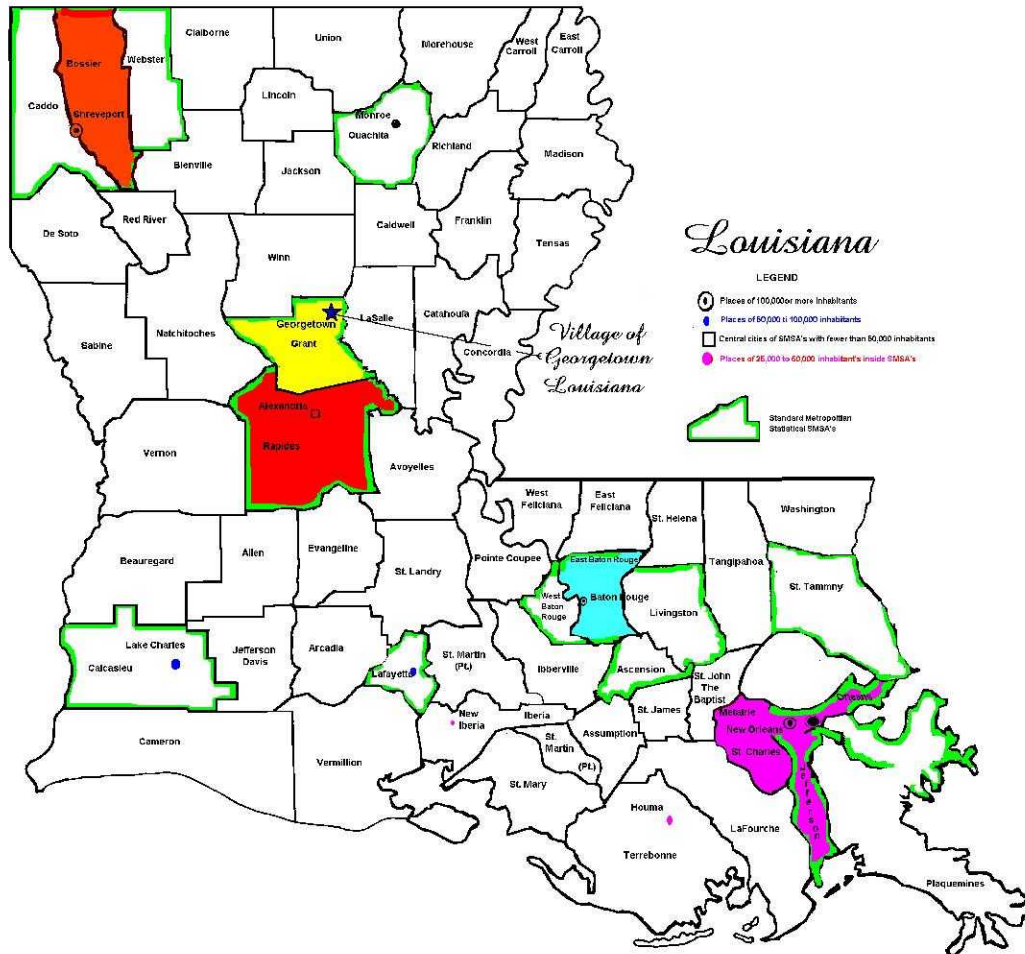


**VILLAGE OF GEORGETOWN, LOUISIANA**

**Annual Financial Statements**

**June 30, 2021**

# VILLAGE OF GEORGETOWN GEORGETOWN, LOUISIANA



The Village of Georgetown was incorporated under the Lawrason Act and 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 Georgetown, Louisiana  
Table of Contents  
June 30, 2021**

|   | <b>Statement</b> | <b>Page No.</b> |
|---|------------------|-----------------|
| Independent Auditor’s Report.....   |                  | 1-3             |
| Management’s Discussion and Analysis.....   |                  | 4-9             |
| <b>Basic Financial Statements</b>   |                  |                 |
| Statement of Net Position.....  | A                | 11              |
| Statement of Activities.....  | B                | 12              |
| Balance Sheet, Governmental Funds.....  | C                | 13              |
| Reconciliation of the Government Funds Balance Sheet to the<br>Government-Wide Financial Statement of Net Position.....   | D                | 14              |
| Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental<br>Funds.....   | E                | 15              |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund<br>Balances of Governmental Funds to the Statement of Activities.....  | F                | 16              |
| Statement of Net Position, Proprietary Funds.....   | G                | 17              |
| Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....  | H                | 18              |
| Statement of Cash Flows – Proprietary Funds.....  | I                | 19              |
| Notes to the Basic Financial Statements.....  |                  | 21-33           |
| <b>Required Supplemental Information</b>  |                  |                 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance –<br>Budget and Actual – General Fund.....   | 1                | 35              |
| <b>Other Information</b>  |                  |                 |
| Schedule of Compensation Benefits and Other Payments to Agency Head or Chief<br>Executive Officer.....  |                  | 37              |
| Justice System Funding Schedule.....  |                  | 38              |
| Schedules of Capital Grants.....  |                  | 39-40           |
| <b>Other Reports</b>  |                  |                 |
| Independent Auditor’s Report on Internal Control Over Financial Reporting and<br>on Compliance and Other Matters Based on an Audit of Financial Statements<br>Performed in Accordance with <i>Government Auditing Standards</i> ..... |                  | 42-43           |
| Schedule of Findings and Questioned Cost.....   |                  | 44-45           |
| Management’s Summary of Prior Year Findings.....  |                  | 46-47           |

John R. Vercher C.P.A.  
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.  
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.  
davidvercher@centurytel.net

## **THE VERCHER GROUP**

*A Professional Corporation of  
Certified Public Accountants*

**P.O. Box 1608  
1737 N 2<sup>nd</sup> St. – Suite A  
Jena, Louisiana 71342  
Tel: (318) 992-6348  
Fax: (318) 992-4374**

### MEMBERS

American Institute of  
Certified Public Accountants

Society of Louisiana  
Certified Public Accountants

Association of  
Certified Fraud Examiners

### **INDEPENDENT AUDITOR'S REPORT**

The Honorable Danny Olden, Mayor  
& Members of the Village Council  
Georgetown, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and business-type activities of the Village of Georgetown, 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 Georgetown'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 and the business-type activities, of the Village of Georgetown, 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Georgetown's basic financial statements. The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer, Justice System Funding Schedule, 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, Justice System Funding Schedule, 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, Justice System Funding Schedule 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 26, 2021, on our consideration of the Village of Georgetown'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 Georgetown's internal control over financial reporting and compliance.

### *The Vercher Group*

Jena, Louisiana  
October 26, 2021

# Village of Georgetown

PO Box 220

Georgetown, Louisiana 71432

Tel: (318) 827-5527

Fax: (318) 827-9446

---

---

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

---

As management of the Village, we offer readers of the Village of Georgetown'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 \$756,916 (*net position*). This is a \$4,485 increase from last year.
- The Village had total revenue of \$694,229. This is a \$79,980 increase from last year's revenues, mainly due to an increase in fines in the amount of \$74,456.
- The Village had total expenditures of \$745,512, which is a \$138,364 increase from last year, mainly due to an increase in capital outlay in the amount of \$87,186.

#### *Enterprise Fund*

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$1,828,204 (*net position*). This is a \$28,439 decrease from last year.
- The Village had total revenue of \$202,557. This is a \$77,641 increase from last year due to an increase in water sales in the amount of \$40,212 and capital contributions in the amount of \$20,100.
- The Village had total expenses of \$226,100, in which \$91,651 was for depreciation, which is a non-cash transaction. This is an increase in total expenses from last year.

## **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.

Effective, January 1, 2004, the Village adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*. Comparative analysis will be available in future years when prior information becomes available.

