281,475.32	2,281,475.32	443,066.07
Interest on Long-Term Debt	104,658.97	.00	104,658.97	75,867.40
Total Expenses	<u>\$ 4,173,280.80</u>	<u>\$ 2,281,475.32</u>	<u>\$ 6,454,756.12</u>	<u>\$ 6,394,485.33</u>
Increase(Decreases) in Net Position	\$ 915,608.04	\$ (263,151.30)	\$ 652,456.74	\$ (66,686.23)
<u>Net Position – July 1, 2019</u>	<u>6,895,498.88</u>	<u>9,289,930.68</u>	<u>16,185,429.56</u>	<u>16,252,115.79</u>
<u>Net Position – June 30, 2020</u>	<u>\$ 7,811,106.92</u>	<u>\$ 9,026,779.38</u>	<u>\$ 16,837,886.30</u>	<u>\$ 16,185,429.56</u>

**TOWN OF FARMERVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

PROGRAM REVENUES

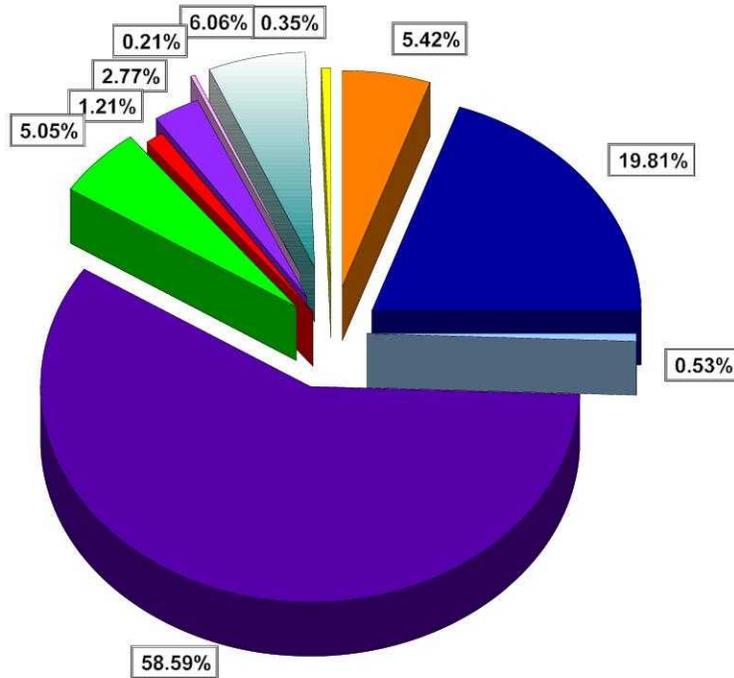


Program Revenues are Broken Down By:

General Government	\$ 2,187.00
Public Safety	74,971.90
Public Services	504,853.49
Culture and Recreation	11,702.00
Water	1,476,287.78
Sewer	531,612.76
Operating Grants	77,883.00
Capital Grants	509,678.78
Total Program Revenues	<u>\$ 3,189,176.71</u>

**TOWN OF FARMERVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

GENERAL REVENUES



- | | |
|--|---|
| ■ Property Taxes | ■ Franchise Taxes |
| ■ Alcoholic Beverage Tax | ■ Occupational Licenses |
| ■ Other Licenses & Taxes | ■ Video Bingo |
| ■ Investment Earnings | ■ Miscellaneous |
| ■ Sales Taxes | ■ 2% Insurance |

General Revenues Consist of the Following:

Property Taxes	\$ 775,997.29
Sales Taxes	2,295,619.85
Franchise Taxes	212,405.69
Alcoholic Beverage Tax	13,742.03
Occupational Licenses	237,326.87
Other Licenses & Taxes	8,314.71
Video Bingo	108,625.86
2% Insurance	20,785.11
Beer Tax	.00
Investment Earnings	47,237.48
Miscellaneous	197,981.26
Total General Revenues	<u>\$ 3,918,036.15</u>

**TOWN OF FARMERVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Financial Analysis of the Government's Funds

The Town of Farmerville's governmental funds reported a combined ending fund balances of \$ 7,811,106.92, which is an increase of \$915,608.04, of which \$480,000.80, is reserved for debt service and capital projects.

The Town's proprietary funds shows a negative ending unrestricted net position of (\$43,214.34). The change in net position decreased by (\$263,151.20).

General Fund Budgetary Highlights

The major differences between the original budget and the final budget of the General Fund are:

1. An increase of \$15,000 in Video Bingo income in General Fund.
2. An increase of \$9,500 in interest income.
3. An increase of \$18,000 in Occupation License Fees.
4. An decrease of \$10,000 in Franchise Fees.
5. An decrease of \$7,500 in travel and training expenses.
6. An increase of \$22,000 in Sanitation Department for purchase of new pick-up truck.
7. An increase of \$ 65,000 in truck and equipment repairs for Sanitation Department.

The final budget and the actual results difference shows a positive position. The difference in budget revenue is less than 2.1%.

Capital Assets and Debt Administration

The total investment in net capital assets as of June 30, 2020 is \$15,057,699.83.

New Major Capital Asset Purchases in fiscal 2020:

1. General Fund purchased an old bank building for \$200,000 to be used as the new Town Hall so that we will have a drive thru window.
2. Police Department purchased a new Canine Patrol Unit for the Police Department for \$33,500.

At the end of the current fiscal year, the Town had a total outstanding bonded debt and capital leases of \$4,945,525.86.

Current Financial Factors

In the first 4 months of fiscal 2021; sales tax collections are 13.6% over amount collected in the time last year.

The budget for FY 2021 is \$6,757,560 in gross revenue with expenses of \$6,410,210. There is \$40,000 budgeted for a new police vehicle in the Police Department and \$20,000 budgeted for improvements to downtown parking lots. There is also \$100,000 in Street Budget to cover our cost with the LTAP sidewalk grant. We included \$50,000 for an outside Basketball Practice Court at the Willie Davis Recreation Center and \$30,000 in Recreation Department to make repairs and renovations to the Willie Davis Recreation Center.

The water revenue is down 8.5% and sewer revenues are down 5.5% in the first 4 months of FY 2021 Budget year compared to the same period in FY2020.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Gay Nell Pepper, Town Clerk, P. O. Box 427, Farmerville, Louisiana 71241.

BASIC FINANCIAL STATEMENTS

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2020

EXHIBIT A

<u>ASSETS</u>	<u>PRIMARY GOVERNMENT</u>		
	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$ 2,216,657.84	\$ 740,903.13	\$ 2,957,560.97
Receivables Net	222,542.12	268,832.74	491,374.86
Receivables - Other	71,057.97	.00	71,057.97
Prepaid Expenses	117,067.00	39,117.00	156,184.00
Due from Other Funds	135,857.74	(135,857.74)	.00
Restricted Cash and Cash Equivalents	1,231,357.25	699,313.40	1,930,670.65
Restricted Assets Grant Receivable	299,072.78	.00	299,072.78
Capital Assets, Net			
Land	\$ 349,335.91	\$ 25,752.00	\$ 375,087.91
Buildings	2,359,864.03	.00	2,359,864.03
Improvements Other than Buildings	1,217,053.07	90,505.85	1,307,558.92
Infrastructure	6,158,279.99	18,652,175.52	24,810,455.51
Furniture & Equipment	6,087,138.33	1,103,447.88	7,190,586.21
Less: Accumulated Depreciation	<u>(7,085,374.56)</u>	<u>(8,930,921.08)</u>	<u>(16,016,295.64)</u>
Capital Assets, Net of Depreciation	<u>\$ 9,086,296.77</u>	<u>\$ 10,940,960.17</u>	<u>\$ 20,027,256.94</u>
 Total Assets	 <u>\$ 13,379,909.47</u>	 <u>\$ 12,553,268.70</u>	 <u>\$ 25,933,178.17</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Total Deferred Outflows of Resources	<u>\$ 107,855.00</u>	<u>\$ 98,751.00</u>	<u>\$ 206,606.00</u>
 <u>LIABILITIES</u>			
Accounts Payable	\$ 527,705.61	\$ 54,926.51	\$ 582,632.12
Accrued Liabilities	133,572.00	38,164.64	171,736.64
Restricted Liabilities			
Accrued Interest Payable	23,000.00	1,031.25	24,031.25
Customer Deposits	.00	172,169.00	172,169.00
Current Portion of Long-Term Debt	312,205.27	69,589.37	381,794.64
Non-Current Portion of Long-Term Obligations	2,273,335.67	2,290,395.55	4,563,731.22
Post Retirement Benefits	303,614.00	196,934.00	500,548.00
Net Pension Liability	<u>1,951,837.00</u>	<u>748,045.00</u>	<u>2,699,882.00</u>
Total Liabilities	<u>\$ 5,525,269.55</u>	<u>\$ 3,571,255.32</u>	<u>\$ 9,096,524.87</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>			
Total Deferred Inflows of Resources	<u>\$ 151,388.00</u>	<u>\$ 53,985.00</u>	<u>\$ 205,373.00</u>
 <u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 6,477,755.83	\$ 8,579,944.00	\$ 15,057,699.83
Restricted for Capital Projects			
Debt Service	480,000.80	490,049.72	970,050.52
Unrestricted	<u>853,350.29</u>	<u>(43,214.34)</u>	<u>810,135.95</u>
Total Net Position	<u>\$ 7,811,106.92</u>	<u>\$ 9,026,779.38</u>	<u>\$ 16,837,886.30</u>

The notes are an integral part of these statements. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT B

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	PROGRAM REVENUES				NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION PRIMARY GOVERNMENT		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>Governmental Activities</u>							
General Government							
General Fund	\$ (362,780.78)	\$ 2,187.00	\$.00	\$.00	\$ (360,593.78)	\$.00	\$ (360,593.78)
Sales Tax	(162,103.30)	.00	.00	.00	(162,103.30)	.00	(162,103.30)
Public Safety							
Police	(1,136,501.34)	74,971.90	59,383.00	.00	(1,002,146.44)	.00	(1,002,146.44)
Fire	(812,959.75)	.00	18,500.00	.00	(794,459.75)	.00	(794,459.75)
Public Services							
Garbage	(586,451.33)	491,183.49	.00	.00	(95,267.84)	.00	(95,267.84)
Streets	(679,902.29)	13,670.00	.00	492,678.78	(173,553.51)	.00	(173,553.51)
Culture and Recreation	(326,251.53)	11,702.00	.00	.00	(314,549.53)	.00	(314,549.53)
Prison Labor & Expenditures	(1,671.51)	.00	.00	.00	(1,671.51)	.00	(1,671.51)
Interest on Long-Term Debt	(104,658.97)	.00	.00	.00	(104,658.97)	.00	(104,658.97)
Total Governmental Activities	<u>\$ (4,173,280.80)</u>	<u>\$ 593,714.39</u>	<u>\$ 77,883.00</u>	<u>\$ 492,678.78</u>	<u>\$ (3,009,004.63)</u>	<u>\$.00</u>	<u>\$ (3,009,004.63)</u>
<u>Business-Type Activities</u>							
Water Department	\$ (1,835,003.22)	\$ 1,476,287.78	\$.00	\$ 17,000.00	\$.00	\$ (341,715.44)	\$ (341,715.44)
Sewer Department	(446,472.10)	531,612.76	.00	.00	.00	85,140.66	85,140.66
Total Business-Type Activities	<u>\$ (2,281,475.32)</u>	<u>\$ 2,007,900.54</u>	<u>\$.00</u>	<u>\$ 17,000.00</u>	<u>\$.00</u>	<u>\$ (256,574.78)</u>	<u>\$ (256,574.78)</u>
Total Primary Government	<u>\$ (6,454,756.12)</u>	<u>\$ 2,601,614.93</u>	<u>\$ 77,883.00</u>	<u>\$ 509,678.78</u>	<u>\$ (3,009,004.63)</u>	<u>\$ (256,574.78)</u>	<u>\$ (3,265,579.41)</u>
<u>General Revenues</u>							
Taxes:							
Property Taxes Levied for							
General Purposes							
					\$ 248,130.15	\$.00	\$ 248,130.15
					518,938.14	.00	518,938.14
					8,929.00	.00	8,929.00
Sales Taxes							
					1,721,450.82	.00	1,721,450.82
					574,169.03	.00	574,169.03
					212,405.69	.00	212,405.69
					13,742.03	.00	13,742.03
					237,326.87	.00	237,326.87
					8,314.71	.00	8,314.71
					108,625.86	.00	108,625.86
					20,785.11	.00	20,785.11
					.00	.00	.00
					37,414.00	9,823.48	47,237.48
					30,000.00	(30,000.00)	.00
					184,381.26	.00	184,381.26
					.00	13,600.00	13,600.00
					<u>\$ 3,924,612.67</u>	<u>\$ (6,576.52)</u>	<u>\$ 3,918,036.15</u>
Change in Net Position							
					\$ 915,608.04	\$ (263,151.30)	\$ 652,456.74
Net Position - Beginning							
					<u>6,895,498.88</u>	<u>9,289,930.68</u>	<u>16,185,429.56</u>
Net Position - Ending							
					<u>\$ 7,811,106.92</u>	<u>\$ 9,026,779.38</u>	<u>\$ 16,837,886.30</u>

The notes are an integral part of these statements. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
BALANCE SHEETS
GOVERNMENTAL FUNDS
JUNE 30, 2020

EXHIBIT C

	<u>MAJOR FUNDS</u>		<u>NON-MAJOR</u>	<u>TOTAL</u>
<u>ASSETS</u>	<u>GENERAL FUND</u>	<u>SALES TAX</u>	<u>FUNDS</u>	<u>GOVERNMENT</u>
				<u>FUNDS</u>
Cash and Cash Equivalents	\$ 855,966.67	\$ 823,844.51	\$ 536,846.66	\$ 2,216,657.84
Accounts Receivables - Others	71,057.97	.00	.00	71,057.97
Sales Tax Receivable	53,926.78	114,688.56	53,926.78	222,542.12
Prepaid Items	75,968.00	29,167.00	11,932.00	117,067.00
Due from Other Funds	108,451.94	(12,256.20)	39,662.00	135,857.74
Restricted: Grant Receivable	.00	299,072.78	.00	299,072.78
Restricted: Cash and Cash Equivalents	1,050,429.23	82,500.65	98,427.37	1,231,357.25
Total Assets	<u>\$ 2,215,800.59</u>	<u>\$ 1,337,017.30</u>	<u>\$ 740,794.81</u>	<u>\$ 4,293,612.70</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 130,688.04	\$ 390,251.69	\$ 5,041.39	\$ 525,981.12
Accrued Liabilities	109,852.00	18,503.00	5,217.00	133,572.00
Other Liabilities	1,724.49	.00	.00	1,724.49
Total Liabilities	<u>\$ 242,264.53</u>	<u>\$ 408,754.69</u>	<u>\$ 10,258.39</u>	<u>\$ 661,277.61</u>
 <u>FUND BALANCE</u>				
Nonspendable	\$ 75,968.00	\$ 29,167.00	\$ 11,932.00	\$ 117,067.00
Restricted .	.00	381,573.43	98,427.37	480,000.80
Unassigned	1,897,568.06	517,522.18	620,177.05	3,035,267.29
Total Fund Balance	<u>\$ 1,973,536.06</u>	<u>\$ 928,262.61</u>	<u>\$ 730,536.42</u>	<u>\$ 3,632,335.09</u>
 <u>TOTAL LIABILITIES AND FUND BALANCE</u>	 <u>\$ 2,215,800.59</u>	 <u>\$ 1,337,017.30</u>	 <u>\$ 740,794.81</u>	 <u>\$ 4,293,612.70</u>

The notes are an integral part of the financial statements. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT C -1

FUND BALANCES - Total Governmental Funds \$ 3,632,335.09

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital Assets used in Governmental Activities are not Financial Resources and therefore are not reported in the Governmental Funds.

Governmental Capital Assets	\$ 16,171,671.33
Less: Accumulated Depreciation	<u>(7,085,374.56)</u>
Net	<u>\$ 9,086,296.77</u>

Long-term Liabilities, including Bonds Payable, are not due and payable in the current period and therefore are not reported in the Governmental Funds.

Accrued Interest Payable	\$ (23,000.00)
Bancorpsouth Lease	(304,023.12)
USDA Bonds Payable	(124,517.82)
Sales Bond	(1,395,000.00)
Revenue Bonds	(310,000.00)
2016 Bonds Payable	(452,000.00)
Net OPEB Obligation	(303,614.00)
Net Pension Liability	<u>(1,995,370.00)</u>
Net	<u>\$ (4,907,524.94)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES (EXHIBIT A) \$ 7,811,106.92

The notes are an integral part of this statement. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT D

<u>REVENUES</u>	<u>MAJOR FUNDS</u>		<u>NON-MAJOR FUNDS</u>	<u>TOTAL GOVERNMENT FUNDS</u>
	<u>GENERAL FUND</u>	<u>SALES TAX</u>		
Taxes				
Property	\$ 775,997.29	\$.00	\$.00	\$ 775,997.29
Sales	574,169.03	1,147,281.79	574,169.03	2,295,619.85
Franchise	212,405.69	.00	.00	212,405.69
Licenses and Permits	368,009.47	.00	.00	368,009.47
Intergovernment	20,785.11	13,670.00	.00	34,455.11
Charges for Services	509,109.85	.00	11,702.00	520,811.85
Fines and Forfeits	57,595.54	.00	.00	57,595.54
Miscellaneous Revenues	144,832.69	4,212.50	8,292.07	157,337.26
Interest Income	23,713.40	9,311.94	4,388.66	37,414.00
TIF Proceeds	17,644.00	9,400.00	.00	27,044.00
Fees - Farmer's Market	1,637.00	.00	.00	1,637.00
State of Louisiana Supplemental Pay	74,783.00	.00	.00	74,783.00
Claiborne Electric	.00	.00	1,500.00	1,500.00
Grants	1,600.00	492,678.78	.00	494,278.78
Total Revenues	<u>\$ 2,782,282.07</u>	<u>\$ 1,676,555.01</u>	<u>\$ 600,051.76</u>	<u>\$ 5,058,888.84</u>
<u>EXPENDITURES</u>				
General and Administrative	\$ 527,845.35	\$ 874,311.85	\$ 297,061.90	\$ 1,699,219.10
Public Safety	924,136.05	.00	.00	924,136.05
Fire Department	911,601.81	.00	.00	911,601.81
Sanitation Department	643,190.65	.00	.00	643,190.65
Streets	.00	551,741.63	.00	551,741.63
Prison Labor and Expenditures	.00	1,671.51	.00	1,671.51
Asset Purchases	.00	.00	225,325.00	225,325.00
Total Expenditures	<u>\$ 3,006,773.86</u>	<u>\$ 1,427,724.99</u>	<u>\$ 522,386.90</u>	<u>\$ 4,956,885.75</u>
<u>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</u>	<u>\$ (224,491.79)</u>	<u>\$ 248,830.02</u>	<u>\$ 77,664.86</u>	<u>\$ 102,003.09</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	\$ 75,000.00	\$.00	\$ 20,945.81	\$ 95,945.81
Operating Transfers - Out	24,054.19	(80,000.00)	(10,000.00)	(65,945.81)
Total Other Financing Sources (Uses)	<u>\$ 99,054.19</u>	<u>\$ (80,000.00)</u>	<u>\$ 10,945.81</u>	<u>\$ 30,000.00</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>\$ (125,437.60)</u>	<u>\$ 168,830.02</u>	<u>\$ 88,610.67</u>	<u>\$ 132,003.09</u>
<u>FUND BALANCE, Beginning</u>	<u>2,098,973.66</u>	<u>759,432.59</u>	<u>641,925.75</u>	<u>3,500,332.00</u>
<u>FUND BALANCE, Ending</u>	<u>\$ 1,973,536.06</u>	<u>\$ 928,262.61</u>	<u>\$ 730,536.42</u>	<u>\$ 3,632,335.09</u>

The notes are an integral part of this statement. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, 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 JUNE 30, 2020

EXHIBIT D-1

	<u>MAJOR FUNDS</u>		<u>TOTAL MAJOR</u>	<u>NON-MAJOR</u>	<u>TOTAL GOVERNMENT FUNDS</u>
	<u>GENERAL FUND</u>	<u>SALES TAX</u>			
<u>NET CHANGE IN FUND BALANCE -</u> Total Governmental Funds (EXHIBIT D)	\$ (125,437.60)	\$ 168,830.02	\$ 43,392.42	\$ 88,610.67	\$ 132,003.09

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

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.

Net Cost of Assets Sold	\$ (2,500.00)	\$.00	\$ (2,500.00)	\$.00	\$ (2,500.00)
Capital Outlay - Net	575,652.85	659,687.86	1,235,340.71	5,199.00	1,240,539.71
Depreciation Expense	<u>(282,779.92)</u>	<u>(214,041.97)</u>	<u>(496,821.89)</u>	<u>(52,990.17)</u>	<u>(549,812.06)</u>
	<u>\$ 290,372.93</u>	<u>\$ 445,645.89</u>	<u>\$ 736,018.82</u>	<u>\$ (47,791.17)</u>	<u>\$ 688,227.65</u>

Because governmental funds do not record fixed assets and accumulated depreciation, assets disposed of with no selling price do not affect the statements of revenues expenditures, and changes in fund balances. Fixed assets transfers from one department to another in governmental funds are also not recorded. However, in the statement of activities, a gain or loss is shown on assets that are not fully depreciated as well as transfers.

Net Fixed Asset Transfers	\$.00	\$.00	\$.00	\$.00	\$.00
Disposals of Fixed Assets	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
	<u>\$.00</u>				

The issuance of long-term debt provides current financial resources to governmental funds, while, the repayment of the principal of a 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 first issued, whereas these amounts are deferred and amortized in the statement of activities. The detail of these differences in the treatment of long-term debt and related items is as follows:

2012 Bond Payments	\$.00	\$.00	\$.00	\$ 170,000.00	\$ 170,000.00
2016 Bond Payments	.00	32,000.00	32,000.00	.00	32,000.00
USDA Loan Payments	.00	18,518.73	18,518.73	.00	18,518.73
Revenue Bond Payments	.00	25,000.00	25,000.00	.00	25,000.00
Ruston Lease Payments	.00	24,500.00	24,500.00	.00	24,500.00
Bancorp South - Lease Payments	50,838.17	.00	50,838.17	.00	50,838.17
	<u>\$ 50,838.17</u>	<u>\$ 100,018.73</u>	<u>\$ 150,856.90</u>	<u>\$ 170,000.00</u>	<u>\$ 320,856.90</u>

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.

