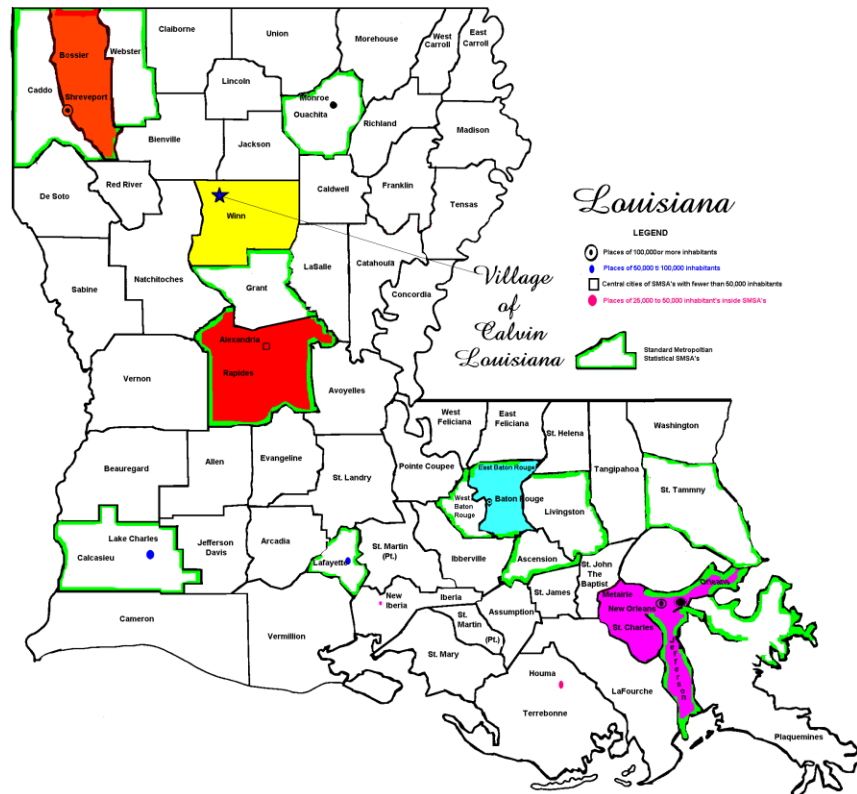


VILLAGE OF CALVIN, LOUISIANA

Annual Financial Statements

JUNE 30, 2024

VILLAGE OF CALVIN CALVIN, LOUISIANA



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

Village of Calvin, Louisiana
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INDEPENDENT ACCOUNTANT’S REVIEW REPORT

The Honorable Jeff Canerday, Mayor
& Members of the Board of Alderman
Calvin, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the business-type activities of the Village of Calvin, Louisiana, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Village’s basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management’s financial data and making inquiries of the management of the Village of Calvin, Louisiana. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management’s Responsibility for the Financial Statements

The management of the Village of Calvin, Louisiana, is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant’s Responsibility

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Village of Calvin, Calvin, LA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (MD&A) and Budget and Actual Statement be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

Supplemental Information

The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer and Schedules of Capital Grants have not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

Other Reporting Requirements

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated November 6, 2024, on the results of our agreed-upon procedures on pages 39 through 42. Pages 43 through 46 present the Louisiana Attestation Questionnaire.

The Vercher Group

Jena, Louisiana
November 6, 2024

Village of Calvin

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MANAGEMENT'S DISCUSSION & ANALYSIS

As management of the Village, we offer readers of the Village of Calvin's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended June 30, 2024. 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 \$272,214 (*net position*). This is a \$22,866 decrease from last year.
- The Village had total revenues of \$20,610. This is a \$25,239 decrease from last year's revenues, mainly due to a decrease in Capital Grants in the amount of \$19,987.
- The Village had total expenditures of \$91,555, which is a \$3,197 increase from last year. This increase is due mainly to an increase in Repairs and Maintenance.

Enterprise Fund

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$3,398,555 (*net position*). This is a \$34,827 increase from last year.
- The Village had total revenues of \$247,633, including operating revenues of \$148,958, non-operating revenues of \$5, and capital contributions of \$98,670. This is a \$578,096 decrease from last year, mainly due to a decrease in capital contributions in the amount of \$579,752.
- The Village had total expenses of \$152,806, including operating expenses of \$151,735 and non-operating expenses of \$1,071. Total expenses increased by \$10,449 compared to last year, mainly due to an increase in depreciation expenses in the amount of \$13,433.
- Transfers out for the year totaled \$60,000.