## **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.

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

### **Reporting the 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  
Statement of Net Position**

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

| <b>Assets</b>                                   | <b>2020</b>       | <b>2021</b>       | <b>% Change</b> |
|---|-------------------|-------------------|-----------------|
| Cash & Investments                              | \$ 63,451         | \$ 62,784         | -1.1            |
| Receivables, Net                                | 55,173            | 68,717            | 24.5            |
| Capital Assets, Net of Accumulated Depreciation | 666,881           | 710,909           | 6.6             |
| <b>Total Assets</b>                             | <b>785,505</b>    | <b>842,410</b>    | <b>7.2</b>      |
| <b>Liabilities</b>                              |                   |                   |                 |
| Accounts, Salaries, & Other Payables            | 25,834            | 20,846            | -19.3           |
| Current Notes Payable                           | 7,240             | 11,376            | 57.1            |
| Non-Current Notes Payable                       | -0-               | 53,272            | 100.0           |
| <b>Total Liabilities</b>                        | <b>33,074</b>     | <b>85,494</b>     | <b>158.5</b>    |
| <b>Net Position</b>                             |                   |                   |                 |
| Net Investment in Capital Assets                | 659,641           | 646,261           | -2.0            |
| Unrestricted                                    | 92,790            | 110,655           | 19.3            |
| <b>Total Net Position</b>                       | <b>\$ 752,431</b> | <b>\$ 756,916</b> | <b>0.6</b>      |

**Comparative Changes in Fund Balances**

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

| <b>REVENUES</b>  | <b>2020</b>      | <b>2021</b>       | <b>% Change</b> |
|--|------------------|-------------------|-----------------|
| Fines  | \$ 573,068       | \$ 647,524        | 13.0            |
| Fees & Charges   | 20,030           | 20,857            | 4.1             |
| Ad Valorem Taxes   | 6,825            | 6,801             | -0.4            |
| Post Office Lease  | 4,927            | 4,927             | 0.0             |
| Intergovernmental – Capital Grants                               | -0-              | 9,808             | 100.0           |
| Other  | 9,399            | 4,312             | -54.1           |
| <b>TOTAL REVENUES</b>  | <b>614,249</b>   | <b>694,229</b>    | <b>13.0</b>     |
| <b>EXPENDITURES</b>  |                  |                   |                 |
| General Expense  | 369,462          | 370,019           | 0.2             |
| Police Expense   | 230,842          | 281,463           | 21.9            |
| Debt Service   | 6,844            | 6,844             | 0.0             |
| Capital Outlay   | -0-              | 87,186            | 100.0           |
| <b>TOTAL EXPENDITURES</b>  | <b>607,148</b>   | <b>745,512</b>    | <b>22.8</b>     |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b> | <b>7,101</b>     | <b>(51,283)</b>   | <b>-822.2</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                            |                  |                   |                 |
| Loan Proceeds  | -0-              | 64,252            | 100.0           |
| Transfers In (Out)   | 700              | 4,896             | 599.4           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                      | <b>700</b>       | <b>69,148</b>     | <b>9,778.3</b>  |
| <b>NET CHANGE IN FUND BALANCE</b>                                | <b>7,801</b>     | <b>17,865</b>     | <b>129.0</b>    |
| <b>FUND BALANCES—BEGINNING</b>                                   | <b>84,989</b>    | <b>92,790</b>     | <b>9.2</b>      |
| <b>FUND BALANCES—ENDING</b>                                      | <b>\$ 92,790</b> | <b>\$ 110,655</b> | <b>19.3</b>     |

---



---

## MD&A

---



---

### ENTERPRISE FUND

#### Comparative Statement of Net Position

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

|  | <u>2020</u>         | <u>2021</u>         | <u>% Change</u> |
|--|---------------------|---------------------|-----------------|
| <b>CURRENT ASSETS</b>                            |                     |                     |                 |
| Cash & Cash Equivalents                          | \$ 27,512           | \$ 29,506           | 7.2             |
| Receivables, Net                                 | 61,035              | 33,894              | -44.5           |
| <b>TOTAL CURRENT ASSETS</b>                      | <u>88,547</u>       | <u>63,400</u>       | -28.4           |
| <b>NON-CURRENT ASSETS</b>                        |                     |                     |                 |
| Restricted Assets                                | 11,422              | 21,057              | 84.4            |
| Capital Assets (Net of Accumulated Depreciation) | 2,046,239           | 1,981,732           | -3.2            |
| <b>TOTAL NON-CURRENT ASSETS</b>                  | <u>2,057,661</u>    | <u>2,002,789</u>    | -2.7            |
| <b>TOTAL ASSETS</b>                              | <u>2,146,208</u>    | <u>2,066,189</u>    | -3.7            |
| <b>CURRENT LIABILITIES</b>                       |                     |                     |                 |
| Accounts, Salaries, & Other Payables             | 49,643              | 10,121              | -79.6           |
| Current Notes Payable                            | 12,000              | 12,000              | 0.0             |
| <b>TOTAL CURRENT LIABILITIES</b>                 | <u>61,643</u>       | <u>22,121</u>       | -64.1           |
| <b>NON-CURRENT LIABILITIES</b>                   |                     |                     |                 |
| Customer Deposits                                | 11,422              | 11,364              | -0.5            |
| Non-Current Notes Payable                        | 216,500             | 204,500             | -5.5            |
| <b>TOTAL NON-CURRENT LIABILITIES</b>             | <u>227,922</u>      | <u>215,864</u>      | -5.3            |
| <b>TOTAL LIABILITIES</b>                         | <u>289,565</u>      | <u>237,985</u>      | -17.8           |
| <b>NET POSITION</b>                              |                     |                     |                 |
| Net Investment in Capital Assets                 | 1,817,739           | 1,765,232           | -2.9            |
| Unrestricted                                     | 38,904              | 62,972              | 61.9            |
| <b>TOTAL NET POSITION</b>                        | <u>\$ 1,856,643</u> | <u>\$ 1,828,204</u> | -1.5            |

## MD&A

### Comparative Changes in Net Position

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

| OPERATING REVENUES  | 2020                | 2021                | % Change |
|---|---------------------|---------------------|----------|
| Water Sales   | \$ 37,563           | \$ 77,775           | 107.1    |
| Sewer Charges   | 36,908              | 46,310              | 25.5     |
| Sales Tax   | 43,950              | 53,472              | 21.7     |
| Other   | 1,595               | -0-                 | -100.0   |
| <b>TOTAL OPERATING REVENUES</b>                           | <u>120,016</u>      | <u>177,557</u>      | 47.9     |
| <b>OPERATING EXPENSES</b>                                 |                     |                     |          |
| Administration  | 31,303              | 19,731              | -37.0    |
| Operating   | 74,412              | 112,555             | 51.3     |
| Depreciation  | 72,057              | 91,651              | 27.2     |
| <b>TOTAL OPERATING EXPENSES</b>                           | <u>177,772</u>      | <u>223,937</u>      | 26.0     |
| <b>OPERATING INCOME (LOSS)</b>                            | <u>(57,756)</u>     | <u>(46,380)</u>     | -19.7    |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>                  |                     |                     |          |
| Interest Expense  | (1,724)             | (2,163)             | 25.5     |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>            | <u>(1,724)</u>      | <u>(2,163)</u>      | 25.5     |
| <b>INCOME (LOSS) BEFORE CONTRIBUTIONS &amp; TRANSFERS</b> | (59,480)            | (48,543)            | -18.4    |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                     |                     |          |
| Transfers In/(Out)  | (700)               | (4,896)             | 599.4    |
| DEQ Loan Forgiveness                                      | 82,829              | -0-                 | -100.0   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>               | <u>82,129</u>       | <u>(4,896)</u>      | -106.0   |
| <b>CAPITAL CONTRIBUTIONS</b>                              | 4,900               | 25,000              | 410.2    |
| <b>CHANGE IN NET POSITION</b>                             | 27,549              | (28,439)            | -203.2   |
| <b>PRIOR PERIOD ADJUSTMENT</b>                            | 8,425               | -0-                 | -100.0   |
| <b>TOTAL NET POSITION – BEGINNING</b>                     | 1,820,669           | 1,856,643           | 2.0      |
| <b>TOTAL NET POSITION – ENDING</b>                        | <u>\$ 1,856,643</u> | <u>\$ 1,828,204</u> | -1.5     |

### CAPITAL ASSETS & LONG-TERM DEBT

#### *Capital Assets – Governmental Fund*

At June 30, 2021, the Village had \$710,909 invested in capital assets, including land, the walking track, street improvements, police cars, and equipment.