Increase/Decrease in Accrued Interest Expense	\$.00	\$ 293.00	\$ 293.00	\$ (4,625.00)	\$ (4,332.00)
Net Pension Liability - Current Year	101,835.00	.00	101,835.00	.00	101,835.00
Deferred Inflows/Outflows	<u>(322,982.00)</u>	<u>.00</u>	<u>(322,982.60)</u>	<u>.00</u>	<u>(322,982.60)</u>
	<u>\$ (221,147.60)</u>	<u>\$ 293.00</u>	<u>\$ (220,854.60)</u>	<u>\$ (4,625.00)</u>	<u>\$ (225,479.60)</u>
<u>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (EXHIBIT B)</u>	<u>\$ (5,373.50)</u>	<u>\$ 714,787.64</u>	<u>\$ 709,413.54</u>	<u>\$ 206,194.50</u>	<u>\$ 915,608.04</u>

The notes are an integral part of these statements. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

EXHIBIT E

<u>ASSETS</u>	<u>BUSINESS- TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>MAJOR FUNDS</u>		
	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
<u>Current Assets</u>			
Cash and Cash Equivalents	\$ 606,623.96	\$ 134,279.17	\$ 740,903.13
Accounts Receivable, Net	268,632.74	200.00	268,832.74
Prepaid Insurance	28,476.00	10,641.00	39,117.00
Total Current Assets	<u>\$ 903,732.70</u>	<u>\$ 145,120.17</u>	<u>\$ 1,048,852.87</u>
<u>Non-Current Assets from Restricted Assets</u>			
Cash and Cash Equivalents			
Water Fund - Meter Deposits	\$ 209,153.39	\$.00	\$ 209,153.39
Depreciation and Contingency Fund	123,945.49	170,772.99	294,718.48
Construction Checking	110.29	52.95	163.24
USDA Accounts	195,278.29	.00	195,278.29
Total Restricted Assets	<u>\$ 528,487.46</u>	<u>\$ 170,825.94</u>	<u>\$ 699,313.40</u>
<u>Capital Assets</u>			
Property, Plant and Equipment, at Cost	\$ 11,184,638.32	\$ 8,661,490.93	\$ 19,846,129.25
Less: Accumulated Depreciation	(4,764,198.21)	(4,166,722.87)	(8,930,921.08)
Land	25,752.00	.00	25,752.00
Total Capital Assets	<u>\$ 6,446,192.11</u>	<u>\$ 4,494,768.06</u>	<u>\$ 10,940,960.17</u>
<u>TOTAL ASSETS</u>	<u>\$ 7,878,412.27</u>	<u>\$ 4,810,714.17</u>	<u>\$ 12,689,126.44</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Resources related to Pensions	<u>\$ 80,648.00</u>	<u>\$ 18,103.00</u>	<u>\$ 98,751.00</u>
<u>LIABILITIES</u>			
<u>Current Liabilities (Payable from Current Assets)</u>			
Accounts Payable	\$ 45,592.16	\$ 9,334.35	\$ 54,926.51
Estimated and Retainage Payable			
Accrued Liabilities	27,019.64	11,145.00	38,164.64
Total Current Liabilities (Payable from Current Assets)	<u>\$ 72,611.80</u>	<u>\$ 20,479.35</u>	<u>\$ 93,091.15</u>
<u>Current Liabilities (Payable from Restricted Assets)</u>			
Customers' Deposits	\$ 172,169.00	\$.00	\$ 172,169.00
Bonds Payable	49,589.37	20,000.00	69,589.37
Accrued Interest Payable	.00	1,031.25	1,031.25
Total Current Liabilities (Payable from Restricted Assets)	<u>\$ 221,758.37</u>	<u>\$ 21,031.25</u>	<u>\$ 242,789.62</u>
<u>Long-Term Liabilities</u>			
Due to/From Sewer Funds	\$ 95,519.20	\$ (95,519.20)	\$.00
Due to/From Other Funds	135,857.74	.00	135,857.74
Bonds Payable	2,060,395.55	230,000.00	2,290,395.55
Post Retirement Benefits	134,392.00	62,542.00	196,934.00
Net Pension Liability	610,850.00	137,195.00	748,045.00
Total Long-Term Liabilities	<u>\$ 3,037,014.49</u>	<u>\$ 334,217.80</u>	<u>\$ 3,371,232.29</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 3,331,384.66</u>	<u>\$ 375,728.40</u>	<u>\$ 3,707,113.06</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Resources related to Pensions	<u>\$ 43,538.00</u>	<u>\$ 10,447.00</u>	<u>\$ 53,985.00</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

EXHIBIT E
CONTINUED

	<u>BUSINESS -TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>MAJOR FUNDS</u>		
	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
<u>NET POSITION</u>			
Invested in Capital Assets Net OF Related Debt	\$ 4,336,207.19	\$ 4,243,736.81	\$ 8,579,944.00
Restricted for Debt Service	319,223.78	170,825.94	490,049.72
Unrestricted	(71,293.36)	28,079.02	(43,214.34)
Total Net Position	<u>\$ 4,584,137.61</u>	<u>\$ 4,442,641.77</u>	<u>\$ 9,026,779.38</u>

The notes are an integral part of these statements. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT F

	<u>BUSINESS -TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>MAJOR FUNDS</u>		
	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
<u>Operating Revenues</u>			
Charges for Services	\$ 1,474,066.17	\$ 530,452.20	\$ 2,004,518.37
Miscellaneous	2,221.61	1,160.56	3,382.17
Total Operating Revenues	<u>\$ 1,476,287.78</u>	<u>\$ 531,612.76</u>	<u>\$ 2,007,900.54</u>
<u>Operating Expenses</u>			
<u>Administrative Expenses</u>			
Salaries and Employee Benefits	\$ 604,691.02	\$ 70,919.47	\$ 675,610.49
Administrative Fee	30,000.00	.00	30,000.00
Advertising	368.08	.00	368.08
Auditing	13,290.00	2,145.00	15,435.00
Bank Charges	661.35	.00	661.35
Computer Expense	22,022.31	.00	22,022.31
Dues	855.00	.00	855.00
Insurance - Liability	40,853.49	10,660.92	51,514.41
Miscellaneous	1,952.03	.00	1,952.03
Office Supplies	4,260.67	.00	4,260.67
Postage	10,230.26	.00	10,230.26
Equipment and Truck Expense	26,226.69	7,807.30	34,033.99
Telephone Expense	6,268.27	2,673.79	8,942.06
Travel and Training	3,380.60	575.00	3,955.60
Water Bill Cost	14,073.43	.00	14,073.43
Total Administration	<u>\$ 779,133.20</u>	<u>\$ 94,781.48</u>	<u>\$ 873,914.68</u>
<u>Materials and Supplies</u>			
Chlorine	\$ 35,178.75	\$ 1,155.00	\$ 36,333.75
Scada Network	7,810.00	.00	7,810.00
Ozone #3 Expenses	14,284.31	.00	14,284.31
Chemicals	1,809.52	.00	1,809.52
Chemicals Test	.00	11,505.00	11,505.00
Grant Expenses	1,400.00	.00	1,400.00
Supplies	80,071.37	4,644.46	84,715.83
Pump Repairs	.00	29,234.52	29,234.52
Equipment Maintenance	3,048.21	.00	3,048.21
Safe Drinking Program	25,185.40	.00	25,185.40
Major Repairs and Additions	91,468.65	9,118.60	100,587.25
Major Well and Tank Repairs	11,477.73	.00	11,477.73
Poultry Pride Water Well Repairs	158,778.57	.00	158,778.57
Meter Replacement	21,488.11	.00	21,488.11
Treatment Plant Repairs	.00	15,706.26	15,706.26
Water Supply Initiative Program	27,049.75	.00	27,049.75
Utilities	188,413.77	60,437.42	248,851.19
Total Materials and Supplies	<u>\$ 667,464.14</u>	<u>\$ 131,801.26</u>	<u>\$ 799,265.40</u>
<u>Depreciation and Amortization</u>	<u>\$ 378,802.29</u>	<u>\$ 206,606.86</u>	<u>\$ 585,409.15</u>
Total Operating Expenses	\$ 1,825,399.63	\$ 433,189.60	\$ 2,258,589.23
Net Operating Income (Loss)	<u>\$ (349,111.85)</u>	<u>\$ 98,423.16</u>	<u>\$ (250,688.69)</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT F
CONTINUED

	<u>BUSINESS -TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>MAJOR FUNDS</u>		
	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
<u>Non-Operating Revenues (Expenses)</u>			
Interest Income	\$ 8,682.36	\$ 1,141.12	\$ 9,823.48
Interest Expense	(39,603.59)	(13,282.50)	(52,886.09)
Grants / LCDBG	17,000.00	.00	17,000.00
Sales of Assets	10,150.00	3,450.00	13,600.00
Total Non-Operating Revenues (Expenses)	<u>\$ (3,771.23)</u>	<u>\$ (8,691.38)</u>	<u>\$ (12,462.61)</u>
<u>Changes in Net Position</u>	<u>\$ (352,883.08)</u>	<u>\$ 89,731.78</u>	<u>\$ (263,151.30)</u>
<u>Net Position - Beginning of the Year</u>	<u>4,937,020.69</u>	<u>4,352,909.99</u>	<u>9,289,930.68</u>
<u>Net Position - End of the Year</u>	<u>\$ 4,584,137.61</u>	<u>\$ 4,442,641.77</u>	<u>\$ 9,026,779.38</u>

The notes are an integral part of this statement. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT G

	<u>BUSINESS -TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	MAJOR FUNDS		
	WATER	SEWER	TOTAL
<u>Cash Flows from Operating Activities</u>			
Receipts from Customers	\$ 1,429,379.99	\$ 532,212.76	\$ 1,961,592.75
Payments to Suppliers	(663,580.55)	(130,492.67)	(794,073.22)
Payments to Employers and Employee Benefits	(604,691.02)	(70,919.47)	(675,610.49)
Other Receipts (Payments)	(169,659.77)	(21,585.50)	(191,245.27)
Net Cash Provided by Operating Activities	<u>\$ (8,551.35)</u>	<u>\$ 309,215.12</u>	<u>\$ 300,663.77</u>
<u>Cash Flows from Noncapital Financing Activities</u>			
Customer Deposit	\$ 88.93	\$.00	\$ 88.93
Due To/From Other Funds	10,176.04	.00	10,176.04
Due To/From Sewer/Water Dept.	2,693.20	(2,693.20)	.00
Net Cash Provided by Noncapital Financing Activities	<u>\$ 12,958.17</u>	<u>\$ (2,693.20)</u>	<u>\$ 10,264.97</u>
<u>Cash Flows from Capital and Related Financing Activities</u>			
Purchase of Capital Assets	\$ (83,662.66)	\$ (42,327.65)	\$ (125,990.31)
Post Retirement Benefits	117,041.00	(29,108.00)	87,933.00
Interest Expense	(40,170.52)	(13,365.00)	(53,535.52)
Sale of Assets	10,150.00	3,450.00	13,600.00
Payment on Long-Term Debt	(48,905.48)	(20,000.00)	(68,905.48)
Grants - LGAP	17,000.00	.00	17,000.00
Prior Year Adjustment	1,592.00	.00	1,592.00
Net Cash (Used) by Capital and Related Financing Activities	<u>\$ (26,955.66)</u>	<u>\$ (101,350.65)</u>	<u>\$ (128,306.31)</u>
<u>Cash Flows from Investing Activities</u>			
Interest Earned on Investments	\$ 8,682.36	\$ 1,141.12	\$ 9,823.48
Net Cash Provided (Used) by Investing Activities	<u>\$ 8,682.36</u>	<u>\$ 1,141.12</u>	<u>\$ 9,823.48</u>
<u>Net Increase (Decrease) in Cash and Cash Equivalents</u>	<u>\$ (13,866.48)</u>	<u>\$ 206,312.39</u>	<u>\$ 192,445.91</u>
<u>Cash and Cash Equivalents - July 1</u>	<u>\$ 1,148,977.90</u>	<u>\$ 98,792.72</u>	<u>\$ 1,247,770.62</u>
<u>Cash and Cash Equivalents - June 30</u>	<u>\$ 1,135,111.42</u>	<u>\$ 305,105.11</u>	<u>\$ 1,440,216.53</u>
<u>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</u>			
Cash and Cash Equivalents	\$ 606,623.96	\$ 134,279.17	\$ 740,903.13
Restricted Cash			
Water Fund - Meter Deposit	209,153.39	.00	209,153.39
Depreciation and Contingency Fund	123,945.49	170,772.99	294,718.48
USDA Accounts	195,278.29	.00	195,278.29
Construction Checking	110.29	52.95	163.24
Total Cash and Cash Equivalents	<u>\$ 1,135,111.42</u>	<u>\$ 305,105.11</u>	<u>\$ 1,440,216.53</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Flows from Operating Activities</u>			
Operating Income (Loss)	\$ (349,111.85)	\$ 98,423.16	\$ (250,688.69)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Operating Activities Depreciation	378,802.29	206,606.86	585,409.15

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT G
CONTINUED

	<u>BUSINESS -TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	MAJOR FUNDS		
	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
<u>Reconciliation of Operating Income</u>			
<u>(Loss) to Net Cash Flows from Operating Activities</u>			
Changes in Assets and Liabilities			
(Increase) Decrease in Accounts Receivable	\$ (46,907.99)	\$ 600.00	\$ (46,307.99)
(Increase) Decrease in Prepaid Insurance	2,319.00	(1,128.00)	1,191.00
Increase (Decrease) in Accounts Payable	3,883.59	1,308.59	5,192.18
Increase (Decrease) in Accrued Liabilities	2,463.61	3,404.51	5,868.12
<u>Net Cash Provided (Used) by Operating Accounts</u>	<u>\$ (8,551.35)</u>	<u>\$ 309,215.12</u>	<u>\$ 300,663.77</u>
 <u>Schedule of Noncash, No Capital Financing,</u>			
<u>Capital and Related Financing, and Investing Activities</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>

The notes are an integral part of this statement. See accompanying independent auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
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JUNE 30, 2020

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TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

INTRODUCTION

The Town of Farmerville, Louisiana (hereafter referred to as the Town) is governed by a "Special Legislative Charter" that was approved by the Louisiana State Legislature in 1842, which was amended in 1870, The Town must have an elected Mayor, five Aldermen/Alderwomen and a Marshal. See Schedule G for a detail of compensation.

The Town's major operations include water and sewer, public safety, fire protection, recreation and parks, and general administrative services.

The Town of Farmerville is located in Union Parish surrounded by Darbonne Lake recreation area. The Town's major industry is timber and poultry, which includes a poultry processing plant. The Town's population was 3,820 in 2017.

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Town of Farmerville, Louisiana conform to generally accepted accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:517 and to guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to industry audit guide, Audits of State and Local Government Units (Revised) The following is a summary of certain significant accounting policies.

GASB Statement No. 14 - The reporting entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the municipality 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 municipality may without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The municipality has oversight of other component units that are either blended into the municipalities basic financial statements or discretely presented in a separate column in the government-wide financial statements.

Blended Component Units - The Town of Farmerville did not have any blended component units.

Discretely Presented Component Units - The Town of Farmerville did not have any Discretely Presented Component Units.

Financial Reporting Entity - Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Town includes all funds which are controlled by or dependent on the Town which was determined on the basis of oversight responsibility, including accountability for fiscal and budget matters, designation of management or governing authority and authority to issue debt. Certain units of local government over which the Town exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected officials, and other municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Town. The Town has no component units.

Government-Wide Accounting - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. In accordance with Government Accounting Standards Board Statement No. 34, the Town has presented a Statement of Net Position and Statement of Activities for the Town as a whole. These statements include the primary government, if applicable, with the exception of fiduciary funds. Those funds are reported separately. Government-Wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Part of the effect of interfund 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.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Program Revenues include, charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 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.

Policies specific to government-wide financial statements are as follows:

Eliminating Internal Activity - Interfund receivables and payables are eliminated in the Statements of Net Position except for the net residual amounts due between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function are eliminated in the Statement of Activities. Allocated expenses are reported by the function to which they are allocated.

Application of FASB Statements and Interpretations - Reporting on governmental-type and business-type activities are based on FASB Statements and the Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Capitalized Assets - Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Amounts less than \$500 are not capitalized unless they are considered major by the mayor or council. Infrastructure assets such as roads and bridges are also capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Position. Depreciation of contributed assets of proprietary funds is charged against contributed capital as opposed to unrestricted assets.

Under the requirements of GASB Statement No. 34, the Town is considered a Phase 3 government as its total annual revenues are less than \$10 million. Such governments are not required to report major general infrastructure assets retroactively. The Town has opted not to retroactively report these type of capital assets.

Program Revenues - The Statement of Activities presents three categories of program revenues - (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the Town. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are restricted for specific use.

Indirect Expenses - Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the Town has chosen not to do so.

Operating Revenues - Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of the Town's operation of providing water and sewer services are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, are reported as non-operating revenues.

Restricted Net Assets - When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town has provided otherwise in its commitments or assignment actions.

Pensions

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to deductions from the fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Deferred Outflows/Inflows of Resources

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenses/expenditure) until applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

Fund Accounting - The Town uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. Funds of the Town are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds - Governmental funds account for all or most of the Town's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. Major Governmental Funds

General Fund - is the general operating fund of the Town and accounts for all financial resources, except those required to be accounted for in other funds. Starting, as of July 1, 2012, the police department and fire department were transferred to separate accounts. The police department and the fire department have funds restricted to police and fire department expenditures. A one half percent sales tax was passed for the police department.

Special Revenue Funds - Sales Tax - The Town of Farmerville Sales Tax Department - The citizens of the Town of Farmerville approved a 1% sales and use tax. Proceeds of the tax have been pledged and dedicated to the retirement of Sales Tax Bonds dated May 1, 1985, which has been retired. The excess funds can be used for streets and sanitation expenditures.

2. Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

a. On October 20, 2001 an additional ½ of 1% sales and use tax was approved. This tax was approved for construction of a recreation center and street improvements. Bonds were sold in the amount of \$2,900,000 for construction of the recreation center and improvements of the streets. The street construction was completed during 2002. The recreation center was completed at June 30, 2004. The 2002 bonds were paid off from a 2012 bond issue. The sales taxes approved in 2001 are to be used for retirement of the 2012 bonds, recreation center costs, and street improvements.

b. Farmerville Volunteer Fire Department, Inc. - The Town of Farmerville Volunteer Fire Department filed an amendment to the Articles of Incorporation on January 22, 2001. They also filed for tax exempt status from the Internal Revenue Service. They are a tax exempt organization under the code sections 509 (a) (1) and 170 (b) (A) (vi). Based on an opinion, at June 30, 2002, of the Louisiana Legislative Auditor's office, the Volunteer Fire Department, should be included in the Town's financial statements as a Special Revenue Fund. In prior years the Volunteer Fire Department had been included in the statements as a component unit of the Town of Farmerville. The volunteer fire department expenditures for operating the fire department is paid by the Town of Farmerville's General Fund. The transactions in the Volunteer Fire Department, Inc. is for miscellaneous fund raisers and miscellaneous expense for the volunteer fireman. The Town transfers the State of Louisiana 2% rebate to the volunteer fire department, and is accumulated for purchase of equipment. Contributors to the Volunteer Fire Departments elect all the members of the governing board. The governing board is solely responsible for the Volunteer Fire Department Operations. The accounting records are maintained by an employee of the Town of Farmerville.

c. Farmerville Area Fire Protection District of Union Parish - The Union Parish Police Jury created the Farmerville Area Fire Protection District of Union Parish on November 2, 1999. The fire district was created to pass a property tax to provide fire protection for an area of the parish without fire protection. The Union Parish Police Jury entered into an intergovernmental agreement with the Town of Farmerville to provide fire protection for the newly created district. The

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Fire District will retain 5% of the advalorem taxes in their checking account. All other proceeds will be transferred to the Town of Farmerville, to be used by the Town's fire department. Based on an opinion of the Louisiana Legislative Auditor's Office, the Fire Protection District should be included in the Town's financial statement as a Special Revenue Fund.

3. Debt Service Funds - These funds are used to account for the accumulation of resources for, and the payments of, general long-term debt principal, interest and related costs.
4. Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Funds - Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary funds's principal ongoing operations. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Proprietary funds include:

1. Enterprise Funds - Account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Town's enterprise fund includes services for water and sewer.
 - a. The Town of Farmerville Water Department - The Town of Farmerville rates for user charges are approved by the Town Council and the legal liability for the general obligations portion of the water authority's debt remain with the Town of Farmerville.
 - b. The Town of Farmerville Sewer Department - The sewer charges are approved by the Town Council, but are regulated by the EPA.

Basis of Accounting/Measurement Focus - The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation.

The government-wide statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental-type and business-type activities are included in the Statement of Net Position. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated in each fund.

This same measurement focus and basis of accounting is used by proprietary funds in the fund statements. However, all governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated.

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measure focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end or due under a cost reimbursement arrangement. In addition, expenses are generally recorded when a liability has incurred; however, debt service, compensated absences, claims and judgments are recorded as expenses, when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as other financing sources and repayment of long-term debt is reported as an expenditure.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Budgets and Budgetary Accounting - The Town adopts an annual budget for the General Fund, Special Revenue Funds, and Enterprise Fund. It is prepared in accordance with the basis of accounting utilized by that fund. Any revisions that alter the total expenditures must be approved by the council. Budgeted amounts shown are as originally adopted or as amended by the Board. Budget amendments are passed in June each year. The police and fire departments are part of the general fund, separate budgets are prepared because of restricted revenues.

Cash and Cash Equivalents - Cash includes amounts in demand deposits, interest bearing demand deposits and certificates of deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Town may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities, plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledging bank in a holding or custodial bank, that is mutually acceptable to both parties. The State of Louisiana banking regulations require the FDIC to ensure \$250,000 of checking and savings for each municipality.

Investments - Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings. All investments of the Town are certificates of deposits held at Marion State Bank, First National Bank and Origin Bank and the fair value is determined by the face value of the certificate.

Bad Debts - Uncollectible amounts for ad valorem taxes are generally not significant. The Town records ad valorem taxes on a cash basis, so no receivables are recorded until year end. Any ad valorem taxes collected within 60 days of year end are considered receivable, so bad debts are not recorded and are considered immaterial. For customers' utility receivables, the allowance method is used to account for uncollectible amounts. Under this method, an allowance account is set up for what is deemed to be uncollectible.

Inventories - Are not considered material and are therefore not recorded. The Town purchases supplies as needed and do not maintain inventory quantities on hand.

Short-Term Interfund Receivables/Payables - During the course of operation, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements' balance sheet. In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize their "grossing up" effect on assets and liabilities within the governmental activities column.

Restricted Assets - Certain proceeds of the governmental funds and the enterprise funds are classified as restricted assets on the balance sheet because their use is limited. The Town recognizes the use of restricted resources for expenditures that comply with the specific restrictions. Restricted resources are exhausted before unrestricted assets are used.

Prepaid Items - The Town purchases commercial insurance to cover their risk. Insurance companies usually require the premiums to be paid in advance of the coverage periods.

Capital Assets - The Town's assets are recorded at historical cost. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Equipment and Furniture	3 - 10 Years	Buildings	39 - 40 Years
Utility Plant/Sewer Collection System	5 - 40 Years	Infrastructure	40 - 60 Years
Vehicles	5 - 10 Years		

In June 1999, the Governmental Accounting Standards Board issued Statement No. 34 which requires the inclusion of infrastructure assets used in governmental activities in the general purpose financial statements retroactively reported back to 1982. An exception exists for local governments with annual revenues of less than \$10 million. As a result of this exception, the Town has elected to not report its governmental infrastructure retroactively. The infrastructure currently being depreciated over a period of 40 years is the water and sewer system that is reported in the business-type activities of the Town. From this point forward, the Town will use the basic approach to infrastructure reporting for its governmental activities.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Compensated Absences - The Town's maximum vacation pay carry forward each year is 40 hours. Sick pay is limited to 480 hours carryforward. Any vacation pay is paid at the termination of employment, while sick time is not guaranteed. Unpaid vacation time has been recorded as an accrued payable, while sick time has not.

Long-Term Obligations - In the government-wide financial statements, debt principal payments of both government and business-type activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. See Note # 6 for detail.

Fund Equity - GASB Statement Number 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

- a. Restricted Fund Balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributions, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- b. Committed Fund Balance - These amounts can only be used for specific purposes determined by formal resolutions or ordinances of the Town council - the government's highest level of decision making authority. These committed amounts cannot be used for any other purpose unless the city aldermen remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- c. Assigned Fund Balance - This classification reflects the amounts whose intent is to be used for specific purposes, but are neither restricted nor committed. The Town council and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.
- d. Unassigned Fund Balance - This fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use externally restricted resources first, then unrestricted resources - committed, assigned and unassigned- in order as needed.

Accounting Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

Major - Non-Major Funds - The Town's Major Funds are: General Fund, Sales Tax and Business Type Funds - Water and Sewer. The Non-Major Funds: 2002 Sales Tax Fund, Capital Projects Funds, Volunteer Fire Department and Farmerville Area Fire Protection District. In prior years financial statements, the Debt Service Funds were reported as a separate fund. As of June 30, 2018, the Debt Service Funds were transferred to the funds responsible for payment of the debt. The Debt Service funds increased the fund balance to the Sales Tax Fund and the Non-Major Funds.

Recently Issued Accounting Principles

GASB-63 - In June 2011, the GASB issued Statement 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

The statement of net assets is renamed the statement of net position and includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The provisions of this statement are effective for financial periods beginning after December 31, 2011. During fiscal year ended June 30, 2013, the Town adopted the statement and restated balances previously referred to as net assets to net position.

GASB - 64 - This statements provides guidance on derivative instruments and application of hedge accounting termination provisions. This statements amends GASB statement number 53. This statement is effective for financial statements for periods beginning after June 15, 2011. The Town does not have any derivative instruments and hedge funds.

GASB - 65 - This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or defered inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows or resources or inflows of resources, certain items that were previously reported as assets and liabilities. Also, certain cost of construction projects that were traditionally added to the costs are now to be expensed out in the period occurred. These cost refer to the cost such as attorney fees, administrative cost, interest and fees to secure financing of the project. For prior year projects these costs are to be taken out of the cost of the assets and reclassified as a prior period adjustments. The Town reclassified the cost (net of depreciation) from the projects back to the year 2006. Projects before that date are considered to immaterial in 2014. This statement was adopted in 2014.

GASB - 66 - The statement is an amendment of GASB statements numbers 10 and 62. GASB 66 removes GASB 10 (Accounting and Financial Reporting for Risk Financing and Related Insurance Issues) by removing the provision that limits fund-based reporting of risk financing activities to the general fund and the internal service fund type. As a result, governments would base their decisions on GASB 54. GASB 66 resolves conflicts between GASB 62 and other pronouncements. These changes clarify how to apply statement number 13 (Accounting for Operating Leases with Scheduled Rent Increases) and result in guidance that is consistent with requirements in statement number 48 (Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues). This statement is effective for periods beginning after December 15, 2012.

GASB - 67, 68, 71 and 73 - These statements concern pension plans guidelines. GASB 67 is effective for financial statements for fiscal years beginning after June 15, 2013. GASB 68 is effective for fiscal years beginning after June 15, 2014 and GASB 71 should be applied simultaneously with the GASB 68 Statement 73 covers pension not covered in statement 67 and 68. See Note # 26.

GASB - 69 - This statement is guidance on government combinations and disposals of government operations. The effective date is for periods beginning after December 15, 2013. The Town has not been required to implement these guidelines as of the date of this statement.

GASB - 70 - The statement addresses accounting and financial reporting for nonexchange financial guarantees. The provisions are effective for financial statements for reporting beginning after June 15, 2013 and do not apply to the Town's 2018 financial statements.

GASB 71 - This statement addresses pension transitions for contributions made subsequent to the measurement date and amends statement 68.

GASB 72 - This statement deals with fair value measurement and application the requirements of which are effective for financial statements for reporting periods beginning after June 15, 2015.

GASB 74 - The statement addresses financial reporting for postemployment benefit plans other than pension plans that are administered through trusts.

GASB 75 - This statement also is about accounting and financial reporting by employers for postemployment benefits other than pensions. It replaces the requirements of GASB 45 and is effective for financial statements beginning after June 15, 2018.

GASB 76 - The provisions in this statement are effective for reporting periods beginning after June 15, 2015 and deals with the hierarchy of generally accepted accounting principles for state and local governments.

GASB 77 - This statement defines tax abatements as reduction of tax revenues as the results from an agreement between governments and individuals or entities in which the governments forgo tax revenues for promises by specific actions that will benefit the government or citizens of the government. The statement is effective for periods beginning after December 15, 2015. This statement does not affect the Town.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

GASB 78 - This statement's requirements are effective for reporting periods beginning after December 15, 2015 and addresses pensions provided through certain multiple-employer defined benefit pension plans. This statement addresses recognition and measurement of pension expense, expenditures, and liabilities; note disclosures, and required supplementary information for pensions that have certain characteristics.

GASB 79 - The requirements of this statement are effective for reporting periods beginning after June 15, 2015 except for certain paragraphs that are effective for reporting periods beginning after December 15, 2015 and concerns certain external investment pools and participants. The Town is not a member of an investment pool.

GASB 80 - The statement addresses blending requirements for certain component units and amends GASB 14. The Town does not have component units.

GASB 81 - This statement concerns irrevocable split- interest agreements and is effective for periods beginning after December 15, 2016. This statement's effect has not been determined for these financial statements.

GASB 82 - This statement amends statements 67, 68, and 73 for pension plans and is effective for periods beginning after June 15, 2016. This statement addresses required supplementary information, assumptions and treatment of deviations, and the classification of payments made by employers to satisfy employee contributions.

GASB 83 -88 - These statements are either not effective or have no effect on this statement.

