

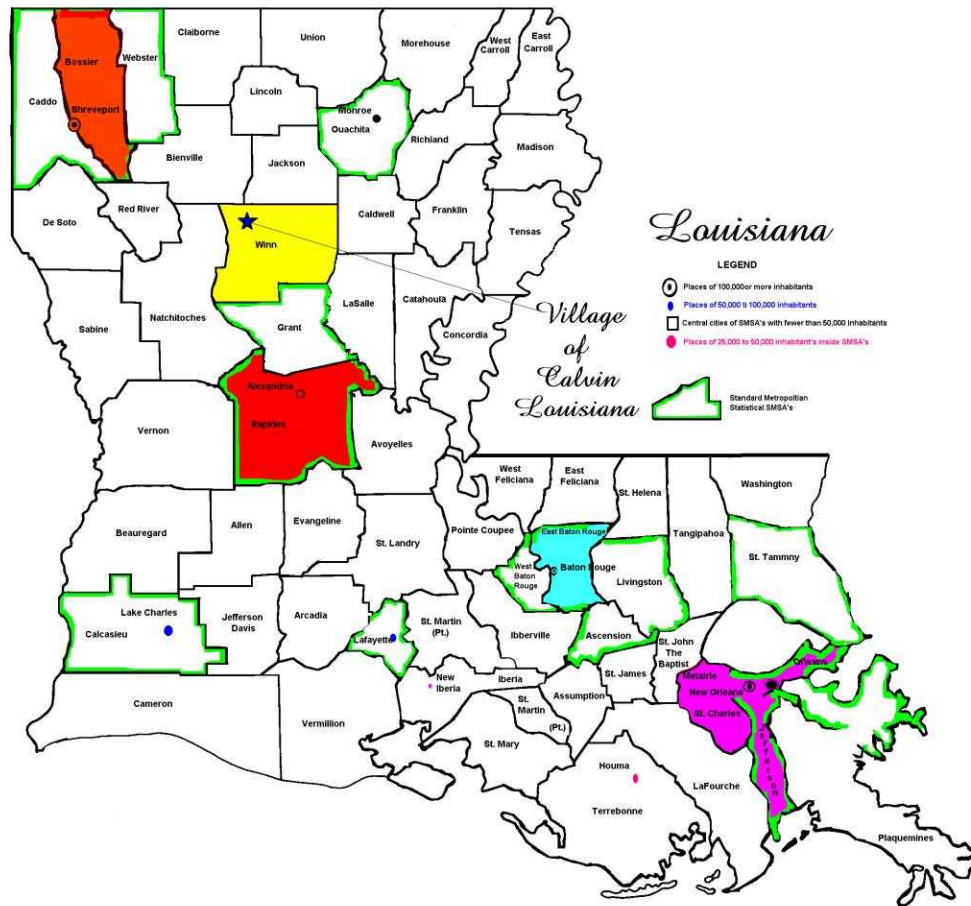
**VILLAGE OF CALVIN, LOUISIANA**

**Annual Financial Statements**

**JUNE 30, 2021**



# VILLAGE OF CALVIN CALVIN, LOUISIANA



The Village of Calvin was incorporated under the Lawrason Act in October 2, 1951. The Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with parish, state and federal governing bodies.



**Village of Calvin, Louisiana**  
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**June 30, 2021**

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### MEMBERS

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Certified Public Accountants

Association of  
Certified Fraud Examiners

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Jeff Canerday, Mayor  
& Members of the Village Council  
Calvin, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Village of Calvin, Louisiana as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Village of Calvin's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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



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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the Village of Calvin, Louisiana as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budget comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplemental Information*

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

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



## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2021, on our consideration of the Village of Calvin's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Calvin's internal control over financial reporting and compliance.

### *The Vercher Group*

Jena, Louisiana  
October 7, 2021



# Village of Calvin

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## MANAGEMENT'S DISCUSSION & ANALYSIS

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As management of the Village, we offer readers of the Village of Calvin's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the Village's financial statements.

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

### FINANCIAL HIGHLIGHTS

#### *Governmental Funds*

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$282,591 (*net position*). This is a \$28,556 increase from last year.
- The Village had total revenues of \$47,346. This is a \$32,606 decrease from last year's revenues, mainly due to a decrease in Capital Grants in the amount of \$24,292.
- The Village had total expenditures of \$88,120, which is a \$45,046 decrease from last year. This decrease is due mainly to a decrease in Capital Outlay in the amount of \$31,600.

#### *Enterprise Fund*

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$2,479,746 (*net position*). This is a \$611,530 increase from last year.
- The Village had total revenues of \$121,930, including operating revenues of \$113,386, non-operating revenues of \$472, and capital contributions of \$8,072. This is a \$13,768 decrease from last year, mainly due to a decrease in charges for services in the amount of \$10,357.
- The Village had total expenses of \$134,145, including operating expenses of \$131,606 and non-operating expenses of \$2,539. Total expenses increased by \$22,762 compared to last year, mainly due to an increase in other operating expense in the amount of \$9,947.
- Transfers out for the year totaled \$52,354.