#### Capital Assets At Year-End

|                                | 2020              | 2021              |
|--------------------------------|-------------------|-------------------|
| Land *                         | \$ 8,000          | \$ 8,000          |
| Buildings/Walking Track/Street | 946,254           | 946,254           |
| Equipment                      | 418,557           | 505,743           |
| Accumulated Depreciation       | (705,930)         | (749,088)         |
| <b>Capital Assets, Net</b>     | <u>\$ 666,881</u> | <u>\$ 710,909</u> |

\* Land in the amount of \$8,000 is not being depreciated.

---



---

## MD&A

---



---

### *Capital Assets – Enterprise Fund*

At June 30, 2021, the Village had \$1,981,732 invested in capital assets, including the sewer system, water system, machinery, and equipment.

| <b>Capital Assets At Year-End</b> |                     |    |                  |
|-----------------------------------|---------------------|----|------------------|
|                                   | <u>2020</u>         |    | <u>2021</u>      |
| Sewer System                      | \$ 2,182,515        | \$ | 2,182,515        |
| Water System                      | 1,717,430           |    | 1,744,574        |
| Construction in Progress          | -0-                 |    | -0-              |
| Accumulated Depreciation          | (1,853,706)         |    | (1,945,357)      |
| <b>Capital Assets, Net</b>        | <u>\$ 2,046,239</u> | \$ | <u>1,981,732</u> |

### *Long Term Debt*

The following is a summary of bonds and lease payable of the Village of Georgetown for the year ended June 30, 2021.

|                                    | <u>Balance<br/>6-30-2020</u> | <u>Additions</u> | <u>Principal<br/>Paid</u> | <u>Balance<br/>6-30-2021</u> |
|------------------------------------|------------------------------|------------------|---------------------------|------------------------------|
| Police Auto Lease                  | \$ 7,240                     | \$ 64,252        | \$ (6,844)                | \$ 64,648                    |
| Utility Revenue Bond – Series 2017 | 228,500                      | -0-              | (12,000)                  | 216,500                      |
| <b>Total</b>                       | <u>\$ 235,740</u>            | <u>\$ 64,252</u> | <u>\$ (18,844)</u>        | <u>\$ 281,148</u>            |

Bond and lease notes payable at June 30, 2021, are comprised of the following issues:

#### *Police Auto Lease (General Fund)*

\$25,010 lease purchase with Ford Motor Credit Company starting 09/06/2017. Due in monthly installments of \$570.32 with an interest rate of 4.70% for 48 months. \$ 396

\$64,252 lease purchase with Government Capital starting 07/02/2021. Due in monthly installments of \$1,166 with an interest rate of 3.39% for 60 months. 64,252

#### *Utility Revenue Bond (Enterprise Fund)*

\$247,500 sewer bond dated 11/16/2017 due in annual installments of \$11,000 to \$13,500 through June 1, 2038 interest at .95%. 216,500

**Total** \$ 281,148

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

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Danny Olden, Mayor, at the Village of Georgetown, phone (318) 827-5527.

## **Basic Financial Statements**

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

|  | <b>PRIMARY GOVERNMENT</b>          |  |                     |
|--|------------------------------------|--|---------------------|
|  | <b>GOVERNMENTAL<br/>ACTIVITIES</b> | <b>BUSINESS-<br/>TYPE<br/>ACTIVITIES</b> | <b>TOTAL</b>        |
| <b>ASSETS</b>                                    |                                    |  |                     |
| Cash   | \$ 62,784                          | \$ 29,506                                | \$ 92,290           |
| Receivables, Net                                 | 68,717                             | 33,894                                   | 102,611             |
| Restricted Assets                                | -0-                                | 21,057                                   | 21,057              |
| Capital Assets (Net of Accumulated Depreciation) | 710,909                            | 1,981,732                                | 2,692,641           |
| <b>TOTAL ASSETS</b>                              | <u>842,410</u>                     | <u>2,066,189</u>                         | <u>2,908,599</u>    |
| <b>CURRENT LIABILITIES</b>                       |                                    |  |                     |
| Accounts, Salaries, & Other Payables             | 20,846                             | 10,121                                   | 30,967              |
| Current Notes Payable                            | 11,376                             | 12,000                                   | 23,376              |
| <b>TOTAL CURRENT LIABILITIES</b>                 | <u>32,222</u>                      | <u>22,121</u>                            | <u>54,343</u>       |
| <b>NON-CURRENT LIABILITIES</b>                   |                                    |  |                     |
| Customer Deposits                                | -0-                                | 11,364                                   | 11,364              |
| Non-Current Notes Payable                        | 53,272                             | 204,500                                  | 257,772             |
| <b>TOTAL NON-CURRENT LIABILITIES</b>             | <u>53,272</u>                      | <u>215,864</u>                           | <u>269,136</u>      |
| <b>TOTAL LIABILITIES</b>                         | <u>85,494</u>                      | <u>237,985</u>                           | <u>323,479</u>      |
| <b>NET POSITION</b>                              |                                    |  |                     |
| Net Investment in Capital Assets                 | 646,261                            | 1,765,232                                | 2,411,493           |
| Unrestricted                                     | 110,655                            | 62,972                                   | 173,627             |
| <b>TOTAL NET POSITION</b>                        | <u>\$ 756,916</u>                  | <u>\$ 1,828,204</u>                      | <u>\$ 2,585,120</u> |

The accompanying notes are an integral part of this statement.

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

|                                       | PROGRAM REVENUES    |                            |                                      |                          | NET REVENUES (EXPENSES) & CHANGES OF PRIMARY GOVERNMENT |                                |                     |
|---------------------------------------|---------------------|----------------------------|--------------------------------------|--------------------------|---|--------------------------------|---------------------|
|                                       | Expenses            | Charges<br>for<br>Services | Capital<br>Grants &<br>Contributions | Net Revenue<br>(Expense) | Governmental<br>Activities                              | Business<br>Type<br>Activities | Total               |
| <b>Governmental Activities</b>        |                     |                            |                                      |                          |   |                                |                     |
| General                               | \$ (472,230)        | \$ 20,857                  | \$ 9,808                             | \$ (441,565)             | \$ (441,565)  |                                | \$ (441,565)        |
| Police                                | (286,465)           | -0-                        | -0-                                  | (286,465)                | (286,465)   |                                | (286,465)           |
| Interest Expense                      | (197)               | -0-                        | -0-                                  | (197)                    | (197)   |                                | (197)               |
| <b>Total Governmental Activities</b>  | <u>(758,892)</u>    | <u>20,857</u>              | <u>9,808</u>                         | <u>(728,227)</u>         | <u>(728,227)</u>  |                                | <u>(728,227)</u>    |
| <b>Business Type Activities</b>       |                     |                            |                                      |                          |   |                                |                     |
| Sewer                                 | (93,801)            | 46,310                     | -0-                                  | (47,491)                 |   | \$ (47,491)                    | (47,491)            |
| Water                                 | (130,136)           | 77,775                     | 25,000                               | (27,361)                 |   | (27,361)                       | (27,361)            |
| Interest Expense                      | (2,163)             | -0-                        | -0-                                  | (2,163)                  |   | (2,163)                        | (2,163)             |
| <b>Total Business Type Activities</b> | <u>(226,100)</u>    | <u>124,085</u>             | <u>25,000</u>                        | <u>(77,015)</u>          |   | <u>(77,015)</u>                | <u>(77,015)</u>     |
| <b>Total Primary Government</b>       | \$ <u>(984,992)</u> | \$ <u>144,942</u>          | \$ <u>34,808</u>                     | \$ <u>(805,242)</u>      |   |                                | <u>(805,242)</u>    |
|                                       |                     |                            | <b>General Revenues</b>              |                          |   |                                |                     |
|                                       |                     |                            | Fines                                |                          | 647,524   | -0-                            | 647,524             |
|                                       |                     |                            | Taxes:                               |                          |   |                                |                     |
|                                       |                     |                            | Ad valorem Taxes                     |                          | 6,801   | -0-                            | 6,801               |
|                                       |                     |                            | Sales Tax                            |                          | -0-   | 53,472                         | 53,472              |
|                                       |                     |                            | Other                                |                          | 9,239   | -0-                            | 9,239               |
|                                       |                     |                            | Loan Proceeds                        |                          | 64,252  | -0-                            | 64,252              |
|                                       |                     |                            | Transfers In (Out)                   |                          | 4,896   | (4,896)                        | -0-                 |
|                                       |                     |                            | <b>Total General Revenues</b>        |                          | <u>732,712</u>  | <u>48,576</u>                  | <u>781,288</u>      |
|                                       |                     |                            | <b>Change in Net Position</b>        |                          | 4,485   | (28,439)                       | (23,954)            |
|                                       |                     |                            | <b>Net Position - Beginning</b>      |                          | 752,431   | 1,856,643                      | 2,609,074           |
|                                       |                     |                            | <b>Net Position - Ending</b>         |                          | \$ <u>756,916</u>                                       | \$ <u>1,828,204</u>            | \$ <u>2,585,120</u> |

The accompanying notes are an integral part of this statement.