NOTE # 2 - CASH AND INVESTMENTS

CASH PLEDGED BY BANKS

	<u>FINANCIAL</u> <u>STATEMENT</u> <u>RECONCILED</u> <u>AMOUNT</u>	<u>AMOUNTS PER BANK</u>		
		<u>MARION</u> <u>STATE</u> <u>BANK</u>	<u>FIRST</u> <u>NATIONAL</u> <u>BANK</u>	<u>ORIGIN</u> <u>BANK</u>
<u>TOTAL - JUNE 30, 2020</u>	\$ 4,888,231.62	\$ 3,680,668.32	\$ 741,500.72	\$ 590,671.62
Deduct - Fire Dept. Account	(57,135.53)	.00	.00	.00
Deduct - Cash on Hand	(700.00)	.00	.00	.00
Pledge Receipt	(5,158,311.99)	(3,472,256.99)	(800,000.00)	(886,055 .00)
Difference	\$ (327,915.90)	\$ 208,411.33	\$ (58,499.28)	\$ (295,383.38)
<u>FDIC Covers:</u>				
Time and Savings Deposits	\$ (750,000.00)	\$ (250,000.00)	\$ (250,000.00)	\$ (250,000.00)
Demand Deposits	(500,000.00)	(250,000.00)	(250,000.00)	.00
Difference (Overfunded) Underfunded	\$ (1,577,915.90)	\$ (291,588.67)	\$ (558,499.28)	\$ (545,383.38)

The pledged deposits are stated at market value. Under state law, these deposits must be secured by federal deposits 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 of deposit within 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.

Pledge securities are held in the following agencies:

<u>BANKS</u>	<u>AGENCIES</u>	<u>MARKET</u> <u>VALUE</u>	<u>PAR VALUE</u>
Origin Bank	Bonds	\$ 4,475,000.00	\$ 2,380,000.00
First National Bank of Ruston	FHLB Letter of Credit	800,000.00	800,000.00
Marion State Bank	Letter of Credit /FHLMC/SBA	3,514,098.25	3,472,256.99

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the same official custodian in an insured depository institution within the state in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the same official custodian in an insured depository institution within the state in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term "savings deposits" includes

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 2 - CASH AND INVESTMENTS CONTINUED

NOW accounts, money market deposit accounts, but does not include interest-bearing demand deposit accounts. The term "demand deposits" mean deposits payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

The FDIC issued an updated description of the explanation of savings deposits as follows: (The insurance coverage of public unit accounts depends upon the type of deposit and location of the insured depository institution. All time and savings deposits owned by a public unit and held by the same official custodian in an insured depository institution within the state in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by the public unit and held by the same official custodian in an insured depository institution within the state in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term "savings deposits" includes NOW accounts, money market deposit accounts, and other interest-bearing checking accounts.)

Even though the pledged securities are considered uncollateralized (Category 3) under the provision of GASB Statement 3, R. S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the municipality that the fiscal agent has failed to pay deposited funds upon demand.

INVESTMENTS - The government's investments are categorized as either (1) insured or registered or for which the securities are held by the government or his agent in the government's name, (2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the government's name, or (3) uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the government's name.

<u>JUNE 30, 2020</u>	<u>CATEGORIES</u>			<u>CARRYING AMOUNT</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
Government Securities				
Savings	\$ 593,331.21	\$.00	\$.00	\$ 593,331.21
Certificates of Deposit				
90 Days or Less	2,508,467.42	.00	.00	2,508,467.42
Total Investments	<u>\$ 3,101,798.63</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$ 3,101,798.63</u>

The State requires collateral pledged for deposits to be held in the government's name by the trust department. The trust department reviews collateral pledged for compliance. Substantially all deposits matured in June 2020, therefore, interest was not accrued on the certificates of deposits. The accounts have interest added on a monthly basis.

NOTE # 3 - RECEIVABLES/ALLOWANCE FOR DOUBTFUL ACCOUNTS

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

Receivables at June 30, 2020 consist of the following:

<u>GOVERNMENTAL ACTIVITIES</u>	<u>GENERAL</u>	<u>FIRE AND POLICE</u>	<u>SPECIAL REVENUE</u>		<u>2020 TOTAL</u>
			<u>SALES TAX</u>	<u>RECREATION</u>	
<u>RECEIVABLES</u>					
Franchise Taxes	\$ 15,992.90	\$.00	\$.00	\$.00	\$ 15,992.90
Insurance	11,713.36	.00	.00	.00	11,713.36
Video Bingo	10,976.00	.00	.00	.00	10,976.00
State of Louisiana - Beer Tax	1,810.07	.00	.00	.00	1,810.07
State of Louisiana - Mowing	.00	.00	6,835.00	.00	6,835.00
Union Parish Police Jury	639.00	.00	.00	.00	639.00
Advalorem Taxes	.00	112.53	.00	.00	112.53
Payment in Lieu of Taxes	8,829.00	.00	.00	.00	8,829.00

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 3 - RECEIVABLES/ALLOWANCE FOR DOUBTFUL ACCOUNTS CONTINUED

<u>GOVERNMENTAL ACTIVITIES</u>	<u>GENERAL</u>	<u>FIRE AND POLICE</u>	<u>SPECIAL REVENUE</u>		<u>2020 TOTAL</u>
			<u>SALES TAX</u>	<u>RECREATION</u>	
<u>RECEIVABLES - CONTINUED</u>					
Sales Taxes	\$.00	\$ 53,926.78	\$ 107,853.56	\$ 53,926.78	\$ 215,707.12
Grant Receivable	.00	.00	299,072.78	.00	299,072.78
Other Receivables	200.00	.00	.00	.00	200.00
2% Rebate	.00	20,785.11	.00	.00	20,785.11
Total Receivables	<u>\$ 50,160.33</u>	<u>\$ 74,824.42</u>	<u>\$ 413,761.34</u>	<u>\$ 53,926.78</u>	<u>\$ 592,672.87</u>
<u>RECEIPTS/DISBURSEMENTS</u>					
<u>OTHER DEPARTMENTS</u>					
Water Department	\$ 120,947.71	\$.00	\$.00	\$.00	\$ 120,947.71
Sales Tax	(12,495.80)	.00	12,495.80	.00	.00
Sales Tax	(14,910.00)	.00	14,910.00	.00	.00
Sales Tax - Recreation	.00	.00	(39,662.00)	39,662.00	.00
Net Other Departments	<u>\$ 93,541.91</u>	<u>\$.00</u>	<u>\$ (12,256.20)</u>	<u>\$ 39,662.00</u>	<u>\$ 120,947.71</u>
<u>NET GOVERNMENTAL ACTIVITIES</u>	<u>\$ 143,702.24</u>	<u>\$ 74,824.42</u>	<u>\$ 401,505.14</u>	<u>\$ 93,588.78</u>	<u>\$ 713,620.58</u>
<u>BUSINESS TYPE ACTIVITIES</u>					
Customer Receivables					\$ 338,098.60
Allowances for Bad Debts					(69,265.86)
<u>NET BUSINESS TYPE ACTIVITIES</u>					<u>\$ 268,832.74</u>

Allowances for doubtful accounts for the Proprietary Fund - Water/Sewer receivable accounts is based on the collectibility of outstanding receivables.

Aged Accounts Receivable Water Customers:

	<u>TOTAL</u>	<u>CURRENT</u>	<u>DAYS 30 - 60</u>	<u>DAYS OVER 60</u>	<u>DAYS OVER 90</u>
June 30, 2020	<u>\$ 338,098.60</u>	<u>\$ 232,758.62</u>	<u>\$ 32,463.23</u>	<u>\$ 5,554.34</u>	<u>\$ 67,322.41</u>

NOTE # 4 - UTILITY RATES

Utility rates were increased on September 9, 2013. The rates for water, sewer and garbage are as follows:

I.		<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>
<u>WATER</u>		<u>CURRENT</u>	<u>CURRENT</u>
First 2,000 Gallons - In Town		\$ 17.00	\$ 25.00
Over 2,000 Gallons Per 1,000 Gal. - In		4.00	4.00
First 2,000 Gallons - Out of Town		25.00	33.00
Over 2,000 Gallons per 1,000 Gal. - Out		4.00	4.00
<u>SEWER</u>			
Based on water usage Per 1,000 Gallons:			
Inside City Limits	\$	4.00	\$ 4.00
Outside City Limits		5.00	12.00
<u>GARBAGE</u>	\$	10.00	\$ 25.00
<u>RECONNECT FEE</u>	\$	25.00	

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 4 - UTILITY RATES - CONTINUED

	<u>RESIDENTIAL</u> <u>CURRENT</u>	<u>COMMERCIAL</u> <u>CURRENT</u>
<u>DUMPSTER</u>		
<u>40 Cu Yd - Per Pull</u>		\$ 150.00
<u>8 Cu Yd - Per Container</u>		\$ 25.00
Plus 1 X Week		50.00
Plus 2 X Week		100.00
<u>6 Cu Yd - Per Container</u>		\$ 20.00
Plus 1 X Week		40.00
Plus 2 X Week		80.00
<u>4 Cu Yd - Per Container</u>		\$ 15.00
Plus 1 X Week		25.00
Plus 2 X Week		50.00
<u>COMPACTOR</u>		\$150.00 - \$250.00
<u>TAPPING FEE</u>		\$ 250.00

II. Any full time employee, council member, firemen, and the mayor receive a preferred rate or employee discount for utilities. Based on the approved rate schedule:

	<u>CURRENT</u>
Water	\$ 17.00
Sewer	4.00
Garbage	10.00
	\$ 31.00

III. The Town of Farmerville , also, has an industrial rate of \$.75 to \$.76 per 1,000 gallons of water. The Town of Farmerville also has an institutional rate minimum of \$25 for the first 2,000 gallons and \$4.00 per 1,000 gallons of water used over 2,000 gallons. The Poultry Plant receives the industrial rate of \$. 85 per 1,000 gallons with no minimum. The Union Parish Police Jury Jail has an industrial rate of \$1.75. Water systems with a contract with the Town are charged \$1.50 per 1,000 gallons, while systems with no contract are charged \$4.00 per 1,000 gallons. Institutional out of town customers receive a minimum fee charge of \$33.

NOTE # 5 - PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Tax notices are usually mailed during November each year and become delinquent after December 31. of the year. The delinquent taxes are sold each year, therefore, an allowance for uncollectible was not recorded.

For the Year Ended June 30, 2020, taxes were levied on property with assessed valuations totaling \$28,212,333.00 and were dedicated as follows:

	<u>MILLS</u>	<u>TAXES</u>
General Fund	8.80	\$ 248,130.15
Dedicated Fund - Fire Dept.	7.90	223,016.42
Total Taxes Levied	16.70	\$ 471,146.57
Dedicated Funds - Area Fire Protection District		\$ 295,921.72
Payments in Lieu of Taxes		\$ 8,929.00

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 5 - PROPERTY TAXES - CONTINUED

A recap of the largest assessment is as follows:

	<u>ASSESSED VALUE</u>	<u>TAX AMOUNT</u>
Rental Property	\$ 882,889	\$ 14,037.94
Retail Store 1	635,220	10,100.01
Bank	935,954	14,881.83
Utility Company	816,953	12,989.56
Bank 2	647,147	10,289.64
Nursing Home	662,075	10,527.00
Rental Property	483,434	7,686.60
Land Development	446,008	7,091.53
Auto Dealership	417,437	6,637.26
Auto Dealership 2	428,746	6,817.07
Bank 1	371,515	5,430.10
Bank 3	328,744	5,227.03
		<u>\$ 111,715.57</u>

The Town bills and collects its own property taxes using the assessed values determined by the Union Parish Tax Assessor, as follows:

Levy Date	January 1, 2019
Millage Rates Adopted	
Tax Bills Mailed	November 20, 2019
Due Date	December 31, 2019
Lien Date	January 1, 2020

State law requires the Town to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year.

NOTE #6 - RESTRICTED ASSETS

Restricted Assets consisted of:

GRANT RECEIVABLE

Sales Tax	Sidewalk Grant	\$ 299,072.78
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GOVERNMENTAL

Sales Tax Fund	USDA Reserves for Debt Service	\$ 47,807.05
Sales Tax Fund	TIF Reserves	34,693.60
2002 Sales Tax Bonds	Recreation & Street Debt Service	98,427.37
Fire Department		<u>1,050,429.23</u>
Total		<u>\$ 1,231,357.25</u>

PROPRIETARY

Water	Customer Deposits	\$ 209,153.39
Water	USDA reserves	195,278.29
Water	Bond Sinking Fund	123,945.49
Water	Construction Accounts	110.29
Sewer	Bond Sinking Fund	170,772.99
Sewer	Construction Accounts	52.95
Total		<u>\$ 699,313.40</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 7 - LONG-TERM DEBT

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds therefore are reported in the proprietary funds if they are expected to be repaid from proprietary revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 25-year serial bonds, except for refunds in issues, with equal amount of principal maturing each year. The Town did not have any general obligation bonds.

The excess funds from general obligation bonds were transferred to the general fund to be used as restricted funds. The funds not expended are shown as restricted funds in the general fund equity.

Revenue Bonds

The government also issues bonds where the government pledges income to pay debt service. A \$.01 sales tax is pledged to pay these revenue bonds.

In February 2002, \$2,900,000 of revenue bonds were issued for construction of a recreation center and street improvements. An additional sales tax of ½ of 1% sales tax was approved for payment of these bonds.

2002 Sales Tax Bonds

The 2002 sales tax bonds were paid off and a new bond issue 2012 bonds were issued in the amount of \$2,575,000. The new bonds interest rate ranges from 1% to 3.95%, which replaces the interest rate of 4.25%.

2010 Revenue Bonds

The Town received \$500,000 of revenue bonds in June 2010. These bonds were used for the street construction cost on Louisiana Highway 2. The bonds are payable over 20 years with an interest rate of 4.95%.

USDA Loan and Grant

The USDA loan was for purchase of equipment for the street department with the use of the USDA grant for the purchase of equipment for the water department. The total loan was \$269,100 and the grant was for \$144,900. The monthly payments are \$2,008 with payments starting on May 10, 2011. The interest rate is 4.13%. The bonds are payable from the sales tax fund, with the water department payment of the excess of the equipment purchase over the grant of \$13,900.

A new truck was purchased in March 2019 with monthly payments of \$4,107.94 for 24 months with final payment of \$112,800.00.

Bancorpsouth - Lease Purchase

A 2020 Western Star 4700 W/Galbreath Roll Off Hoist was leased on February 19, 2020. The monthly payments of \$2,750.53 for 24 months with a final payment of \$113,700.00

A new truck was purchased in March 2019 with monthly payments of \$4,107.94 for 24 months, with a final payment of \$112,800.

2015 - USDA Water Well Project

The total loan amount received was \$2,224,000.00 with an interest rate of 1.875% for 39 years. Monthly payments of \$6,606.00.

2016 - Bonds - Infrastructure

Purpose of providing financing for the construction of utility infrastructure, turn lane and related public improvements to enhance economic development. Bond date April 13, 2016; maturity date June 1, 2036 and interest rate of 3.55%.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 7 - LONG-TERM DEBT CONTINUED

Outstanding Revenue Bonds and Lease Purchase balances at June 30, 2020 are as follows:

<u>INTEREST PURPOSE</u>	<u>INTEREST RATES</u>	<u>INTEREST PAID</u>	<u>BALANCE OF PRINCIPAL 06/30/20</u>
<u>PROPRIETARY FUND</u>			
<u>Sewer Fund</u>			
Revenue Bonds	4.95%	\$ 13,365.00	\$ 250,000.00
<u>Water Department</u>			
USDA Loan	1.875%	39,548.97	2,081,883.05
USDA Loan	1.875%	626.49	28,101.87
Total Proprietary Fund		<u>\$ 53,540.46</u>	<u>\$ 2,359,984.92</u>
<u>GOVERNMENTAL FUNDS</u>			
<u>General Fund</u>			
Bancorpsouth Lease Purchase		\$ 1,871.61	\$ 159,989.79
Bancorpsouth Lease Purchase	-	7,468.08	144,033.33
<u>Recreation Fund</u>			
Revenue Bonds - 2012	2.20% - 3.95%	55,325.00	1,395,000.00
<u>Sales Tax Fund</u>			
USDA	4.13%	5,553.27	124,517.82
Revenue Bonds - 2010	4.95%	16,582.50	310,000.00
<u>Infrastructure - Sales Tax</u>			
Revenue Bonds - 2016	3.55%	17,182.00	452,000.00
Total Governmental Funds		<u>\$ 103,982.46</u>	<u>\$ 2,585,540.94</u>
<u>TOTALS</u>		<u>\$ 157,522.92</u>	<u>\$ 4,945,525.86</u>

Revenue Bonds Debt service requirements and Lease Purchase requirements are listed below:

PRINCIPAL AMOUNTS

<u>FISCAL YEAR ENDING JUNE 30</u>	<u>INTEREST RATES</u>	<u>UTILITIES REVENUE BONDS</u>	<u>USDA INTEREST RATES</u>	<u>USDA LOAN</u>	<u>USDA INTEREST RATES</u>	<u>USDA LOAN</u>	<u>TOTALS</u>
<u>PROPRIETARY FUND</u>							
2021	4.95%	\$ 20,000.00	1.875%	\$ 40,236.69	1.875%	\$ 9,352.68	\$ 49,589.37
2022	4.95%	20,000.00	1.875%	40,991.13	1.875%	9,529.57	50,520.70
2023	4.95%	20,000.00	1.875%	41,759.71	1.875%	9,219.62	51,211.20
2024	4.95%	25,000.00	1.875%	42,542.71	1.875%	.00	42,542.71
2025	4.95%	25,000.00	1.875%	43,340.38	1.875%	.00	43,340.38
2026 - 2030	4.95%	140,000.00	1.875%	229,200.47	1.875%	.00	229,200.47
2031 - 2035	4.95%	-	1.875%	251,509.04	1.875%	.00	251,509.04
2036 - 2040	-	-	1.875%	275,988.96	1.875%	.00	275,988.96
2041 - 2045	-	-	1.875%	302,851.55	1.875%	.00	302,851.55
2046 - 2050	-	-	1.875%	332,328.76	1.875%	.00	332,328.76
2051 - 2055	-	-	1.875%	364,675.03	1.875%	.00	364,675.03
2056 - 2058	-	-	1.875%	116,458.62	1.875%	.00	116,458.62
Totals		<u>\$ 250,000.00</u>		<u>\$ 2,081,883.05</u>		<u>\$ 28,101.87</u>	<u>\$ 2,110,216.79</u>
<u>BOND PRINCIPAL & INTEREST</u>							
2021	4.95%	32,375.00	1.875%	79,272.00	1.875%	9,804.00	89,076.00
2022	4.95%	31,385.00	1.875%	79,272.00	1.875%	9,804.00	89,076.00
2023	4.95%	30,395.00	1.875%	79,272.00	1.875%	9,804.00	89,076.00
2024	4.95%	34,405.00	1.875%	79,272.00	1.875%	.00	79,272.00
2025	4.95%	33,167.50	1.875%	79,272.00	1.875%	.00	79,272.00
2026 - 2030	4.95%	161,237.50	1.875%	396,360.00	1.875%	.00	396,360.00
2031 - 2035	-	-	1.875%	396,360.00	1.875%	.00	396,360.00
2036 - 2040	-	-	1.875%	396,360.00	1.875%	.00	396,360.00
2041 - 2045	-	-	1.875%	396,360.00	1.875%	.00	396,360.00
2046 - 2050	-	-	1.875%	396,360.00	1.875%	.00	396,360.00
2051 - 2055	-	-	1.875%	396,360.00	1.875%	.00	396,360.00
2056 - 2059	-	-	1.875%	118,642.22	1.875%	.00	118,642.22
Totals		<u>\$ 322,965.00</u>		<u>\$ 2,893,162.22</u>		<u>\$ 29,412.00</u>	<u>\$ 2,922,574.22</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 7 - LONG-TERM DEBT CONTINUED

GOVERNMENTAL FUNDS

Revenue Bonds Debt Service requirements and Lease Purchase requirements are listed below:

PRINCIPAL AMOUNTS

FISCAL YEAR ENDING JUNE 30	INTEREST RATES	RECREATION & STREETS	INTEREST RATES	REVENUE BONDS	INTEREST RATES	USDA	INTEREST RATES	INFRA- STRUCTURE BONDS
2021	2.50%	\$ 175,000.00	4.95%	\$ 25,000.00	4.125%	\$ 19,322.25	3.55%	\$ 34,000.00
2022	2.50%	185,000.00	4.95%	25,000.00	4.125%	20,134.52	3.55%	36,000.00
2023	2.50%	190,000.00	4.95%	25,000.00	4.125%	20,980.98	3.55%	39,000.00
2024	2.50%	200,000.00	4.95%	30,000.00	4.125%	21,863.01	3.55%	41,000.00
2025	2.50%	205,000.00	4.95%	30,000.00	4.125%	22,782.08	3.55%	43,000.00
2026 - 2030	2.50% - 3.30%	440,000.00	4.95%	175,000.00	4.125%	19,434.98	3.55%	259,000.00
Totals		\$ 1,395,000.00		\$ 310,000.00		\$ 124,517.82		\$ 452,000.00

BOND PRINCIPAL AND INTEREST

FISCAL YEAR ENDING JUNE 30	INTEREST RATES	RECREATION & STREETS	INTEREST RATES	REVENUE BONDS	INTEREST RATES	USDA	INTEREST RATES	INFRA- STRUCTURE BONDS
2021	2.50%	\$ 225,225.00	4.95%	\$ 40,345.00	4.125%	\$ 24,096.00	3.55%	\$ 49,939.50
2022	2.50%	229,712.50	4.95%	39,107.50	4.125%	24,096.00	3.55%	50,839.00
2023	2.50%	228,607.50	4.95%	37,870.00	4.125%	24,096.00	3.55%	52,370.00
2024	2.50%	232,052.50	4.95%	41,632.50	4.125%	24,096.00	3.55%	53,176.50
2025	2.50%	229,852.50	4.95%	40,147.50	4.125%	24,096.00	3.55%	53,721.00
2026 - 2030	2.50%	466,052.50	4.95%	201,977.50	4.125%	19,793.48	3.55%	261,023.50
Totals		\$ 1,611,502.50		\$ 401,080.00		\$ 140,273.48		\$ 521,069.50

LEASE PURCHASE PRINCIPAL

YEAR	INTEREST RATE	BANCORP- SOUTH	INTEREST RATE	BANCORP- SOUTH
2021	13.74%	\$ 31,233.33	3.39%	\$ 27,649.69
2022		.00	3.39%	18,640.10
Purchase Option		112,800.00	3.39%	113,700.00
Totals		\$ 144,033.33		\$ 159,989.79

PRINCIPAL AND INTEREST

YEAR	INTEREST RATE	BANCORP- SOUTH	INTEREST RATE	BANCORP- SOUTH
2021	13.74%	\$ 32,863.52	3.39%	\$ 32,646.36
			3.39%	21,764.24
Purchase Option		112,800.00	3.39%	113,700.00
Totals		\$ 145,663.52		\$ 168,110.60

Changes in Long-Term Liabilities During the year ended June 30, 2020, The following changes occurred in liabilities reported in the general long-term debt account group. Revenue Bonds Debt Service requirements and Lease Purchase requirements are listed below:

PROPRIETARY FUND	ADDITIONS JULY 1, 2019	ADJUSTMENTS	PAYMENTS	JUNE 30, 2020
<u>SEWER DEPARTMENT</u>				
Revenue Bonds - \$400,000.00	\$ 270,000.00	\$.00	\$ (20,000.00)	\$ 250,000.00
<u>WATER DEPARTMENT</u>				
USDA Loan	\$ 2,121,379.21	\$.00	\$ (39,496.16)	\$ 2,081,883.05
USDA Loan	37,511.25	.00	(9,409.38)	28,101.87
Total	\$ 2,428,890.46	.00	\$ (68,905.54)	\$ 2,359,984.92

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 7 - LONG-TERM DEBT CONTINUED

	<u>ADDITIONS</u> <u>JULY 1, 2019</u>	<u>ADJUSTMENTS</u>	<u>PAYMENTS</u>	<u>JUNE 30, 2020</u>
<u>GOVERNMENTAL FUNDS</u>				
<u>GENERAL FUND</u>				
BancorpSouth - Lease Purchase	\$.00	\$ 169,000.00	\$ (9,010.21)	\$ 159,989.79
BancorpSouth - Lease Purchase	185,861.29	.00	(41,827.96)	144,033.33
<u>RECREATION FUND - 2002 SALES TAX</u>				
Sales Tax - Streets & Recreation Center Series 2012	1,565,000.00	.00	(170,000.00)	1,395,000.00
<u>SALES TAX FUND</u>				
Revenue Bonds 2010 - \$500,000	335,000.00	.00	(25,000.00)	310,000.00
USDA Loan	143,036.55	.00	(18,518.73)	124,517.82
Ruston Tractor Lease Purchase	24,500.00	.00	(24,500.00)	.00
<u>INFRASTRUCTURE - SALES TAX</u>				
Revenue Bonds 2016 - \$1,000,000	484,000.00	.00	(32,000.00)	452,000.00
Total	<u>\$ 2,737,397.84</u>	<u>\$ 169,000.00</u>	<u>\$ (320,856.90)</u>	<u>\$ 2,585,540.94</u>
<u>GRAND TOTAL</u>	<u>\$ 5,166,288.30</u>	<u>\$ 169,000.00</u>	<u>\$ (389,762.44)</u>	<u>\$ 4,945,525.86</u>

NOTE # 8 - CAPITAL ASSETS

Capital Asset activity for the year ended June 30, 2020 is as follows:

	<u>BEGINNING</u> <u>BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENT</u>	<u>ENDING</u> <u>BALANCE</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
Non-Depreciable Assets:				
Land	\$ 349,335.91	\$.00	\$.00	\$ 349,335.91
Depreciable Assets:				
Buildings	2,359,864.03	.00	.00	2,359,864.03
Improvements Other Than Buildings	1,217,053.07	.00	.00	1,217,053.07
Machinery and Equipment	5,590,190.93	753,488.78	(256,541.38)	6,087,138.33
Infrastructure	5,502,229.35	656,050.64	.00	6,158,279.99
Totals at Historical Cost	<u>\$ 15,018,673.29</u>	<u>\$ 1,409,539.42</u>	<u>\$ (256,541.38)</u>	<u>\$ 16,171,671.33</u>
Less: Accumulated Depreciation				
Buildings	\$ 755,276.26	\$ 51,812.91	\$.00	\$ 807,089.17
Improvements	554,736.60	30,513.51	.00	585,250.11
Machinery and Equipment	4,178,701.92	290,375.59	(254,041.38)	4,215,036.13
Infrastructure	1,300,889.39	177,109.76	.00	1,477,999.15
Total Accumulated Depreciation	<u>\$ 6,789,604.17</u>	<u>\$ 549,811.77</u>	<u>\$ (254,041.38)</u>	<u>\$ 7,085,374.56</u>
<u>CAPITAL ASSETS NET</u>	<u>\$ 8,229,069.12</u>	<u>\$ 859,727.65</u>	<u>\$ (2,500.00)</u>	<u>\$ 9,086,296.77</u>
<u>BUSINESS-TYPE ACTIVITIES</u>				
Non-Depreciable Assets:				
Land	\$ 25,752.00	\$.00	\$.00	\$ 25,752.00
Depreciable Assets:				
Sewer Department	\$ 8,649,840.28	\$ 43,327.65	\$ (31,677.00)	\$ 8,661,490.93
Water Department	11,130,975.66	83,662.66	(30,000.00)	11,184,638.32
Totals at Historical Cost	<u>\$ 19,780,815.94</u>	<u>\$ 126,990.31</u>	<u>\$ (61,677.00)</u>	<u>\$ 19,846,129.25</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 8 - CAPITAL ASSETS CONTINUED

<u>BUSINESS-TYPE ACTIVITIES</u>	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENT</u>	<u>ENDING BALANCE</u>
Less Accumulated Depreciation				
Water System	\$ 4,415,395.92	\$ 378,802.29	\$ (30,000.00)	\$ 4,764,198.21
Sewer System	3,990,793.01	206,606.86	(30,677.00)	4,166,722.87
Total Accumulated Depreciation	<u>\$ 8,406,188.93</u>	<u>\$ 585,409.15</u>	<u>\$ (60,677.00)</u>	<u>\$ 8,930,921.08</u>
<u>BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS NET</u>	<u>\$ 11,400,379.01</u>	<u>\$ (458,418.84)</u>	<u>\$ (1,000.00)</u>	<u>\$ 10,940,960.17</u>

In proprietary funds, the following estimated useful lives are used to compute depreciation:

Investments 25 - 60 Years Equipment 10 - 20 Years Vehicles 4 - 5 Years

FASB-34 (Capitalization of Interest Costs) requires that interest expenditures incurred during construction of assets be capitalized. FASB-62 (Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants) concludes that constructed assets financed with the proceeds of tax-exempt debt (if those funds are externally restricted to finance the acquisition of the asset or used to service the related debt) should include capitalized interest only to the extent that interest cost exceeds interest earned of the tax-exempt borrowing. No interest costs were capitalized.