See independent accountant's review report.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

FUND FINANCIAL STATEMENTS

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

USING THIS ANNUAL REPORT

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

REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

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

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

MD&A

GOVERNMENTAL FUNDS

The following table represents a Comparative Statement of Net Position as of June 30, 2024:

	<u>2023</u>	<u>2024</u>	<u>% Change</u>
Assets			
Cash & Investments	\$ 104,448	\$ 92,837	-11.2
Restricted Cash	41	41	0.0
Receivables (Net)	770	1,574	104.4
Capital Assets, Net of Accumulated Depreciation	190,640	178,719	-6.3
Total Assets	<u>295,899</u>	<u>273,171</u>	-7.7
Liabilities & Net Position			
Accounts, Salaries, & Other Payables	819	957	16.9
Total Liabilities	<u>819</u>	<u>957</u>	16.9
Net Position			
Net Investment in Capital Assets	190,640	178,719	-6.3
Restricted Assets	41	41	0.0
Unrestricted	104,399	93,454	-10.5
Total Net Position	<u>\$ 295,080</u>	<u>\$ 272,214</u>	-7.8

The following table reflects the Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2024:

	<u>2023</u>	<u>2024</u>	<u>% Change</u>
Revenues			
Fees & Charges	\$ 15,441	\$ 17,130	11.0
Taxes	4,489	3,480	-22.5
Intergovernmental	19,987	-0-	-100.0
Other	5,932	-0-	-100.0
Total Revenues	<u>45,849</u>	<u>20,610</u>	-55.1
Expenditures			
Personnel Expense	51,591	51,915	0.7
Other Operating	26,621	28,178	5.9
Utilities	9,786	6,932	-29.2
Repairs & Maintenance	360	4,530	1158.4
Total Expenditures	<u>88,358</u>	<u>91,555</u>	3.7
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(42,509)</u>	<u>(70,945)</u>	-66.9
Other Financing Sources (Uses)			
Transfers In (Out)	70,000	60,000	-14.3
Total Other Financing Sources (Uses)	<u>70,000</u>	<u>60,000</u>	-14.3
Net Change in Fund Balance	<u>27,491</u>	<u>(10,945)</u>	-139.9
Fund Balances – Beginning	76,949	104,440	35.8
Fund Balances – Ending	<u>\$ 104,440</u>	<u>\$ 93,495</u>	-10.5

See independent accountant's review report.

MD&A

ENTERPRISE FUND

The following table represents a Comparative Statement of Net Position as of June 30, 2024:

	<u>2023</u>	<u>2024</u>	<u>% Change</u>
Assets			
Cash & Investments	\$ 108,808	\$ 138,802	27.6
Receivables (Net)	12,785	13,153	2.9
Capital Assets, Net of Accumulated Depreciation	3,268,911	3,265,576	-0.1
Restricted Cash	<u>3,320</u>	<u>-0-</u>	-100.0
Total Assets	<u><u>3,393,824</u></u>	<u><u>3,417,531</u></u>	0.7
Liabilities & Net Position			
Accounts, Salaries, & Other Payables	13,794	15,700	13.9
Capital Project Loan – Water	<u>16,302</u>	<u>3,276</u>	-79.9
Total Liabilities	<u><u>30,096</u></u>	<u><u>18,976</u></u>	-37.0
Net Position			
Net Investment in Capital Assets	3,244,563	3,251,764	0.3
Unrestricted	<u>119,165</u>	<u>146,791</u>	23.2
Total Net Position	<u><u>\$ 3,363,728</u></u>	<u><u>\$ 3,398,555</u></u>	1.1

The following table reflects the Comparative Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2024:

	<u>2023</u>	<u>2024</u>	<u>% Change</u>
Operating Revenues			
Charges for Services	\$ <u>147,007</u>	\$ <u>148,958</u>	1.4
Total Operating Revenues	<u><u>147,007</u></u>	<u><u>148,958</u></u>	1.4
Operating Expenses			
Office Expense & Supplies	14,969	14,321	-4.4
Maintenance & Repair	4,775	6,451	35.1
Utilities	21,340	17,163	-19.6
Other Operating	10,773	11,795	9.5
Depreciation	<u>88,572</u>	<u>102,005</u>	15.2
Total Operating Expenses	<u><u>140,429</u></u>	<u><u>151,735</u></u>	8.1
Operating Income (Loss)	<u><u>6,578</u></u>	<u><u>(2,777)</u></u>	-142.3
Non-Operating Revenues (Expenses)			
Interest Income	300	5	-98.4
Interest Expense	<u>(1,928)</u>	<u>(1,071)</u>	44.5
Total Non-Operating Revenues (Expenses)	<u><u>(1,628)</u></u>	<u><u>(1,066)</u></u>	34.6
Income (Loss) Before Contributions & Transfers	4,950	(3,843)	-177.7
Transfers In/(Out)	<u>(70,000)</u>	<u>(60,000)</u>	14.3
Total Other Financing Sources	<u><u>(70,000)</u></u>	<u><u>(60,000)</u></u>	14.3
Capital Contributions	<u><u>678,422</u></u>	<u><u>98,670</u></u>	-85.5
Change in Net Position	<u><u>613,372</u></u>	<u><u>34,827</u></u>	-94.4
Prior Period Adjustment	1	-0-	-100.0
Total Net Position – Beginning	<u><u>2,750,355</u></u>	<u><u>3,363,728</u></u>	22.3
Total Net Position – Ending	<u><u>\$ 3,363,728</u></u>	<u><u>\$ 3,398,555</u></u>	1.1