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## MD&A

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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

### FUND FINANCIAL STATEMENTS

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

### USING THIS ANNUAL REPORT

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

### REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

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

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



## MD&A

### GOVERNMENTAL FUNDS

The following table represents a Comparative Statement of Net Position as of June 30, 2021:

	<u>2020</u>	<u>2021</u>	<u>% Change</u>
<b>Assets</b>			
Cash & Investments	\$ 57,112	\$ 71,142	24.6
Receivables (Net)	-0-	833	100.0
Capital Assets, Net of Accumulated Depreciation	197,506	214,482	8.6
<b>Total Assets</b>	<u>254,618</u>	<u>286,457</u>	12.5
<b>Liabilities &amp; Net Position</b>			
Accounts, Salaries, & Other Payables	583	3,866	563.1
Due to Enterprise Fund	-0-	-0-	-0-
<b>Total Liabilities</b>	<u>583</u>	<u>3,866</u>	563.1
<b>Net Position</b>			
Net Investment in Capital Assets	197,506	214,482	8.6
Restricted	91	91	0.0
Unrestricted	56,438	68,018	20.5
<b>Total Net Position</b>	<u>\$ 254,035</u>	<u>\$ 282,591</u>	11.2

The following table reflects the Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2021:

	<u>2020</u>	<u>2021</u>	<u>% Change</u>
<b>Revenues</b>			
Fees & Charges	\$ 10,036	\$ 8,400	-16.3
Taxes	10,098	11,316	12.1
Intergovernmental – Capital Grants	51,922	27,630	-46.8
Other	7,896	-0-	-100.0
<b>Total Revenues</b>	<u>79,952</u>	<u>47,346</u>	-40.8
<b>Expenditures</b>			
Personnel Expense	39,137	44,329	13.3
Other Operating	19,652	1,943	-90.1
Utilities	7,828	7,574	-3.2
Repairs & Maintenance	7,319	6,644	-9.2
Capital Outlay	59,230	27,630	-53.4
<b>Total Expenditures</b>	<u>133,166</u>	<u>88,120</u>	-33.8
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(53,214)</u>	<u>(40,774)</u>	-23.4
<b>Other Financing Sources (Uses)</b>			
Transfers In (Out)	77,116	52,354	-32.1
<b>Total Other Financing Sources (Uses)</b>	<u>77,116</u>	<u>52,354</u>	-32.1
<b>Net Change in Fund Balance</b>	23,902	11,580	-51.6
<b>Fund Balances – Beginning</b>	32,627	56,529	73.3
<b>Fund Balances – Ending</b>	<u>\$ 56,529</u>	<u>\$ 68,109</u>	20.5



## MD&A

### ENTERPRISE FUND

The following table represents a Comparative Statement of Net Position as of June 30, 2021:

	2020	2021	% Change
<b>Assets</b>			
Cash & Investments	\$ 95,578	\$ 79,212	-17.1
Receivables (Net)	9,088	11,182	23.0
Capital Assets, Net of Accumulated Depreciation	1,818,374	2,440,147	34.2
<b>Total Assets</b>	<u>1,923,040</u>	<u>2,530,541</u>	31.6
<b>Liabilities &amp; Net Position</b>			
Accounts, Salaries, & Other Payables	1,978	7,254	266.7
Capital Project Loan – Water	52,846	43,541	-17.6
<b>Total Liabilities</b>	<u>54,824</u>	<u>50,795</u>	-7.3
<b>Net Position</b>			
Net Investment in Capital Assets	1,765,528	2,396,606	35.7
Unrestricted	102,688	83,140	-19.0
<b>Total Net Position</b>	<u>\$ 1,868,216</u>	<u>\$ 2,479,746</u>	32.7

The following table reflects the Comparative Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2021:

	2020	2021	% Change
<b>Operating Revenues</b>			
Charges for Services	\$ 123,743	\$ 113,386	-8.4
<b>Total Operating Revenues</b>	<u>123,743</u>	<u>113,386</u>	-8.4
<b>Operating Expenses</b>			
Office Expense & Supplies	9,628	16,062	66.8
Maintenance & Repair	2,982	1,687	-43.4
Utilities	10,142	16,938	67.0
Other Operating	24,574	34,521	40.5
Depreciation	61,229	62,398	1.9
<b>Total Operating Expenses</b>	<u>108,555</u>	<u>131,606</u>	21.2
<b>Operating Income (Loss)</b>	<u>15,188</u>	<u>(18,220)</u>	-220.0
<b>Non-Operating Revenues (Expenses)</b>			
Interest Income	26	472	1,715.4
Interest Expense	(2,828)	(2,539)	-10.2
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(2,802)</u>	<u>(2,067)</u>	-26.2
<b>Income (Loss) Before Contributions &amp; Transfers</b>	12,386	(20,287)	-263.8
<b>Other Financing Sources (Uses)</b>			
Transfers In/(Out)	(77,116)	(52,354)	-32.1
DEQ Loan Forgiveness	-0-	676,099	100.0
<b>Total Other Financing Sources (Uses)</b>	<u>(77,116)</u>	<u>623,745</u>	908.8
<b>Capital Contributions</b>	<u>11,929</u>	<u>8,072</u>	-32.3
<b>Change in Net Position</b>	(52,801)	611,530	1,258.2
<b>Prior Period Adjustment</b>	54,024	-0-	-100.0
<b>Total Net Position – Beginning</b>	1,866,993	1,868,216	0.1
<b>Total Net Position – Ending</b>	<u>\$ 1,868,216</u>	<u>\$ 2,479,746</u>	32.7