NOTE # 9 - INTERFUND ASSETS/LIABILITIES

All interfund payables/receivables are required to be paid within one year except the sewer/water receivable/payable.

DUE FROM/TO OTHER FUNDS

<u>RECEIVABLE FUND</u>	<u>PAYABLE FUND</u>	<u>AMOUNT</u>
<u>GOVERNMENTAL ACTIVITIES/ BUSINESS-TYPE ACTIVITIES</u>		
General Fund - Garbage	Water - Garbage Fees	\$ 120,947.74
General Fund	Water	14,910.00
<u>GENERAL FUND INTERCOMPANY</u>		
Sales Tax - Recreation	General Fund	12,495.80
<u>WATER - SEWER DEPARTMENT INTERCOMPANY</u>		
Sewer Department	Water Department	95,519.20
<u>SALES TAX / SALES TAX - RECREATION</u>		
Sales Tax - Recreation	Sales Tax	39,662.00
<u>TOTALS</u>		<u>\$ 283,534.74</u>

<u>TRANSFERRED FROM</u>	<u>TRANSFERRED TO</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
General Fund	Police Department	Expenditures	\$ 220,000.00
Fire Department	Volunteer Fire Department	2% Monies	20,785.11
Fire Department	General Fund	Administrative Fee	5,000.00
Sales Tax	General Fund	Administrative Fee	30,000.00
Water	General Fund	Administrative Fee	30,000.00
Sales Tax - Recreation	General Fund	Administrative Fee	10,000.00
Sales Tax	General Fund	Garbage	50,000.00
			<u>\$ 365,785.11</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 10 - COMPENSATION

See Schedule G for detail schedule of compensation paid to elected officials. Schedule H is a schedule of compensation benefits and other payments to Mayor. The Police Chief is also the elected Marshall. In that capacity he receives \$700 a month. He also receives a salary for his position as chief of police.

NOTE #11 - EMPLOYEE RETIREMENT

Substantially all employees of the Town of Farmerville are members of the Retirement System of Louisiana, or Firefighters Retirement System of Louisiana and Social Security. These systems are multiple-employer public employee retirement systems(PERS), controlled and administered by separate boards of trustees. Pertinent information following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees relative to each plan as follows:

A. Municipal Employees Retirement System of Louisiana (System) - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality were members of Plan B. In July 2002, the Town elected Plan A.

Normal Retirement eligibility and benefit computation

A member of Plan A is eligible to retire and receive normal retirement benefits if:

1. He has credit for at least twenty-five years of Plan A service, regardless of his age; or,
2. He has credit for at least ten years of Plan A service and is at least the age of sixty years

The monthly Maximum Plan A normal retirement benefit is an amount equal to three percent of the member's final compensation multiplied by his years of credited service (three percent multiplied by each year of credited service multiplied by final compensation), provided that:

1. A member who held an elective office in a participating municipality is paid an additional monthly benefit equal to one-half of one percent of the member's final compensation multiplied by each year of such elective service (one-half of one percent multiplied by each year of such elective service multiplied by final compensation); and
2. For an employee who was a member only of the supplemental plan prior to the revision date, the monthly benefit earned for service credited prior to the revision date will be determined on the basis of one percent of final compensation plus two dollars per month for each year of service credited prior to the revision date, and three percent of final compensation for each year of service credited after the revision date.

For example, the monthly retirement benefit of a member who has credit for twenty-seven years of service with a final compensation (see definition) of \$1,500 would be computed as follows: $3\% \times 27 \times \$1,500 = \$1,215$. If this member had credit for thirty years of service his benefit would be \$1,350 ($3\% \times 30 \times \$1,500 = \$1,350$).

The monthly benefit, as it may be increased by cost-of-living adjustments, is paid for the life of the retiree and, if an optional mode of benefit payments is selected (see Mode of payment options), a monthly benefit, payable upon the death of the retiree, will be paid to the option beneficiary for the life of the beneficiary.

Applications for normal retirement should be submitted to the system at least six weeks prior to the planned retirement date. A copy of the member's birth certificate and, if an optional mode of benefit payments is selected (see mode of payment options), a copy of the option beneficiary's birth certificate must be attached to the application of retirement.

If a retired member dies without having received in retirement benefits an amount equal to his accumulated employee contributions and if he is survived by no person eligible for any other benefits, the difference between the amount of his accumulated employee contributions and the amount he received in retirement benefits will, upon application, therefore, be paid to his designated beneficiary or, if none, his estate.

Early Retirement eligibility and benefit computation

A member of Plan A who has credit for twenty years of Plan A service, exclusive of military service, may retire at any age. However, the benefits paid to such a member must be actuarially reduced from the earliest age that he would otherwise have become eligible for a normal retirement if he had continued in service to that age and such a member may not participate in the Deferred Retirement Option Plan.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE #11 - EMPLOYEE RETIREMENT CONTINUED

Disability retirement eligibility and benefit computation

A member of Plan A is eligible to retire and receive disability retirement benefits if he has credit for at least five years of service, is not eligible for normal retirement benefits, and suffers disability.

The monthly Maximum Plan A disability retirement benefit is the lesser of (1) an amount equal to three percent of the member's final compensation multiplied by his years of service (three percent multiplied by each year of credited service multiplied by final compensation), but not less than forty-five percent of the member's final compensation, or, (2) an amount equal to what the member's normal retirement benefit would be based on his current final compensation, but assuming he remained in continuous service until his earliest normal retirement age and using the retirement benefit computation factors which would be applicable to his normal retirement. An applicant for disability retirement may select an optional mode of benefit payments (see Mode of payment options).

Survivor benefit eligibility and computation

Upon the death of a member of Plan A who has credit for five or more years of service and who is not eligible for normal retirement benefits, the following survivor benefits, upon application therefore, are payable:

1. A surviving spouse with minor children will be paid a monthly benefit equal to sixty percent of the member's final compensation, such benefit to continue as long as the spouse lives or until no child in his care satisfies the definition of minor child. A surviving spouse is deemed to have minor children for as long as at least one minor child is legally under his care.

The surviving spouse must have been married to the deceased member for at least twelve months preceding the member's death to be eligible for survivor benefits.

2. A surviving minor child with no surviving spouse will be paid a monthly benefit equal to thirty percent of the member's final compensation; however, total payments may not exceed sixty percent of the member's final compensation. If more than two minor children survive the member, the benefit payable at any time to each child is an amount determined by dividing the total amount payable (sixty percent of the member's final compensation) by the number of children eligible for a benefit. Minor child survivor benefits may only be applied for and paid to the person who has legal care, custody, and control of minor child.

A member who is eligible for normal retirement at the time of his death and who leaves a surviving spouse will be deemed to have retired and selected the Option No. 2 mode of benefit payments on the date of his death; such benefits, upon application therefore, are paid in lieu of any other survivor benefits. Upon the death of any member who is eligible for normal retirement at the time of his death and who leaves surviving minor children but no surviving spouse, an amount equal to thirty percent of the member's final compensation shall be paid to each minor child each month, not to exceed an aggregate of sixty percent. If more than two minor children survive such a member, the benefit payable at any time to each child is an amount determined by dividing the total amount payable (sixty percent of the member's final compensation) by the number of children then eligible for a benefit. Minor child survivor benefits may only be applied for and paid to the person who has legal care, custody, and control of minor child.

A copy of the member's and survivor's marriage license must be attached to the application for survivor benefit's if the applicant is a surviving spouse of a member. A copy of the minor child's birth certificate and applicable custody judgment must be attached to the application for survivor benefits if the application is filed on behalf of a surviving minor child of a member. If only one person is eligible for survivor benefits that person may apply for and be paid a refund of the deceased member's accumulated employee contributions in lieu of payment of survivor benefits. If two or more persons are eligible for survivor benefits and they all agree to do so, they may apply for and be paid a refund of the deceased member's accumulated employee contributions in lieu of payment of survivor benefits. The survivor(s) must notify the board in writing of the decision to request a refund in lieu of the survivor benefits. Such refund payments are subject to the same provisions as are other refund payments.

Employee contributions

Each member of Plan A shall contribute 9.25% of his earnings from each and every payment of earnings.

Each participating employer of Plan A shall contribute an amount equal to a percentage of each employee's earnings as determined each year by the Public Retirement Systems' Actuarial Committee. However, subject to certain restrictions, the board of trustees may maintain the employer contribution rate for the next fiscal year at the same rate as the current year if the rate determined by the Public Retirement Systems' Actuarial Committee for the next fiscal year is less than the rate for the current year.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE #11 - EMPLOYEE RETIREMENT CONTINUED

Contributions to the System include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each municipality. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

B. Municipal Police Employees Retirement System of Louisiana (System) - All full-time police department employees engaged in law enforcement may participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 per cent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

State statute requires covered employees to contribute a percentage of their salaries to the system. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior year.

C. Firefighters Retirement System of Louisiana - Membership in the Louisiana Firefighters Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1990, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 per cent of their final-average salary for each year of creditable service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 39 consecutive or joined months that produce the highest average.

Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

State statute requires covered employees to contribute a percentage of their salaries to the System. Employer contributions are determined annually based on results of the valuation of the prior fiscal year with adjustments for any dedicated tax monies or appropriated funds.

The following provides certain disclosures for the municipality and the retirement systems that are required by GASB Codification Section P20-129.

	<u>YEAR ENDED JUNE 30, 2020</u>					
	<u>%</u>	<u>MUNICIPAL</u>	<u>%</u>	<u>POLICE</u>	<u>%</u>	<u>FIREFIGHTERS</u>
Total Current Year Payroll	-	\$ 1,074,013.02	-	\$ 546,026.21	-	\$ 125,315.30
Total Current Year						
Wages		\$ 944,111.35		\$ 73,065.93*		\$ 125,315.30
Supplemental Pay		.00		16,533.00		17,000.00
Total		\$ 944,111.35		\$ 89,598.93		\$ 142,315.30

* Only employees in the municipality system.

	<u>YEAR ENDED JUNE 30, 2020</u>					
	<u>%</u>	<u>MUNICIPAL</u>	<u>%</u>	<u>POLICE</u>	<u>%</u>	<u>FIREFIGHTERS</u>
Contributions:						
Required by statute:						
Employees	9.50%	\$ 84,637.76	10.00%	\$ 5,977.27	10.00%	\$ 12,971.52
Employer	26.00%	266,317.21	32.25%	27,366.07	26.50%	34,724.00
Total		\$ 350,954.97		\$ 33,343.34		\$ 47,695.52

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 12 - RELATED PARTY TRANSACTIONS

The Town of Farmerville did not have any related party transactions during the fiscal year ended June 30, 2020.

NOTE # 13 - LEGAL COMPLIANCE - BUDGET

The budget for the year ended June 30, 2020 was adopted in June 2019 and revised June 2020. The budgets were prepared based on generally accepted accounting principles (GAAP), except depreciation is not budgeted. Budgets were not prepared for the Volunteer Fire Department or the Farmerville Fire District funds. The majority of the Fire District Funds are included with the Fire Department budgets. Budgets are adopted as totals rather than line items

<u>GOVERNMENTAL BUDGET</u>		<u>INCOME</u>	<u>EQUITY</u>	<u>EXPENSE</u>	<u>TOTAL</u>
General Fund	- Budget	\$ 1,573,500.00	\$.00	\$ 1,394,560.00	\$ 178,940.00
	- Actual	1,608,053.37	.00	1,391,036.00	217,017.37
Fire Department	- Budget	558,050.00	252,390.00	810,440.00	.00
	- Actual	576,583.88	360,963.74	937,547.62	.00
Police Department	- Budget	929,100.00	.00	921,960.00	7,140.00
	- Actual	942,644.82	.00	924,136.05	18,508.77
Special Revenue Sales Tax	- Budget	1,324,560.00	.00	1,163,750.00	160,810.00
	- Actual	1,676,555.01	.00	1,507,724.99	168,830.02
Special Revenue Recreation	- Budget	580,300.00	.00	505,100.00	75,200.00
	- Actual	595,369.29	.00	513,785.36	81,583.93
<u>TOTAL GOVERNMENTAL BUDGET</u>					
	Total Budget	\$ 4,965,510.00	\$ 252,390.00	\$ 4,795,810.00	\$ 422,090.00
	Total Actual	5,399,206.37	360,963.74	5,274,230.02	485,940.09
	Difference	<u>\$ 433,696.37</u>	<u>\$ 108,573.74</u>	<u>\$ (478,420.02)</u>	<u>\$ 63,850.09</u>
<u>TOTAL PROPRIETARY FUNDS BUDGET</u>		<u>INCOME</u>	<u>EQUITY</u>	<u>EXPENSE</u>	<u>TOTAL</u>
Water Department	- Budget	\$ 1,503,350.00	\$ 29,000.00	\$ 1,531,050.00	\$ 1,300.00
	- Actual	1,512,120.14	.00	1,446,597.34	65,522.80
Sewer Department	- Budget	\$ 532,850.00	\$.00	\$ 320,907.00	\$ 211,943.00
	- Actual	536,203.88	.00	226,582.74	306,621.14
	Total Proprietary Funds Budget	\$ 2,036,200.00	\$ 29,000.00	\$ 1,851,957.00	\$ 213,243.00
	Total Actual	2,048,324.02	.00	1,673,180.08	375,143.94
	Difference	<u>\$ 12,124.02</u>	<u>\$ (29,000.00)</u>	<u>\$ 178,776.92</u>	<u>\$ 161,900.94</u>

The water and sewer department budget did not include the expenses for depreciation or GASB 68 revenue. The expense amount for depreciation was reduced in the budget amounts, the amount for water department was \$378,802.29 and sewer of \$206,606.86 for depreciation. The Town does not budget for Grant Income in these funds.

The capital projects funds for water accounted for in the capital project fund and then the assets are transferred to the water department.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The Town Clerk, with inputs from the Mayor and all department heads, prepares the proposed budget information for the general and major special revenue funds. Once reviewed and approved by the Town Clerk and Mayor, the budgets for each fiscal year are submitted to the Town Council for approval. This is done no later than fifteen days prior to the Town Council meeting in June each year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 13 - LEGAL COMPLIANCE - BUDGET CONTINUED

3. A public hearing is held on the proposed budget at least ten days after the publication of the call for the hearing.
4. After holding the public hearing and completion of all actions necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Town Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles, (GAAP) except as stated above. Budgeted amounts are as originally adopted or as amended by Town Council.

NOTE # 14 - ON-BEHALF PAYMENTS

The Town's employees for the police and fire department receive supplement pay from the State of Louisiana. In accordance with GASB Statement 24, the Town has recorded revenues and expenditures for these payments in the General Fund.

NOTE # 15 - SUMMARY DISCLOSURES OF SIGNIFICANT CONTINGENCIES

At June 30, 2020 the Town of Farmerville did not have a significant contingencies, the final review as made at the audit committee meeting on December 3, 2020.

NOTE # 16 - PROPRIETARY FUND SEGMENT INFORMATION

The Town maintains one Enterprise Fund which provides water and sewer services. Segment information for the year ended June 30, 2020 is as follows:

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
Current Assets	\$ 903,732.70	\$ 145,120.17	\$ 1,048,852.87
Non-Current Assets	528,487.46	170,825.94	699,313.40
Capital Assets, Net	6,446,192.11	4,494,768.06	10,940,960.17
Deferred Outflows of Resources	<u>80,648.00</u>	<u>18,103.00</u>	<u>98,751.00</u>
Total Assets and Deferred Outflows	<u>\$ 7,959,060.27</u>	<u>\$ 4,828,817.17</u>	<u>\$ 12,787,877.44</u>
Current Liabilities	\$ 294,370.17	\$ 41,510.60	\$ 335,880.77
Long-Term Liabilities	3,037,014.49	334,217.80	3,371,232.29
Deferred Inflows of Resources	<u>43,538.00</u>	<u>10,447.00</u>	<u>53,985.00</u>
Total Net Liabilities and Deferred Inflows	<u>\$ 3,374,922.66</u>	<u>\$ 386,175.40</u>	<u>\$ 3,761,098.06</u>
Invested in Capital Assets			
Net of Related Debt	\$ 4,336,207.19	\$ 4,243,736.81	\$ 8,579,944.00
Restricted	319,223.78	170,825.94	490,049.72
Unrestricted	<u>(71,293.36)</u>	<u>28,079.02</u>	<u>(43,214.34)</u>
Total Net Position	<u>\$ 4,584,137.61</u>	<u>\$ 4,442,641.77</u>	<u>\$ 9,026,779.38</u>
Operating Revenues:			
Water Sales and Service	\$ 1,476,287.78	\$.00	\$ 1,476,287.78
Sewer Sales and Service	.00	531,612.76	531,612.76
Total Operating Revenues	<u>\$ 1,476,287.78</u>	<u>\$ 531,612.76</u>	<u>\$ 2,007,900.54</u>
Operating Expenses	\$ 1,446,597.34	\$ 226,582.74	\$ 1,673,180.08
Depreciation	378,802.29	206,606.86	585,409.15
Total Operating Expenses	<u>\$ 1,825,399.63</u>	<u>\$ 433,189.60</u>	<u>\$ 2,258,589.23</u>

TOWN OF FARMERVILLE
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 16 - PROPRIETARY FUND SEGMENT INFORMATION CONTINUED

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
Operating (Losses)	\$ (349,111.85)	\$ 98,423.16	\$ (250,688.69)
Non-Operating Revenue/Expense	(3,771.23)	(8,691.38)	(12,462.61)
Change in Net Position	<u>\$ (352,883.08)</u>	<u>\$ 89,731.78</u>	<u>\$ (263,151.30)</u>
Net Position - Beginning	4,937,020.69	4,352,909.99	9,289,930.68
Net Position - Ending	<u>\$ 4,584,137.61</u>	<u>\$ 4,442,641.77</u>	<u>\$ 9,026,779.38</u>

NOTE # 17 - STATEMENT OF CASH FLOWS FOR PROPRIETARY FUNDS

For purposes of this Statement of Cash Flows, for proprietary fund types, all highly liquid investments, including restricted assets, with a maturity of three months or less when purchased are considered to be cash equivalents. The cash and cash equivalents as stated on the Statement of Cash Flows is as follows:

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
Unrestricted	\$ 606,623.96	\$ 134,279.17	\$ 740,903.13
Restricted	528,487.46	170,825.94	699,313.40
Totals	<u>\$ 1,135,111.42</u>	<u>\$ 305,105.11</u>	<u>\$ 1,440,216.53</u>

The segment information on the Statement of Cash Flows is as follows:

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
Cash Flows from Operating Activities	\$ (8,551.35)	\$ 309,215.12	\$ 300,663.77
Cash Flows from Non-Capital Financing Activities	12,958.17	(2,693.20)	10,264.97
Cash Flows from Capital and Related Financing Activities	(26,955.66)	(101,350.65)	(128,306.31)
Cash Flows from Investing Activities	8,682.36	1,141.12	9,823.48
Net Increase (Decrease in Cash and Cash Equivalents)	<u>\$ (13,866.48)</u>	<u>\$ 206,312.39</u>	<u>\$ 192,445.91</u>
Cash and Cash Equivalents - July 1	<u>\$ 1,148,977.90</u>	<u>\$ 98,792.72</u>	<u>\$ 1,247,770.62</u>
Cash and Cash Equivalents - June 30	<u>\$ 1,135,111.42</u>	<u>\$ 305,105.11</u>	<u>\$ 1,440,216.53</u>

NOTE # 18 - ECONOMIC DEPENDENCY

A large portion of the increase/decrease in water and garbage revenues are due to the agreement with the Poultry Processing Plant.

NOTE # 19 - LEGAL ACTION

Risk Management handles all defense for the Town. The Town's attorney advises us that the Town has no lawsuits.

NOTE # 20 - RISK MANAGEMENT

The Town is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

NOTE # 21 - POST EMPLOYMENT BENEFITS

The Town of Farmerville provides continuing employee benefits for its employees who retired with the State Municipal Retirement System, the Police Retirement System and the Fire Retirement System. The Town of Farmerville provides health insurance through the Louisiana Municipal Risk Management Agency, II for each employee. Family coverage is available, but not paid by the Town. The Town is also providing life insurance and dental insurance for retirees.

The Town records the cost of these benefits as expenditures on a monthly basis. For the year ended June 30, 2020, the total cost of the benefit to employees was zero. As of June 30, 2020 the Town had no retiree benefits payable. These premiums are financed on a "pay-as-you-go" basis.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 21 - POST EMPLOYMENT BENEFITS CONTINUED

The Governmental Accounting Standards Board released Statement No. 74 - Financial Reporting for Postemployment Benefit Plans Other than Pension Plans (GASB74) and Statement No 75 - Accounting and Financial Reports for Post Employment Benefit Plans Other than Pension Plans (GASB75) in June 2015. These two statements supersede GASB Statements 43 and 45, respectively, and establish uniform accounting and financial reporting standards for state and local governmental entities related to post employment benefits other than pensions.

GASB 74 must be adopted for fiscal years beginning after June 15, 2016, and GASB 75 must be adopted for fiscal years beginning after June 15, 2017. While the previous statements allowed smaller entities the ability to have valuations every three years, the replacement standards require all entities, regardless of size to have a valuation performed every two years, with roll forward valuations performed on years between.

Actuarial Cost Method. Whereas GASB 43 and GASB 45 allowed for one of six different actuarial cost methods, GASB 74 and GASB 75 require the Entry Age Normal Cost Method based on a level percentage of projected salary.

Plan Description. The Town of Farmerville medical and dental benefits are provided and made available to employees upon actual retirement. These benefits terminate at age 65.

The employees are covered by a retirement system whose retirement eligibility provisions are as follows:

The Town is the Municipal Employees Retirement System of Louisiana. The system is composed of two distinct plans. Plan A and B with separate assets and benefit provisions. The employees were members of Plan B, which has a 30 years service and retirement of any age after 30 years. The Town changed to Plan A in July 2002, which has 25 years of service or 10 years at age 60. The Fire and Police Retirement has 25 years of service at any age, 20 years at age 50 and 12 years at age 55. The employees do not contribute to the post employment benefits costs.

Funding Policy. The Town of Farmerville recognized the cost of providing post employment medical and dental benefits as an expense when the benefit premiums were due and thus financed the cost of the post employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning June 1, 2009, the Town of Farmerville is required to implement the Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Post Employment Benefits other than pensions (GASB45).

The Town had not implemented GASB 45 until June 30, 2012. The previous year required amounts were implemented in 2012.

Annual Required Contribution. The Town of Farmerville's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The required contribution is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total Annual Required Contribution for the fiscal year beginning July 1, 2019 is \$36,921.00 as set forth below.

	MEDICAL		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Normal Cost	\$ 28,348.00	\$ 8,573.00	\$ 36,921.00
30-Year UAL Amortization Amount	.00	.00	.00
Annual Required Contribution (ARC)	\$ 28,348.00	\$ 8,573.00	\$ 36,921.00

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 21 - POST EMPLOYMENT BENEFITS CONTINUED

Net Post-employment Benefit Obligation (Asset). The table below shows the Town of Farmerville's net Other Post-employment Benefit (OPEB) Obligation (Asset) for the fiscal year ended June 30, 2020.