See independent accountant's review report.

MD&A

CAPITAL ASSETS

Governmental Fund

At June 30, 2024, the Village had \$178,719 invested in capital assets, including the following:

Capital Assets at Year-End		
	<u>2023</u>	<u>2024</u>
Capital Assets *	\$ 384,399	\$ 384,399
Accumulated Depreciation	(193,759)	(205,680)
Total	<u>\$ 190,640</u>	<u>\$ 178,719</u>

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

Enterprise Fund

At June 30, 2024, the Village had \$3,265,576 invested in capital assets, including the following:

Capital Assets at Year-End		
	<u>2023</u>	<u>2024</u>
Water Capital Assets *	\$ 3,396,133	\$ 3,479,515
Sewer Capital Assets	1,459,365	1,474,653
Water Accumulated Depreciation	(1,147,981)	(1,211,183)
Sewer Accumulated Depreciation	(438,606)	(477,409)
Total	<u>\$ 3,268,911</u>	<u>\$ 3,265,576</u>

*These amounts include land \$9,097 and construction in progress in the amount of \$948,562 that are not being depreciated.

LONG-TERM DEBT

The following is a summary of revenue bond transactions and general obligation debt transactions of the Village of Calvin for the year ended June 30, 2024.

	<u>Water Revenue Bonds</u>	<u>Total</u>
Bonds & Notes Payable - Beginning	\$ 24,348	\$ 24,348
Additions	-0-	-0-
Principal Retirements	(10,536)	(10,536)
Total	<u>\$ 13,812</u>	<u>\$ 13,812</u>

See independent accountant's review report.

MD&A

CONTACTING THE VILLAGE'S FINANCIAL MANGEMENT

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

See independent accountant's review report.

Basic Financial Statements

Village of Calvin, Louisiana
Statement of Net Position
June 30, 2024

	PRIMARY GOVERNMENT		TOTAL
	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	
CURRENT ASSETS			
Cash & Cash Equivalents	\$ 92,837	\$ 131,360	\$ 224,197
Investments	-0-	7,442	7,442
Receivables, Net of Allowances	1,574	13,153	14,727
Restricted Cash	41	-0-	41
TOTAL CURRENT ASSETS	<u>94,452</u>	<u>151,955</u>	<u>246,407</u>
NON-CURRENT ASSETS			
Capital Assets, Net of Accumulated Depreciation	178,719	3,265,576	3,444,295
TOTAL NON-CURRENT ASSETS	<u>178,719</u>	<u>3,265,576</u>	<u>3,444,295</u>
TOTAL ASSETS	<u>273,171</u>	<u>3,417,531</u>	<u>3,690,702</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts, Salaries, & Other Payables	957	1,700	2,657
Accrued Interest	-0-	654	654
Customer Deposits	-0-	2,810	2,810
Capital Project Loan-Water (Current Portion)	-0-	10,536	10,536
TOTAL CURRENT LIABILITIES	<u>957</u>	<u>15,700</u>	<u>16,657</u>
NON-CURRENT LIABILITIES			
Capital Project Loan-Water	-0-	3,276	3,276
TOTAL NON-CURRENT LIABILITIES	<u>-0-</u>	<u>3,276</u>	<u>3,276</u>
TOTAL LIABILITIES	<u>957</u>	<u>18,976</u>	<u>19,933</u>
NET POSITION			
Net Investment in Capital Assets	178,719	3,251,764	3,430,483
Restricted	41	-0-	41
Unrestricted	93,454	146,791	240,245
TOTAL NET POSITION	<u>\$ 272,214</u>	<u>\$ 3,398,555</u>	<u>\$ 3,670,769</u>

See accompanying notes and independent accountant's review report.