## MD&A

### CAPITAL ASSETS

#### Governmental Fund

At June 30, 2021, the Village had \$214,482 invested in capital assets, including the following:

Capital Assets at Year-End		
	2020	2021
Capital Assets *	\$ 356,769	\$ 384,399
Accumulated Depreciation	(159,263)	(169,917)
<b>Total</b>	<b>\$ 197,506</b>	<b>\$ 214,482</b>

\* This amount includes land in the amount of \$7,162 that is not being depreciated.

#### Enterprise Fund

At June 30, 2021, the Village had \$2,386,123 invested in capital assets, including the following:

Capital Assets at Year-End		
	2019	2020
Water Capital Assets *	\$ 2,424,499	\$ 2,432,571
Sewer Capital Assets *	753,389	1,483,512
Water Accumulated Depreciation	(991,674)	(1,043,150)
Sewer Accumulated Depreciation	(367,840)	(378,762)
<b>Total</b>	<b>\$ 1,818,374</b>	<b>\$ 2,494,171</b>

\*These amounts include land and construction in progress in the amount of \$694,393 that are not being depreciated.

### LONG-TERM DEBT

The following is a summary of revenue bond transactions and general obligation debt transactions of the Village of Calvin for the year ended June 30, 2021.

	Water Revenue Bonds	Total
Bonds & Notes Payable - Beginning	\$ 52,846	\$ 52,846
Additions	-0-	-0-
Principal Retirements	(9,305)	(9,305)
<b>Total</b>	<b>\$ 43,541</b>	<b>\$ 43,541</b>



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## **MD&A**

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### **CONTACTING THE VILLAGE'S FINANCIAL MANGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Village's finances and to show that the Village's accountability for the money it receives. If you have questions about this report or need additional information, contact Mayor Jeff Canerday at the Village Hall, phone number (318) 727-9276.





## **Basic Financial Statements**



**Village of Calvin, Louisiana**  
**Statement of Net Position**  
**June 30, 2021**

	<b>PRIMARY GOVERNMENT</b>		
	<b>GOVERNMENTAL</b>	<b>BUSINESS- TYPE</b>	
	<b>ACTIVITIES</b>	<b>ACTIVITIES</b>	<b>TOTAL</b>
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	\$ 71,142	\$ 72,392	\$ 143,534
Investments	-0-	6,820	6,820
Receivables, Net of Allowances	833	11,182	12,015
<b>TOTAL CURRENT ASSETS</b>	<u>71,975</u>	<u>90,394</u>	<u>162,369</u>
<b>NON-CURRENT ASSETS</b>			
Capital Assets, Net of Accumulated Depreciation	214,482	2,440,147	2,654,629
<b>TOTAL NON-CURRENT ASSETS</b>	<u>214,482</u>	<u>2,440,147</u>	<u>2,654,629</u>
<b>TOTAL ASSETS</b>	<u>286,457</u>	<u>2,530,541</u>	<u>2,816,998</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts, Salaries, & Other Payables	3,866	3,084	6,950
Accrued Interest	-0-	1,410	1,410
Customer Deposits	-0-	2,760	2,760
Capital Project Loan-Water (Current Portion)	-0-	7,424	7,424
<b>TOTAL CURRENT LIABILITIES</b>	<u>3,866</u>	<u>14,678</u>	<u>18,544</u>
<b>NON-CURRENT LIABILITIES</b>			
Capital Project Loan-Water	-0-	36,117	36,117
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>-0-</u>	<u>36,117</u>	<u>36,117</u>
<b>TOTAL LIABILITIES</b>	<u>3,866</u>	<u>50,795</u>	<u>54,661</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	214,482	2,396,606	2,611,088
Restricted	91	-0-	91
Unrestricted	68,018	83,140	151,158
<b>TOTAL NET POSITION</b>	<u>\$ 282,591</u>	<u>\$ 2,479,746</u>	<u>\$ 2,762,337</u>

The accompanying notes are an integral part of this statement.