	MEDICAL		TOTAL
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Beginning Net OPEB Obligation (Asset) July 1, 2019	\$ 321,252.00	\$ 179,297.00	\$ 500,549.00
Annual Required Contributions	\$.00	\$.00	\$.00
Interest on Net OPEB Obligation (Asset)	.00	.00	.00
ARC Adjustment	.00	.00	.00
OPEB Cost	<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>
Change in Net OPEB Obligation	<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>
Ending Net OPEB Obligation (Asset) June 30, 2020	<u>\$ 321,252.00</u>	<u>\$ 179,297.00</u>	<u>\$ 500,549.00</u>

Funded Status and Funding Progress. In the fiscal year ending June 30, 2020, the Town of Farmerville made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2020, the end of the fiscal year, the Actuarial Accrued Liability (AAL) was \$535,098, which is defined as that portion, as determined by a particular actuarial cost method (the Town of Farmerville used the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses, which is not provided by normal cost. Since the plan was not funded for all fiscal years, the entire actuarial accrued liability of \$500,548 was unfunded.

Actuarial Accrued Liability (AAL)	\$ 500,548.00
Actuarial Value of Plan Assets	
Unfunded Act. Accrued Liabilities (UAAL)	\$ 500,548.00
Funded Ratio (Act. Val. Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 1,227,888.00
UAAL as a Percentage of Covered Payroll	2.34%

Turnover Rate. The age-related turnover rates, were based on the percentage from GASB pronouncement tables, based on the age of the employee.

Post employment Benefit Plan Eligibility Requirements. The post retirements benefits are limited to the period from retirement until the employee qualifies for Medicare benefits at age 65. The benefits are payable based on the Municipal Retirement System retirement dates. See above note on Plan A and B retirement dates.

Investment Return Assumption (Discount Rate). GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). The Town of Farmerville has not funded the post retirement benefits.

Health Care Cost Trend Rate. The expected rate of increase in medical cost was used at the increased rate of insurance premiums at June 30, 2020.

Mortality Rate. The calculation did not use a mortality rate since the post retirement benefits terminate at age 65.

Method of Determining Value of Benefits. The "Value of Benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The medical rates provided are actual rates for active and retired before Medicare eligibility, so we have estimated the rates for retirees before Medicare as 100% of the actual rates for the retiree portion of the coverage (not dependents) for retirees until Medicare eligibility. Coverage ceases upon Medicare eligibility at age 65.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 22 - SUBSEQUENT EVENTS

These events are for the period after June 30, 2020 until December 3, 2020.

In October 2020 the Town purchased the former Marion State Bank Building to renovate for their new Town Hall. The cost of the building is approximately \$200,000. The cost of the renovation has not been determined at this time.

The Town is to sale 4 acres of land in their industrial park for a minimum bid of \$29,500.

Due to the amount of rain received since August, a sink hole was discovered that is threatening to damage a drainage structure and other surrounding property. The Town declared an emergency to repair the problem. At this time the cost of is not known.

The sidewalk project is still on-going, but should be finished in the next few months.

The Town has a new administration which will take over in January 2021.

NOTE # 23 - FUND CHANGES AND FUND BALANCES

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2020 are as follows:

<u>CLASSIFICATION/FUND</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
<u>NON-SPENDABLE</u>		
General Fund	Prepaid Items	\$ 28,013.00
Sales Tax - Recreation	Prepaid Items	11,932.00
Fire Department	Prepaid Items	25,180.00
Police Department	Prepaid Items	22,775.00
Sales Tax	Prepaid Items	29,167.00
		<u>\$ 117,067.00</u>
<u>RESTRICTED</u>		
Debt Service		
2012 Sales Tax	Debt Service	\$ 98,427.37
Bonds	Debt Service	82,500.65
Grant	Debt Service	299,072.78
		<u>\$ 480,000.80</u>
<u>COMMITTED</u>		
None		<u>\$.00</u>
<u>ASSIGNED</u>		
None		<u>\$.00</u>
<u>UNASSIGNED</u>		
General Fund	General Fund	\$ 892,165.78
Sales Tax Fund	Streets & Recreation	563,041.52
Farmerville Volunteer Fire Department	Fire Department	55,588.64
Farmerville Area Fire Protection District	Fire Department	1,546.89
Farmerville Fire Department	Fire Department	938,005.95
Sales Tax Fund - 2002 Sales Tax	Recreation	517,522.18
Police Department	Police	67,396.33
		<u>\$ 3,035,267.29</u>
<u>TOTAL FUND BALANCE</u>		<u>\$ 3,632,335.09</u>

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated (2) identify the portion of the fund balance that is not appropriate for future expenditures.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 24 - DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES UNDER GASB 65

The *Governmental Accounting Standards Board (GASB)* released *Concepts Statement No. 4 Elements of Financial Statements* which provides a framework for determining the nature of a financial accounting or reporting issues. Since the release of the framework, GASB has been looking at the assets and liabilities on the balance sheet to determine if they should continue to be reflected as such. GASB has concluded that, in order to improve financial reporting, there are assets and liabilities that no longer should be reflected as assets and liabilities. These changes are included in GASB Statement No. 65, *Items Previously Reported as Asset and Liabilities*.

While GASB Statement No. 65 covers such transactions as leases, nonexchange transactions, and sales of future revenues, the most common impact will be on debt issuance costs (other than prepaid insurance), lending and mortgage banking activities. This removes the deferral of such costs and activities and will require the governmental entity to expense the costs in the period incurred, except for certain defined transactions. The pronouncement requires the transaction to be reflected as deferred inflows of resources or deferred outflows of resources.

The most common deferred inflows and outflows of resources are gain/loss on debt refunding and imposed nonexchange transactions, such as when taxes are levied for property taxes and received or recognized as a receivable. Government-mandated and voluntary exchange transactions will be reported as an inflow or outflow in the period unless the resources are provided or received in advance of time requirements being met.

GASB Statement No. 65 is specifically limited to the transactions provided in the pronouncement and the concepts and reasoning for classification of said assets and liabilities should not be applied to other transactions.

GASB has also issued GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* which sets forth the financial presentation of deferred inflows and outflows. GASB Statement No. 63 provides guidance on the presentation of deferred inflows and outflows of resources. Effectively, deferred inflows and outflows will be reflected below total assets and total liabilities and the balance sheet will be renamed to Statement of Net Position. The change in geography of the deferred inflows and outflows will allow the readers to see the impact the deferred resources have on the financial statements.

NOTE # 25 - FEDERAL AWARDS

<u>FEDERAL GRANTOR/PASS- THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>EXPENDITURES</u>
Department of Transportation National Highway Safety Administration Louisiana Department of Transportation and Development TAP Grant for Improvement to Sidewalks and Highway Beautification	20.600	H.011770	\$ 432,565.10
2019 Louisiana Community Development Block Grant (LCDBG) 2020-2021 LCDBG Portable Water Project			<u>.00</u>
<u>Grand Total</u>			<u>\$ 432,565.10</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 26 - GASB 68 - MUNICIPAL RETIREMENT SYSTEM

SCHEDULE OF EMPLOYER ALLOCATIONS

	<u>FIREFIGHTERS</u>		<u>POLICE - MPERS</u>		<u>GENERAL - MERS</u>		<u>TOTALS</u>
	<u>PROJECTED REQUIRED EMPLOYER CONTRIBUTION</u>	<u>EMPLOYER ALLOCATION PERCENTAGE</u>	<u>PROJECTED REQUIRED EMPLOYER CONTRIBUTION</u>	<u>EMPLOYER ALLOCATION PERCENTAGE</u>	<u>PROJECTED REQUIRED EMPLOYER CONTRIBUTION</u>	<u>EMPLOYER ALLOCATION PERCENTAGE</u>	
June 30, 2015	<u>\$ 24,809.00</u>	<u>0.0399100%</u>	<u>\$ 19,029.00</u>	<u>0.022584%</u>	<u>\$ 197,946.00</u>	<u>0.581133%</u>	<u>\$ 241,783.00</u>
June 30, 2016	<u>\$ 24,903.00</u>	<u>0.0405300%</u>	<u>\$ 18,480.00</u>	<u>0.022363%</u>	<u>\$ 196,800.00</u>	<u>0.557818%</u>	<u>\$ 240,183.00</u>
June 30, 2017	<u>\$ 22,072.00</u>	<u>0.0341230%</u>	<u>\$ 20,405.00</u>	<u>0.021528%</u>	<u>\$ 232,671.00</u>	<u>0.563156%</u>	<u>\$ 275,148.00</u>
June 30, 2018	<u>\$ 24,980.00</u>	<u>0.0375230%</u>	<u>\$ 20,946.00</u>	<u>0.023082%</u>	<u>\$ 261,156.00</u>	<u>0.577952%</u>	<u>\$ 307,082.00</u>
June 30, 2019	<u>\$ 33,737.00</u>	<u>0.052675%</u>	<u>\$ 17,559.00</u>	<u>0.0174535%</u>	<u>\$ 254,741.00</u>	<u>0.529266%</u>	<u>\$ 306,037.00</u>

SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

	<u>FIREFIGHTER NET PENSION LIABILITY</u>	<u>POLICE - MPERS NET PENSION LIABILITY</u>	<u>GENERAL -MERS NET PENSION LIABILITY</u>	<u>TOTALS</u>
June 30, 2015	<u>\$ 215,399.00</u>	<u>\$ 176,922.00</u>	<u>\$ 2,075,898.00</u>	<u>\$ 2,468,219.00</u>
June 30, 2016	<u>\$ 265,103.00</u>	<u>\$ 209,604.00</u>	<u>\$ 2,286,335.00</u>	<u>\$ 2,761,042.00</u>
June 30, 2017	<u>\$ 214,503.00</u>	<u>\$ 187,949.00</u>	<u>\$ 2,355,919.00</u>	<u>\$ 2,758,371.00</u>
June 30, 2018	<u>\$ 227,742.00</u>	<u>\$ 195,137.00</u>	<u>\$ 2,393,113.00</u>	<u>\$ 2,815,992.00</u>
June 30, 2019	<u>\$ 329,846.00</u>	<u>\$ 158,339.00</u>	<u>\$ 2,211,623.00</u>	<u>\$ 2,699,808.00</u>

PENSION LIABILITIES, PENSION EXPENSE AND DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2020 the Town of Farmerville reported a total of \$2,699,808.00 for its proportionate share of the net pension liability of MERS, MPERS and Firefighter combined. The net pension liability was measured as of June 30, 2019 for all plans. The total pension liability was used to calculate the net pension liability as determined by actuarial valuations as of June 30, 2019. The Town's portion of the net pension liability was based on projections of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating municipalities, actuarially determined. At June 30, 2020, the projected required employer contribution of the Town's proportion of MERS was \$254,741.00, .529266%, MPERS was \$17,559.00, .0174535%, and the Firefighter's was \$37,737.00 or .052675%.

TOWN OF FARMERVILLE
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NOTE # 26 - GASB 68 - MUNICIPAL RETIREMENT SYSTEM CONTINUED

For the year ended June 30, 2019, the Town recognized pension expense for MERS \$380,821.00, for MPERS \$17,183.00 and \$64,154.00 Firemen Pension Fund. (MERS - Municipal Employees Retirement System, MPERS - Municipal Police Employees Retirement System)

At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>DEFERRED OUTFLOWS OF RESOURCES</u>	<u>FIREFIGHTERS</u>	<u>POLICE - MPERS</u>	<u>GENERAL -MERS</u>	<u>TOTALS</u>
Difference Between Expected and Actual Experience with Regard to Economic or Demographic Assumptions	\$.00	\$ 332.00	\$.00	\$ 332.00
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	(6,483.00)	10,287.00	219,345.00	223,149.00
Changes of Assumptions	8,871.00	8,873.00	55,890.00	73,634.00
Changes in Proportion	60,725.00	6,011.00	16,755.00	83,491.00
Total Deferred Outflows of Resources	<u>\$ 63,113.00</u>	<u>\$ 25,503.00</u>	<u>\$ 291,990.00</u>	<u>\$ 380,606.00</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	<u>FIREFIGHTERS</u>	<u>POLICE - MPERS</u>	<u>GENERAL -MERS</u>	<u>TOTALS</u>
Difference Between Expected and Actual Experience	\$ 732.00	\$ 4,871.00	\$ 53,962.00	\$ 59,565.00
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	(8,962.00)	35,007.00	.00	26,045.00
Changes of Assumptions	(24.00)	.00	.00	(24.00)
Changes in Proportion	.00	.00	114,533.00	114,533.00
Total Deferred Inflows of Resources	<u>\$ (8,254.00)</u>	<u>\$ 39,878.00</u>	<u>\$ 168,495.00</u>	<u>\$ 200,119.00</u>
<u>PENSION EXPENSE (BENEFIT)</u>	<u>FIREFIGHTERS</u>	<u>POLICE - MPERS</u>	<u>GENERAL -MERS</u>	<u>TOTALS</u>
Proportionate Share of Plan Pension Expense	\$ 64,154.00	\$ 27,319.00	\$ 415,738.00	\$ 507,211.00
Net Amortization of Deferred Amounts from Changes In Proportion	.00	(10,136.00)	(34,917.00)	(45,053.00)
Total Employer Pension Expense (Benefit)	<u>\$ 64,154.00</u>	<u>\$ 17,183.00</u>	<u>\$ 380,821.00</u>	<u>\$ 462,158.00</u>

SCHEDULE OF EMPLOYERS PROPORTIONATE SHARE OF CONTRIBUTIONS AND NON-EMPLOYER CONTRIBUTION

	<u>FIREFIGHTERS</u>	<u>POLICE - MPERS</u>	<u>GENERAL -MERS</u>	<u>TOTALS</u>
<u>Proportionate Share of Employer Contributions</u>	<u>\$ 33,820.00</u>	<u>\$ 27,319.00</u>	<u>\$ 259,055.00</u>	<u>\$ 320,194.00</u>
<u>Proportionate Share of Non-Employer Contributions</u>	<u>\$ 14,121.00</u>	<u>\$ (10,136.00)</u>	<u>\$ 33,964.00</u>	<u>\$ 37,949.00</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 26 - GASB 68 - MUNICIPAL RETIREMENT SYSTEM CONTINUED

Schedule of Amortization - June 30, 2020 - June 30, 2023

	<u>FIREFIGHTER NET PENSION LIABILITY</u>	<u>POLICE - MPERS NET PENSION LIABILITY</u>	<u>GENERAL -MERS NET PENSION LIABILITY</u>	<u>TOTALS</u>
June 30, 2020	\$.00	\$ (1,127.00)	\$ 83,195.00	\$ 82,068.00
June 30, 2021	\$.00	\$ (8,540.00)	\$ (6,124.00)	\$ (14,664.00)
June 30, 2022	\$.00	\$ (7,277.00)	\$ 28,011.00	\$ 20,734.00
June 30, 2023	<u>\$.00</u>	<u>\$ 2,569.00</u>	<u>\$ 18,413.00</u>	<u>\$ 20,982.00</u>
Totals	<u>\$.00</u>	<u>\$ (14,375.00)</u>	<u>\$ 123,495.00</u>	<u>\$ 109,120.00</u>

Actuarial Assumptions

A summary of the significant actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 are as follows:

	<u>POLICE MPERS</u>	<u>FIREFIGHTERS</u>	<u>MPERS</u>
Salary Increase	2.50% Inflation	2.50% Inflation	2.775% Inflation
Investment Rate of Returns	7.125% Expected Normal Rate of Return	7.15% Net of Investment Expense	7.00% Net of Investment Expense

For MERS mortality rates were based on RP-200 Employee Table for active members; RP2000 for Healthy Annuitant Tables for healthy annuitants; and RP2000 Disabled Lives Monthly Tables for disabled annuitants. For MPERS, the actuarial assumptions used in the June 30, 2019 valuation was based on the results of an experience study for the period July, 2011 and June 30, 2016.

Discount Rate

The discount rate used to measure the total pension liability was 7.75% for MERS and 7.5% for MPERS. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the system's actuaries. Based on those assumptions, the system's fiduciary net pension was projected to be available to made all projected future benefit payments of current plan members. Therefore, the long-term expected rate of returns on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate

The following, presents the Town's proportionate share of the net pension liability calculated using the current discount rate, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2018.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE # 26 - GASB 68 - MUNICIPAL RETIREMENT SYSTEM CONTINUED

SCHEDULE OF NET PENSION LIABILITY SENSITIVITY TO CHANGE DISCOUNT RATE

	FIREFIGHTERS		POLICE -MPERS		GENERAL -MERS	
	<u>CHANGES IN DISCOUNT RATE</u>		<u>CHANGES IN DISCOUNT RATE</u>		<u>CHANGES IN DISCOUNT RATE</u>	
	<u>1% DECREASE</u>	<u>1% INCREASE</u>	<u>1% DECREASE</u>	<u>1% INCREASE</u>	<u>1% DECREASE</u>	<u>1% INCREASE</u>
	6.75%	8.75%	6.75%	8.75%	6.00%	8.00%
June 30, 2015	<u>\$ 305,564.00</u>	<u>\$ 139,605.00</u>	<u>\$ 245,991.00</u>	<u>\$ 119,044.00</u>	<u>\$ 2,716,718.00</u>	<u>\$ 1,529,911.00</u>
June 30, 2016	<u>\$ 361,181.00</u>	<u>\$ 184,303.00</u>	<u>\$ 279,421.00</u>	<u>\$ 150,987.00</u>	<u>\$ 2,906,357.00</u>	<u>\$ 1,757,266.00</u>
June 30, 2017	<u>\$ 308,233.00</u>	<u>\$ 135,710.00</u>	<u>\$ 259,669.00</u>	<u>\$ 127,780.00</u>	<u>\$ 3,002,225.00</u>	<u>\$ 1,804,639.00</u>
June 30, 2018	<u>\$ 332,329.00</u>	<u>\$ 139,853.00</u>	<u>\$ 274,221.00</u>	<u>\$ 128,788.00</u>	<u>\$ 3,074,172.00</u>	<u>\$ 1,811,805.00</u>
June 30, 2019	<u>\$ 477,639.00</u>	<u>\$ 205,800.00</u>	<u>\$ 220,618.00</u>	<u>\$ 106,093.00</u>	<u>\$ 2,883,561.00</u>	<u>\$ 1,643,521.00</u>

The above information on the retirement accounts are found on the following Louisiana internet sites:

- 1) Louisiana Firefighters Retirement System
- 2) Louisiana Municipal Police Employees Retirement System
- 3) MPERS (Municipal Employees Retirement System of Louisiana)

NOTE #27 - 2015 THEFT UPDATE

In 2015, one of the Town's cashier stole \$26,086.94 in funds from the Town. The cashier pleaded guilty to the charges and agreed to pay the Town back over a five year period.

A recap of balance due from Mrs. Meeking as of June 30, 2020 is as follows:

<u>DEPARTMENTS</u>	<u>POLICE</u>	<u>WATER</u>	<u>OTHER</u>	<u>TOTAL</u>
<u>ORIGINAL AMOUNTS</u>	<u>\$ 15,276.50</u>	<u>\$ 7,210.44</u>	<u>\$ 3,600.00</u>	<u>\$ 26,086.94</u>
<u>PAYMENTS</u>				
2016	(1,383.51)	.00	.00	(1,383.51)
2017	(3,694.25)	.00	.00	(3,694.25)
2018	(4,887.00)	.00	.00	(4,887.00)
2019	(2,537.10)	.00	.00	(2,537.10)
2020	(172.00)	.00	.00	(172.00)
<u>BALANCE DUE</u>	<u>\$ 2,602.64</u>	<u>\$ 7,210.44</u>	<u>\$ 3,600.00</u>	<u>\$ 13,413.08</u>

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A

<u>REVENUES</u>	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL YEAR TO DATE</u>	<u>FAVORABLE (UNFAVORABLE)</u>
<u>Local Sources - Taxes</u>				
Advalorem - General	\$ 245,000.00	\$ 245,000.00	\$ 248,130.15	\$ 3,130.15
Franchise	225,000.00	215,000.00	212,405.69	(2,594.31)
Housing Authority in Lieu of Taxes	<u>10,000.00</u>	<u>9,000.00</u>	<u>8,929.00</u>	<u>(71.00)</u>
Total Taxes	<u>\$ 480,000.00</u>	<u>\$ 469,000.00</u>	<u>\$ 469,464.84</u>	<u>\$ 464.84</u>
<u>Licenses and Taxes</u>				
Alcoholic Beverages	\$ 8,500.00	\$ 7,500.00	\$ 13,742.03	\$ 6,242.03
Occupational	107,000.00	125,000.00	127,804.47	2,804.47
Building Licenses & Permits	10,000.00	8,500.00	8,314.71	(185.29)
Occupational Insurance	100,000.00	100,000.00	109,522.40	9,522.40
Video Bingo	<u>90,000.00</u>	<u>105,000.00</u>	<u>108,625.86</u>	<u>3,625.86</u>
Total Licenses & Taxes	<u>\$ 315,500.00</u>	<u>\$ 346,000.00</u>	<u>\$ 368,009.47</u>	<u>\$ 22,009.47</u>
<u>Charges for Services</u>				
Garbage Fees	\$ 480,000.00	\$ 485,000.00	\$ 491,183.49	\$ 6,183.49
Zoning Charges	<u>500.00</u>	<u>500.00</u>	<u>550.00</u>	<u>50.00</u>
Total Charges for Services	<u>\$ 480,500.00</u>	<u>\$ 485,500.00</u>	<u>\$ 491,733.49</u>	<u>\$ 6,233.49</u>
<u>Miscellaneous</u>				
Condemned Houses	\$ 1,200.00	\$.00	\$.00	\$.00
Miscellaneous	30,000.00	128,000.00	3,911.73	(124,088.27)
Sale of Assets	.00	2,800.00	2,833.00	33.00
Rental	.00	.00	3,300.00	3,300.00
Fees - Farmer's Market	1,000.00	1,000.00	1,637.00	637.00
LWCC Dividend	.00	.00	130,603.62	130,603.62
Administrative Fees	75,000.00	75,000.00	75,000.00	.00
Interest Income	<u>500.00</u>	<u>10,000.00</u>	<u>11,560.22</u>	<u>1,560.22</u>
Total Miscellaneous	<u>\$ 107,700.00</u>	<u>\$ 216,800.00</u>	<u>\$ 228,845.57</u>	<u>\$ 12,045.57</u>
<u>State Sources</u>				
State Revenue Sharing	\$ 500.00	\$.00	\$.00	\$.00
Beer Tax	<u>6,500.00</u>	<u>6,200.00</u>	<u>.00</u>	<u>(6,200.00)</u>
Total State Resources	<u>\$ 7,000.00</u>	<u>\$ 6,200.00</u>	<u>\$.00</u>	<u>\$ (6,200.00)</u>
<u>TOTAL REVENUE</u>	<u>\$ 1,390,700.00</u>	<u>\$ 1,523,500.00</u>	<u>\$ 1,558,053.37</u>	<u>\$ 34,553.37</u>
<u>EXPENDITURES</u>				
<u>SUMMARY OF EXPENDITURES -</u>				
<u>BY DEPARTMENTS</u>				
<u>General Government</u>				
Administrative	\$ 576,150.00	\$ 530,250.00	\$ 527,845.35	\$ 2,404.65
<u>SUMMARY OF EXPENDITURES -</u>				
<u>BY FUNCTION</u>				
Sanitation	<u>553,910.00</u>	<u>644,310.00</u>	<u>643,190.65</u>	<u>1,119.35</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 1,130,060.00</u>	<u>\$ 1,174,560.00</u>	<u>\$ 1,171,036.00</u>	<u>\$ 3,524.00</u>
<u>EXCESS REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>\$ 260,640.00</u>	<u>\$ 348,940.0</u>	<u>\$ 387,017.37</u>	<u>\$ 31,029.37</u>

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A
CONTINUED

<u>SUMMARY OF OTHER FINANCING</u>	<u>ORIGINAL</u>	<u>AMENDED</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>
<u>RECEIPTS (USES)</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>YEAR</u>	<u>(UNFAVORABLE)</u>
			<u>TO DATE</u>	
Transfers In				
Sales Taxes	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$.00
Transfers Out				
Police Department	<u>(280,000.00)</u>	<u>(220,000.00)</u>	<u>(220,000.00)</u>	<u>.00</u>
Total Summary of Other Financing				
Receipts (Uses)	<u>\$ (230,000.00)</u>	<u>\$ (170,000.00)</u>	<u>\$ (170,000.00)</u>	<u>\$.00</u>
<u>NET CHANGES IN FUND BALANCE</u>	<u>\$ 30,640.00</u>	<u>\$ 178,940.00</u>	<u>\$ 217,017.37</u>	<u>\$ 38,077.37</u>
<u>FUND BALANCE - JULY 1</u>	<u>703,161.41</u>	<u>703,161.41</u>	<u>703,161.41</u>	
<u>FUND BALANCE - JUNE 30</u>	<u>\$ 733,801.41</u>	<u>\$ 882,101.41</u>	<u>\$ 920,178.78</u>	

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND
SCHEDULE OF DETAIL GENERAL FUND EXPENSES -
BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A.a

