

**VILLAGE OF DOWNSVILLE
LOUISIANA**

**FINANCIAL STATEMENTS
DECEMBER 31, 2020**

VILLAGE OF DOWNSVILLE, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 2020

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ACCOUNTANT'S COMPILATION REPORT

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

Management is responsible for the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Village of Downsville, Louisiana, as of and for the year ended December 31, 2020, which collectively comprise the Village of Downsville's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

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

Required Supplementary Information

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

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

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



Don M. McGehee
Certified Public Accountant
June 30, 2021

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Governmental Activities	Business Type Activities	Total
ASSETS			
Current Assets:			
Cash	\$ 5,395	\$ 3,903	\$ 9,298
Accounts Receivable, net	0	15,682	15,682
Taxes Receivable	1,159	0	1,159
Internal Balances	19,826	(19,826)	0
Prepaid Expenses	321	551	872
Noncurrent Assets:			
Restricted Cash	0	27,277	27,277
Capital Assets, net	443,253	640,751	1,084,004
Other Assets	0	30	30
TOTAL ASSETS	\$ 469,954	\$ 668,368	\$ 1,138,322
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 611	\$ 51,386	\$ 51,997
Accrued Expenses	0	406	406
Accrued Interest Payable	0	37	37
Current Portion of Revenue Bonds Payable	0	4,359	4,359
Noncurrent Liabilities:			
Customer Deposits	0	14,527	14,527
Revenue Bonds Payable	0	82,453	82,453
TOTAL LIABILITIES	611	153,168	153,779
NET POSITION			
Invested in Capital Assets, net of related debt	443,253	553,939	997,192
Restricted for Debt Service	0	11,665	11,665
Unrestricted	26,090	(50,404)	(24,314)
TOTAL NET POSITION	469,343	515,200	984,543
TOTAL LIABILITIES AND NET POSITION	\$ 469,954	\$ 668,368	\$ 1,138,322

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES:							
General Government	\$ 6,105	\$ 0	\$ 0	\$ 0	\$ (6,105)	\$ 0	\$ (6,105)
Police	11,145	0	6,000	0	(5,145)	0	(5,145)
Streets	2,654	0	0	0	(2,654)	0	(2,654)
Parks and Recreation	20,945	0	0	0	(20,945)	0	(20,945)
TOTAL GOVERNMENTAL ACTIVITIES	40,849	0	6,000	0	(34,849)	0	(34,849)
BUSINESS-TYPE ACTIVITIES:							
Water and Sewer	156,865	71,943	34,737	0	0	(50,185)	(50,185)
TOTAL PRIMARY GOVERNMENT	\$ 197,714	\$ 71,943	\$ 40,737	\$ 0	(34,849)	(50,185)	(85,034)
GENERAL REVENUES:							
Franchise Tax					4,709	0	4,709
Rent					200	0	200
Licenses					1,355	0	1,355
Investment Earnings					1	41	42
Other Revenue					1,500	1,095	2,595
TRANSFERS					7,114	(7,114)	0
TOTAL GENERAL REVENUES AND TRANSFERS					14,879	(5,978)	8,901
CHANGE IN NET POSITION					(19,970)	(56,163)	(76,133)
NET POSITION-BEGINNING					489,313	571,363	1,060,676
NET POSITION-ENDING					\$ 469,343	\$ 515,200	\$ 984,543

See accountant's report.

FUND FINANCIAL STATEMENTS

VILLAGE OF DOWNSVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
GENERAL FUND
DECEMBER 31, 2020

ASSETS

Cash	\$ 5,395
Franchise Tax Receivable	1,159
Due from Water and Sewer Fund	19,826
Prepaid Insurance	<u>321</u>
TOTAL ASSETS	\$ <u>26,701</u>

LIABILITIES AND FUND BALANCE

LIABILITIES:

Accounts Payable	\$ <u>611</u>
TOTAL LIABILITIES	<u>611</u>

FUND BALANCE:

Nonspendable--	
Prepaid Insurance	321
Unassigned	<u>25,769</u>
TOTAL FUND BALANCE	<u>26,090</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>26,701</u>

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020**

Total Fund Balance-Governmental Fund	\$ 26,090
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Amounts Reported for Governmental Activities in the
Statement of Net Assets are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>443,253</u>
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Net Position of Governmental Activities	\$ <u>469,343</u>
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See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--GOVERNMENTAL FUND
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