**Village of Calvin, Louisiana
Statement of Activities
For the Year Ended June 30, 2024**

	PROGRAM REVENUES				NET REVENUES (EXPENSES) & CHANGES OF PRIMARY GOVERNMENT		
	Expenses	Charges for Services	Capital Grants & Contributions	Net (Expenses) Revenue	Governmental Activities	Business Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ (103,476)	\$ 15,942	\$ -0-	\$ (87,534)	\$ (87,534)		\$ (87,534)
TOTAL GOVERNMENTAL ACTIVITIES	(103,476)	15,942	-0-	(87,534)	(87,534)		(87,534)
BUSINESS-TYPE ACTIVITIES							
Enterprise Fund	(151,735)	148,958	98,670	95,893		\$ 95,893	95,893
Interest Expense	(1,071)	-0-	-0-	(1,071)		(1,071)	(1,071)
TOTAL BUSINESS TYPE ACTIVITIES	(152,806)	148,958	98,670	94,822		94,822	94,822
TOTAL PRIMARY GOVERNMENT	\$ (256,282)	\$ 164,900	\$ 98,670	\$ 7,288			7,288
			GENERAL REVENUES				
			Taxes		3,480	-0-	3,480
			Interest Revenue		-0-	5	5
			Other Income		1,188	-0-	1,188
			TOTAL GENERAL REVENUES		4,668	5	4,673
			TRANSFERS IN/(OUT)		60,000	(60,000)	-0-
			CHANGE IN NET POSITION		(22,866)	34,827	11,961
			NET POSITION - BEGINNING		295,080	\$ 3,363,728	\$ 3,658,808
			NET POSITION - ENDING		\$ 272,214	\$ 3,398,555	\$ 3,670,769

See accompanying notes and independent accountant's review report.

Village of Calvin, Louisiana
Balance Sheet, Governmental Funds
June 30, 2024

		GENERAL FUND
ASSETS		
Cash & Cash Equivalents	\$	92,837
Restricted Cash		41
Receivables, Net of Allowances		1,574
TOTAL ASSETS		94,452
 LIABILITIES		
Accounts, Salaries, & Other Payables		957
TOTAL LIABILITIES		957
 FUND BALANCE		
Restricted		41
Unassigned		93,454
TOTAL FUND BALANCE		93,495
 TOTAL LIABILITIES & FUND BALANCE	\$	94,452

See accompanying notes and independent accountant's review report.

Village of Calvin, Louisiana
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position
June 30, 2024

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

Fund Balance, Total Governmental Funds, Statement C	\$	93,495
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Capital Assets		384,399
Accumulated Depreciation		<u>(205,680)</u>
		178,719
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>-0-</u>
		<u>-0-</u>
Net Position of Governmental Activities, Statement A	\$	<u><u>272,214</u></u>

See accompanying notes and independent accountant's review report.

Village of Calvin, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

		<u>GENERAL FUND</u>
REVENUES		
Fees & Charges	\$	17,130
Taxes		3,480
Intergovernmental		-0-
TOTAL REVENUES		<u>20,610</u>
 EXPENDITURES		
Personnel Expense		51,915
Other Operating		28,178
Utilities		6,932
Repairs & Maintenance		4,530
Capital Outlay		-0-
TOTAL EXPENDITURES		<u>91,555</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES		 <u>(70,945)</u>
 OTHER FINANCING SOURCES (USES)		
Transfers In (Out)		<u>60,000</u>
TOTAL OTHER FINANCING SOURCES (USES)		<u>60,000</u>
 NET CHANGE IN FUND BALANCE		 (10,945)
 FUND BALANCES – BEGINNING		 <u>104,440</u>
FUND BALANCES – ENDING	\$	<u><u>93,495</u></u>

See accompanying notes and independent accountant's review report.

Village of Calvin, Louisiana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2024

Net Change in Fund Balances, Total governmental Funds, (Statement E) \$ (10,945)

Governmental funds report capital outlays as expenditure. 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	-0-	
Depreciation Expense	(11,921)	
	(11,921)	(11,921)

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.

Bond Issuance	-0-	
Principal Paid	-0-	
	-0-	-0-

Changes in Net Position of Governmental Activities, (Statement B) \$ (22,866)

See accompanying notes and independent accountant's review report.

