



TOWN OF GREENSBURG

Greensburg, Louisiana

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2021
with Supplemental Information Schedules

ANTHONY B. BAGLIO, CPA
CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation





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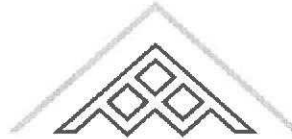
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ANTHONY B. BAGLIO, CPA
PRESIDENT

MEMBER

American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants



ANTHONY B. BAGLIO, CPA

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor Paula McNabb
and Members of the Board of Aldermen
Town of Greensburg
Greensburg, Louisiana

Report on the Audit of the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Greensburg, Greensburg, Louisiana, as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, financial position of the government activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Greensburg, Greensburg, Louisiana as of December 31, 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.

Basis for Opinions

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Town of Greensburg, Greensburg, Louisiana and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Town of Greensburg
Greensburg, Louisiana

Responsibilities of Management for the Financial Statements

Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements are as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.

Town of Greensburg
Greensburg, Louisiana

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 - 13 and 44 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Greensburg, Greensburg, Louisiana's basic financial statements. The supplemental information schedules on pages 46 - 47 are presented for purposes of additional analysis and are not a required part of the basic financial statements.


Town of Greensburg
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Such information is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 my opinion, the supplementary information 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*, I have also issued my report dated June 24, 2022 on my consideration of the Town of Greensburg, Greensburg, Louisiana's internal control over financial reporting on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Greensburg, Greensburg, Louisiana's 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 Town of Greensburg, Greensburg, Louisiana's internal control over financial reporting and compliance.

Respectfully submitted,



Anthony B. Baglio, CPA
A Professional Accounting Corporation
Hammond, Louisiana

June 24, 2022

Required Supplemental Information (Part I)
Management's Discussion and Analysis

**Town of Greensburg
Greensburg, Louisiana
Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

Introduction

As management of the Town of Greensburg, Greensburg, Louisiana, we offer readers of the Town of Greensburg's financial statements this narrative overview and analysis of the financial activities of the Town of Greensburg for the fiscal year ended December 31, 2021. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the Town of Greensburg's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Town of Greensburg's finances. It is also intended to provide readers with an analysis of the Town of Greensburg's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Town of Greensburg. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Town of Greensburg's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Greensburg's financial statements. The Town of Greensburg's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide* financial statements are designed to provide readers with a broad overview of the Town of Greensburg's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town of Greensburg's assets and liabilities using the accrual basis of accounting, the difference between the assets and liabilities are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Greensburg is improving or deteriorating.

**Town of Greensburg
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Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Town of Greensburg that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of Greensburg include general government, public safety, public works, and cultural and recreation. The Town of Greensburg's business-type activities include gas, water, and sewer services.

The government-wide financial statements can be found on pages 15-16 of this report.

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 Town of Greensburg, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Greensburg can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effects of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

**Town of Greensburg
Greensburg, Louisiana
Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

The Town of Greensburg maintains one individual governmental fund. Information is presented separately in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. There are no non-major governmental funds. The basic governmental fund financial statements can be found on Statements C and E of this report.

The Town of Greensburg adopts an annual budget for its General Fund. A budgetary comparison schedule for the General Fund has been provided herein to demonstrate compliance with those budgets.

Proprietary funds. *Proprietary funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Greensburg uses a proprietary fund to account for its Gas, Water, and Sewer departments. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Gas, Water and Sewer department, which is considered a major fund of the Town of Greensburg. The basic proprietary fund financial statements can be found on Statements G, H & I of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-42 of this report.

Other supplemental information. In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information. These schedules can be found on pages 46-47 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. The following table provides a summary of the Town of Greensburg's net position for the current year and prior year.