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

|   |           | <u>GENERAL<br/>FUND</u> |
|---|-----------|-------------------------|
| <b>ASSETS</b>                               |           |                         |
| Cash  | \$        | 62,784                  |
| Receivables                                 |           | 68,717                  |
| <b>TOTAL ASSETS</b>                         |           | <u>131,501</u>          |
| <br><b>LIABILITIES</b>                      |           |                         |
| Accounts, Salaries, & Other Payables        |           | 20,846                  |
| <b>TOTAL LIABILITIES</b>                    |           | <u>20,846</u>           |
| <br><b>FUND BALANCES</b>                    |           |                         |
| Unassigned                                  |           | <u>110,655</u>          |
| <b>TOTAL LIABILITIES &amp; FUND BALANCE</b> | <b>\$</b> | <u><u>131,501</u></u>   |

The accompanying notes are an integral part of this statement.



**Village of Georgetown, 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)  | \$ 110,655        |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.                    | 710,909           |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds. |                   |
| Other   | <u>(64,648)</u>   |
| Net Position of Governmental Activities (Statement A)   | <u>\$ 756,916</u> |

The accompanying notes are an integral part of this statement.

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

|  | <b>GENERAL</b>    |
|--|-------------------|
| <b>REVENUES</b>  |                   |
| Fines  | \$ 647,524        |
| Fees & Charges   | 20,857            |
| Ad Valorem Taxes   | 6,801             |
| Post Office Lease  | 4,927             |
| Intergovernmental – Capital Grants                                   | 9,808             |
| Other  | 4,312             |
| <b>TOTAL REVENUES</b>  | <b>694,229</b>    |
| <b>EXPENDITURES</b>  |                   |
| General Expense  | 370,019           |
| Police Expense   | 281,463           |
| Debt Service   | 6,844             |
| Capital Outlay   | 87,186            |
| <b>TOTAL EXPENDITURES</b>  | <b>745,512</b>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | <b>(51,283)</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                                |                   |
| Loan Proceeds  | 64,252            |
| Transfers In (Out)   | 4,896             |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                          | <b>69,148</b>     |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | <b>17,865</b>     |
| <b>FUND BALANCES--BEGINNING</b>                                      | <b>92,790</b>     |
| <b>FUND BALANCES--ENDING</b>   | <b>\$ 110,655</b> |

The accompanying notes are an integral part of this statement.

**Village of Georgetown, Louisiana**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**& Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended June 30, 2021**

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

|  |    |        |
|--|----|--------|
| Net Change in Fund Balances, Total Governmental Funds, Statement E | \$ | 17,865 |
|--|----|--------|

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.

|                   |          |  |        |
|-------------------|----------|--|--------|
| Capital Purchases | 87,186   |  |        |
| Depreciation Exp  | (43,158) |  | 44,028 |

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.

|                |          |  |          |
|----------------|----------|--|----------|
| Loan Proceeds  | (64,252) |  |          |
| Principal Paid | 6,844    |  | (57,408) |

|   |    |              |
|---|----|--------------|
| Changes in Net Position of Governmental Activities, Statement B | \$ | <u>4,485</u> |
|---|----|--------------|

The accompanying notes are an integral part of this statement.

**Village of Georgetown, Louisiana**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2021**

|  | <b>BUSINESS TYPE ACTIVITIES</b> |                   |                     |
|--|---------------------------------|-------------------|---------------------|
|  | <b>MAJOR ENTERPRISE FUND</b>    |                   |                     |
|  | <b>SEWER</b>                    | <b>WATER</b>      | <b>TOTAL</b>        |
| <b>CURRENT ASSETS</b>                            |                                 |                   |                     |
| Cash & Cash Equivalents                          | \$ 18,638                       | \$ 10,868         | \$ 29,506           |
| Receivables, Net                                 | 15,678                          | 18,216            | 33,894              |
| <b>TOTAL CURRENT ASSETS</b>                      | <u>34,316</u>                   | <u>29,084</u>     | <u>63,400</u>       |
| <b>NON-CURRENT ASSETS</b>                        |                                 |                   |                     |
| Restricted Assets                                | 9,693                           | 11,364            | 21,057              |
| Capital Assets (Net of Accumulated Depreciation) | 1,297,320                       | 684,412           | 1,981,732           |
| <b>TOTAL NON-CURRENT ASSETS</b>                  | <u>1,307,013</u>                | <u>695,776</u>    | <u>2,002,789</u>    |
| <b>TOTAL ASSETS</b>                              | <u>1,341,329</u>                | <u>724,860</u>    | <u>2,066,189</u>    |
| <b>CURRENT LIABILITIES</b>                       |                                 |                   |                     |
| Accounts, Salaries, & Other Payables             | 1,523                           | 8,598             | 10,121              |
| Current Notes Payable                            | 12,000                          | -0-               | 12,000              |
| <b>TOTAL CURRENT LIABILITIES</b>                 | <u>13,523</u>                   | <u>8,598</u>      | <u>22,121</u>       |
| <b>NON-CURRENT LIABILITIES</b>                   |                                 |                   |                     |
| Customer Deposits                                | -0-                             | 11,364            | 11,364              |
| Current Notes Payable                            | 204,500                         | -0-               | 204,500             |
| <b>TOTAL NON-CURRENT LIABILITIES</b>             | <u>204,500</u>                  | <u>11,364</u>     | <u>215,864</u>      |
| <b>TOTAL LIABILITIES</b>                         | <u>218,023</u>                  | <u>19,962</u>     | <u>237,985</u>      |
| <b>NET POSITION</b>                              |                                 |                   |                     |
| Net Investment in Capital Assets                 | 1,080,820                       | 684,412           | 1,765,232           |
| Unrestricted                                     | 42,486                          | 20,486            | 62,972              |
| <b>TOTAL NET POSITION</b>                        | <u>\$ 1,123,306</u>             | <u>\$ 704,898</u> | <u>\$ 1,828,204</u> |

The accompanying notes are an integral part of this statement.