Village of Calvin, Louisiana
Statement of Net Position, Proprietary Fund
June 30, 2024

		BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
		<u>WATER & SEWER</u>
CURRENT ASSETS		
Cash & Cash Equivalents	\$	131,360
Investments		7,442
Receivables, Net of Allowances		13,153
TOTAL CURRENT ASSETS		<u>151,955</u>
 NON-CURRENT ASSETS		
Capital Assets, Net of Accumulated Depreciation		<u>3,265,576</u>
TOTAL NON-CURRENT ASSETS		<u>3,265,576</u>
 TOTAL ASSETS		 <u>3,417,531</u>
 LIABILITIES		
CURRENT LIABILITIES		
Accounts, Salaries, & Other Payables		1,700
Accrued Interest		654
Customer Deposits		2,810
Capital Project Loan-Water (Current Portion)		<u>10,536</u>
TOTAL CURRENT LIABILITIES		<u>15,700</u>
 NON-CURRENT LIABILITIES		
Capital Project Loan-Water		<u>3,276</u>
TOTAL NON-CURRENT LIABILITIES		<u>3,276</u>
 TOTAL LIABILITIES		 <u>18,976</u>
 NET POSITION		
Net Investment in Capital Assets		3,251,764
Unrestricted		<u>146,791</u>
TOTAL NET POSITION	\$	<u>3,398,555</u>

See accompanying notes and independent accountant's review report.

Village of Calvin, Louisiana
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
June 30, 2024

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND WATER & SEWER
OPERATING REVENUES	
Charges for Services	\$ 148,958
TOTAL OPERATING REVENUES	148,958
OPERATING EXPENSES	
Office Expense & Supplies	14,321
Maintenance & Repair	6,451
Utilities	17,163
Other Operating	11,795
Depreciation	102,005
TOTAL OPERATING EXPENSES	151,735
OPERATING INCOME (LOSS)	(2,777)
NON-OPERATING REVENUES (EXPENSES)	
Interest Income	5
Interest Expense	(1,071)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(1,066)
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	(3,843)
Transfers In/(Out)	(60,000)
CAPITAL CONTRIBUTIONS	98,670
CHANGE IN NET POSITION	34,827
TOTAL NET POSITION – BEGINNING	3,363,728
TOTAL NET POSITION – ENDING	\$ 3,398,555

See accompanying notes and independent accountant's review report.

Village of Calvin, Louisiana
Statement of Cash Flows
Proprietary Fund
June 30, 2024

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND <u>WATER & SEWER</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers & Users	\$ 148,080
Payments to Suppliers	(49,804)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>98,276</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to Other Funds	(60,000)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(60,000)</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Receipts from Capital Grants	98,670
Addition/Deletion of Capital Assets	(98,670)
Principal Paid on Capital Debt	(10,536)
Interest Paid on Capital Debt	(1,071)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	<u>(11,607)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income	5
(Increase) Decrease in Investments	3,105
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>3,110</u>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	29,779
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	101,581
CASH & CASH EQUIVALENTS, END OF YEAR	<u><u>131,360</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	(2,777)
Depreciation Expense	102,005
(Increase) Decrease in Accounts Receivables	(368)
Increase (Decrease) in Customer Deposits	(510)
Increase (Decrease) in Accounts Payables	319
Increase (Decrease) in Accrued Interest	(393)
TOTAL ADJUSTMENTS	<u>101,053</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 98,276</u>

See accompanying notes and independent accountant's review report.

**Notes To The Basic
Financial Statements**

Village of Calvin, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The following is a summary of certain significant accounting policies:

A. GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS

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

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

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

Village of Calvin, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

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

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

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

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

The municipality reports the following major governmental funds:

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

The municipality reports the following major proprietary fund:

- Enterprise Fund
 - Water Activities
 - Sewer Activities

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

Village of Calvin, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

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

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

C. EQUITY CLASSIFICATIONS

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

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

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

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

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

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

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

Village of Calvin, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

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

D. FIXED ASSETS

For the year ended June 30, 2024, no interest costs were capitalized for construction of fixed assets.

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

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

E. CASH & INVESTMENTS

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

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

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

Village of Calvin, Louisiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS
CONTINUED**

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

All cash and investments were fully secured at year end.

Custodial Credit Risk

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

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

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

F. INVENTORIES

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

G. ACCOUNTS RECEIVABLE & ALLOWANCE FOR BAD DEBTS

At June 30, 2024, no reserve for bad debts was required and the estimated uncollectible receivables outstanding were considered immaterial. At June 30, 2024, the receivables were as follows:

	Enterprise Fund		Governmental Fund
	Water	Sewer	General Fund
Customer	\$ 11,740	\$ 1,413	\$ 1,574
Allowance for Bad Debts	-0-	-0-	-0-
Total	\$ 11,740	\$ 1,413	\$ 1,574

Village of Calvin, Louisiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS
CONTINUED**

H. COMPENSATED ABSENCES

The Village has no compensated absence policy.