## Statement B

**Village of Calvin, Louisiana**  
**Statement of Activities**  
**For the Year Ended June 30, 2021**

	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue	NET REVENUES (EXPENSES) & CHANGES OF PRIMARY GOVERNMENT		Total
		Charges for Services	Capital Grants & Contributions		Governmental Activities	Business Type Activities	
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ (71,144)	\$ 8,400	\$ 27,630	\$ (35,114)	\$ (35,114)		\$ (35,114)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>(71,144)</u>	<u>8,400</u>	<u>27,630</u>	<u>(35,114)</u>	<u>(35,114)</u>		<u>(35,114)</u>
<b>BUSINESS-TYPE ACTIVITIES</b>							
Enterprise Fund	(131,606)	113,386	8,072	(10,148)		\$ (10,148)	(10,148)
Interest Expense	(2,539)	-0-	-0-	(2,539)		(2,539)	(2,539)
<b>TOTAL BUSINESS TYPE ACTIVITIES</b>	<u>(134,145)</u>	<u>113,386</u>	<u>8,072</u>	<u>(12,687)</u>		<u>(12,687)</u>	<u>(12,687)</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ (205,289)</u>	<u>\$ 121,786</u>	<u>\$ 35,702</u>	<u>\$ (47,801)</u>			<u>(47,801)</u>
<b>GENERAL REVENUES</b>							
Taxes:							
Ad Valorem Taxes					3,732	-0-	3,732
Franchise Taxes					7,584	-0-	7,584
Interest Revenue					-0-	472	472
Other Income					-0-	676,099	676,099
<b>TOTAL GENERAL REVENUES</b>					<u>11,316</u>	<u>676,571</u>	<u>687,887</u>
<b>TRANSFERS IN/(OUT)</b>					<u>52,354</u>	<u>(52,354)</u>	<u>-0-</u>
<b>CHANGE IN NET POSITION</b>					28,556	611,530	640,086
<b>NET POSITION - BEGINNING</b>					254,035	1,868,216	2,122,251
<b>NET POSITION - ENDING</b>					<u>\$ 282,591</u>	<u>\$ 2,479,746</u>	<u>\$ 2,762,337</u>

The accompanying notes are an integral part of this statement.



**Village of Calvin, Louisiana**  
**Balance Sheet, Governmental Funds**  
**June 30, 2021**

	<b>GENERAL FUND</b>	<b>CAPITAL PROJECTS</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 71,051	\$ 91	\$ 71,142
Receivables, Net of Allowances	833	-0-	833
<b>TOTAL ASSETS</b>	<u>71,884</u>	<u>91</u>	<u>71,975</u>
<b>LIABILITIES</b>			
Accounts, Salaries, & Other Payables	3,866	-0-	3,866
<b>TOTAL LIABILITIES</b>	<u>3,866</u>	<u>-0-</u>	<u>3,866</u>
<b>FUND BALANCE</b>			
Restricted	-0-	91	91
Unassigned	68,018	-0-	68,018
<b>TOTAL FUND BALANCE</b>	<u>68,018</u>	<u>91</u>	<u>68,109</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<u>\$ 71,884</u>	<u>\$ 91</u>	<u>\$ 71,975</u>

The accompanying notes are an integral part of this statement.



**Village of Calvin, Louisiana**  
**Reconciliation of the Government Funds Balance Sheet**  
**to the Government-Wide Financial Statement of Net Position**  
**June 30, 2021**

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

Fund Balance, Total Governmental Funds, Statement C	\$	68,109
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

	Capital Assets	384,399	
	Accumulated Depreciation	(169,917)	
			214,482

Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.

	Other	-0-	
			-0-

Net Position of Governmental Activities, Statement A	\$	282,591
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The accompanying notes are an integral part of this statement.



**Village of Calvin, Louisiana**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

	<u>GENERAL FUND</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
<b>REVENUES</b>			
Fees & Charges	\$ 8,400	\$ -0-	\$ 8,400
Taxes:			
Ad Valorem Taxes	3,732	-0-	3,732
Franchise Taxes	7,584	-0-	7,584
Intergovernmental – Capital Grants	-0-	27,630	27,630
Other Revenue	-0-	-0-	-0-
<b>TOTAL REVENUES</b>	<u>19,716</u>	<u>27,630</u>	<u>47,346</u>
<b>EXPENDITURES</b>			
Personnel Expense	44,329	-0-	44,329
Other Operating	1,943	-0-	1,943
Utilities	7,574	-0-	7,574
Repairs & Maintenance	6,644	-0-	6,644
Capital Outlay	-0-	27,630	27,630
<b>TOTAL EXPENDITURES</b>	<u>60,490</u>	<u>27,630</u>	<u>88,120</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(40,774)</u>	<u>-0-</u>	<u>(40,774)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In (Out)	<u>52,354</u>	<u>-0-</u>	<u>52,354</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>52,354</u>	<u>-0-</u>	<u>52,354</u>
<b>NET CHANGE IN FUND BALANCE</b>	11,580	-0-	11,580
<b>FUND BALANCES – BEGINNING</b>	56,438	91	56,529
<b>FUND BALANCES – ENDING</b>	<u>\$ 68,018</u>	<u>\$ 91</u>	<u>\$ 68,109</u>

The accompanying notes are an integral part of this statement.