**Village of Georgetown, Louisiana**  
**Statement of Revenues, Expenses & Changes in Net Position**  
**Proprietary Funds**  
**June 30, 2021**

|   | <b>BUSINESS TYPE ACTIVITIES</b> |                   |                     |
|---|---------------------------------|-------------------|---------------------|
|   | <b>MAJOR ENTERPRISE FUND</b>    |                   |                     |
|   | <u>SEWER</u>                    | <u>WATER</u>      | <u>TOTAL</u>        |
| <b>OPERATING REVENUES</b>                                 |                                 |                   |                     |
| Sales of Services   | \$ 46,310                       | \$ 77,775         | \$ 124,085          |
| Sales Tax   | 26,736                          | 26,736            | 53,472              |
| Other   | -0-                             | -0-               | -0-                 |
| <b>TOTAL OPERATING REVENUES</b>                           | <u>73,046</u>                   | <u>104,511</u>    | <u>177,557</u>      |
| <b>OPERATING EXPENSES</b>                                 |                                 |                   |                     |
| Administration  | 15,509                          | 4,222             | 19,731              |
| Operations  | 30,212                          | 82,343            | 112,555             |
| Depreciation  | 48,080                          | 43,571            | 91,651              |
| <b>TOTAL OPERATING EXPENSES</b>                           | <u>93,801</u>                   | <u>130,136</u>    | <u>223,937</u>      |
| <b>OPERATING INCOME (LOSS)</b>                            | <u>(20,755)</u>                 | <u>(25,625)</u>   | <u>(46,380)</u>     |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>                  |                                 |                   |                     |
| Interest Expense  | <u>(2,163)</u>                  | -0-               | <u>(2,163)</u>      |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>            | <u>(2,163)</u>                  | <u>-0-</u>        | <u>(2,163)</u>      |
| <b>INCOME (LOSS) BEFORE CONTRIBUTIONS &amp; TRANSFERS</b> | (22,918)                        | (25,625)          | (48,543)            |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                                 |                   |                     |
| Transfers In/(Out)  | <u>(1,800)</u>                  | <u>(3,096)</u>    | <u>(4,896)</u>      |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>               | <u>(1,800)</u>                  | <u>(3,096)</u>    | <u>(4,896)</u>      |
| <b>CAPITAL CONTRIBUTIONS</b>                              | <u>-0-</u>                      | <u>25,000</u>     | <u>25,000</u>       |
| <b>CHANGE IN NET POSITION</b>                             | (24,718)                        | (3,721)           | (28,439)            |
| <b>TOTAL NET POSITION – BEGINNING</b>                     | 1,148,024                       | 708,619           | 1,856,643           |
| <b>TOTAL NET POSITION – ENDING</b>                        | <u>\$ 1,123,306</u>             | <u>\$ 704,898</u> | <u>\$ 1,828,204</u> |

The accompanying notes are an integral part of this statement.

**Village of Georgetown, Louisiana**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**June 30, 2021**

|  | <b>BUSINESS TYPE ACTIVITIES</b> |                  |                  |
|--|---------------------------------|------------------|------------------|
|  | <b>MAJOR ENTERPRISE FUND</b>    |                  |                  |
|  | <u>SEWER</u>                    | <u>WATER</u>     | <u>TOTAL</u>     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                                 |                  |                  |
| Receipts from Customers and Users  | \$ 109,570                      | \$ 95,070        | \$ 204,640       |
| Payments to Suppliers/Employees  | (90,935)                        | (80,873)         | (171,808)        |
| <b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>  | <u>18,635</u>                   | <u>14,197</u>    | <u>32,832</u>    |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>   |                                 |                  |                  |
| Transfers In/(Out)   | (1,800)                         | (3,096)          | (4,896)          |
| <b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>                                   | <u>(1,800)</u>                  | <u>(3,096)</u>   | <u>(4,896)</u>   |
| <b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>                                    |                                 |                  |                  |
| Capital Grant  | -0-                             | 25,000           | 25,000           |
| Purchase of Capital Assets   | -0-                             | (27,144)         | (27,144)         |
| Increase (Decrease) in Bonds Payable   | (12,000)                        | -0-              | (12,000)         |
| Interest Paid on Bonds   | (2,163)                         | -0-              | (2,163)          |
| <b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>                        | <u>(14,163)</u>                 | <u>(2,144)</u>   | <u>(16,307)</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                                 |                  |                  |
| Change in Restricted Assets  | (9,693)                         | 58               | (9,635)          |
| <b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>  | <u>(9,693)</u>                  | <u>58</u>        | <u>(9,635)</u>   |
| <b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>  | (7,021)                         | 9,015            | 1,994            |
| <b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>  | 25,659                          | 1,853            | 27,512           |
| <b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>  | <u>18,638</u>                   | <u>10,868</u>    | <u>29,506</u>    |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b> |                                 |                  |                  |
| Operating Income (Loss)  | (20,755)                        | (25,625)         | (46,380)         |
| Depreciation Expense   | 48,080                          | 43,571           | 91,651           |
| (Increase) Decrease in Accounts Receivable   | 36,524                          | (9,383)          | 27,141           |
| Increase (Decrease) in Accounts Payables   | (45,214)                        | 5,692            | (39,522)         |
| Increase (Decrease) in Customer Deposits   | -0-                             | (58)             | (58)             |
| <b>TOTAL ADJUSTMENTS</b>   | <u>39,390</u>                   | <u>39,822</u>    | <u>79,212</u>    |
| <b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>  | <u>\$ 18,635</u>                | <u>\$ 14,197</u> | <u>\$ 32,832</u> |

The accompanying notes are an integral part of this statement.

**Notes To The Basic  
Financial Statements**

## VILLAGE OF GEORGETOWN, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

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

The Village of Georgetown 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 Georgetown 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 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 and proprietary 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 GEORGETOWN, 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 fund:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The municipality reports the following major proprietary fund:

- Enterprise Fund
  - Water Activities
  - Sewer Activities

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

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

## VILLAGE OF GEORGETOWN, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

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

#### C. EQUITY CLASSIFICATIONS

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

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

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

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

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

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

- a. Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

## VILLAGE OF GEORGETOWN, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

- d. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

#### D. BUDGETARY PRACTICES

The District prepares a budget at the beginning of each year. The Board approves the budget and any subsequent amendments. All appropriations end at year end.

#### E. CASH & CASH EQUIVALENTS

The Village’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of six months or less from the date of acquisition. State law and the municipality’s investments policy allow the municipality to invest in collateralized certificate of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

#### F. INVENTORIES

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

#### G. 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”.

#### H. RESTRICTED ASSETS

Restricted assets include cash and cash investments in the proprietary funds which are restricted. Restricted assets were applicable to the following at June 30, 2021:

|                                 | Sewer    | Water     | Total     |
|---------------------------------|----------|-----------|-----------|
| Debt Service Fund               | \$ 2,173 | \$ -0-    | \$ 2,173  |
| Depreciation & Contingency Fund | 520      | -0-       | 520       |
| Reserve Fund                    | 7,000    | -0-       | 7,000     |
| Customer Deposits               | -0-      | 11,364    | 11,364    |
| <b>Total</b>                    | \$ 9,693 | \$ 11,364 | \$ 21,057 |

## VILLAGE OF GEORGETOWN, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

#### I. FIXED ASSETS

For the year ended June 30, 2021, no interest costs were capitalized for construction of fixed assets. The Village maintains a threshold level of \$1,500 or more for capitalizing capital 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 estimated useful lives are as follows:

|               | <u>Life In Years</u> |
|---------------|----------------------|
| Water System  | 40                   |
| Sewer System  | 40                   |
| Post Office   | 40                   |
| Walking Trail | 20                   |
| Equipment     | 5-10                 |

#### J. 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.

#### K. 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.

#### L. 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.

#### (2) CASH, CASHEQUIVALENTS, & INVESTMENTS

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. All deposits were secured at the year-end. The categories are described as follows:

## VILLAGE OF GEORGETOWN, 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</b>            | <b>Bank Balance<br/>6-30-2021</b> |
|------------------------|-----------------------------------|
| Southern Heritage Bank | \$ 141,327                        |

*Amounts on deposit at the bank are secured by the following:*

| <b>Description</b>               | <b>Market Value</b> |
|----------------------------------|---------------------|
| FDIC ( <i>Category 1</i> )       | \$ 141,327          |
| Securities ( <i>Category 2</i> ) | -0-                 |
| <b>Total</b>                     | \$ 141,327          |

Deposits were fully secured as of June 30, 2021.

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 of Georgetown. For the purpose of the proprietary fund Statement of Cash Flows, “Cash and Cash Equivalents” include all demand savings accounts and certificates of deposit under 90 days.

#### ***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.

**VILLAGE OF GEORGETOWN, LOUISIANA**

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

**(3) RECEIVABLES**

The receivables of \$102,611 at June 30, 2021, are as follows:

|                          | Enterprise Fund  |                  | Governmental Fund |
|--------------------------|------------------|------------------|-------------------|
|                          | Water            | Sewer            | General Fund      |
| Fines/Fees               | \$ -0-           | \$ -0-           | \$ 68,717         |
| Tax /Franchise           | 7,460            | 7,460            | -0-               |
| Customer                 | 11,322           | 8,651            | -0-               |
| Allowance for Bad Debts* | (566)            | (433)            | -0-               |
| <b>Total A/R, Net</b>    | <b>\$ 18,216</b> | <b>\$ 15,678</b> | <b>\$ 68,717</b>  |

\*Allowance for Bad Debts is estimated at 5% of billing.