(2) AD VALOREM TAXES

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

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

For the year ended June 30, 2024, taxes of 5.44 mills were levied against property having a valuation of some \$639,762 which produced some \$3,480 in revenue.

Ad Valorem Taxes are broken down as follows:

	Mills
General Alimony	5.44
Total	5.44

(3) FIXED ASSETS

PROPERTY ENTERPRISE FUND: PLANT & EQUIPMENT

A summary of enterprise fund property, plant, and equipment at June 30, 2024, is as follows:

	Balance 6-30-2023	Additions	Deletions	Balance 6-30-2024
Water				
Distribution System & Equipment*	\$ 3,396,133	\$ 83,382	\$ -0-	\$ 3,479,515
Accumulated Depreciation	(1,147,981)	(63,202)	-0-	(1,211,183)
Net	2,248,152	\$ 20,180	\$ -0-	\$ 2,268,332
Sewer				
Plant & Equipment*	1,459,365	\$ 15,288	\$ -0-	\$ 1,474,653
Accumulated Depreciation	(438,606)	(38,803)	-0-	(477,409)
Net	\$ 1,020,759	\$ (23,515)	\$ -0-	\$ 997,244

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

Village of Calvin, Louisiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS
CONTINUED**

GOVERNMENTAL FUND

A summary of governmental fund depreciable assets at June 30, 2024, is as follows:

	Balance 6-30-2023	Additions	(Deletions)	Balance 6-30-2024
Fixed Assets*	\$ 384,399	\$ -0-	\$ -0-	\$ 384,399
Accumulated Depreciation	(193,759)	(11,921)	-0-	(205,680)
Net	\$ 190,640	\$ (11,921)	\$ -0-	\$ 178,719

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

(4) CHANGES IN LONG-TERM DEBT

The following is a summary of revenue bond transactions and general obligation debt transactions of the Village of Calvin for the year ended June 30, 2024.

	Water Revenue	
	Bonds	Total
Bonds & Notes Payable - Beginning	\$ 24,348	\$ 24,348
Additions	-0-	-0-
Principal Retirements	(10,536)	(10,536)
Total	\$ 13,812	\$ 13,812

Bonds payable at June 30, 2024, are comprised of the following issues:

Revenue Bonds

\$109,500 of Water Revenue Bonds due annually in installments of \$9,840.91 starting 02/01/2013 and ending 02/01/27; interest at 4.12%.	\$ <u>13,812</u>
Total	\$ <u>13,812</u>

The annual requirements to amortize all debt outstanding as of June 30, 2024, including interest payments, are as follows:

Year Ending June 30,	Total
2025	9,841
2026	9,841
2027	9,841
Total	\$ 29,523

Village of Calvin, Louisiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS
CONTINUED**

(5) ELECTED OFFICIAL'S SALARIES

<u>Name</u>	<u>Title</u>	<u>Compensation</u>
Jeff Canerday	Mayor	\$ 7,200
Bobby D. Canerday	Alderman	3,600
John Wayne Canerday	Alderman	1,200
Ronald Abels	Alderman	\$ 1,200

(6) 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.

(7) RETIREMENT PLANS

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

(8) TRANSFERS

<u>Fund</u>	<u>Transfers From/To Other Funds</u>		
	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Total</u>
General	\$ 60,000	-0-	\$ 60,000
Enterprise	-0-	(60,000)	(60,000)
Total	\$ 60,000	\$ (60,000)	\$ -0-

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

Required Supplemental Information

Village of Calvin, Louisiana
Statement of Revenues, Expenditures, & Changes in Fund Balance
Budget and Actual
General & Capital Project Funds
For the Year Ended June 30, 2024

	BUDGET AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	BUDGET TO ACTUAL DIFFERENCES FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Fees & Charges	\$ 14,625	\$ 14,625	\$ 17,130	\$ 2,505
Taxes	3,300	3,300	3,480	180
Intergovernmental	-0-	-0-	-0-	-0-
Other Revenue	-0-	-0-	-0-	-0-
TOTAL REVENUES	17,925	17,925	20,610	2,685
EXPENDITURES				
Personnel Expense	51,600	51,600	51,915	(315)
Other Administrative	37,676	37,676	28,178	9,498
Utilities	10,500	10,500	6,932	3,568
Repairs & Maintenance	-0-	-0-	4,530	(4,530)
Capital Outlay	-0-	-0-	-0-	-0-
TOTAL EXPENDITURES	99,776	99,776	91,555	8,221
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(81,851)	(81,851)	(70,945)	10,906
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	60,000	60,000	60,000	-0-
TOTAL OTHER FINANCING SOURCES (USES)	60,000	60,000	60,000	-0-
NET CHANGE IN FUND BALANCE	\$ (21,851)	\$ (21,851)	(10,945)	\$ 10,906
FUND BALANCES--BEGINNING			104,440	
FUND BALANCES--ENDING			\$ 93,495	

See independent accountant's review report.