<u>GENERAL AND ADMINISTRATIVE</u>	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL YEAR TO DATE</u>	<u>FAVORABLE (UNFAVORABLE)</u>
Salaries and Expenditures				
Elected Officials	\$ 105,000.00	\$ 105,000.00	\$ 107,739.80	\$ (2,739.80)
Administrative Salaries	128,000.00	138,000.00	140,195.57	(2,195.57)
Employee Benefit Expenditures				
Dental Insurance	1,100.00	1,100.00	1,099.20	.80
Medicare	3,400.00	3,500.00	3,489.85	10.15
FICA Contributions	14,400.00	14,900.00	14,921.36	(21.36)
Unemployment Contributions	250.00	250.00	275.84	(25.84)
Retirement	35,000.00	36,000.00	35,836.34	163.66
Hospital Insurance	26,000.00	25,000.00	25,049.76	(49.76)
Uniforms	3,000.00	3,000.00	2,570.00	430.00
Workmen's Compensation Ins.	1,400.00	1,400.00	1,475.00	(75.00)
Employee Drug Testing	200.00	200.00	55.00	145.00
Miscellaneous Employee Costs	900.00	900.00	590.28	309.72
Attorney's Fees	20,000.00	20,000.00	21,779.02	(1,779.02)
Auditing	8,000.00	8,000.00	7,890.00	110.00
Coroner Expenditures	15,000.00	12,000.00	10,560.00	1,440.00
Dues and Subscriptions	10,000.00	10,000.00	8,491.59	1,508.41
Insurance	25,000.00	25,000.00	23,972.88	1,027.12
Computer Expenditures	10,000.00	10,000.00	8,901.77	1,098.23
Office Supplies	8,000.00	9,500.00	10,706.56	(1,206.56)
City Hall Maintenance and Supplies	10,000.00	14,000.00	13,809.74	190.26
LaMats Collection Fee	2,000.00	2,000.00	.00	2,000.00
Telephone	10,000.00	8,500.00	8,609.46	(109.46)
Travel and Education - Clerk	6,000.00	3,500.00	3,282.84	217.16
Travel and Education - Mayor	4,000.00	1,500.00	1,477.18	22.82
Travel - Attorney	1,000.00	1,000.00	.00	1,000.00
Travel - Others	8,000.00	5,500.00	5,032.86	467.14
Mayor's Vehicle Expenditures	2,000.00	2,000.00	.00	2,000.00
Town Hall Vehicle Expenditures	2,000.00	2,000.00	2,246.73	(246.73)
Utilities	12,000.00	10,000.00	11,450.94	(1,450.94)
Asset Purchases	.00	1,500.00	1,498.00	2.00
Economic Development	5,000.00	.00	.00	.00
Sponsorships	20,000.00	12,000.00	11,250.00	750.00
Advertising and Filing	10,000.00	10,000.00	9,980.01	19.99
Major Repairs & Additions	40,000.00	3,000.00	.00	3,000.00
Maintenance on Equipment	500.00	10,500.00	10,025.54	474.46
Farmers Market Building	1,000.00	.00	.00	.00
Collection Expense	.00	.00	2,934.29	(2,934.29)
Miscellaneous Expense	5,000.00	3,500.00	3,918.25	(418.25)
Christmas Supply Cost	2,000.00	1,000.00	919.00	81.00
Code of Ordinances	.00	.00	800.00	(800.00)
LSU AG Center	10,000.00	10,000.00	10,000.00	.00
City Inspector Fees	1,000.00	1,000.00	1,016.19	(16.19)
Website Expense	10,000.00	4,000.00	3,994.50	5.50
Total General & Administrative	<u>\$ 576,150.00</u>	<u>\$ 530,250.00</u>	<u>\$ 527,845.35</u>	<u>\$ (2,404.65)</u>
<u>SANITATION EXPENSES</u>				
Salaries	\$ 255,000.00	\$ 252,000.00	\$ 253,910.85	\$ (1,910.85)
Employee Benefit Expenditures				
Dental Insurance	2,800.00	2,800.00	2,595.90	204.10
Medicare Taxes	3,700.00	3,700.00	3,621.72	78.28

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND
SCHEDULE OF DETAIL GENERAL FUND EXPENSES -
BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A.a
CONTINUED

	<u>ORIGINAL</u>	<u>AMENDED</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>
<u>SANITATION EXPENSES</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>YEAR</u>	<u>(UNFAVORABLE)</u>
			<u>TO DATE</u>	
FICA Taxes	\$ 15,810.00	\$ 15,510.00	\$ 15,485.45	\$ 24.55
Unemployment Taxes	500.00	500.00	503.60	(3.60)
Municipal Retirement	58,000.00	56,000.00	56,024.64	(24.64)
Hospital Insurance	60,000.00	58,000.00	57,909.90	90.10
Workers Compensation Insurance	30,000.00	32,000.00	32,104.20	(104.20)
Employment Drug Testing	400.00	600.00	713.50	(113.50)
Uniforons	4,000.00	2,000.00	2,122.17	(122.17)
Miscellaneous Employee Cost	700.00	700.00	731.70	(31.70)
Truck and Equipment - Gas & Oil	18,000.00	21,000.00	21,075.83	(75.83)
Truck Payment	50,000.00	59,000.00	57,456.87	1,543.13
Truck Repairs	30,000.00	95,000.00	95,609.91	(609.91)
Miscellaneous	2,000.00	4,000.00	3,872.05	127.95
Insurance	12,000.00	12,500.00	11,541.13	958.87
Compactor Expenditures	5,000.00	1,000.00	289.89	710.11
Asset Purchases	.00	22,000.00	22,597.66	(597.66)
Container Expenditures	6,000.00	6,000.00	5,023.68	976.32
Total Garbage Department	<u>\$ 553,910.00</u>	<u>\$ 644,310.00</u>	<u>\$ 643,190.65</u>	<u>\$ 1,119.35</u>
 <u>TOTAL EXPENDITURES</u>	 <u>\$ 1,130,060.00</u>	 <u>\$ 1,174,560.00</u>	 <u>\$ 1,171,036.00</u>	 <u>\$ 3,524.00</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers out,;				
Transfer to Police Department	\$ (280,000.00)	\$ (220,000.00)	\$ (220,000.00)	\$.00
Transfer in	<u>50,000.00</u>	<u>50,000.00</u>	<u>50,000.00</u>	<u>.00</u>
<u>TOTAL OTHER FINANCING SOURCES</u>				
<u>(USES)</u>	<u>\$ (230,000.00)</u>	<u>\$ (170,000.00)</u>	<u>\$ (170,000.00)</u>	<u>\$.00</u>

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND - FIRE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A-1

<u>REVENUES</u>	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL YEAR TO DATE</u>	<u>FAVORABLE (UNFAVORABLE)</u>
<u>LOCAL SOURCES</u>				
<u>TAXES</u>				
Advalorem-Fire Department	\$ 220,000.00	\$ 220,000.00	\$ 223,016.42	\$ 3,016.42
Special Millage	290,000.00	290,000.00	295,921.72	5,921.72
Total Local Sources Taxes	<u>\$ 510,000.00</u>	<u>\$ 510,000.00</u>	<u>\$ 518,938.14</u>	<u>\$ 8,938.14</u>
<u>MISCELLANEOUS</u>				
Miscellaneous				
Sales of Fixed Assets	\$.00	\$ 1,350.00	\$ 1,345.00	\$ (5.00)
Interest Income	10,000.00	12,000.00	11,915.63	(84.37)
Grants	.00	1,600.00	1,600.00	0.00
Donations & Gifts	.00	.00	5,000.00	5,000.00
Burn Permits	100.00	100.00	.00	(100.00)
Total Miscellaneous	<u>\$ 10,100.00</u>	<u>\$ 15,050.00</u>	<u>\$ 19,860.63</u>	<u>\$ 4,810.63</u>
<u>STATE SOURCES</u>				
Supplemental Pay	\$ 12,000.00	\$ 12,000.00	\$ 17,000.00	\$ 5,000.00
State 2% Insurance	22,000.00	21,000.00	20,785.11	(214.89)
Total State Sources	<u>\$ 34,000.00</u>	<u>\$ 33,000.00</u>	<u>\$ 37,785.11</u>	<u>\$ 4,785.11</u>
<u>TOTAL REVENUE</u>	<u>\$ 554,100.00</u>	<u>\$ 558,050.00</u>	<u>\$ 576,583.88</u>	<u>\$ 18,533.88</u>
<u>EXPENDITURES</u>				
Salary and Expenditures	\$ 130,000.00	\$ 130,000.00	\$ 141,835.31	\$ (11,835.31)
Salaries - Supplemental Pay	12,000.00	12,000.00	17,000.00	(5,000.00)
Employee Benefits Expenditures				
Dental Insurance	1,200.00	1,500.00	1,465.80	34.20
Medicare Tax	2,320.00	1,870.00	2,093.64	(223.64)
Retirement	40,000.00	36,000.00	34,724.00	1,276.00
FICA Contribution	9,920.00	7,970.00	8,956.71	(986.71)
Unemployment	300.00	300.00	254.49	45.51
Hospital Insurance	25,500.00	25,500.00	25,122.84	377.16
Workers Compensation Insurance	10,000.00	10,000.00	10,213.00	(213.00)
Miscellaneous Expense	1,000.00	1,000.00	909.32	90.68
Employee Drug Testing	400.00	100.00	.00	100.00
Uniforms	6,000.00	7,500.00	7,647.15	(147.15)
Advertising	1,500.00	.00	.00	.00
Audit Cost	4,000.00	4,000.00	3,945.00	55.00
Communication Expense	.00	5,000.00	5,000.00	.00
Computer Expense	1,000.00	1,000.00	518.38	481.62
Dues & Subscriptions	500.00	500.00	.00	500.00
Vehicle - Gas & Oil	8,000.00	6,000.00	15,940.44	(9,940.44)
Vehicle Repairs & Expense	11,000.00	5,000.00	.00	5,000.00
Fire Equipment Repairs	4,000.00	1,000.00	3,152.97	(2,152.97)
Radios	7,000.00	2,500.00	.00	2,500.00
Telephone	8,000.00	4,500.00	4,664.24	(164.24)
Supplies	20,000.00	9,000.00	11,211.88	(2,211.88)
Travel & Training	4,000.00	4,000.00	3,191.24	808.76
Assets Purchase	440,000.00	442,000.00	551,557.19	(109,557.19)
Fire Prevention	5,000.00	5,000.00	3,645.71	1,354.29
Fire Station Repairs	5,000.00	3,000.00	3,534.38	(534.38)
Mileage Reimbursement	10,000.00	8,000.00	7,748.62	251.38

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND - FIRE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
- BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A-1
CONTINUED

<u>EXPENDITURES - CONTINUED</u>	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL YEAR TO DATE</u>	<u>FAVORABLE (UNFAVORABLE)</u>
Miscellaneous	\$ 6,000.00	\$ 4,000.00	\$ 3,927.73	\$ 72.27
Office Supplies	2,000.00	1,200.00	1,160.06	39.94
Utilities	12,000.00	12,000.00	10,851.11	1,148.89
Insurance	30,000.00	33,000.00	31,330.60	1,669.40
TOTAL EXPENDITURES	<u>\$ 817,640.00</u>	<u>\$ 784,440.00</u>	<u>\$ 911,601.81</u>	<u>\$ (127,161.81)</u>
 <u>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</u>	 <u>\$ (263,540.00)</u>	 <u>\$ (226,390.00)</u>	 <u>\$ (335,017.93)</u>	 <u>\$ (108,627.93)</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers Out				
Transfer to Fire District	\$ (5,000.00)	\$.00	\$.00	\$.00
Transfer to Volunteer Fire Department	(23,000.00)	(21,000.00)	(20,945.81)	54.19
Transfers to General Fund	(5,000.00)	(5,000.00)	(5,000.00)	.00
Total Other Financing Sources (Uses)	<u>\$ (33,000.00)</u>	<u>\$ (26,000.00)</u>	<u>\$ (25,945.81)</u>	<u>\$ 54.19</u>
 <u>EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPEND- ITURES AND OTHER (USES) BEFORE EXTRAORDINARY ITEM</u>	 <u>\$ (296,540.00)</u>	 <u>\$ (252,390.00)</u>	 <u>\$ (360,963.74)</u>	 <u>\$ (108,573.74)</u>
 <u>FUND BALANCE - JULY 1</u>	 <u>1,324,149.69</u>	 <u>1,324,149.69</u>	 <u>1,324,149.69</u>	
 <u>FUND BALANCE - JUNE 30</u>	 <u>\$ 1,027,609.69</u>	 <u>\$ 1,071,759.69</u>	 <u>\$ 963,185.95</u>	

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND - POLICE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
- BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A-2

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>AMENDED</u> <u>BUDGET</u>	<u>ACTUAL</u> <u>YEAR</u> <u>TO DATE</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>REVENUES</u>				
<u>LOCAL SOURCES</u>				
<u>TAXES</u>				
Sales Taxes	\$ 515,000.00	\$ 560,000.00	\$ 574,169.03	\$ 14,169.03
<u>CHARGES FOR SERVICES</u>				
Juvenile Court	\$ 500.00	\$ 500.00	\$.00	\$ (500.00)
Municipal Court Cost	14,000.00	12,000.00	12,894.36	894.36
Accident Report	1,400.00	1,400.00	1,315.00	(85.00)
Task Force Income	3,000.00	3,000.00	3,167.00	167.00
AMS Collection	200.00	.00	.00	.00
Total Charges for Services	<u>\$ 19,100.00</u>	<u>\$ 16,900.00</u>	<u>\$ 17,376.36</u>	<u>\$ 476.36</u>
<u>FINES AND FORFEITS</u>				
DWI Fines	\$ 2,000.00	\$ 2,000.00	\$ 2,168.00	\$ 168.00
Municipal Court Fines	50,000.00	55,000.00	54,197.54	(802.46)
Bench Warrants	3,000.00	1,200.00	1,050.00	(150.00)
Others	.00	.00	180.00	180.00
Total Fines and Forfeits	<u>\$ 55,000.00</u>	<u>\$ 58,200.00</u>	<u>\$ 57,595.54</u>	<u>\$ (604.46)</u>
<u>MISCELLANEOUS</u>				
Miscellaneous	\$ 2,500.00	\$ 10,000.00	\$ 1,957.34	\$ (8,042.66)
Interest Income	200.00	200.00	237.55	37.55
Sex Offender Registration	100.00	100.00	60.00	(40.00)
Sales of Fixed Assets	.00	3,700.00	13,466.00	9,766.00
Total Miscellaneous	<u>\$ 2,800.00</u>	<u>\$ 14,000.00</u>	<u>\$ 15,720.89</u>	<u>\$ 1,720.89</u>
<u>STATE SOURCES</u>				
Grants	\$ 15,000.00	\$.00	\$.00	\$.00
Supplemental Pay	60,000.00	60,000.00	57,783.00	(2,217.00)
Total State Sources	<u>\$ 75,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ 57,783.00</u>	<u>\$ (2,217.00)</u>
<u>TOTAL REVENUE</u>	<u>\$ 666,900.00</u>	<u>\$ 709,100.00</u>	<u>\$ 722,644.82</u>	<u>\$ 13,544.82</u>
<u>EXPENDITURES</u>				
Salaries	\$ 514,000.00	\$ 532,000.00	\$ 546,026.21	\$ (14,026.21)
Salaries - Supplemental Pay	60,000.00	60,000.00	57,783.00	2,217.00
Employee Benefit Expenditures				
Dental Insurance	4,800.00	4,800.00	4,902.76	(102.76)
Medicare Tax	7,600.00	7,860.00	8,425.84	(565.84)
FICA Contributions	36,000.00	37,200.00	36,027.33	1,172.67
Retirement	20,000.00	29,000.00	21,245.91	7,754.09
Unemployment	1,500.00	1,500.00	1,048.96	451.04
Hospital Insurance	110,000.00	112,000.00	111,694.50	305.50
Life Insurance	2,200.00	2,200.00	1,586.97	613.03
Employee Drug Testing	800.00	800.00	55.00	745.00
Miscellaneous Employee Expense	1,000.00	1,000.00	1,189.87	(189.87)
Workers Compensation Insurance	19,000.00	19,000.00	18,103.00	897.00
Uniforms	2,000.00	2,000.00	1,009.20	990.80
Prisoners Expenditures	1,000.00	3,500.00	3,483.25	16.75
Dog Expense	2,000.00	.00	.00	.00
Advertising and Filing	500.00	500.00	30.00	470.00
Auditing	3,000.00	4,300.00	4,290.00	10.00
Computer Expense	2,000.00	3,500.00	2,490.00	1,010.00
Dues and Subscriptions	3,000.00	3,000.00	2,624.47	375.53

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
GENERAL FUND - POLICE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
- BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT A-2
CONTINUED

	<u>ORIGINAL</u>	<u>AMENDED</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>
<u>EXPENDITURES</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>YEAR</u>	<u>(UNFAVORABLE)</u>
			<u>TO DATE</u>	
Equipment Expense	\$ 2,000.00	\$ 2,000.00	\$ 2,792.93	\$ (792.93)
Insurance	35,000.00	22,000.00	27,871.71	(5,871.71)
Office Supplies	3,000.00	3,000.00	2,547.14	452.86
Travel and Training	6,000.00	3,200.00	3,065.78	134.22
Assets Purchases	35,000.00	.00	.00	.00
Building Maintenance	2,000.00	1,000.00	.00	1,000.00
Miscellaneous	1,000.00	2,800.00	2,233.33	566.67
Telephone	6,000.00	5,500.00	5,215.89	284.11
Supplies	3,000.00	5,500.00	5,510.73	(10.73)
Vehicle - Gas & Oil	25,000.00	25,000.00	39,554.10	(14,554.10)
Vehicle Repairs	12,000.00	16,000.00	1,163.48	14,836.52
Police Utilities	7,000.00	6,200.00	6,558.30	(358.30)
AMS Collection Expense	500.00	100.00	58.15	41.85
Sales Tax Collection Expense	5,150.00	5,500.00	5,548.24	(48.24)
<u>EXPENDITURES</u>	<u>\$ 933,050.00</u>	<u>\$ 921,960.00</u>	<u>\$ 924,136.05</u>	<u>\$ (2,176.05)</u>
<u>EXCESS OF REVENUE OVER (UNDER)</u>				
<u>EXPENDITURES</u>	<u>\$ (266,150.00)</u>	<u>\$ (212,860.00)</u>	<u>\$ (201,491.23)</u>	<u>11,368.77</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfer In				
Transfers from General Fund	\$ 280,000.00	\$ 220,000.00	\$ 220,000.00	\$.00
Total Other Financing Sources (Uses)	<u>\$ 280,000.00</u>	<u>\$ 220,000.00</u>	<u>\$ 220,000.00</u>	<u>\$.00</u>
<u>EXCESS OF REVENUE AND OTHER</u>				
<u>SOURCES OVER (UNDER)</u>				
<u>EXPENDITURES AND OTHER (USES)</u>				
<u>BEFORE EXTRAORDINARY ITEM</u>	<u>\$ 13,850.00</u>	<u>\$ 7,140.00</u>	<u>\$ 18,508.77</u>	<u>\$ 11,368.77</u>
<u>FUND BALANCE - JULY 1</u>	<u>71,662.56</u>	<u>71,662.56</u>	<u>71,662.56</u>	
<u>FUND BALANCE - JUNE 30</u>	<u>\$ 85,512.56</u>	<u>\$ 78,802.56</u>	<u>\$ 90,171.33</u>	

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SPECIAL REVENUES - SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT B

<u>REVENUE</u>	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL YEAR TO DATE</u>	<u>FAVORABLE (UNFAVORABLE)</u>
Taxes				
Sales Tax	\$ 1,030,000.00	\$ 1,100,000.00	\$ 1,147,281.79	\$ 47,281.79
Interest Earned	6,500.00	8,500.00	9,311.94	811.94
State Mowing Contract	13,060.00	13,060.00	13,670.00	610.00
Grants	.00	190,000.00	492,678.78	302,678.78
Sales of Fixed Assets	.00	9,000.00	9,400.00	400.00
Miscellaneous Income	.00	4,000.00	4,212.50	212.50
<u>TOTAL REVENUES</u>	<u>\$ 1,049,560.00</u>	<u>\$ 1,324,560.00</u>	<u>\$ 1,676,555.01</u>	<u>\$ 351,995.01</u>
 <u>EXPENDITURES</u>				
<u>GENERAL GOVERNMENT</u>				
Salaries	\$ 65,000.00	\$ 60,000.00	\$ 61,331.41	\$ (1,331.41)
Employee Benefits Expenditures				
Medicare Taxes	1,000.00	1,000.00	791.32	208.68
Municipal Retirement	16,000.00	16,000.00	15,921.32	78.68
FICA	4,000.00	4,000.00	3,383.54	616.46
Unemployment	300.00	300.00	117.67	182.33
Hospital Insurance	16,800.00	16,800.00	16,748.56	51.44
Dental	1,000.00	1,000.00	732.96	267.04
Miscellaneous Employee Cost	500.00	500.00	.00	500.00
Employee Drug Test	200.00	200.00	.00	200.00
Uniforms	1,000.00	1,000.00	439.82	560.18
Advertising and Filing	400.00	.00	.00	.00
Asset Purchase	.00	750.00	749.00	1.00
Auditing	4,500.00	4,000.00	3,945.00	55.00
Building Maintenance	2,000.00	2,000.00	1,420.00	580.00
Computer	6,500.00	4,500.00	4,131.47	368.53
Insurance	13,000.00	10,000.00	6,650.57	3,349.43
Grant Expense	100,000.00	290,000.00	643,345.65	(353,345.65)
Capital Improvements	20,000.00	.00	.00	.00
Miscellaneous	.00	.00	419.67	(419.67)
Office Expenditures	3,000.00	3,000.00	1,381.82	1,618.18
Sales Tax Collection Cost	10,300.00	11,000.00	11,042.93	(42.93)
Shop Supplies	3,000.00	3,200.00	3,919.77	(719.77)
Shop Utilities	3,200.00	3,200.00	2,523.13	676.87
TIF Payments	72,000.00	72,000.00	89,806.00	(17,806.00)
Telephone	5,000.00	5,000.00	4,249.74	750.26
Travel	2,000.00	1,300.00	1,260.50	39.50
Total General Government	<u>\$ 350,700.00</u>	<u>\$ 510,750.00</u>	<u>\$ 874,311.85</u>	<u>\$ (363,561.85)</u>
 <u>PRISON LABOR AND EXPENDITURES</u>				
Labor and Expenditures	<u>\$ 2,000.00</u>	<u>\$ 1,000.00</u>	<u>\$ 1,671.51</u>	<u>\$ (671.51)</u>
Total Prison Labor & Expenditures				
 <u>STREET REPAIRS</u>				
Salaries	\$ 165,000.00	\$ 160,000.00	\$ 154,363.52	\$ 5,636.48
Employee Benefit Expenditures				
Medicare Taxes	2,400.00	2,400.00	2,238.79	161.21
Municipal Retirement	44,000.00	42,000.00	40,370.82	1,629.18
FICA Taxes	10,300.00	10,300.00	9,572.08	727.92
Unemployment Taxes	500.00	500.00	315.62	184.38
Hospital Insurance	42,000.00	42,000.00	41,858.45	141.55

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SPECIAL REVENUES - SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT B
CONTINUED

	<u>ORIGINAL</u>	<u>AMENDED</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>
<u>STREET REPAIRS CONTINUED</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>YEAR</u>	<u>(UNFAVORABLE)</u>
			<u>TO DATE</u>	
Dental	\$ 2,000.00	\$ 2,000.00	\$ 1,842.89	\$ 157.11
Workers Compensation Insurance	18,000.00	18,000.00	18,011.00	(11.00)
Employee Drug Testing	600.00	600.00	551.50	48.50
Miscellaneous Employee Expense	500.00	500.00	646.63	(146.63)
Uniforms	2,000.00	2,400.00	2,243.67	156.33
Clean City Expense	22,000.00	18,000.00	15,113.03	2,886.97
Insurance	20,000.00	26,000.00	25,765.50	234.50
Capital Improvements	.00	.00	17,400.00	(17,400.00)
Miscellaneous	5,000.00	6,500.00	7,665.75	(1,165.75)
Street Asset Purchase	30,000.00	16,000.00	15,593.21	406.79
Street Improvement/ Maintenance	30,000.00	60,000.00	34,968.04	25,031.96
Truck Equipment - Oil & Gas	16,000.00	16,000.00	15,024.21	975.79
Truck Equipment Repairs	15,000.00	23,000.00	27,226.92	(4,226.92)
Utilities	100,000.00	96,000.00	96,874.00	(874.00)
USDA Loan Payments	25,000.00	25,000.00	24,096.00	904.00
USDA Reserve Account	2,400.00	2,400.00	0.00	2,400.00
USDA Dep & Cont	2,400.00	2,400.00	0.00	2,400.00
Total Street Repairs	<u>\$ 555,100.00</u>	<u>\$ 572,000.00</u>	<u>\$ 551,741.63</u>	<u>\$ 20,258.37</u>
 <u>TOTAL EXPENDITURES</u>	 <u>\$ 907,800.00</u>	 <u>\$ 1,083,750.00</u>	 <u>\$ 1,427,724.99</u>	 <u>\$ (343,974.99)</u>
 <u>EXCESS OF REVENUE OVER (UNDER)</u>				
<u>EXPENDITURES</u>	<u>\$ 141,760.00</u>	<u>\$ 240,810.00</u>	<u>\$ 248,830.02</u>	<u>\$ 8,020.02</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfer In (Out)				
Transfer to General Funds - Garbage	\$ (50,000.00)	\$ (50,000.00)	\$ (50,000.00)	\$.00
Transfer to General Fund	(30,000.00)	(30,000.00)	(30,000.00)	.00
Total Other Financing Sources (Uses)	<u>\$ (80,000.00)</u>	<u>\$ (80,000.00)</u>	<u>\$ (80,000.00)</u>	<u>\$.00</u>
 <u>EXCESS OF REVENUE AND OTHER</u>				
<u>SOURCES OVER (UNDER)</u>				
<u>EXPENDITURES AND OTHER (USES)</u>				
<u>BEFORE EXTRAORDINARY ITEM</u>	<u>\$ 61,760.00</u>	<u>\$ 160,810.00</u>	<u>\$ 168,830.02</u>	<u>\$ 8,020.02</u>
 <u>FUND BALANCE - JULY 1</u>	 <u>759,432.59</u>	 <u>759,432.59</u>	 <u>759,432.59</u>	
 <u>FUND BALANCE - JUNE 30</u>	 <u>\$ 821,192.59</u>	 <u>\$ 920,242.59</u>	 <u>\$ 928,262.61</u>	

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
 FARMERVILLE, LOUISIANA
 SPECIAL REVENUES - 2002 SALES TAX FUND - RECREATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT B-1