**Town of Greensburg
Greensburg, Louisiana
Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

Town of Greensburg - Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
	Current and Other Assets	\$ 1,264,991	\$ 1,107,606	\$ 1,603,962	\$ 1,370,909	\$ 2,868,953
Capital Assets, Net	268,370	219,468	1,934,970	1,888,752	2,203,340	2,108,220
Total Assets	1,533,361	1,327,074	3,538,932	3,259,661	5,072,293	4,586,735
Other Liabilities	11,518	16,328	183,779	147,735	195,297	164,063
Total Liabilities	11,518	16,328	183,779	147,735	195,297	164,063
Net Investment in Capital Assets	268,370	219,468	1,934,970	1,888,752	2,203,340	2,108,220
Restricted			58,759	55,832	58,759	55,832
Unrestricted	1,253,473	1,091,278	1,361,424	1,167,342	2,614,897	2,258,620
Total Net Position	\$ 1,521,843	\$ 1,310,746	\$ 3,355,153	\$ 3,111,926	\$ 4,876,996	\$ 4,422,672

The Town of Greensburg's assets exceeded its liabilities by \$4,876,996 at the close of the most recent fiscal year. Of this amount \$2,614,897 or 54 percent is unrestricted. The Town of Greensburg's net position is comprised of \$1,521,843 from Governmental Activities and \$3,355,153 from Business-Type Activities as shown on Statement A of this report. The Town of Greensburg's net position increased by \$454,324 over the previous year.

The Town of Greensburg's net investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that was still outstanding during the year was \$2,203,340 (45 percent). The Town of Greensburg uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Greensburg's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Greensburg's net position one percent represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (54 percent or \$2,614,897) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Greensburg is able to report positive net position balances in both the government-wide and governmental activities. The same situation held true for the prior fiscal year.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the Town of Greensburg's activities for the current year and prior year.

**Town of Greensburg
Greensburg, Louisiana
Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

Town of Greensburg - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue						
Program revenue:						
Charges for Services	\$ 90,900	\$ 81,925	\$ 1,417,544	\$ 1,122,264	\$ 1,508,444	\$ 1,204,189
Operating Grants and Contributions	23,916	140,762	-	-	23,916	140,762
Capital Grants and Contributions	241,536	-	23,850	-	265,386	-
General Revenue:						
Property Taxes	22,435	21,993	-	-	22,435	21,993
Sales Taxes	184,352	189,687	-	-	184,352	189,687
Gaming Revenues	141,628	97,437	-	-	141,628	97,437
Gain (Loss) on Sale of Asset	208	-	-	-	208	-
Transfer In from Local Government	1,098	2,299	-	-	1,098	2,299
Investment Earnings	5,033	12,979	5,464	10,723	10,497	23,702
Franchise Taxes	69,904	59,475	-	-	69,904	59,475
Other	9,999	17,996	-	-	9,999	17,996
Total Revenue	791,009	624,553	1,446,858	1,132,987	2,237,867	1,757,540
Expenses						
General Government	130,049	136,376	-	-	130,049	136,376
Public Safety	275,618	284,469	-	-	275,618	284,469
Public Works	49,290	54,900	-	-	49,290	54,900
Cultural and Recreation	4,383	4,023	-	-	4,383	4,023
Gas, Water and Sewer	-	-	1,324,203	1,094,444	1,324,203	1,094,444
Total Expenses	459,340	479,768	1,324,203	1,094,444	1,783,543	1,574,212
Change in Net Assets Before Transfers	331,669	144,785	122,655	38,543	454,324	183,328
Transfers In/(Out)	(120,572)	-	120,572	-	-	-
Increase in Net Position	211,097	144,785	243,227	38,543	454,324	183,328
Net Position-Beginning of Year	1,310,746	1,165,961	3,111,926	3,073,383	4,422,672	4,239,344
Net Position-End of Year	\$ 1,521,843	\$ 1,310,746	\$ 3,355,153	\$ 3,111,926	\$ 4,876,996	\$ 4,422,672

**Town of Greensburg
Greensburg, Louisiana
Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

Governmental activities of the Town of Greensburg's net position increased by \$211,097.