**Village of Calvin, 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, 2021**

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

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ 11,580
--	-----------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	16,976
--	--------

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<div style="border-top: 1px solid black; display: inline-block;">-0-</div>
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Changes in Net Position of Governmental Activities, Statement B	\$ <u>28,556</u>
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**Village of Calvin, Louisiana**  
**Statement of Net Position, Proprietary Fund**  
**June 30, 2021**

	<b>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND WATER &amp; SEWER</b>
<b>CURRENT ASSETS</b>	
Cash & Cash Equivalents	\$ 72,392
Investments	6,820
Receivables, Net of Allowances	11,182
Due From General Fund	-0-
<b>TOTAL CURRENT ASSETS</b>	<u>90,394</u>
<b>NON-CURRENT ASSETS</b>	
Capital Assets, Net of Accumulated Depreciation	<u>2,440,147</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u>2,440,147</u>
<b>TOTAL ASSETS</b>	<u>2,530,541</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts, Salaries, & Other Payables	3,084
Accrued Interest	1,410
Customer Deposits	2,760
Capital Project Loan-Water (Current Portion)	<u>7,424</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>14,678</u>
<b>NON-CURRENT LIABILITIES</b>	
Capital Project Loan-Water	<u>36,117</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>36,117</u>
<b>TOTAL LIABILITIES</b>	<u>50,795</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	2,396,606
Unrestricted	<u>83,140</u>
<b>TOTAL NET POSITION</b>	<u>\$ 2,479,746</u>

The accompanying notes are an integral part of this statement.



**Village of Calvin, Louisiana**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Fund**  
**June 30, 2021**

	<b>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND WATER &amp; SEWER</b>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 113,386
<b>TOTAL OPERATING REVENUES</b>	<u>113,386</u>
<b>OPERATING EXPENSES</b>	
Office Expense & Supplies	16,062
Maintenance & Repair	1,687
Utilities	16,938
Other Operating	34,521
Depreciation	62,398
<b>TOTAL OPERATING EXPENSES</b>	<u>131,606</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(18,220)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Interest Income	472
Interest Expense	(2,539)
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<u>(2,067)</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS &amp; TRANSFERS</b>	(20,287)
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers In/(Out)	(52,354)
DEQ Loan Forgiveness	676,099
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>623,745</u>
<b>CAPITAL CONTRIBUTIONS</b>	<u>8,072</u>
<b>CHANGE IN NET POSITION</b>	611,530
<b>TOTAL NET POSITION – BEGINNING</b>	1,868,216
<b>TOTAL NET POSITION – ENDING</b>	\$ <u><u>2,479,746</u></u>

The accompanying notes are an integral part of this statement.



**Village of Calvin, Louisiana**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**June 30, 2021**

	<b>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND WATER &amp; SEWER</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers & Users	\$ 103,093
Receipts from Other Funds	10,959
Payments to Suppliers	(66,692)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>47,360</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers to Other Funds	(52,354)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>(52,354)</u>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	
Receipts from Capital Grants	8,072
DEQ Loan Forgiveness	676,099
Addition/Deletion of Capital Assets	(684,171)
Principal Paid on Capital Debt	(9,305)
Interest Paid on Capital Debt	(2,539)
<b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	<u>(11,844)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment Income	472
(Increase) Decrease in Investments	8,169
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>8,641</u>
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(8,197)
<b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>	80,589
<b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>	<u>72,392</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating Income (Loss)	(18,220)
Depreciation Expense	62,398
(Increase) Decrease in Accounts Receivable	(2,094)
Increase (Decrease) in Accounts Payables	2,687
Increase (Decrease) in Accrued Interest	(171)
Increase (Decrease) in Customer Deposits	2,760
<b>TOTAL ADJUSTMENTS</b>	<u>65,580</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ 47,360</u>

The accompanying notes are an integral part of this statement.



**Notes To The Basic  
Financial Statements**



## **Village of Calvin, Louisiana**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

#### **(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

The following is a summary of certain significant accounting policies:

#### **A. GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS**

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

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

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



## **Village of Calvin, Louisiana**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED**

#### **B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION**

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

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

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

The municipality reports the following major governmental funds:

- The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Capital Projects fund is used to account for all financial resources and expenditures of Street Improvements.

The municipality reports the following major proprietary fund:

- Enterprise Fund
  - Water Activities
  - Sewer Activities

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



## Village of Calvin, Louisiana

### NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

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

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

#### C. EQUITY CLASSIFICATIONS

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

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

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

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

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

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

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



## Village of Calvin, Louisiana

### NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

- c. Committed fund balance – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

#### D. FIXED ASSETS

For the year ended June 30, 2021, no interest costs were capitalized for construction of fixed assets.

Depreciation of all exhaustible fixed assets is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet and governmental fund statement of activities. Depreciation has been provided over the estimated useful lives using the straight-line method. The Village of Calvin maintains a threshold level of \$2,500 or more for capitalizing capital assets. The estimated useful lives are as follows:

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

#### E. CASH & INVESTMENTS

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Village. For the purpose of the proprietary fund Statement of Cash Flows, "Cash and Cash Equivalents" include all demand and savings accounts, and certificates of deposits under 90 days.

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

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



## Village of Calvin, Louisiana

### NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

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

	<b>Bank of Winnfield</b>	<b>Total</b>
<b>Bank Balances</b>	\$ <u>150,355</u>	\$ <u>150,355</u>
<i><b>Secured As Follows</b></i>		
FDIC ( <i>Category 1</i> )	150,355	150,355
Securities ( <i>Category 2</i> )	-0-	-0-
Uncollateralized ( <i>Category 3</i> )	-0-	-0-
<b>Total</b>	\$ <u>150,355</u>	\$ <u>150,355</u>

All cash and investments were fully secured at year end.