<u>REVENUE</u>	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL YEAR TO DATE</u>	<u>FAVORABLE (UNFAVORABLE)</u>
Sales Taxes	\$ 515,000.00	\$ 560,000.00	\$ 574,169.03	\$ 14,169.03
Concession Sales	.00	.00	25.00	25.00
Membership Dues	1,800.00	1,300.00	1,627.00	327.00
Building Rental	12,000.00	10,000.00	10,050.00	50.00
Interest	6,000.00	4,000.00	4,385.26	385.26
Miscellaneous	.00	.00	75.00	75.00
Special Programs	5,000.00	5,000.00	5,038.00	38.00
Total Revenues	<u>\$ 539,800.00</u>	<u>\$ 580,300.00</u>	<u>\$ 595,369.29</u>	<u>\$ 15,069.29</u>
 <u>EXPENDITURES</u>				
Salaries	\$ 102,000.00	\$ 104,000.00	\$ 107,088.86	\$ (3,088.86)
Employee Benefits Expenditures				
Medicare Tax	1,600.00	1,600.00	1,508.39	91.61
Municipal Retirement	24,000.00	24,800.00	24,794.90	5.10
FICA	6,300.00	6,300.00	6,449.13	(149.13)
Unemployment	300.00	300.00	208.96	91.04
Hospital Insurance	25,000.00	26,000.00	25,811.98	188.02
Dental	1,200.00	1,200.00	1,068.90	131.10
Workers Compensation Insurance	5,000.00	4,000.00	4,178.00	(178.00)
Employee Drug Testing	200.00	200.00	165.00	35.00
Miscellaneous Employee Expense	1,200.00	1,200.00	1,211.54	(11.54)
Uniforms	2,000.00	2,000.00	1,005.15	994.85
Activity Expense	10,000.00	9,000.00	8,134.73	865.27
Advertising and Filing	1,500.00	500.00	367.64	132.36
Assets Purchasing	.00	6,000.00	5,199.00	801.00
Auditing	4,000.00	4,000.00	3,945.00	55.00
Ball Park Expense	1,000.00	.00	.00	.00
Bond Payments	216,000.00	216,000.00	225,325.00	(9,325.00)
Building Repairs & Maintenance	15,000.00	15,000.00	13,662.55	1,337.45
Computer Expense	1,000.00	1,000.00	828.00	172.00
Liability Insurance	15,000.00	16,500.00	15,059.41	1,440.59
Miscellaneous	1,000.00	.00	(67.59)	67.59
Office Supplies	2,000.00	2,000.00	2,506.96	(506.96)
Sales Tax Collection Fee	5,150.00	5,500.00	6,066.09	(566.09)
Supplies	5,500.00	6,000.00	7,037.31	(1,037.31)
Telephone	4,500.00	5,500.00	5,493.58	6.42
Travel & training	1,000.00	.00	.00	.00
Utilities	30,000.00	30,000.00	30,137.10	(137.10)
Vehicle expense	3,500.00	6,500.00	6,599.77	(99.77)
Total Expenditures	<u>\$ 484,950.00</u>	<u>\$ 495,100.00</u>	<u>\$ 503,785.36</u>	<u>\$ (8,685.36)</u>
 <u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	<u>\$ 54,850.00</u>	<u>\$ 85,200.00</u>	<u>\$ 91,583.93</u>	<u>\$ 6,383.93</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
General Fund	\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	\$.00
Total Other Financing Sources (Uses)	<u>\$ (10,000.00)</u>	<u>\$ (10,000.00)</u>	<u>\$ (10,000.00)</u>	<u>\$.00</u>
 <u>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES) BEFORE EXTRA- ORDINARY ITEM</u>				
	<u>\$ 44,850.00</u>	<u>\$ 75,200.00</u>	<u>\$ 81,583.93</u>	<u>\$ 6,383.93</u>
 <u>FUND BALANCE - JULY 1</u>				
	<u>591,816.96</u>	<u>591,816.96</u>	<u>591,816.96</u>	
 <u>FUND BALANCE - JUNE 30</u>				
	<u>\$ 636,666.96</u>	<u>\$ 667,016.96</u>	<u>\$ 673,400.89</u>	

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
OTHER POST EMPLOYMENT BENEFITS (OPEB)
SCHEDULE OF FUNDING PROGRESS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATEMENT C

<u>ACTUARIAL VALUATION DATE</u>	<u>ACTUARIAL VALUATION OF ASSETS</u>	<u>ACCRUED LIABILITY UNIT CREDIT</u>	<u>UNFUNDED AAL (UAAL)</u>	<u>FUNDED RATIO</u>	<u>COVERED PAYROLL</u>	<u>ACTUARIAL UAAL AS A PERCENTAGE OF COVERED PAYROLL</u>
07/01/10 - 06/30/11	\$.00	\$ 190,611.00	\$ 190,611.00	0.00%	\$ 733,969.00	25.97%
07/01/11 - 06/30/12	.00	239,001.00	239,001.00	0.00%	859,289.00	27.38%
07/01/12 - 06/30/13	.00	315,375.00	315,375.00	0.00%	892,028.00	35.35%
07/01/13 - 06/30/14	.00	48,519.00	48,519.00	0.00%	728,045.20	6.66%
07/01/14 - 06/30/15	.00	130,499.80	130,499.80	0.00%	850,086.76	15.35%
07/01/15 - 06/30/16	.00	14,053.20	14,053.20	0.00%	1,151,452.00	46.50%
07/01/16 - 06/30/17	.00	8,658.00	8,658.00	0.00%	1,171,495.96	80.81%
07/01/17 - 06/30/18	.00	1,762.00	1,762.00	0.00%	1,227,888.00	40.76%
07/01/18 - 06/30/19	.00	.00	.00	0.00%	.00	
Totals	<u>\$.00</u>	<u>\$ 948,479.00</u>	<u>\$ 948,479.00</u>		<u>\$ 7,614,253.92</u>	

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
MAJOR GOVERNMENTAL FUNDS
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
MUNICIPAL EMPLOYEE'S RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2020

	FIREFIGHTER		POLICE		MERS	
	2019	2018	2019	2018	2019	2018
A. Employer Proportion of the Net Pension Liability (Asset)	052675%	037523%	.0174535%	.023082%	.529266%	.577952%
B. Employer Proportionate Share of the Net Position Liability (Asset)	\$ 329,846.00	\$ 227,742.00	\$ 158,339.00	\$ 195,137.00	\$ 2,211,623.00	\$ 2,393,113.00
C. Employer's Covered Employee Payroll	\$.00	\$ 133,457.00	\$.00	\$ 64,525.16	\$.00	\$ 1,227,888.00
D. Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	%	1.71%	%	3.02%	%	1.95%
E. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	-	-	-	-	-	-

The amounts presented have a measurement date of the previous fiscal year end.

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEE'S RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2020

STATEMENT E

	<u>FIREFIGHTER</u>		<u>POLICE</u>		<u>MERS</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
A. Contractually Required Contribution	\$ 24,980.00	\$.00	\$ 20,946.00	\$ 20,405.00	\$ 261,156.00	\$ 232,671.00
B. Contributions in Relation to Contractual Required Contribution	\$ 25,040.00	\$ 22,114.00	\$ 20,967.00	\$ 20,405.00	\$ 262,311.00	\$ 233,601.00
C. Contribution Deficiency (Excess)	-	-	-	-	-	-
D. Covered Employee Payroll	\$ 133,457.00	\$ 93,318.33	\$ 64,525.16	\$ 30,602.49	\$ 1,227,888.00	\$ 1,003,862.20
E. Contribution as A % of Covered Employee Payroll	18.76%	23.70%	32.49%	66.68%	21.27%	23.27%

These schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

The notes are an integral part of these statements. See accompanying notes and auditors' report.

OTHER SUPPLEMENTAL INFORMATION(PART III)

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA

SCHEDULE A

ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	WATER				SEWER			
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL YEAR TO DATE	FAVORABLE (UNFAVORABLE)	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL YEAR TO DATE	FAVORABLE (UNFAVORABLE)
OPERATING REVENUES								
Charges for Service								
Water Sales	\$ 1,400,000.00	\$ 1,400,000.00	\$ 1,395,620.64	\$ (4,379.36)	\$.00	\$.00	\$.00	\$.00
Less; Bad Debts	(5,000.00)	(5,000.00)	6,507.12	11,507.12	.00	.00	.00	.00
NSF Fees	600.00	600.00	452.00	(148.00)	.00	.00	.00	.00
Penalties	55,000.00	45,000.00	44,052.41	(947.59)	.00	.00	.00	.00
Sewer Sales	.00	.00	.00	.00	500,000.00	519,000.00	522,492.20	3,492.20
Sludge Fees	.00	.00	.00	.00	8,000.00	7,000.00	6,460.00	(540.00)
Cleaning Fees	2,000.00	1,600.00	1,675.00	75.00	.00	.00	.00	.00
DHH Fee	21,500.00	21,500.00	21,259.00	(241.00)	.00	.00	.00	.00
Tapping Fees	4,000.00	4,000.00	4,500.00	500.00	1,500.00	1,000.00	1,500.00	500.00
Miscellaneous	1,000.00	500.00	2,221.61	1,721.61	.00	.00	1,160.56	1,160.56
Total Operating Revenues	\$ 1,479,100.00	\$ 1,468,200.00	\$ 1,476,287.78	\$ 8,087.78	\$ 509,500.00	\$ 527,000.00	\$ 531,612.76	\$ 4,612.76
OPERATING EXPENSES								
Costs of Sales and Service	\$ 561,520.00	\$ 691,020.00	\$ 667,464.14	\$ 23,555.86	\$ 290,000.00	\$ 195,000.00	\$ 131,801.26	\$ 63,198.74
Administration	897,530.00	840,030.00	779,133.20	60,896.80	142,895.00	160,907.00	94,781.48	66,125.52
Depreciation	.00	.00	378,802.29	(378,802.29)	.00	.00	206,606.86	(206,606.86)
Total Operating Expenses	\$ 1,459,050.00	\$ 1,531,050.00	\$ 1,825,399.63	\$ (294,349.63)	\$ 432,895.00	\$ 355,907.00	\$ 433,189.60	\$ (77,282.60)
OPERATING INCOME (LOSS)	\$ 20,050.00	\$ (62,850.00)	\$ (349,111.85)	\$ (286,261.85)	\$ 76,605.00	\$ 171,093.00	\$ 98,423.16	\$ (72,669.84)
NONOPERATING REVENUE (EXPENSES)								
Sale of Assets	\$.00	\$ 10,150.00	\$ 10,150.00	\$.00	\$.00	\$ 4,450.00	\$ 3,450.00	\$ (1,000.00)
Grant Income	.00	17,000.00	17,000.00	.00	.00	.00	.00	.00
Interest Income	8,000.00	8,000.00	8,682.36	682.36	1,200.00	900.00	1,141.12	241.12
Interest Expense	.00	.00	(39,603.59)	(39,603.59)	.00	.00	(13,282.50)	(13,282.50)
Total Nonoperating Revenue (Expense)	\$ 8,000.00	\$ 35,150.00	\$ (3,771.23)	\$ (38,921.23)	\$ 1,200.00	\$ 5,350.00	\$ (8,691.38)	\$ (14,041.38)
NET INCOME (LOSS)	\$ 28,050.00	\$ (27,700.00)	\$ (352,883.08)	\$ (325,183.08)	\$ 77,805.00	\$ 176,443.00	\$ 89,731.78	\$ (86,711.22)
NET POSITION - JULY 1	4,937,020.69	4,937,020.69	4,937,020.69		4,352,909.99	4,352,909.99	4,352,909.99	
NET POSITION - JUNE 30	\$ 4,965,070.69	\$ 4,909,320.69	\$ 4,584,137.61		\$ 4,430,714.99	\$ 4,529,352.99	\$ 4,442,641.77	

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
ENTERPRISE FUND
SCHEDULE OF DETAIL OF EXPENSES, BUDGET (GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

COST OF SALES AND SERVICES	WATER				SEWER			
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL YEAR TO DATE	FAVORABLE (UNFAVORABLE)	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL YEAR TO DATE	FAVORABLE (UNFAVORABLE)
<u>WATER AND SEWER SUPPLIES AND MATERIALS</u>								
Chemicals	\$.00	\$.00	\$ 1,809.52	\$ (1,809.52)	\$ 2,000.00	\$.00	\$.00	\$.00
Chemical Test	5,000.00	3,000.00	.00	3,000.00	12,000.00	12,000.00	11,505.00	495.00
Chlorine	30,000.00	35,000.00	35,178.75	(178.75)	4,000.00	2,000.00	1,155.00	845.00
Grant Expenses	.00	.00	1,400.00	(1,400.00)	.00	.00	.00	.00
Ozone # 3 Expenses	20,000.00	20,000.00	14,284.31	5,715.69	.00	.00	.00	.00
Scada Network	8,520.00	8,520.00	7,810.00	710.00	.00	.00	.00	.00
Poultry Plant Water Well Repairs	40,000.00	160,000.00	158,778.57	1,221.43	.00	.00	.00	.00
Major Repairs and Additions	50,000.00	95,000.00	91,468.65	3,531.35	30,000.00	55,000.00	9,118.60	45,881.40
Major Well and Tank Repairs	10,000.00	12,000.00	11,477.73	522.27	.00	.00	.00	.00
Meter Replacement	20,000.00	21,500.00	21,488.11	11.89	.00	.00	.00	.00
Pump Purchase & Repair	.00	.00	.00	.00	80,000.00	40,000.00	29,234.52	10,765.48
Equipment Maintenance	2,500.00	3,500.00	3,048.21	451.79	.00	.00	.00	.00
Safe Drinking Program	21,500.00	21,500.00	25,185.40	(3,685.40)	.00	.00	.00	.00
Supplies	50,000.00	80,000.00	80,071.37	(71.37)	10,000.00	4,000.00	4,644.46	(644.46)
Treatment Plant Repairs	.00	.00	.00	.00	80,000.00	20,000.00	15,706.26	4,293.74
Reserved Account	18,000.00	18,000.00	.00	18,000.00	.00	.00	.00	.00
Water Supply Initiative	.00	27,000.00	27,049.75	(49.75)	.00	.00	.00	.00
Utilities	285,000.00	185,000.00	188,413.77	(3,413.77)	72,000.00	62,000.00	60,437.42	1,562.58
Radio Expense	1,000.00	1,000.00	.00	1,000.00	.00	.00	.00	.00
Totals	\$ 561,520.00	\$ 691,020.00	\$ 667,464.14	\$ 23,555.86	\$ 290,000.00	\$ 195,000.00	\$ 131,801.26	\$ 63,198.74
<u>ADMINISTRATIVE</u>								
Advertising and Filing	\$ 500.00	\$ 500.00	\$ 368.08	\$ 131.92	\$.00	\$.00	\$.00	\$.00
Administrative Fees	30,000.00	30,000.00	30,000.00	.00	.00	.00	.00	.00
Auditing	14,000.00	14,000.00	13,290.00	710.00	2,400.00	2,200.00	2,145.00	55.00
Bank Charges	800.00	800.00	661.35	138.65	.00	.00	.00	.00
Computer Expense	25,000.00	25,000.00	22,022.31	2,977.69	.00	.00	.00	.00
Dues	1,000.00	1,000.00	855.00	145.00	.00	.00	.00	.00
Insurance - Liability	42,000.00	39,000.00	40,853.49	(1,853.49)	12,000.00	12,000.00	10,660.92	1,339.08
Miscellaneous	5,000.00	1,000.00	1,952.03	(952.03)	1,000.00	1,000.00	.00	1,000.00
Office Supplies	5,000.00	5,000.00	4,260.67	739.33	.00	.00	.00	.00
Postage	6,000.00	10,000.00	10,230.26	(230.26)	.00	.00	.00	.00
Radio Repairs	.00	.00	.00	.00	.00	.00	.00	.00
Telephone	8,000.00	7,000.00	6,268.27	731.73	2,200.00	2,600.00	2,673.79	(73.79)
Travel and Training	10,000.00	5,000.00	3,380.60	1,619.40	1,500.00	700.00	575.00	125.00
Loan Payment	118,350.00	89,350.00	.00	89,350.00	35,000.00	35,000.00	.00	35,000.00
Asset Purchases	65,000.00	85,000.00	.00	85,000.00	.00	.00	.00	.00
Water Bill Cost	14,000.00	14,000.00	14,073.43	(73.43)	.00	.00	.00	.00
Subtotal	\$ 344,650.00	\$ 326,650.00	\$ 148,215.49	\$ 178,434.51	\$ 54,100.00	\$ 53,500.00	\$ 16,054.71	\$ 37,445.29
<u>Truck & Equipment Expense</u>								
Equipment - Gas and Oil	\$ 3,000.00	\$ 3,000.00	\$ 2,104.93	\$ 895.07	\$.00	\$.00	\$.00	\$.00
Equipment Repairs	10,000.00	6,000.00	5,995.96	4.04	4,000.00	4,000.00	1,594.31	2,405.69
Truck - Gas and Oil	16,000.00	14,000.00	10,242.61	3,757.39	5,000.00	5,000.00	4,654.03	345.97
Truck Repairs	10,000.00	5,000.00	7,883.19	(2,883.19)	1,000.00	1,500.00	1,558.96	(58.96)
Total Truck & Equipment Expenses	\$ 39,000.00	\$ 28,000.00	\$ 26,226.69	\$ 1,773.31	\$ 10,000.00	\$ 10,500.00	\$ 7,807.30	\$ 2,692.70

<u>Cost of Labor</u>																
Salaries	\$	320,000.00	\$	290,000.00	\$	294,224.38	\$	(4,224.38)	\$	50,000.00	\$	60,000.00	\$	62,898.46	\$	(2,898.46)
Employee Benefits																
Post Retirement Benefits		.00		.00		117,041.00		(117,041.00)		.00		.00		(29,108.00)		29,108.00
Retirement Expense		72,000.00		78,000.00		77,639.65		360.35		12,000.00		16,000.00		15,729.84		270.16
Medicare Tax		4,640.00		4,340.00		4,179.00		161.00		725.00		815.00		871.97		(56.97)
FICA Contribution		19,840.00		18,640.00		17,868.19		771.81		3,100.00		3,472.00		3,728.52		(256.52)
Unemployment Tax		1,000.00		1,000.00		577.62		422.38		200.00		200.00		118.96		81.04
Hospital Insurance		76,000.00		72,000.00		71,843.32		156.68		8,500.00		11,900.00		11,819.98		80.02
Dental		3,000.00		3,000.00		3,146.67		(146.67)		360.00		510.00		519.18		(9.18)
Worker's Compensation Insurance		12,000.00		12,000.00		11,972.00		28.00		3,000.00		3,000.00		3,287.00		(287.00)
Employee Drug Testing		400.00		400.00		385.00		15.00		110.00		110.00		55.00		55.00
Miscellaneous Employee Expense		1,000.00		1,000.00		890.08		109.92		300.00		400.00		445.08		(45.08)
Uniforms		4,000.00		5,000.00		4,924.11		75.89		500.00		500.00		553.48		(53.48)
Total Cost Labor	\$	<u>513,880.00</u>	\$	<u>485,380.00</u>	\$	<u>604,691.02</u>	\$	<u>(119,311.02)</u>	\$	<u>78,795.00</u>	\$	<u>96,907.00</u>	\$	<u>70,919.47</u>	\$	<u>25,987.53</u>
<u>TOTAL ADMINISTRATIVE</u>	\$	<u>897,530.00</u>	\$	<u>840,030.00</u>	\$	<u>779,133.20</u>	\$	<u>60,896.80</u>	\$	<u>142,895.00</u>	\$	<u>160,907.00</u>	\$	<u>94,781.48</u>	\$	<u>66,125.52</u>

The notes are an integral part of these statements. See accompanying notes and auditors' report.

MAJOR - SPECIAL REVENUE FUNDS

Special revenue funds are used to account for special revenues that are legally restricted to expenditures for particular purposes.

SALES TAX FUND

Proceeds of the 1% sales tax are to be used for costs incurred in operating a Sanitary Landfill Site for Garbage and Waste Disposal; for Street Repair and Maintenance; and for Sewer Repair and Maintenance.

2011 ½ SALES TAX FOR POLICE

On April 30, 2011 a ½ of 1% sales tax was passed for the operations of the Farmerville Police Department. A separate fund will account for the dedicated funds. The police department is a department of the General Fund.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020

SCHEDULE B

	<u>MAJOR GOVERNMENTAL FUNDS</u>					<u>TOTAL GENERAL FUND</u>
	<u>GENERAL FUND</u>	<u>GARBAGE DEPARTMENT</u>	<u>FIRE DEPARTMENT</u>	<u>POLICE DEPARTMENT</u>	<u>ELIMINATIONS</u>	
<u>ASSETS</u>						
Cash & Cash Equipments	\$ 789,299.44	\$.00	\$.00	\$ 66,667.23	\$.00	\$ 855,966.67
Property Taxes Receivable-Net	.00	.00	.00	.00	.00	.00
Sales Tax Receivable	.00	.00	.00	53,926.78	.00	53,926.78
Receivable - Franchise Fees	.00	.00	.00	.00	.00	.00
Accounts Receivable - Others	50,160.33	.00	20,897.64	.00	.00	71,057.97
Prepaid Items	28,013.00	.00	25,180.00	22,775.00	.00	75,968.00
Due from Other Funds	120,947.74	.00	.00	.00	.00	120,947.74
Restricted: Cash and Cash Equivalents	.00	.00	1,050,429.23	.00	.00	1,050,429.23
<u>TOTAL ASSETS</u>	<u>\$ 988,420.51</u>	<u>\$.00</u>	<u>\$ 1,096,506.87</u>	<u>\$ 143,369.01</u>	<u>\$.00</u>	<u>\$ 2,228,296.39</u>
<u>LIABILITIES AND FUND BALANCE</u>						
<u>LIABILITIES</u>						
Accounts Payables	\$ 12,259.89	\$.00	\$ 110,707.92	\$ 7,720.23	\$.00	\$ 130,688.04
Accrued Liabilities	41,978.00	.00	22,613.00	45,261.00	.00	109,852.00
Other Liabilities	1,508.04	.00	.00	216.45	.00	1,724.49
Due to Other Funds	12,495.80	.00	.00	.00	.00	12,495.80
Total Liabilities	<u>\$ 68,241.73</u>	<u>\$.00</u>	<u>\$ 133,320.92</u>	<u>\$ 53,197.68</u>	<u>\$.00</u>	<u>\$ 254,760.33</u>
<u>FUND BALANCE</u>						
Nonspendable	\$ 28,013.00	\$.00	\$ 25,180.00	\$ 22,775.00	\$.00	\$ 75,968.00
Unassigned	892,165.78	.00	938,005.95	67,396.33	.00	1,897,568.06
Total Fund Balance	<u>\$ 920,178.78</u>	<u>\$.00</u>	<u>\$ 963,185.95</u>	<u>\$ 90,171.33</u>	<u>\$.00</u>	<u>\$ 1,973,536.06</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 988,420.51</u>	<u>\$.00</u>	<u>\$ 1,096,506.87</u>	<u>\$ 143,369.01</u>	<u>\$.00</u>	<u>\$ 2,228,296.39</u>

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SCHEDULE B-1

	<u>MAJOR GOVERNMENTAL FUNDS</u>					<u>TOTAL GENERAL FUND</u>
	<u>GENERAL FUND</u>	<u>GARBAGE DEPARTMENT</u>	<u>FIRE DEPARTMENT</u>	<u>POLICE DEPARTMENT</u>	<u>ELIMINATIONS</u>	
<u>REVENUES</u>						
<u>Taxes</u>						
Advalorem-General	\$ 248,130.15	\$.00	\$ 518,938.14	\$.00	\$.00	\$ 767,068.29
Sales Taxes	.00	.00	.00	574,169.03	.00	574,169.03
Franchise	212,405.69	.00	.00	.00	.00	212,405.69
Housing Authority in Lieu of Taxes	8,929.00	.00	.00	.00	.00	8,929.00
Total Taxes	<u>\$ 469,464.84</u>	<u>\$.00</u>	<u>\$ 518,938.14</u>	<u>\$ 574,169.03</u>	<u>\$.00</u>	<u>\$ 1,562,572.01</u>
<u>LICENSES AND TAXES</u>						
Alcoholic Beverages	\$ 13,742.03	\$.00	\$.00	\$.00	\$.00	\$ 13,742.03
Occupational	127,804.47	.00	.00	.00	.00	127,804.47
Occupational Insurance	109,522.40	.00	.00	.00	.00	109,522.40
Other	8,314.71	.00	.00	.00	.00	8,314.71
Video Bingo	108,625.86	.00	.00	.00	.00	108,625.86
Total Licenses & Taxes	<u>\$ 368,009.47</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$ 368,009.47</u>
<u>INTERGOVERNMENTAL REVENUES</u>						
Beer Tax	\$.00	\$.00	\$.00	\$.00	\$.00	\$.00
State 2% Insurance Fund	.00	.00	20,785.11	.00	.00	20,785.11
Total Intergovernmental Revenues	<u>\$.00</u>	<u>\$.00</u>	<u>\$ 20,785.11</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$ 20,785.11</u>
<u>CHARGES FOR SERVICES</u>						
Municipal Court Cost	\$.00	\$.00	\$.00	\$ 12,894.36	\$.00	\$ 12,894.36
Accident Report	.00	.00	.00	1,315.00	.00	1,315.00
Drug Task Force	.00	.00	.00	3,167.00	.00	3,167.00
Garbage Fees	.00	491,183.49	.00	.00	.00	491,183.49
Zoning Charges	550.00	.00	.00	.00	.00	550.00
Total Charges for Services	<u>\$ 550.00</u>	<u>\$ 491,183.49</u>	<u>\$.00</u>	<u>\$ 17,376.36</u>	<u>\$.00</u>	<u>\$ 509,109.85</u>
<u>FINES AND FORFEITS</u>						
DWI Fines	\$.00	\$.00	\$.00	\$ 2,168.00	\$.00	\$ 2,168.00
Municipal Court Fines	.00	.00	.00	54,197.54	.00	54,197.54
Bench Warrants	.00	.00	.00	1,050.00	.00	1,050.00
Others	.00	.00	.00	180.00	.00	180.00
Total Fines and Forfeits	<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$ 57,595.54</u>	<u>\$.00</u>	<u>\$ 57,595.54</u>
<u>MISCELLANEOUS</u>						
Grants	\$.00	\$.00	\$ 1,600.00	\$.00	\$.00	\$ 1,600.00
Miscellaneous	3,911.73	.00	.00	1,957.34	.00	5,869.07
Supplemental Pay-State of Louisiana	.00	.00	17,000.00	57,783.00	.00	74,783.00