Business-type activities of the Town of Greensburg's net position increased by \$243,227.

Total Net Position of the Town of Greensburg increased by \$454,324.

The following are the governmental revenue percentages by source:

	<u>Amount</u>	<u>Percentage</u>
Charges for Services	90,900	11.49%
Operating Grants and Cor	23,916	3.02%
Capital Grants	241,536	30.54%
Property Taxes	22,435	2.84%
Sales Tax	184,352	23.31%
Gaming Revenues	141,628	17.90%
Investment Earnings	5,033	0.64%
Franchise Taxes	69,904	8.84%
Other	11,305	1.43%
	<u>791,009</u>	<u>100.00%</u>

The following are the governmental expenses percentages by function:

General Government	130,049	28.31%
Public Safety	275,618	60.00%
Public Works	49,290	10.73%
Cultural and Recreation	4,383	0.95%
	<u>459,340</u>	<u>100.00%</u>

Business-Type Activities

The Business-Type Activities of the Town of Greensburg are those that the Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town of Greensburg's gas, water, and sewer services are reported here.

Financial Analysis of the Government's Funds

As noted earlier, the Town of Greensburg uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town of Greensburg's *governmental funds* is to provide information on near-term inflow, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Greensburg's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**Town of Greensburg
Greensburg, Louisiana
Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

The Town of Greensburg maintains one individual governmental fund, the General Fund. The General Fund is the chief operating fund of the Town of Greensburg. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,119,285. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures and transfers out. The total expenditures and transfers out for 2021 was \$632,606. The unassigned fund balance represents 177 percent of total general fund expenditures and transfers out.

The fund balance of the Town of Greensburg's General Fund increased by \$41,427 during the current fiscal year.

Major Fund Budgetary Highlights

Revenues-Resources (Inflows) were more than the final budget for 2021 by \$9,896. During the year, actual expenditures were \$34,564 less than the final budgeted amounts.

Total final budget revenues increased by \$241,212 from the original budgeted revenues. The majority of the increase was due to an increase in Federal Grants from the American Rescue Plan and an increase in gaming revenue.

Capital Assets and Debt Administration

Capital assets. The Town of Greensburg's investment in capital assets for its governmental activities as of December 31, 2021, amounted to \$268,370 (net of accumulated depreciation). The Town's investment in capital assets for its business-type activities as of December 31, 2021, amounted to \$1,934,970 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The total increase in the Town of Greensburg's capital assets net of depreciation for the current fiscal year was \$95,120.

Additional information on the Town of Greensburg's capital assets can be found in note 7 on pages 38 and 39 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Greensburg did not have any outstanding debt at December 31, 2021.

**Town of Greensburg
Greensburg, Louisiana
Management's Discussion and Analysis
As of and for the Year Then Ended December 31, 2021**

Additional information on the Town of Greensburg's long-term debt can be found in note 12 on pages 40 and 41 of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Town of Greensburg's budget for the 2022 fiscal year:

The two major revenue sources for the General Fund are gaming revenues and sales tax. These two revenues make up approximately 54% of total General Fund revenues. Gaming revenues have been budgeted at \$117,000 and sales tax have been budgeted at \$179,620 for 2022. Total revenues have been budgeted at \$547,150 and total expenditures have been budgeted at \$521,522 for 2022.

Request for Information

This financial report is designed to provide a general overview of the Town of Greensburg's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Paula McNabb, Mayor of the Town of Greensburg, 14516 Hwy 37, Greensburg, Louisiana, 70441.