Supplemental Information

Village of Calvin, Louisiana
Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2024

Honorable Jeff Canerday, Mayor

Purpose	Amount
Salary	\$ 7,200
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 accountant's review report.

**Village of Calvin, Louisiana
Schedule of Revenues, Expenditures &
Changes in Fund Balances
Capital Grants
For the Year Ended June 30, 2024**

	LCDBG SEWER	TOTAL
REVENUES		
Capital Grants	\$ 98,670	\$ 98,670
TOTAL REVENUES	98,670	98,670
EXPENDITURES		
Administrative Services	-0-	-0-
Engineering Services	15,288	15,288
Project Construction	83,382	83,382
TOTAL EXPENDITURES	98,670	98,670
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-0-	-0-
OTHER FINANCING SOURCES (USES)		
Transfers In (Out)	-0-	-0-
TOTAL OTHER FINANCING SOURCES (USES)	-0-	-0-
NET CHANGE IN FUND BALANCE	-0-	-0-
FUND BALANCES--BEGINNING	-0-	-0-
FUND BALANCES--ENDING	\$ -0-	\$ -0-

LCDBG – Louisiana Community Development Block Grant

CWEF – Community Water Environment Fund

LGAP – Local Government Assistance Program

See independent accountant's review report.

Other Reports

VILLAGE OF CALVIN, LOUISIANA

**MANAGEMENT LETTER COMMENTS
For the Year Ended June 30, 2024**

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

CURRENT YEAR MANAGEMENT LETTER COMMENTS

2024-1 Noncompliance with RS 40:9.1(F)- Transfer of Funds in an “F” Grade Water System

Condition: The Village’s water system has been assigned an “F” grade, rendering it operationally unacceptable. Despite this, the Village proceeded to transfer funds to other accounts, violating the stipulations associated with their system’s grade.

Criteria: In accordance with RS 40:5.9.1 (F), it is explicitly prohibited to utilize funds raised through customer payments for access to water or any other water system revenue in “D” and “F” grade systems. These funds must be exclusively allocated to the improvement and sustainability of the community water system, barring any transfers to the other funds.

Cause of Condition: The inadequate quality, performance, and sustainability of the community water system contribute to the inability to transfer funds to other accounts.

Effect of Condition: The Village faces the consequence of being unable to transfer funds to other accounts due to the non-compliance with the specified regulations.

Recommendation: It is recommended that the Village refrains from transferring funds to other accounts unless they receive approval for a higher-grade system. Compliance with the established standards is crucial for maintaining the integrity and sustainability of the community water system.

Client Response and Corrective Action: During the discussions, the Village expressed commitment to adhere to the recommendation, affirming that they will not transfer funds to other accounts unless granted the appropriate grade system.

Contact Person: Jeff Canerday, Mayor

Anticipated Completion Date: June 30, 2025

VILLAGE OF CALVIN, LOUISIANA

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

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

The management of the Village of Calvin, Louisiana has provided the following action summaries relating to management letter findings brought to their attention as a result of their financial review for the year ended June 30, 2023.

PRIOR YEAR FINDINGS

2023-1 Village Accounting Methods (Resolved)

Condition: The Village is not reconciling the bank accounts monthly.

Criteria: Best practices include reconciling the bank accounts monthly.

Cause of Condition: Not following best practices.

Effect of Condition: Incomplete/Inaccurate financial data.

Recommendation: The Village should reconcile the bank accounts monthly.

Client Response and Corrective Action: The Village will begin reconciling the bank accounts monthly.

Contact Person: Jeff Canerday, Mayor

Anticipated Completion Date: June 30, 2024

2023-2 Budget Variance (Resolved)

Condition: The Village had an unfavorable expenditure budget variance of \$6,581 or 8.1% in the general fund during the year.

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

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

Effect of Condition: Violation of the Budget Act.

VILLAGE OF CALVIN, LOUISIANA

MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS-CONTINUED

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: Jeff Canerday, Mayor

Anticipated Date: June 30, 2024

2023-3 Small Size of Entity

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

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

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

Effect of Condition: Significant deficiency in internal controls.