#### ***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity’s name.

#### **F. RECEIVABLES & PAYABLES**

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



## Village of Calvin, Louisiana

### NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

#### G. INVENTORIES

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

#### H. COMPENSATED ABSENCES

The Village has no compensated absence policy.

#### I. LONG-TERM OBLIGATIONS

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

#### J. FUND EQUITY

In the fund equity statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plan that are subject to change.

#### (2) AD VALOREM TAXES

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

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

For the year ended June 30, 2021, taxes of 5.44 mills were levied against property having a valuation of some \$686,022 which produced some \$3,732 in revenue.

Ad Valorem Taxes are broken down as follows:

	Mills
General Alimony	5.44



# Village of Calvin, Louisiana

## NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

### (3) RECEIVABLES

At June 30, 2021, no reserve for bad debts was required the estimated uncollectible receivables outstanding were considered immaterial. At June 30, 2021, the receivables were as follows:

	<b>Enterprise Fund</b>		<b>Governmental Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>General Fund</b>
Customer	\$ 9,765	\$ 1,417	\$ 833
Allowance for Bad Debts	-0-	-0-	-0-
<b>Total</b>	<b>\$ 9,765</b>	<b>\$ 1,417</b>	<b>\$ 833</b>

### (4) FIXED ASSETS

#### PROPERTY ENTERPRISE FUND: PLANT & EQUIPMENT

A summary of enterprise fund property, plant, and equipment at June 30, 2021, is as follows:

	<b>Balance 6-30-2020</b>	<b>Additions</b>	<b>(Deletions)</b>	<b>Balance 6-30-2021</b>
<b>Water</b>				
Distribution System & Equipment*	\$ 2,424,499	\$ 8,072	\$ -0-	\$ 2,432,571
Accumulated Depreciation	(991,674)	(51,476)	-0-	(1,043,150)
<b>Net</b>	<b>1,432,825</b>	<b>(43,404)</b>	<b>-0-</b>	<b>1,389,421</b>
<b>Sewer</b>				
Plant & Equipment*	753,389	\$ 676,099	\$ -0-	\$ 1,429,488
Accumulated Depreciation	(367,840)	(10,922)	-0-	(378,762)
<b>Net</b>	<b>\$ 385,549</b>	<b>\$ 665,177</b>	<b>\$ -0-</b>	<b>\$ 1,050,726</b>

\*Water - Land in the amount of \$9,097 is included in this amount and is not being depreciated.

\*Sewer - Land in the amount of \$9,197 and construction in progress in the amount of \$730,123 are included in this amount and are not being depreciated.

#### GOVERNMENTAL FUND

A summary of governmental fund depreciable assets at June 30, 2021, is as follows:

	<b>Balance 6-30-2020</b>	<b>Additions</b>	<b>(Deletions)</b>	<b>Balance 6-30-2021</b>
Fixed Assets*	\$ 356,769	\$ 27,630	\$ -0-	\$ 384,399
Accumulated Depreciation	(159,263)	(10,654)	-0-	(169,917)
<b>Net</b>	<b>\$ 197,506</b>	<b>\$ 16,976</b>	<b>\$ -0-</b>	<b>\$ 214,482</b>

\*This amount includes Land in the amount of \$7,162 that is not being depreciated.



**Village of Calvin, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
CONTINUED**

**(5) CHANGES IN LONG-TERM DEBT**

The following is a summary of revenue bond transactions and general obligation debt transactions of the Village of Calvin for the year ended June 30, 2021.

	<b>Water Revenue Bonds</b>	<b>Total</b>
Bonds & Notes Payable - Beginning	\$ 52,846	\$ 52,846
Additions	-0-	-0-
Principal Retirements	(9,305)	(9,305)
<b>Total</b>	<b>\$ 43,541</b>	<b>\$ 43,541</b>

Bonds payable at June 30, 2021, are comprised of the following issues:

**Revenue Bonds**

\$109,500 of Water Revenue Bonds due annually in installments of \$9,840.91 starting 02/01/2013 and ending 02/01/27; interest at 4.12%.

\$ 43,541

**Total**

**\$ 43,541**

The annual requirements to amortize all debt outstanding as of June 30, 2021, including interest payments, are as follows:

<b>Year Ending June 30,</b>	<b>Total</b>
2022	\$ 9,841
2023	9,841
2024	9,841
2025	9,841
2026	9,841
2027-2031	9,841
<b>Total</b>	<b>\$ 59,046</b>

The Village borrowed \$760,000 from DEQ safe drinking water fund which is 100% forgiven when received for wastewater treatment plant improvements. The Village has received \$730,123 as of June 30, 2021.

**(6) ELECTED OFFICIAL'S SALARIES**

<b>Name</b>	<b>Title</b>	<b>Compensation</b>
Jeff Canerday	Mayor	\$ 4,200
Bobby D. Canerday	Alderman	1,200
John Wayne Canerday	Alderman	1,200
Ronald Abels	Alderman	\$ 1,200



## Village of Calvin, Louisiana

### NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

#### (7) USE OF ESTIMATES

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

#### (8) RETIREMENT PLANS

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

#### (9) ENCUMBRANCES

The entity does not utilize encumbrance accounting.