**(4) AD VALOREM TAXES**

The Village levies taxes on real and business personal property located within its boundaries. The Village utilizes the services of the Grant 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 7.75 mills were levied against property having a valuation of some \$904,338 which produced some \$7,009 in revenue.

Ad Valorem Taxes are broken down as follows:

|                 |             |
|-----------------|-------------|
| General Alimony | 7.75        |
| <b>Total</b>    | <b>7.75</b> |

**(5) SALES TAX**

Voters passed a 1% sales tax in February 1991 dedicated to the repair and maintenance of the Village's water system.

In November 2005 the voters of the Village of Georgetown passed a 1% sales and use tax for the purpose of improving, operating, maintaining, and supporting the sewerage system of the Village.

**VILLAGE OF GEORGETOWN, LOUISIANA**

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

**(6) FIXED ASSETS**

**Governmental Fund:**

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

|                                | <u>Balance</u><br><u>6-30-2020</u> |    | <u>Additions</u> |    | <u>(Deletions)</u> |    | <u>Balance</u><br><u>6-30-2021</u> |
|--------------------------------|------------------------------------|----|------------------|----|--------------------|----|------------------------------------|
| Land *                         | \$ 8,000                           | \$ | -0-              | \$ | -0-                | \$ | 8,000                              |
| Buildings/Walking Track/Street | 946,254                            |    | -0-              |    | -0-                |    | 946,254                            |
| Equipment                      | 418,557                            |    | 87,186           |    | -0-                |    | 505,743                            |
| Accumulated Depreciation       | (705,930)                          |    | (43,158)         |    | -0-                |    | (749,088)                          |
| Net                            | <u>\$ 666,881</u>                  | \$ | <u>44,028</u>    | \$ | <u>-0-</u>         | \$ | <u>710,909</u>                     |

\* Land in the amount of \$8,000 and is not being depreciated.

Depreciation expense was charged to governmental functions as follows:

|                           |                         |
|---------------------------|-------------------------|
| General                   | \$ 38,156               |
| Police                    | <u>5,002</u>            |
| <b>Total Depreciation</b> | <b>\$ <u>43,158</u></b> |

**Enterprise Fund – Plant & Equipment:**

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

|                          | <u>Balance</u><br><u>6-30-2020</u> |    | <u>Additions</u> |    | <u>(Deletions)</u> |    | <u>Balance</u><br><u>6-30-2021</u> |
|--------------------------|------------------------------------|----|------------------|----|--------------------|----|------------------------------------|
| <b>Water</b>             |                                    |    |                  |    |                    |    |                                    |
| Distribution System      | \$ 1,717,430                       | \$ | 27,144           | \$ | -0-                | \$ | 1,744,574                          |
| Accumulated Depreciation | (1,016,591)                        |    | (43,571)         |    | -0-                |    | (1,060,162)                        |
| Net                      | <u>\$ 700,839</u>                  | \$ | <u>(16,427)</u>  | \$ | <u>-0-</u>         | \$ | <u>684,412</u>                     |
| <b>Sewer</b>             |                                    |    |                  |    |                    |    |                                    |
| Plant                    | \$ 2,182,515                       | \$ | -0-              | \$ | -0-                | \$ | 2,182,515                          |
| Construction in Progress | -0-                                |    | -0-              |    | -0-                |    | -0-                                |
| Accumulated Depreciation | (837,115)                          |    | (48,080)         |    | -0-                |    | (885,195)                          |
| Net                      | <u>\$ 1,345,400</u>                | \$ | <u>(48,080)</u>  | \$ | <u>-0-</u>         | \$ | <u>1,297,320</u>                   |

**VILLAGE OF GEORGETOWN, LOUISIANA**

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

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

The following is a summary of bonds and lease payable of the Village of Georgetown for the year ended June 30, 2021.

|                                    | <b>Balance<br/>6-30-2020</b> | <b>Additions</b> | <b>Principal<br/>Paid</b> | <b>Balance<br/>6-30-2021</b> |
|------------------------------------|------------------------------|------------------|---------------------------|------------------------------|
| Police Auto Lease                  | \$ 7,240                     | \$ 64,252        | \$ (6,844)                | \$ 64,648                    |
| Utility Revenue Bond – Series 2017 | 228,500                      | -0-              | (12,000)                  | 216,500                      |
| <b>Total</b>                       | \$ 235,740                   | \$ 64,252        | \$ (18,844)               | \$ 281,148                   |

Bond and lease notes payable at June 30, 2021, are comprised of the following issues:

***Police Auto Lease (General Fund)***

\$25,010 lease purchase with Ford Motor Credit Company starting 09/06/2017. Due in monthly installments of \$570.32 with an interest rate of 4.70% for 48 months. \$ 396

\$64,252 lease purchase with Government Capital starting 07/02/2021. Due in monthly installments of \$1,166 with an interest rate of 3.39% for 60 months. 64,252

***Utility Revenue Bond (Enterprise Fund)***

\$247,500 sewer bond dated 11/16/2017 due in annual installments of \$11,000 to \$13,500 through June 1, 2038 interest at .95%. 216,500

**Total** \$ 281,148

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

| <b>Year Ending<br/>June 30,</b> | <b>Police<br/>Auto</b> | <b>Utility Revenue<br/>Bond</b> | <b>Total</b> |
|---------------------------------|------------------------|---------------------------------|--------------|
| 2022                            | \$ 14,559              | \$ 14,000                       | \$ 28,559    |
| 2023                            | 13,988                 | 13,886                          | 27,874       |
| 2024                            | 13,988                 | 13,772                          | 27,760       |
| 2025                            | 13,988                 | 13,658                          | 27,646       |
| 2026                            | 13,988                 | 13,544                          | 27,532       |
| 2027-2031                       | 1,166                  | 69,933                          | 71,099       |
| 2032-2036                       | -0-                    | 67,850                          | 67,850       |
| 2037-2041                       | -0-                    | 14,131                          | 14,131       |
| <b>Total</b>                    | \$ 71,677              | \$ 220,774                      | \$ 292,451   |



**VILLAGE OF GEORGETOWN, LOUISIANA**

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

As of June 30, 2021, the Village of Georgetown has one issue of sewer revenue bond outstanding. The flow of funds and restrictions on use are governed by the bond indentures and the note resolution, the terms of which are summarized as follows:

- (a) Payment of all reasonable and necessary expenses of operating and maintaining the system.
- (b) Each month there will be set aside into a fund called the "Debt Service Fund" an amount constituting 1/12 of the next principal and interest payment.
- (c) There will be set aside into a "Reserve Fund" the amount equal to one-half of the highest annual principal and interest payment on the bond in any future year. The required amount may be deposited in one lump sum if available or may be accumulated over five years. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Debt Service Fund. As of June 30, 2021 the Village of Georgetown had not set aside the maximum required amount into this "Reserve Fund".
- (d) There will also be set aside into a "Depreciation and Contingency Fund" 5% of the monthly net revenues provided that sum is available. This shall continue until there has been accumulated the sum of \$50,000, whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of \$200,000, in which event such payments shall be resumed and continue until said maximum amount is again accumulated. This fund is set up to provide an available reserve for extensions, additions, improvement, renewals and replacements necessary to properly operate the system.