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

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

Contact Person: Jeff Canerday, Mayor

Anticipated Date: June 30, 2024

2023-4 Annual Filing of Financial Statements (Resolved)

Condition: The Village did not file their financial statements with the legislative auditor on a timely basis. The Village was granted an extension to file by the Legislative Auditor's Office.

VILLAGE OF CALVIN, LOUISIANA

MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS-CONTINUED

Criteria: LSA-RS 24:514, LSA-RS 33:463, and/or LSA-RS 39:92, as applicable, require that governmental units file their financial statements annually with the Legislative Auditor's Office within six months of the entity's year end closing.

Cause of Condition: Not having financial statements completed on time.

Effect of Condition: Compliance finding and a freeze on grant funding.

Recommendation: The Village should have their audit completed in time to file with the Legislative Auditor's Office within six months of the Village's year end closing.

Client Response and Corrective Action: The Village will have their audit completed in time to file with the Legislative Auditor's Office within six months of the Village's year end closing.

Contact Person: Jeff Canerday, Mayor

Anticipated Date: June 30, 2024

2023-5 Noncompliance with RS 40:9.1(F)- Transfer of Funds in an "F" Grade Water System (Unresolved)

Condition: The Village's water system has been assigned an "F" grade, rendering it operationally unacceptable. Despite this, the Village proceeded to transfer funds to other accounts, violating the stipulations associated with their system's grade.

Criteria: In accordance with RS 40:5.9.1 (F), it is explicitly prohibited to utilize funds raised through customer payments for access to water or any other water system revenue in "D" and "F" grade systems. These funds must be exclusively allocated to the improvement and sustainability of the community water system, barring any transfers to the other funds.

Cause of Condition: The inadequate quality, performance, and sustainability of the community water system contribute to the inability to transfer funds to other accounts.

Effect of Condition: The Village faces the consequence of being unable to transfer funds to other accounts due to the non-compliance with the specified regulations.

Recommendation: It is recommended that the Village refrains from transferring funds to other accounts unless they receive approval for a higher-grade system. Compliance with the established standards is crucial for maintaining the integrity and sustainability of the community water system.

VILLAGE OF CALVIN, LOUISIANA

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS-CONTINUED**

Client Response and Corrective Action: During the discussions, the Village expressed commitment to adhere to the recommendation, affirming that they will not transfer funds to other accounts unless granted the appropriate grade system.

Contact Person: Jeff Canerday, Mayor

Anticipated Date: June 30, 2024

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INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Village of Calvin, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Village of Calvin, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management’s assertions about the Village of Calvin, Louisiana’s compliance with certain laws and regulations during the year ended June 30, 2024, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below whether for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

*During our review of expenditures, we found no such expenditures.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

*Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

*Management provided us with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

*None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

*Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

*We obtained a copy of the budget and the amended budget.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

*Adoption of the budget and approval of an amended budget were documented in the minute book.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

*The Village had a favorable revenue variance and a favorable expenditure variance.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

(a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

*We examined supporting documentation for the six selected documents, and they all agreed.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account.

*All of the payments were properly coded to the correct fund and correct general ledger account.

(c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

*The selected disbursements were approved by the proper authorities.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

*I verified meetings were posted or advertised.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

*The Village did not enter into any long-term debt this fiscal year.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

*We inspected payroll records and minutes for the year and noted no instances which indicated payments to employees which would constitute bonuses, advances, and gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

*The Village's report is due on December 31, 2024 and was submitted timely.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

*The Village did not enter into any new contracts this fiscal year.

Prior-Year Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

*The Village still has two unresolved prior-year suggestions, exceptions, recommendations, and/or comments. The Village is diligently working on resolving the unresolved issues.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Village of Calvin, Louisiana and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

The Vercher Group

Jena, Louisiana
November 6, 2024

LOUISIANA ATTESTATION QUESTIONNAIRE

THE VERCHER GROUP A Professional Corporation of
Certified Public Accountants
P.O. Box 1608
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374

In connection with your review of our financial statements as of June 30, 2024, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 30, 2024.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551-39:1755); public bid law, (R.S. Title 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42: 1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42: 1119.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14: 138, and AG opinion 79-729.

Yes No

Prior-year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls

over compliance with such laws and regulations.

Yes No

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes No

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No

We have provided you with all relevant information and access under the terms of our agreement.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No

We are not aware of any material misstatements in the information we have provided to you.

Yes No

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the audit period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations or would require adjustment or modification to the results of the agreed-upon procedures.

Yes No

John Caudo
Emily Garrett

Signed:

May

Signed:

Clark