#### (10) TRANSFERS

Transfers From/To Other Funds				
Fund		Transfers In	Transfers Out	Total
General	\$	52,354	\$ -0-	\$ 52,354
Enterprise		-0-	(52,354)	(52,354)
Total	\$	52,354	\$ (52,354)	\$ -0-

The transfers to the general fund were made for general expenditures.

#### (11) LITIGATION

The Village of Calvin is involved in no litigation at June 30, 2021, which is not covered by the Village's applicable insurance policies or is considered to be significant to the Village's financial statements.

#### (12) SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the Statement of Net Position date though, October 7, 2021, of the independent auditor's report for potential recognition or disclosure in the financial statements. The following item is reported as a subsequent event.



## **Village of Calvin, Louisiana**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED**

#### **(13) CONTINGENCIES**

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

#### **(14) EXCESS EXPENDITURES OVER APPROPRIATION**

The Village over spent it’s budget by \$36,020 or 69% because grant expenditures for capital outlay were not budgeted.





### **Required Supplemental Information**



**Village of Calvin, Louisiana**  
**Statement of Revenues, Expenditures, & Changes in Fund Balance**  
**Budget and Actual**  
**General & Capital Project Funds**  
**For the Year Ended June 30, 2021**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS BUDGETARY BASIS</u>	<u>BUDGET TO ACTUAL DIFFERENCES FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Fees & Charges	\$ -0-	\$ -0-	\$ 8,400	\$ 8,400
Taxes	9,723	9,723	11,316	1,593
Intergovernmental – Capital Grants	-0-	-0-	27,630	27,630
Other Revenue	-0-	-0-	-0-	-0-
<b>TOTAL REVENUES</b>	<u>9,723</u>	<u>9,723</u>	<u>47,346</u>	<u>37,623</u>
<b>EXPENDITURES</b>				
Personnel Expense	40,800	41,000	44,329	(3,329)
Other Administrative	8,345	2,940	1,943	997
Utilities	6,900	7,800	7,574	226
Repairs & Maintenance	9,960	360	6,644	(6,284)
Capital Outlay	-0-	-0-	27,630	(27,630)
<b>TOTAL EXPENDITURES</b>	<u>66,005</u>	<u>52,100</u>	<u>88,120</u>	<u>(36,020)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(56,282)</u>	<u>(42,377)</u>	<u>(40,774)</u>	<u>1,603</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In (Out)	<u>38,400</u>	<u>38,400</u>	<u>52,354</u>	<u>13,954</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>38,400</u>	<u>38,400</u>	<u>52,354</u>	<u>13,954</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (17,882)</u>	<u>\$ (3,977)</u>	11,580	<u>\$ 15,557</u>
<b>FUND BALANCES--BEGINNING</b>			56,529	
<b>FUND BALANCES--ENDING</b>			<u>\$ 68,109</u>	

See independent auditor's report.





## **Supplemental Information**



**Village of Calvin, Louisiana**  
**Schedule of Compensation Benefits and Other Payments**  
**to Agency Head or Chief Executive Officer**  
**For the Year Ended June 30, 2021**

Honorable Jeff Canerday, Mayor

Purpose	Amount
Salary	\$ 4,200
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	4,200
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

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

See independent auditor's report.



**Village of Calvin, Louisiana**  
**Schedule of Assets, Liabilities, & Equity**  
**Capital Grants**  
**For the Year Ended June 30, 2021**

	<u>LCDBG</u>	<u>CWEF/ LGAP</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash	\$ -0-	\$ 91	\$ 91
Grant Revenues Receivable	-0-	-0-	-0-
<b>TOTAL ASSETS</b>	<u>-0-</u>	<u>91</u>	<u>91</u>
<b>LIABILITIES &amp; FUND EQUITY</b>			
Accounts Payable	-0-	-0-	-0-
Due To Village	-0-	-0-	-0-
Unearned Revenue	-0-	-0-	-0-
<b>TOTAL LIABILITIES</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>FUND BALANCE</b>	<u>-0-</u>	<u>91</u>	<u>91</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	\$ <u>-0-</u>	\$ <u>91</u>	\$ <u>91</u>

LCDBG – Louisiana Community Development Block Grant

CWEF – Community Water Environment Fund

LGAP – Local Government Assistance Program

See independent auditor's report.



**Village of Calvin, Louisiana**  
**Schedule of Revenues, Expenditures &**  
**Changes in Fund Balances**  
**Capital Grants**  
**For the Year Ended June 30, 2021**

	<u>LCDBG - STREET</u>	<u>CWEF/ LGAP</u>	<u>TOTAL</u>
<b>REVENUES</b>			
Capital Grants	\$ -0-	\$ 35,702	\$ 35,702
<b>TOTAL REVENUES</b>	<u>-0-</u>	<u>35,702</u>	<u>35,702</u>
<b>EXPENDITURES</b>			
Administrative Services	-0-	-0-	-0-
Engineering Services	-0-	-0-	-0-
Project Construction	-0-	35,702	35,702
<b>TOTAL EXPENDITURES</b>	<u>-0-</u>	<u>35,702</u>	<u>35,702</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-0-	-0-	-0-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In (Out)	-0-	-0-	-0-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-0-	-0-	-0-
<b>FUND BALANCES--BEGINNING</b>	-0-	91	91
<b>FUND BALANCES--ENDING</b>	<u>\$ -0-</u>	<u>\$ 91</u>	<u>\$ 91</u>

LCDBG – Louisiana Community Development Block Grant

CWEF – Community Water Environment Fund

LGAP – Local Government Assistance Program

See independent auditor's report.