REVENUES

Franchise Taxes	\$ 4,709
Licenses and Permits	1,355
Intergovernmental	
State Supplemental Pay	6,000
Rent	200
Miscellaneous	1,500
Interest	<u>1</u>
TOTAL REVENUES	<u>13,765</u>

EXPENDITURES

General Government	
Dues	125
Legal and Accounting	2,400
Insurance	100
Maintenance of Town Property	349
Miscellaneous	675
Office Supplies	76
Publication	6
Town Hall Expense	2,138
Police Department	
Insurance	885
Salaries	10,260
Street Department	
Street Lights	2,655
Park and Recreation Department	
Repairs and Maintenance	580
Utilities	<u>236</u>
TOTAL EXPENDITURES	<u>20,485</u>

DEFICIENCY OF REVENUES

UNDER EXPENDITURES (6,720)

OTHER FINANCING SOURCES

Operating Transfer In--Water and Sewer Fund	<u>7,114</u>
TOTAL OTHER FINANCING SOURCES	<u>7,114</u>

**EXCESS OF REVENUES AND OTHER SOURCES
OVER EXPENDITURES**

394

FUND BALANCE-BEGINNING

25,696

FUND BALANCE-ENDING

\$ 26,090

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

NET CHANGE IN FUND BALANCES-GOVERNMENTAL FUNDS \$ 394

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

Governmental Funds report capital outlays as expenditures. In the Statement of Activities the capital outlay cost is allocated over the estimated useful life of the related asset and reported as depreciation expense. To reconcile the difference in accounting between the fund accounting method and the government-wide method, an adjustment is necessary to recognize the difference by which depreciation expense in the government-wide fund statements exceeds capital outlay expense recognized in the government fund statements.

(20,364)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (19,970)

VILLAGE OF DOWNSVILLE, LOUISIANA

STATEMENT OF NET POSITION

PROPRIETARY FUND

DECEMBER 31, 2020

	<u>Water and Sewer Enterprise Fund</u>
ASSETS	
CURRENT ASSETS:	
Cash	\$ 3,903
Accounts Receivable, net	15,682
Prepaid Insurance	<u>551</u>
TOTAL CURRENT ASSETS	<u>20,136</u>
NONCURRENT ASSETS:	
Restricted Cash	<u>27,277</u>
Capital Assets:	
Land	1,000
Equipment	3,484
Sewer System Improvements	417,675
Water Distribution System	1,409,461
Less Accumulated Depreciation	<u>(1,190,869)</u>
Capital Assets, net	<u>640,751</u>
Other Assets	<u>30</u>
TOTAL NONCURRENT ASSETS	<u>668,058</u>
TOTAL ASSETS	<u>688,194</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	51,386
Accrued Expenses	406
Due to General Fund	19,826
Accrued Interest Payable	37
Current Maturities of Long-Term Debt	<u>4,359</u>
TOTAL CURRENT LIABILITIES	<u>76,014</u>
NONCURRENT LIABILITIES:	
Customer Deposits	14,527
Long-Term Debt	<u>82,453</u>
TOTAL NONCURRENT LIABILITIES	<u>96,980</u>
TOTAL LIABILITIES	<u>172,994</u>
NET POSITION	
Invested in Capital Assets, net of related debt	553,939
Restricted for Debt Service	11,665
Unrestricted	<u>(50,404)</u>
TOTAL NET POSITION	<u>\$ 515,200</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Water and Sewer Enterprise Fund</u>
OPERATING REVENUES	
Water Sales	\$ 48,696
Sewer Charges	23,247
Miscellaneous	<u>1,095</u>
TOTAL OPERATING REVENUES	<u>73,038</u>
OPERATING EXPENSES	
Accounting	300
Depreciation	44,432
Dues	300
Insurance	2,204
Miscellaneous	30
Office Supplies	1,642
Outside Services	18,900
Professional Fees	5,642
Safe Drinking Water Fee	855
Salaries	6,000
System Repair and Maintenance	59,969
System Supplies and Expense	3,771
Taxes-Payroll	459
Telephone and Utilities	<u>7,501</u>
TOTAL OPERATING EXPENSES	<u>152,005</u>
OPERATING LOSS	(78,967)
NON-OPERATING REVENUES AND (EXPENSES)	
Intergovernmental Revenue - Grant	34,737
Interest Income	41
Interest Expense	<u>(4,860)</u>
NET NON-OPERATING REVENUES (EXPENSES)	<u>29,918</u>
INCOME BEFORE TRANSFERS	(49,049)
TRANSFERS OUT	<u>(7,114)</u>
CHANGE IN NET POSITION	(56,163)
TOTAL NET POSITION - BEGINNING	<u>571,363</u>
TOTAL NET POSITION - ENDING	<u>\$ 515,200</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Water and Sewer Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 69,133
Cash Payments for Goods and Services	(92,905)
Cash Payments for Salaries and Wages	<u>(6,000)</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>(29,772)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from Operating Grant	34,737
Operating Transfers to General Fund	<u>(7,114)</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>27,623</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal Payments on Revenue Bonds	(10,136)
Interest Payments on Revenue Bonds	<u>(4,976)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(15,112)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	<u>41</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>41</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(17,220)
CASH AT BEGINNING OF YEAR	<u>48,400</u>
CASH AT END OF YEAR	<u><u>\$ 31,180</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:	
Operating Loss	\$ (78,967)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities--	
Depreciation	44,432
(Increase) Decrease in Accounts Receivable	(3,905)
Increase (Decrease) in Accounts Payable	8,681
Increase (Decrease) in Accrued Expenses	(13)
Total Adjustments	<u>49,195</u>
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (29,772)</u></u>
CASH PER STATEMENT OF NET POSITION	
Current Cash	\$ 3,903
Restricted Cash	<u>27,277</u>
TOTAL CASH AT YEAR END	<u><u>\$ 31,180</u></u>