**(8) WATER AND SEWER RATES**

| <u>Water: (121 Customers)</u> | <u>Minimum Charge</u>                                 | <u>Next</u>  |
|-------------------------------|---|--|
| Residential                   | \$11.00 for 1 <sup>st</sup> 1,600 gals. water used    | \$1.65 per 1,000 for next 2,400 gals. water used<br>1.35 per 1,000 for next 1,800 gals. water used<br>1.20 per 1,000 for next 4,200 gals. water used<br>1.07 per 1,000 for next 5,000 gals. water used<br>.93 per 1,000 thereafter |
| Schools                       | \$200.00 for 1 <sup>st</sup> 71,600 gals. water used  | \$ .93 per 1,000 thereafter  |
| Housing Authority             | \$308.00 for 1 <sup>st</sup> 42,000 gals. water used  | \$1.75 per 1,000 for next 70,000 gals. water used<br>1.33 per 1,000 for next 60,000 gals. water used<br>.90 per 1,000 for next 110,000 gals. water used<br>.80 thereafter  |
| <u>Sewer: (117 Customers)</u> |   |  |
| Residential                   | \$ 24.00 for 1 <sup>st</sup> 5,100 gals. water used   | \$ .10 per 1,000 gals. water used thereafter   |
| School                        | \$ 48.33 a month for all water used                   |  |
| Housing Authority             | \$392.00 for 1 <sup>st</sup> 145,600 gals. water used | \$ .07 per 1,000 gals. water used thereafter   |

## VILLAGE OF GEORGETOWN, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

#### (9) LITIGATION

The Village of Georgetown 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.

#### (10) 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.

#### (11) RETIREMENT PLANS

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

#### (12) CONTRACTUAL AGREEMENTS

The Village of Georgetown entered into a contractual agreement with Redhill Waterworks, Inc., on October 14, 2010. The agreements of the contract are as follows:

Redhill hereby agrees to sell water to Georgetown under the following terms and conditions:

1. Georgetown agrees to construct, at its own expense, a High Flow Connection to tie its water system to Redhill. Construction will commence after the signing of this contract.
2. This contract shall be for a term of five (5) years which shall commence on the date that the construction referenced above is complete.
3. Georgetown agrees to compensate Redhill as follows:
  - a. Georgetown agrees to pay for its actual water usage under the following terms:
    - i. Monthly, on a date set by this contract, Georgetown's actual water usage shall be calculated. Georgetown agrees to pay Redhill \$2.50 per one thousand gallons used for all usage. This payment shall be due no later than 15 days after the date specified in Section 3.a.ii.
    - i. A representative from Redhill and Georgetown shall jointly record the monthly consumption on the 21<sup>st</sup> day of every month in which the connection is active.
  - b. Also, on the anniversary date of this contract, Redhill will calculate the actual pumping costs of producing the water. These costs include, but are not limited to, electrical and chemical expenses. In the event that these costs increase, the percentage of increase over the previous year shall be calculated and will be applied the following year to the \$2.50 per thousand gallons actual usage fee as defined in Section 3.a.i.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

**(13) TRANSFERS**

Transfers were made between the general and enterprise funds to cover general expenses.

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

| <u>Name</u>  | <u>Title</u> | <u>Term of Office</u>        | <u>Annualized Salary</u> |
|--|--------------|------------------------------|--------------------------|
| Danny Olden<br>297 Hwy 502<br>Georgetown, LA 71432<br>(318) 827-5575       | Mayor        | Jan. 1, 2021 – Dec. 31, 2024 | \$ 10,804                |
| Jonathan Spurgeon<br>261 Hwy 502<br>Georgetown, LA 71432<br>(318) 623-2823 | Alderman     | Jan. 1, 2021 – Dec. 31, 2024 | \$ 7,813                 |
| Ray Williamson<br>PO Box 132<br>Georgetown, LA 71432<br>(318) 827-9649     | Alderman     | Jan. 1, 2021 – Dec. 31, 2024 | \$ 8,533                 |
| Jim Bradford<br>PO Box 192<br>Georgetown, LA 71432<br>(318) 827-5587       | Alderman     | Jan. 1, 2021 – Dec. 31, 2024 | \$ 7,813                 |
| George Hinds<br>1370 Hwy 3098<br>Georgetown, LA 71432<br>(318) 623-6726    | Police Chief | Oct. 1, 2021 – Dec. 31, 2024 | \$ 46,800                |

**(15) EXCESS EXPENDITURES OVER APPROPRIATIONS**

The Village over spent its budget by \$86,512 or 13.1% because expenditures for capital outlay were not budgeted.

**(16) SUBSEQUENT EVENTS**

Management has evaluated events and transactions subsequent to the Statement of Net Position date through, October 26, 2021, of the independent auditor's report for potential recognition or disclosure in the financial statements.

## VILLAGE OF GEORGETOWN, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

#### (17) 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.

**Required Supplemental  
Information**

**Village of Georgetown, Louisiana**  
**Statement of Revenues, Expenditures, & Changes in Fund Balance**  
**Budget & Actual**  
**General Fund**  
**For the Year Ended June 30, 2021**

|  | BUDGET AMOUNTS |             | ACTUAL<br>AMOUNTS<br>BUDGETARY<br>BASIS | BUDGET TO<br>ACTUAL<br>DIFFERENCES<br>FAVORABLE<br>(UNFAVORABLE) |
|--|----------------|-------------|---|--|
|  | ORIGINAL       | FINAL       |   |  |
| <b>REVENUES</b>  |                |             |   |  |
| Fines  | \$ 520,000     | \$ 550,000  | \$ 647,524                              | \$ 97,524  |
| Fees & Charges   | 3,000          | 2,900       | 20,857                                  | 17,957   |
| Taxes  | 14,000         | 11,300      | 6,801                                   | (4,499)  |
| Post Office Lease  | -0-            | -0-         | 4,927                                   | 4,927  |
| Grants   | -0-            | 8,670       | 9,808                                   | 1,138  |
| Other  | 15,000         | 5,000       | 4,312                                   | (688)  |
| <b>TOTAL REVENUES</b>  | 552,000        | 577,870     | 694,229                                 | 116,359  |
| <b>EXPENDITURES</b>  |                |             |   |  |
| General Expense  | 534,000        | 624,000     | 370,019                                 | 253,981  |
| Police Expense   | 22,000         | 25,000      | 281,463                                 | (256,463)  |
| Debt Service   | -0-            | -0-         | 6,844                                   | (6,844)  |
| Capital Outlay   | 2,000          | 10,000      | 87,186                                  | (77,186)   |
| <b>TOTAL EXPENDITURES</b>  | 558,000        | 659,000     | 745,512                                 | (86,512)   |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b> | \$ (6,000)     | \$ (81,130) | (51,283)                                | \$ 29,847  |
| <b>OTHER FINANCING SOURCES (USES)</b>                                |                |             |   |  |
| Loan Proceeds  |                |             | 64,252                                  |  |
| Transfers In (Out)   |                |             | 4,896                                   |  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                          |                |             | 69,148                                  |  |
| <b>NET CHANGE IN FUND BALANCE</b>                                    |                |             | 17,865                                  |  |
| <b>FUND BALANCES--BEGINNING</b>                                      |                |             | 92,790                                  |  |
| <b>FUND BALANCES--ENDING</b>   |                |             | \$ 110,655                              |  |

The accompanying notes are an integral part of this statement.



**Other Information**

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

Honorable Danny Olden, Mayor

| Purpose                                | Amount    |
|--|-----------|
| Salary                                 | \$ 10,804 |
| Benefits-Insurance                     | -0-       |
| Benefits-Retirement                    | -0-       |
| Benefits (Expense Allowance)           | -0-       |
| Car Allowance                          | -0-       |
| Vehicle Provided by Government         | -0-       |
| Per Diem                               | -0-       |
| Reimbursements                         | -0-       |
| Travel                                 | -0-       |
| Registration Fees                      | -0-       |
| Conference Travel                      | -0-       |
| Continuing Professional Education Fees | -0-       |
| Housing                                | -0-       |
| Un-vouchered Expenses*                 | -0-       |
| Special Meals                          | \$ -0-    |

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

See independent auditor's report.