## **Other Reports**



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### **MEMBERS**

American Institute of  
Certified Public Accountants

Society of Louisiana  
Certified Public Accountants

Association of  
Certified Fraud Examiners

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

The Honorable Jeff Canerday, Mayor  
& Members of the Village Council  
Calvin, 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, business-type activities, and each major fund of the Village of Calvin, Louisiana as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Village of Calvin's basic financial statements, and have issued our report thereon dated October 7, 2021.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village of Calvin'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 Village of Calvin's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Calvin'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. Given these limitations, during our audit we did not identify any



deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedules of findings and questioned costs as item [2021-1 Small Size of Entity] that we consider to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village of Calvin'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item: **2021-2 Budget Variance**.

### **Village of Calvin's Response to Findings**

Village of Calvin's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Village of Calvin's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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

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

*The Vercher Group*

Jena, Louisiana  
October 7, 2021



**VILLAGE OF CALVIN, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST**

**For the Year Ended June 30, 2021**

We have audited the basic financial statements of the Village of Calvin, Louisiana, as of and for the year ended June 30, 2021, and have issued our report thereon dated October 7, 2021. We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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**Section I - Summary of Auditor's Results**

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Our audit of the financial statements as of June 30, 2021, resulted in an unmodified opinion.

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

Internal Control

Material Weaknesses ☐ Yes

Significant Deficiencies ☒ Yes

Compliance

Compliance Material to Financial Statements ☒ Yes

**b. Federal Awards (Not Applicable)**

Internal Control

Material Weaknesses ☐ Yes ☐ No Other Conditions ☐ Yes ☐ No

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

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

☐ Yes ☐ No

**c. Identification Of Major Programs:**

CFDA Number (s)	Name Of Federal Program (or Cluster)

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

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



## VILLAGE OF CALVIN, LOUISIANA

### SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)

For the Year Ended June 30, 2021

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#### Section II – Financial Statement Findings

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##### 2021-1 Small Size of Entity

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

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

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

**Effect of Condition:** Significant deficiency in internal controls.

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

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

##### 2021-2 Budget Variance

**Condition:** The Village had an unfavorable expenditure budget variance of \$36,020 or 69.1% in the general fund during the year.

**Criteria:** The Budget Act requires that governments amend their budgets when revenues fall below budgeted amounts by more than 5% or when expenditures exceed 5% of appropriations.

**Cause of Condition:** Not properly amending budget before year end.

**Effect of Condition:** Violation of the Budget Act.

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

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



**VILLAGE OF CALVIN, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)**  
**For the Year Ended June 30, 2021**

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**Section III – Federal Awards Findings and Questioned Costs**

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Not applicable.



## VILLAGE OF CALVIN, LOUISIANA

### MANAGEMENT'S CORRECTIVE ACTION FOR CURRENT YEAR AUDIT FINDINGS

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#### **FINDINGS:**

##### **2021-1 Small Size of Entity**

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

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

***Contact Person:*** Jeff Canerday

***Anticipated Completion Date:*** N/A

##### **2021-2 Budget Variance**

***Finding:*** The Village had an unfavorable expenditure budget variance of \$36,020 or 69.1% in the general fund during the year. The Budget Act requires that governments amend their budgets when revenues fall below budgeted amounts by more than 5% or when expenditures exceed 5% of appropriations.

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

***Contact Person:*** Jeff Canerday

***Anticipated Completion Date:*** June 30, 2022



**VILLAGE OF CALVIN, LOUISIANA**

**MANAGEMENT LETTER COMMENTS**  
**For the Year Ended June 30, 2021**

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

**CURRENT YEAR MANAGEMENT LETTER COMMENTS**

No items identified.



## VILLAGE OF CALVIN, LOUISIANA

### MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

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

The management of the Village of Calvin, Louisiana has provided the following action summaries relating to management letter findings brought to their attention as a result of their financial review for the year ended June 30, 2020.

#### **PRIOR YEAR FINDINGS**

##### **2020-1 Village Accounting Methods (Resolved)**

**Condition:** The Village is not posting all bank accounts into its accounting software and reconciling the bank accounts monthly.

**Criteria:** Best practices include posting all bank accounts into the accounting software and reconciling the bank accounts monthly.

**Cause of Condition:** Not following best practices.

**Effect of Condition:** Incomplete/Inaccurate financial data.

**Recommendation:** The Village should post all bank accounts into its accounting software and reconcile the bank accounts monthly.

**Client Response and Corrective Action:** The Village has begun posting all bank accounts into its accounting software and will reconcile the bank accounts monthly.