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Town of Greensburg
Greensburg, Louisiana**

Statement A

**Statement of Net Position
December 31, 2021**

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 170,699	\$ 561,083	\$ 731,782
Investments - CD's	888,256	609,778	1,498,034
Receivables, Net	192,616	365,679	558,295
Prepaid Expenses	13,420	8,663	22,083
Internal Balances	-	-	-
Restricted Assets - Cash	-	58,759	58,759
Capital Assets (Net)	268,370	1,934,970	2,203,340
Total Assets	1,533,361	3,538,932	5,072,293
Liabilities			
Accounts, Salaries, and Other	11,518	125,020	136,538
Customer Deposits	-	58,759	58,759
Total Liabilities	11,518	183,779	195,297
Net Position			
Net Investment in Capital Assets	268,370	1,934,970	2,203,340
Restricted		58,759	58,759
Unrestricted	1,253,473	1,361,424	2,614,897
Total Net Position	\$ 1,521,843	\$ 3,355,153	\$ 4,876,996

The accompanying notes are an integral part of these financial statements.

**Town of Greensburg
Greensburg, Louisiana**

Statement B

**Statement of Activities
For the Year Ended December 31, 2021**

Functions/Programs	(Expenses)	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
General Government	\$ (130,049)	\$ 68,011			\$ (62,038)	\$ -	\$ (62,038)
Public Safety	(275,618)	22,889	18,516	-	(234,213)	-	(234,213)
Public Works	(49,290)		5,400	241,536	197,646	-	197,646
Cultural and Recreation	(4,383)				(4,383)	-	(4,383)
Interest on Long-Term Debt	-				-	-	-
Total Government Activities	\$ (459,340)	\$ 90,900	\$ 23,916	\$ 241,536	(102,988)	-	(102,988)
Business-type Activities:							
Gas, Water & Sewer	(1,324,203)	1,417,544		23,850		117,191	117,191
Total Business-Type Activities:	(1,324,203)	1,417,544	-	23,850	-	117,191	117,191
Total Primary Government	(1,783,543)	1,508,444	23,916	265,386	(102,988)	117,191	14,203
General Revenues:							
Property Taxes					22,435		22,435
Alcoholic Taxes					4,671		4,671
Sales Taxes					184,352		184,352
Franchise Taxes					69,904		69,904
Gaming Revenues					141,628		141,628
Rents & Royalties					4,328		4,328
Gain (Loss) on Sale of Assets					208		208
Payments From/(To) Other General Government					1,098	-	1,098
Investment Earnings					5,033	5,464	10,497
Other General Revenues					1,000		1,000
Transfers In (Out)					(120,572)	120,572	-
Total General Revenues and Transfers					314,085	126,036	440,121
Change in Net Position					211,097	243,227	454,324
Net Position, Beginning					1,310,746	3,111,926	4,422,672
Net Position, Ending					\$ 1,521,843	\$ 3,355,153	\$ 4,876,996

The accompany notes are an integral part of these financial statements.

Basic Financial Statements
Governmental Fund Financial Statements

**Town of Greensburg
Greensburg, Louisiana**

Statement C

**Balance Sheet, Governmental Funds
December 31, 2021**

	General Fund
	<u> </u>
Assets	
Cash and cash equivalents	\$ 170,699
Investments	888,256
Receivables, Net	192,616
Prepaid Expenses	13,420
Total Assets	<u><u>1,264,991</u></u>
 Liabilities and Fund Balances	
Liabilities:	
Accounts Payable	11,518
Deferred Revenue	120,768
Due to Gas & Water Fund	-
Total Liabilities	<u>132,286</u>
 Fund Balances:	
Nonspendable	13,420
Unassigned	1,119,285
Total Fund Balance	<u>1,132,705</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,264,991</u></u>

The accompanying notes are an integral part of these financial statements.

**Town of Greensburg
Greensburg, Louisiana**

Statement D

**Reconciliation of The Governmental Funds Balance Sheet
to The Government-Wide Statement of Net Position**

December 31, 2021

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

Fund Balances, Total Governmental Funds (Statement C)	\$ 1,132,705
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental Capital Assets	949,494	
Less Accumulated depreciation	<u>(681,124)</u>	
		<u>268,370</u>

Intergovernmental revenues collected after year-end, but not available soon enough to pay for current expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.	120,768
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Net Position of Governmental Activities (Statement A)	<u>\$ 1,521,843</u>
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The accompanying notes are an integral part of these financial statements.