See accountant's report.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
--BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Budget
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Favorable (Unfavorable)</u>
REVENUES				
Franchise Taxes	\$ 5,000	\$ 4,610	\$ 4,709	\$ 99
Licenses and Permits	900	900	1,355	455
State Supplemental Police Pay	6,000	6,000	6,000	0
Rent	200	200	200	0
Miscellaneous	50	50	1,500	1,450
Interest	<u>5</u>	<u>1</u>	<u>1</u>	<u>0</u>
TOTAL REVENUE	<u>12,155</u>	<u>11,761</u>	<u>13,765</u>	<u>2,004</u>
EXPENDITURES				
General Government				
Beautification Committee	100	100	0	100
Dues	125	125	125	0
Legal and Accounting	0	2,400	2,400	0
Insurance	0	115	100	15
Maintenance of Town Property	100	100	349	(249)
Miscellaneous	500	675	675	0
Office Supplies	200	200	76	124
Publications	50	50	6	44
Town Hall Expense	3,800	3,800	2,138	1,662
Travel	500	500	0	500
Police				
Auto Maintenance and Repairs	100	100	0	100
Insurance	885	885	885	0
Salaries	10,260	10,260	10,260	0
Supplies	50	50	0	50
Streets				
Street Lights	3,000	3,000	2,655	345
Park and Recreation				
Operations	100	100	0	100
Mowing Fees	100	581	580	1
Utilities	<u>0</u>	<u>0</u>	<u>236</u>	<u>(236)</u>
TOTAL EXPENDITURES	<u>19,870</u>	<u>23,041</u>	<u>20,485</u>	<u>2,556</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(7,715)	(11,280)	(6,720)	4,560
OTHER FINANCING SOURCES				
Operating Transfer In--Utility Fund	<u>7,260</u>	<u>7,260</u>	<u>7,114</u>	<u>(146)</u>
TOTAL OTHER FINANCING SOURCES	<u>7,260</u>	<u>7,260</u>	<u>7,114</u>	<u>(146)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(455)	(4,020)	394	4,414
FUND BALANCE - BEGINNING	<u>26,615</u>	<u>26,615</u>	<u>25,696</u>	<u>(919)</u>
FUND BALANCE - ENDING	<u>\$ 26,160</u>	<u>\$ 22,595</u>	<u>\$ 26,090</u>	<u>\$ 3,495</u>

See accountant's report.

SUPPLEMENTARY INFORMATION

VILLAGE OF DOWNSVILLE, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE MAYOR
FOR THE YEAR ENDED DECEMBER 31, 2020

Mayor, Reggie Skains:

Purpose

Amount

There were no payments made to the Mayor.