**Village of Georgetown  
Georgetown, Louisiana  
Justice System Funding Schedule – Collecting/Disbursing Entity  
Year Ended June 30, 2021**

|  | <u>First Six<br/>Months Ended<br/>12/31/2020</u> | <u>Second Six<br/>Months Ended<br/>06/30/2021</u> |
|--|--|---|
| <b>Beginning Balance of Amounts Collected</b>  | \$ -0-   | \$ -0-  |
| <b>Add: Collections</b>  |  |   |
| Criminal Court Costs/Fees  | 32,520   | 32,340  |
| Criminal Fines – Contempt  | 22,650   | 36,900  |
| Criminal Fines – Other   | 235,336  | 289,264   |
| <b>Subtotal Collections</b>  | <u>290,506</u>                                   | <u>358,504</u>                                    |
| <b>Less: Disbursements to Governments &amp; Nonprofits</b>                                     |  |   |
| Department of Health and Hospital  | 3,975  | 4,575   |
| State Treasurer – CMIS   | 1,309  | 1,450   |
| North LA Crime Lab   | 3,070  | 2,480   |
| LA Commission on Law Enforcement   | 2,566  | 2,852   |
| LA Supreme Court Education Fund  | 655  | 725   |
| Central LA Juvenile Fund   | 9,818  | 10,875  |
| <b>Less: Amounts Retained by Collecting Agency</b>   |  |   |
| Amounts Self-Disbursed – Criminal Fines – Other  | 240,257  | 293,426   |
| <b>Less: Disbursements to Individuals/3<sup>rd</sup> Party Collection or Processing Agency</b> |  |   |
| American Municipal Services-Collection Agency  | 12,661   | 26,116  |
| nCourt Processing Agency   | 8,010  | 10,140  |
| Quick Court  | 8,185  | 5,865   |
| <b>Subtotal Disbursements/Retainage</b>  | <u>290,506</u>                                   | <u>358,504</u>                                    |
| <b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained</b>                   | <u>-0-</u>                                       | <u>-0-</u>  |
| <b>Ending Balance of “Partial Payments” Collected but not Disbursed</b>                        | -0-  | -0-   |
| <b>Other Information:</b>  |  |   |
| <b>Ending Balance of Total Amounts Assessed but not yet Collected</b>                          | -0-  | -0-   |
| <b>Total Waivers During the Fiscal Period</b>  | \$ -0-   | \$ -0-  |

See independent auditor’s report.

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

|   | <b>LCDBG</b> | <b>LGAP</b> | <b>CWEF</b> | <b>TOTAL</b> |
|---|--------------|-------------|-------------|--------------|
| <b>ASSETS</b>                               |              |             |             |              |
| Cash  | \$ 75        | \$ -0-      | \$ -0-      | \$ 75        |
| Grant Revenues Receivable                   | -0-          | -0-         | -0-         | -0-          |
| <b>TOTAL ASSETS</b>                         | 75           | -0-         | -0-         | 75           |
| <b>LIABILITIES &amp; FUND EQUITY</b>        |              |             |             |              |
| Accounts Payable                            | -0-          | -0-         | -0-         | -0-          |
| Due To Village                              | -0-          | -0-         | -0-         | -0-          |
| Unearned Revenue                            | -0-          | -0-         | -0-         | -0-          |
| <b>TOTAL LIABILITIES</b>                    | -0-          | -0-         | -0-         | -0-          |
| <b>FUND BALANCE</b>                         | 75           | -0-         | -0-         | 75           |
| <b>TOTAL LIABILITIES &amp; FUND BALANCE</b> | \$ 75        | \$ -0-      | \$ -0-      | \$ 75        |

LCDBG – Louisiana Community Development Block Grant

LGAP – Local Government Assistance Program

CWEF – Community Water Environment Fund

See independent auditor’s report.

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

|  | <b>LCDBG</b> | <b>LGAP</b>   | <b>CWEF</b>   | <b>TOTAL</b>  |
|--|--------------|---------------|---------------|---------------|
| <b>REVENUES</b>  |              |               |               |               |
| Capital Grants   | \$ -0-       | \$ 9,808      | \$ 25,000     | \$ 34,808     |
| <b>TOTAL REVENUES</b>  | <b>-0-</b>   | <b>9,808</b>  | <b>25,000</b> | <b>34,808</b> |
| <b>EXPENDITURES</b>  |              |               |               |               |
| Administrative Services  | -0-          | -0-           | -0-           | -0-           |
| Engineering Services   | -0-          | -0-           | -0-           | -0-           |
| Project Construction   | -0-          | 9,808         | 25,000        | 34,808        |
| <b>TOTAL EXPENDITURES</b>  | <b>-0-</b>   | <b>9,808</b>  | <b>25,000</b> | <b>34,808</b> |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | -0-          | -0-           | -0-           | -0-           |
| <b>FUND BALANCES--BEGINNING</b>                                      | 75           | -0-           | -0-           | 75            |
| <b>FUND BALANCES--ENDING</b>   | <b>\$ 75</b> | <b>\$ -0-</b> | <b>\$ -0-</b> | <b>\$ 75</b>  |

LCDBG – Louisiana Community Development Block Grant

LGAP – Local Government Assistance Program

CWEF – Community Water Environment Fund

See independent auditor's report.

**OTHER REPORTS**

John R. Vercher C.P.A.  
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.  
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.  
davidvercher@centurytel.net

## **THE VERCHER GROUP**

*A Professional Corporation of  
Certified Public Accountants*

**P.O. Box 1608  
1737 N 2<sup>nd</sup> St. – Suite A  
Jena, Louisiana 71342  
Tel: (318) 992-6348  
Fax: (318) 992-4374**

### 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 Danny Olden, Mayor  
& Members of the Village Council  
Georgetown, 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 and business-type activities of the Village of Georgetown, 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 Georgetown's basic financial statements, and have issued our report thereon dated October 26, 2021.

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

In planning and performing our audit of the financial statements, we considered the Village of Georgetown'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 Georgetown's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Georgetown'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. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village of Georgetown'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 is described in the accompanying schedule of findings and questioned costs as item: **2021-1 Budget Variance**.

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

Village of Georgetown's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Village of Georgetown'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 26, 2021

VILLAGE OF GEORGETOWN, 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 Georgetown, Louisiana, as of and for the year ended June 30, 2021, and have issued our report thereon dated October 26, 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.

Section I - Summary of Auditor's Results

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 [X] 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:

Table with 2 columns: CFDA Number (s) and 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 GEORGETOWN, LOUISIANA

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

---

---

**Section II - Financial Statement Findings**

---

---

**2021-1 Budget Variance (Compliance)**

**Condition:** The Village had an unfavorable expenditure variance of \$86,512 or 13.1% in its general fund budget for the year ended June 30, 2021.

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

**Cause of Condition:** Under budgeting expenditures.

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

**Contact Person:** Danny Olden

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

---

---

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

---

---

Not applicable.



## VILLAGE OF GEORGETOWN, LOUISIANA

### MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

---

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

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

#### **PRIOR YEAR FINDINGS**

##### **2020-1 Old Outstanding Checks (Resolved)**

**Condition:** The general fund has \$6,946.06 in outstanding checks that are more than 12 months old.

**Criteria:** Old outstanding checks that have been lost or reissued and not cleared from the bank reconciliation causes reported cash in those funds to be understated.

**Cause of Condition:** Not clearing old outstanding checks annually.

**Potential Effect of Condition:** Understatement of cash in general fund.

**Recommendation:** We recommend that old outstanding checks be reissued/cleared or sent to the State Unclaimed Property on an annual basis.

**Client Response and Corrective Action:** The Village will have old outstanding checks reissued/cleared or sent to the State Unclaimed Property on an annual basis.

##### **2020-2 Create/Maintain Reserve Accounts Required by Bond Covenants (Resolved)**

**Condition:** The Village did not create reserve accounts required in Taxable Utility Revenue Bond; Series 2017 covenants as required after completion date.

**Criteria:** The Village of Georgetown is required to create a Debt Service Fund, Reserve Fund, and Depreciation and Contingencies Fund and maintain as required in bond covenants.

**Cause of Condition:** Oversight/lack of knowledge of requirements.

**Effect of Condition:** Noncompliance with bond covenants.

## VILLAGE OF GEORGETOWN, LOUISIANA

### MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

---

#### PRIOR YEAR FINDINGS (CONTINUED):

**Recommendation:** The Village should create and maintain its reserve account in accordance with bond covenant requirements.

**Client Response and Corrective Action:** The prior clerk created separate accounts in accounting software to begin funding the reserve accounts as required. The clerk is no longer employed with the entity and accounts were never created with a financial institution once project was completed. The Village will create and maintain reserve accounts as required and fund the accounts according to the bond covenants.