**Town of Greensburg
Greensburg, Louisiana**

Statement E

**Governmental Funds
Statement of Revenues, Expenditures and
and Changes in Fund Balances
For the Year Ended December 31, 2021**

	General Fund
Revenues	
Taxes:	
Ad Valorem	\$ 22,435
Sales and Use	184,352
Other Taxes, Penalties, Interest, Etc.	74,575
Licenses and Permits	68,011
Intergovernmental Revenues:	
Federal Grants	120,768
State funds:	
Parish Transportation Funds	5,400
Gaming Revenues	141,628
Other State Funds	-
Fines and Forfeitures	22,319
Fire Insurance Rebates	2,999
Rents and Royalties	4,328
Charges for Services	570
Investment Earnings	5,033
Other Revenues	1,000
On Behalf of Payment	15,517
Total Revenues	668,935
Expenditures	
General Government	127,234
Public Safety	258,642
Public Works	45,856
Cultural and Recreation	3,175
Capital Outlay	75,127
Total Expenditures	510,034
Excess (Deficiency) of Revenues Over (Under) Expenditures	158,901
Other Financing Sources (Uses)	
Transfers In	
Transfers Out	(120,572)
Transfers In from Local Governments	1,098
Sale of Capital Assets	2,000
Total Other Financing Sources and Uses	(117,474)
Net Change in Fund Balance	41,427
Fund Balance -- Beginning	1,091,278
Fund Balance -- Ending	\$ 1,132,705

The accompanying notes are an integral part of these financial statements.

**Town of Greensburg
Greensburg, Louisiana**

Statement F

**Reconciliation of The Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2021**

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

Net Change in Fund Balances, Total Governmental Funds (Statement E)	\$	41,427
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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 Outlays	75,127	
Depreciation expense	<u>(24,433)</u>	
		50,694

The net effect of transactions involving the sale of capital assets is to decrease net assets:

Proceed from Sale of Assets	2,000	
Cost of assets sold	25,010	
Accumulated Depreciation	<u>(23,218)</u>	
Basis in Assets Sold	<u>1,792</u>	
Gain (Loss) on Sale of Assets		208

When recognizing the sale of capital assets, the governmental funds report the total proceeds of the sale. Only the gain of loss on the sale is reported on the Statement of Net Position.	(2,000)
--	---------

Some revenues in the Statement of Activities do not provide current financial resources and are not reported as revenue in the governmental funds	
Deferred inflows of resources for intergovernmental revenues collected after year end, but not available soon enough to pay for current expenditures changed by the following	120,768

Change in Net Position of Governmental Activities (Statement B)	<u>\$ 211,097</u>
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The accompanying notes are an integral part of these financial statements.

Basic Financial Statements

Proprietary Fund Financial Statements

Town of Greensburg
Statement of Net Position, Proprietary Funds
December 31, 2021

		Gas, Water & Sewer
ASSETS		
Cash and cash equivalents	\$	561,083
Investments		609,778
Receivables (net of allowances for uncollectibles)		365,679
Due From General Fund		-
Prepaid Expenses		8,663
Restricted Assets - Cash		58,759
Capital Asssets, Net of Accumulated Depreciation		1,934,970
TOTAL ASSETS		3,538,932
LIABILITIES AND NET POSITION		
Liabilities:		
Accounts payables		125,020
Payable from Restricted Assets-Customer Deposits		58,759
Total Liabilities		183,779
Net Position:		
Net Investment in Capital Assets		1,934,970
Restricted		58,759
Unrestricted		1,361,424
TOTAL NET POSITION		3,355,153
TOTAL NET POSITION AND LIABILITIES	\$	3,538,932

The accompanying notes are an integral part of these financial statements.