Sex Offender Registration	.00	.00	.00	60.00	.00	60.00
Sale of Assets	2,833.00	.00	1,345.00	13,466.00	.00	17,644.00
Fees - Farmer's Market	1,637.00	.00	.00	.00	.00	1,637.00
Burn Permits	.00	.00	.00	.00	.00	.00
Interest Income	11,560.22	.00	11,915.63	237.55	.00	23,713.40
Gifts	.00	.00	5,000.00	.00	.00	5,000.00
Rental	3,300.00	.00	.00	.00	.00	3,300.00
LWCC Dividend	130,603.62	.00	.00	.00	.00	130,603.62
Total Miscellaneous	<u>\$ 153,845.57</u>	<u>\$.00</u>	<u>\$ 36,860.63</u>	<u>\$ 73,503.89</u>	<u>\$.00</u>	<u>\$ 264,210.09</u>
TOTAL REVENUE	<u>\$ 991,869.88</u>	<u>\$ 491,183.49</u>	<u>\$ 576,583.88</u>	<u>\$ 722,644.82</u>	<u>\$.00</u>	<u>\$ 2,782,282.07</u>

EXPENDITURES

GENERAL AND ADMINISTRATIVE

Salaries and Expenditures	\$ 247,935.37	\$ 253,910.85	\$ 141,835.31	\$ 546,026.21	\$.00	\$ 1,189,707.74
Supplemental Pay	.00	.00	17,000.00	57,783.00	.00	74,783.00
Employee Benefit Expenditures						
Dental Insurance	1,099.20	2,595.90	1,465.80	4,902.76	.00	10,063.66
Medicare	3,489.85	3,621.72	2,093.64	8,425.84	.00	17,631.05
FICA Contributions	14,921.36	15,485.45	8,956.71	36,027.33	.00	75,390.85
Unemployment Contributions	275.84	503.60	254.49	1,048.96	.00	2,082.89
Retirement	35,836.34	56,024.64	34,724.00	21,245.91	.00	147,830.89
Hospital Insurance	25,049.76	57,909.90	25,122.84	111,694.50	.00	219,777.00
Life Insurance	.00	.00	.00	1,586.97	.00	1,586.97
Uniforms	2,570.00	2,122.17	7,647.15	1,009.20	.00	13,348.52
Miscellaneous Employee Expense	590.28	731.70	909.32	1,189.87	.00	3,421.17
Workmen's Compensation Ins.	1,475.00	32,104.20	10,213.00	18,103.00	.00	61,895.20
Employee Drug Testing	55.00	713.50	.00	55.00	.00	823.50
Attorney's Fees	21,779.02	.00	.00	.00	.00	21,779.02
Auditing	7,890.00	.00	3,945.00	4,290.00	.00	16,125.00
Advertising and Filing	9,980.01	.00	.00	30.00	.00	10,010.01
AMS	.00	.00	.00	58.15	.00	58.15
Sales Taxes	2,934.29	.00	.00	5,548.24	.00	8,482.53
Compactor Expenditures	.00	289.89	.00	.00	.00	289.89
Communication Expense	.00	.00	5,000.00	.00	.00	5,000.00
Computer Expenditures	8,901.77	.00	518.38	2,490.00	.00	11,910.15
Container Expense	.00	5,023.68	.00	.00	.00	5,023.68
Coroner Expenditures	10,560.00	.00	.00	.00	.00	10,560.00
City Hall Maintenance and Supplies	13,809.74	.00	.00	.00	.00	13,809.74
City Inspector	1,016.19	.00	.00	.00	.00	1,016.19
Dues and Subscriptions	8,491.59	.00	.00	2,624.47	.00	11,116.06
Insurance	23,972.88	11,541.13	31,330.60	27,871.71	.00	94,716.32
Office Supplies	10,706.56	.00	1,160.06	2,547.14	.00	14,413.76
Radio & Equipment Repairs	.00	.00	2,327.77	.00	.00	2,327.77
Vehicle Gas Oil & Repairs	2,246.73	21,075.83	15,940.44	39,554.10	.00	78,817.10
Sanitation Truck Payments	.00	57,456.87	.00	.00	.00	57,456.87

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SCHEDULE B-1
CONTINUED

	<u>MAJOR GOVERNMENTAL FUNDS</u>				<u>ELIMINATIONS</u>	<u>TOTAL GENERAL FUND</u>
	<u>GENERAL FUND</u>	<u>GARBAGE DEPARTMENT</u>	<u>FIRE DEPARTMENT</u>	<u>POLICE DEPARTMENT</u>		
<u>GENERAL AND ADMINISTRATIVE</u>						
Equipment Repairs	\$ 10,025.54	\$ 95,609.91	\$ 825.20	\$ 2,792.93	\$.00	\$ 109,253.58
Repairs & Maintenance	.00	.00	.00	1,163.48	.00	1,163.48
Telephone	8,609.46	.00	4,664.24	5,215.89	.00	18,489.59
Travel & Training	9,792.88	.00	3,191.24	3,065.78	.00	16,049.90
Sponsorships	11,250.00	.00	.00	.00	.00	11,250.00
Supplies	.00	.00	11,211.88	5,510.73	.00	16,722.61
Fire Prevent Payments	.00	.00	3,645.71	.00	.00	3,645.71
Fire Station Repairs	.00	.00	3,534.38	.00	.00	3,534.38
Fire Clothing Allowance	.00	.00	7,748.62	.00	.00	7,748.62
Prisoner's Expenditures	.00	.00	.00	3,483.25	.00	3,483.25
Utilities	11,450.94	.00	10,851.11	6,558.30	.00	28,860.35
Asset Purchases	1,498.00	22,597.66	551,557.19	.00	.00	575,652.85
Miscellaneous	3,918.25	3,872.05	3,927.73	2,233.33	.00	13,951.36
Christmas Tree	919.00	.00	.00	.00	.00	919.00
LSU Ag Center	10,000.00	.00	.00	.00	.00	10,000.00
Code of Ordinances	800.00	.00	.00	.00	.00	800.00
Website Expense	3,994.50	.00	.00	.00	.00	3,994.50
<u>TOTAL EXPENDITURES</u>	<u>\$ 527,845.35</u>	<u>\$ 643,190.65</u>	<u>\$ 911,601.81</u>	<u>\$ 924,136.05</u>	<u>\$.00</u>	<u>\$ 3,006,773.86</u>
<u>OPERATING REVENUE OVER (UNDER) EXPENDITURES</u>	<u>\$ 464,024.53</u>	<u>\$ (152,007.16)</u>	<u>\$ (335,017.93)</u>	<u>\$ (201,491.23)</u>	<u>\$.00</u>	<u>\$ (224,491.79)</u>
<u>TRANSFERS</u>						
Transfers Out	\$ (220,000.00)	\$ 50,000.00	\$ (25,945.81)	\$.00	\$ 220,000.00	\$ 24,054.19
Transfers In	75,000.00	.00	.00	220,000.00	(220,000.00)	75,000.00
Total Transfers	<u>\$ (145,000.00)</u>	<u>\$ 50,000.00</u>	<u>\$ (25,945.81)</u>	<u>\$ 220,000.00</u>	<u>\$.00</u>	<u>\$ 99,054.19</u>
<u>EXCESS OF REVENUE & OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES) BEFORE EXTRAORDINARY</u>	<u>\$ 319,024.53</u>	<u>\$ (102,007.16)</u>	<u>\$ (360,963.74)</u>	<u>\$ 18,508.77</u>	<u>\$.00</u>	<u>\$ (125,437.60)</u>
<u>FUND BALANCES - JULY 1</u>	<u>957,280.58</u>	<u>(254,119.17)</u>	<u>1,324,149.69</u>	<u>71,662.56</u>	<u>.00</u>	<u>2,098,973.66</u>
<u>FUND BALANCE - JUNE 30</u>	<u>\$ 1,276,305.11</u>	<u>\$ (356,126.33)</u>	<u>\$ 963,185.95</u>	<u>\$ 90,171.33</u>	<u>\$.00</u>	<u>\$ 1,973,536.06</u>

The notes are an integral part of these statements. See accompanying notes and auditors' report.

NON-MAJOR - SPECIAL REVENUE FUNDS

Special revenue funds are used to account for special revenues that are legally restricted to expenditures for particular purposes.

FARMERVILLE VOLUNTEER FIRE DEPARTMENT, INC.

The volunteer fire department receives funds from fund raisers, drink sales and from the State of Louisiana 2% rebate funds. Their expenses are purchases of drinks, miscellaneous equipment, fund raiser and volunteer firemen benefits. Most funds are accumulated to be used for purchase of fire department equipment.

FARMERVILLE AREA FIRE PROTECTION DISTRICT OF UNION PARISH

The Fire District receives proceeds of advalorem taxes from the Sheriff's Department. Five percent of collections are retained by the fire district. The remaining funds are transferred to the Town of Farmerville for use in operating expenses, capital improvements and equipment purchases.

2002 SALES TAX FUND

On October 20, 2001 an additional ½ of 1% sales and use tax was approved. This tax was approved for construction of a recreation center and street improvements. Bonds were sold in the amount of \$2,900,000 for construction of the recreation center and improvements of the streets. These bonds were paid off by a new bond issued in 2012 for \$2,575,000, which will be paid off from the 2002 sales tax.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020

SCHEDULE C

<u>ASSETS</u>	<u>NON-MAJOR SPECIAL REVENUE FUNDS</u>			<u>TOTAL NON- MAJOR</u>
	<u>RECREATION SALES TAX</u>	<u>FARMERVILLE VOLUNTEER FIRE DEPARTMENT</u>	<u>FARMERVILLE AREA FIRE PROTECTION DISTRICT</u>	
Cash	\$ 479,711.13	\$ 55,588.64	\$ 1,546.89	\$ 536,846.66
Sales Taxes Receivable	53,926.78	.00	.00	53,926.78
Due to/From Other funds	39,662.00	.00	.00	39,662.00
Prepaid Insurance	11,932.00	.00	.00	11,932.00
Restricted: Bond Sinking Fund	98,427.37	.00	.00	98,427.37
<u>TOTAL ASSETS</u>	<u>\$ 683,659.28</u>	<u>\$ 55,588.64</u>	<u>\$ 1,546.89</u>	<u>\$ 740,794.81</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Vouchers Payable	\$ 5,041.39	\$.00	\$.00	\$ 5,041.39
Accrued Liabilities	5,217.00	.00	.00	5,217.00
<u>TOTAL LIABILITIES</u>	<u>\$ 10,258.39</u>	<u>\$.00</u>	<u>\$.00</u>	<u>\$ 10,258.39</u>
<u>FUND BALANCE</u>				
Nonspendable	\$ 11,932.00	\$.00	\$.00	\$ 11,932.00
Restricted	98,427.37	.00	.00	98,427.37
Unassigned	563,041.52	55,588.64	1,546.89	620,177.05
<u>TOTAL FUND BALANCE</u>	<u>\$ 673,400.89</u>	<u>\$ 55,588.64</u>	<u>\$ 1,546.89</u>	<u>\$ 730,536.42</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 683,659.28</u>	<u>\$ 55,588.64</u>	<u>\$ 1,546.89</u>	<u>\$ 740,794.81</u>

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
NON-MAJOR GOVERNMENT FUNDS
COMBINING STATEMENT OF REVENUE EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE D

<u>REVENUES</u>	<u>NON-MAJOR SPECIAL REVENUE FUNDS</u>			<u>TOTAL NON-MAJOR FUNDS</u>
	<u>RECREATION SALES TAX</u>	<u>FARMERVILLE VOLUNTEER FIRE DEPARTMENT</u>	<u>FARMERVILLE AREA FIRE PROTECTION DISTRICT</u>	
Taxes				
Sales Taxes	\$ 574,169.03	\$.00	\$.00	\$ 574,169.03
Memberships	1,627.00	.00	.00	1,627.00
Building Rental & Fees	10,050.00	.00	.00	10,050.00
Interest Earned	4,385.26	.00	3.40	4,388.66
Claiborne Electric	.00	1,500.00	.00	1,500.00
Special Revenue	5,038.00	.00	.00	5,038.00
Others	100.00	3,179.07	.00	3,279.07
<u>TOTAL REVENUES</u>	<u>\$ 595,369.29</u>	<u>\$ 4,679.07</u>	<u>\$ 3.40</u>	<u>\$ 600,051.76</u>
<u>EXPENDITURES</u>				
General Government	\$ 278,460.36	\$ 16,061.54	\$ 2,540.00	\$ 297,061.90
Bond Payments	225,325.00	.00	.00	225,325.00
<u>TOTAL EXPENDITURES</u>	<u>\$ 503,785.36</u>	<u>\$ 16,061.54</u>	<u>\$ 2,540.00</u>	<u>\$ 522,386.90</u>
<u>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</u>	<u>\$ 91,583.93</u>	<u>\$ (11,382.47)</u>	<u>\$ (2,536.60)</u>	<u>\$ 77,664.86</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	\$.00	\$ 20,945.81	\$.00	\$ 20,945.81
Operating Transfers Out	(10,000.00)	.00	.00	(10,000.00)
Total Other Financing Sources (Uses)	<u>\$ (10,000.00)</u>	<u>\$ 20,945.81</u>	<u>\$.00</u>	<u>\$ 10,945.81</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER USES SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)</u>	<u>\$ 81,583.93</u>	<u>\$ 9,563.34</u>	<u>\$ (2,536.60)</u>	<u>\$ 88,610.67</u>
<u>FUND BALANCE .00 JULY 1</u>	<u>591,816.96</u>	<u>46,025.30</u>	<u>4,083.49</u>	<u>641,925.75</u>
<u>FUND BALANCE - JUNE 30</u>	<u>\$ 673,400.89</u>	<u>\$ 55,588.64</u>	<u>\$ 1,546.89</u>	<u>\$ 730,536.42</u>

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 2020

SCHEDULE E

<u>INSURANCE COMPANY</u>	<u>POLICY NUMBER</u>	<u>DATES</u>	<u>TYPE</u>	<u>COVERAGE</u>	<u>COST</u>	<u>PREPAID</u>
Western Surety	18297290	07/03/20 - 07/03/21	La. P E H B # 1 -	\$ 10,000.00	\$ 161.00	\$.00
	68716392	04/09/20 - 04/09/21	La. P E Position Schedule #1	20,000.00	100.00	.00
	18306710	09/01/19 - 09/01/20	La. P E Position Schedule # 1	10,000.00	100.00	.00
	18295749	07/18/20 - 07/18/21	La. Clerk & Tax Collector - Gay Gay Nell Pepper	300,000.00	1,750.00	.00
	14552362N	01/16/19 - 01/16/24	La. Notary Public - Gay Nell Pepper	10,000.00	.00	.00
	15243804	10/01/20 - 10/01/21	Mayor Stein Baughman, Jr.	200,000.00	700.00	.00
	13355742	08/22/20 - 08/22/21	La. Supervisor of Public Service	25,000.00	.00	.00
	24905268	02/22/20 - 02/22/21	La. Town Council Alderman - Jerry Taylor	100,000.00	892.50	.00
						<u>\$ 3,703.50</u>
One Beacon Insurance	791-00-0650-0005	05/01/20 - 05/01/21	Commercial General Liabilities			
			General Aggregate	\$ 2,000,000.00		
			Products - Completed Operations	2,000,000.00		
			Personal A - Bodily Injury & Property Damage	1,000,000.00		
			Personal B - Personal & Advertising Injury	1,000,000.00		
			Damages to Premises Rental	300,000.00		
			Failure to Supply	500,000.00		
			Sexual Abuse	300,000.00		
			Professional Liability Coverages			
			Public Officials Errors & Omissions	1,000,000.00		
			Public Officials Employment Practices	1,000,000.00		
			Public Officials Employment Benefits Administration	1,000,000.00		
			Law Enforcement Liability	1,000,000.00		
			Business Auto			
			Liability Insurance	1,000,000.00		
			Louisiana Uninsured Motorists Coverage - Bodily Injury	300,000.00		
			Terrorism Coverage Surcharge			
			Emergency Service Organization	**		
			Portable Equipment			
			Autos - Liability	\$ 1,000,000.00		
			Medical Payments	300,000.00		

			Uninsured Motorists	300,000.00		
			General Liability Coverage	1,000,000.00		
			** Guaranteed Replacement Cost Fee	250.00		
			Volunteer Firemen			
			Accidental Death Benefit Amount	\$ 75,000.00		
			Illness Loss of Life Benefit Amount	75,000.00		
			Dependent Child & Education Benefit Amount	30,000.00		
			Spousal Support & Education Benefit Amount	15,000.00	\$ 164,635.00	\$ 137,195.00
EMC Insurance Company	5X5-91-96-18	01/01/20 - 01/01/21	Property			
			Property & Equipment Breakdown			
			Buildings	\$ 4,820,730.00		
			Personal Property	3,915,000.00		
			Property in the Open	730,000.00		
			Total	\$ 9,465,730.00	\$ 33,823.00	\$ 16,911.00
EMC Insurance Company	5C5-91-96-18	01/01/20 - 01/01/21	Inland Marine			
			Contractors Equipment	\$ 671,583.00	\$ 3,386.80	\$ 1,693.00
Louisiana Workers Compensation Corporation	105877929	01/01/20 - 01/01/21	Workers Compensation			
			Bodily Injury By Accident	\$ 1,000,000.00		
			Bodily Injury By Disease - Policy Limit	1,000,000.00		
			Bodily Injury By Disease - Each Employee	1,000,000.00		
Travelers	105877929	01/01/20 - 01/01/21	Crime Policy			
			Employee Theft	\$ 50,000.00		
			Forgery or Alteration	50,000.00		
			On Premises	25,000.00		
			Claim Expense	5,000.00	\$ 771.00	\$ 385.00
<u>TOTALS</u>					\$ 206,319.30	\$ 156,184.00

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
CASH ACCOUNTS AND INVESTMENTS
JUNE 30, 2020

SCHEDULE F

<u>GENERAL FUND</u>	<u>INTEREST RATE</u>	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL FUNDS</u>
Checking				
General Fund	0.07%	\$ 273,674.78	\$.00	\$ 273,674.78
Property Tax Account	-	706.20	.00	706.20
Property Tax Protested	-	1,508.04	.00	1,508.04
Payroll Account	-	1,000.00	.00	1,000.00
Accounts Payable	-	1,000.00	.00	1,000.00
Time Savings	-	511,110.42	.00	511,110.42
 <u>FIRE DEPARTMENT</u>				
Checking	0.05%	61,141.02	.00	61,141.02
Savings	1.25%	989,288.21	.00	989,288.21
 <u>POLICE DEPARTMENT</u>				
Checking	0.50%	64,911.82	.00	64,911.82
Reserve Account	0.50%	1,605.41	.00	1,605.41
 <u>UTILITY FUND</u>				
Water Department				
Regular	0.07%	.00	144,237.98	144,237.98
Water Meter	0.07%	.00	7,470.72	7,470.72
Water Meter Account	0.65%	.00	201,682.67	201,682.67
Water	1.25%	.00	240,723.60	240,723.60
Water Department Reserve	1.25%	.00	221,462.38	221,462.38
USDA Water Construction	0.50%	.00	76,373.52	76,373.52
USDA Water Debt Service	0.50%	.00	117,851.76	117,851.76
USDA Water Depreciation	0.50%	.00	123,945.49	123,945.49
USDA Water Sinking Fund	0.50%	.00	1,053.01	1,053.01
LCDBG Grant	-	.00	110.29	110.29
Sewer Department				
Checking	0.05%	.00	134,279.17	134,279.17
Sewer	-	.00	2.97	2.97
LCDBG Grant	-	.00	49.98	49.98
Savings/Certificate of Deposit				
Sewer Depreciation	1.25%	.00	170,772.99	170,772.99
 <u>VOLUNTEER FIRE DEPARTMENT</u>				
Checking	-	55,588.64	.00	55,588.64
 <u>FARMERVILLE AREA FIRE PROTECTION</u>				
Checking	.70%	1,546.89	.00	1,546.89
 <u>SALES TAX FUNDS</u>				
Checking				
Regular	1.25%	205,001.76	.00	205,001.76
Savings				
Street Sales Tax Fund	1.25%	426,377.84	.00	426,377.84
Street Reserve Fund	1.25%	166,953.37	.00	166,953.37
Capital Projects				
Dozier Creek Checking	-	56.72	.00	56.72
TIF Funds - \$500,000 Bonds				
Checking	0.07%	2,874.54	.00	2,874.54
Capital Outlay				
Checking	0.09%	22,580.28	.00	22,580.28

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
CASH ACCOUNTS AND INVESTMENTS
JUNE 30, 2020

SCHEDULE F
CONTINUED

<u>SALES TAX FUNDS CONTINUED</u>	<u>INTEREST</u> <u>RATE</u>	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL FUNDS</u>
<u>USDA</u>				
Equipment Sinking	1.25%	\$ 3,244.83	\$.00	\$ 3,244.83
Equipment Reserve	1.25%	23,105.74	.00	23,105.74
Depreciation & Contingency	0.50%	21,456.48	.00	21,456.48
TIF Escrow	-	34,693.60	.00	34,693.60
<u>2002 SALES TAXES - RECREATION</u>				
Checking	1.25%	135,469.99	.00	135,469.99
Certificate of Deposit	0.50%	344,191.14	.00	344,191.14
Bond Sinking	1.25%	98,427.37	.00	98,427.37
<u>TOTAL</u>		<u>\$ 3,447,515.09</u>	<u>\$ 1,440,016.53</u>	<u>\$ 4,887,531.62</u>
<u>CASH ON HAND</u>				
General Fund		\$ 300.00	\$.00	\$ 300.00
Sales Bond		50.00	.00	50.00
Police		150.00	.00	150.00
Water		.00	200.00	200.00
Total		<u>\$ 500.00</u>	<u>\$ 200.00</u>	<u>\$ 700.00</u>
<u>GRAND TOTAL</u>		<u>\$ 3,448,015.09</u>	<u>\$ 1,440,216.53</u>	<u>\$ 4,888,231.62</u>

The notes are an integral part of these statements. See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO THE ELECTED OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE G

MAYOR

Stein Baughman	\$ <u>39,999.96</u>
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ALDERMEN / ALDERWOMEN

Robert Allen	\$ 13,339.84
Caroline Gatson	12,600.00
Ricky Johnkin	12,500.00
Thomas Nation	10,300.00
Lavelle Maine	2,000.00
Jerry Taylor	<u>15,000.00</u>
	\$ <u>65,739.84</u>

MARSHALL

Bim Culbertson	\$ <u>9,600.00</u>
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POLICE CHIEF

Bim Culbertson	\$ <u>56,723.68</u>
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The elected officials' term began on January 1, 2017.

See accompanying notes and auditors' report.

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE H

Stein Baughman, Mayor

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$ 39,999.96
Benefits - Insurance	\$ 8,323.40
Benefits - Retirement	None
Benefits	None
Telephone	\$ 827.80
Car Allowance	None
Vehicle Provided by Government	*
Per Diem	\$ 550.48
Gasoline	\$.00
Vehicle Insurance	\$.00
Reimbursements	None
Travel	\$ 115.82
Registration Fees	None
Conference Travel	\$ 810.88
Continuing Professional Education Fees	None
Housing	None
Unvouchered Expenses	None
Special Meals	None
Uniforms	\$ 154.74
Utilities Discount	\$ 197.00

* Note: The mayor has a Town owned vehicle that he uses to drive in Town. He uses his personal vehicle for out-of-town trips. Personal use of the Town's vehicle is offset against his car allowance. The amount for vehicle provided by Government represents gas purchased for the Town's vehicle.

See accompanying notes and auditors' report.

INDEPENDENT AUDITORS' 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 AND THE AGGREGATE REMAINING FUND INFORMATION

GARRETT & GARRETT
CERTIFIED PUBLIC ACCOUNTANTS
119 PROFESSIONAL DRIVE
WEST MONROE, LOUISIANA 71291

CAROLYN V. GARRETT
JUDY D. GARRETT

PHONE: 318 322-0845
FAX: 318 322-5577

December 3, 2020

INDEPENDENT AUDITORS' 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 AND THE AGGREGATE
REMAINING FUND INFORMATION

To the Honorable Mayor Stein Baughman
and Members of the Board of Aldermen and Alderwomen
Town of Farmerville, Louisiana

We have audited, in accordance with the 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, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Farmerville, Louisiana, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town of Farmerville, Louisiana's basic financial statements, and have issued our report thereon dated December 3, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Farmerville, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Farmerville, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Farmerville, Louisiana's internal control.

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. We did identify certain deficiencies in internal control, described in the accompanying schedule of current year findings and management's corrective action plan as item 2020-001, that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Farmerville, Louisiana's financial statements are free from 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.

To the Honorable Mayor Stein Baughman
and Members of the Board of Aldermen and Alderwomen
Town of Farmerville, Louisiana
Page 2

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

Garrett and Garrett, CPAs

A handwritten signature in black ink that reads "Garrett & Garrett CPAs". The signature is written in a cursive, somewhat stylized font.

West Monroe, Louisiana
December 3, 2020

SCHEDULE OF PRIOR YEAR RECOMMENDATIONS, QUESTIONED COSTS
AND MANagements CORRECTIVE ACTION PLAN

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR RECOMMENDATIONS, QUESTIONED COSTS AND MANAGEMENT'S
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2020

There were no findings for the year ending June 30, 2020.

SCHEDULE OF RECOMMENDATIONS, QUESTIONED COSTS AND MANAGERIAL
CORRECTIVE ACTION PLAN

TOWN OF FARMERVILLE
FARMERVILLE, LOUISIANA
SCHEDULE OF RECOMMENDATIONS, QUESTIONED COSTS AND MANAGEMENT'S
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2020

FINDINGS RELATED TO THE FINANCIAL STATEMENTS THAT ARE REQUIRED TO BE REPORTED UNDER GOVERNMENT AUDIT STANDARDS

Our recommendations are the result of our assessment of the current procedures and practices of the Town's operations and are intended to improve controls over financial operations, provide advice in implementing good business practices, and ensure compliance with state laws. However, management of the Town should consider the cost of implementing our recommendations compared to the benefits they will provide.

Internal Control over Financial Reporting

2020-001 Inadequate Segregation of Accounting Functions:

Condition and Criteria: The Town did not have adequate segregation of functions with the Town's accounting system.

Effect: The Town's job segregation procedures could result in a material weakness of internal control.

Cause: The Town lost several long-term employees due to death or other termination. The result is a small number of employees performing jobs that could represent a material weakness in internal control.

Recommendation: We do not recommend any specific plan.

Management's Corrective Action Plan: The management of the Town of Farmerville will try to separate as many functions as possible, however, the cost at this time is prohibitive.