**Town of Greensburg
Proprietary Fund
Statement of Revenues, Expenditures and
and Changes in Fund Net Position
For the Year Ended December 31, 2021**

	Gas, Water, & Sewer Fund			Total Proprietary
	Gas	Water	Sewer	
Operating Revenues:				
Gas Sales	\$ 1,282,801	\$ -	\$ -	\$ 1,282,801
Less: Cost of Gas Sold	<u>(923,826)</u>			<u>(923,826)</u>
Gross Profit on Gas Sales	358,975			358,975
Water Sales		70,763		70,763
Sewer Sales			59,935	59,935
Commissions	-	217		217
Late Fees	3,828			3,828
Total Operating Revenues	<u>362,803</u>	<u>70,980</u>	<u>59,935</u>	<u>493,718</u>
Operating Expenses				
Salaries and Related Benefits	121,894			121,894
Analytical Services	-		2,635	2,635
Depreciation Expense	7,735	60,735	41,217	109,687
Dues & Subscriptions	4,790	1,478	-	6,268
Insurance	15,703			15,703
Materials and Supplies	20,706	50,127		70,833
Office Expense	9,696			9,696
Professional Fees	5,100			5,100
Repairs & Maintenance	-	10,161		10,161
Utilities	36,556			36,556
Vehicles Expense	11,844			11,844
Bad Debts	-			-
Total Operating Expenses	<u>234,024</u>	<u>122,501</u>	<u>43,852</u>	<u>400,377</u>
Net Operating Income	<u>128,779</u>	<u>(51,521)</u>	<u>16,083</u>	<u>93,341</u>
Nonoperating Revenues (Expense):				
Interest Income	5,464			5,464
Sale of Capital Assets	-			-
Interest Expense	-			-
Total Nonoperating Income (Expenses)	<u>5,464</u>	<u>-</u>	<u>-</u>	<u>5,464</u>
Net Income before Contributions and Transfers	<u>134,243</u>	<u>(51,521)</u>	<u>16,083</u>	<u>98,805</u>
Contributions and Transfers				
Operating Transfers In	120,572			120,572
Operating Transfers Out				-
Operating Grant Contributions				-
Capital Grant Contributions		23,850		23,850
Transfers in from Local Government			-	-
Total Contributions and Transfers	<u>120,572</u>	<u>23,850</u>	<u>-</u>	<u>144,422</u>
Net Change in Position	<u>134,243</u>	<u>(27,671)</u>	<u>16,083</u>	<u>243,227</u>
Net Position - Beginning				3,111,926
Net Position - Ending				<u>\$ 3,355,153</u>

The accompanying notes are an integral part of these financial statements.

Town of Greensburg
Proprietary Fund
Statement of Cash Flows
For the Year Ended December 31, 2021

	Gas, Water, & Sewer
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 1,273,251
Cash Payment for Operations	(1,072,080)
Cash Payment to Employees	(106,015)
Other Receipts (Payments)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>95,156</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	-
NET CASH (USED) FOR NONCAPITAL AND RELATED FINANCIING ACTIVITIES	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Transfer In from Local Governments	-
Federal and State Grants	23,850
Transfers In	120,572
Construction in Progress	(10,986)
Payments for Capital Acquisitions	(144,920)
Proceeds from Sale of Assets	-
NET CASH (USED) FOR CAPITAL AND RELATED FINANCIING ACTIVITIES	<u>(11,484)</u>
CASH FLOW FROM INVESTING ACTIVITIES:	
Cash Payments to Purchase Investments	-
Interest Income Received	5,511
Interest Expense	-
NET CASH PROVIDED (USED) FOR INVESTING ACTIVITIES	<u>5,511</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>89,183</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,140,437</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,229,620</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS	
Cash	\$ 1,170,861
Restricted Cash	58,759
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,229,620</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income (Loss)	\$ 93,341
Adjustments to Reconcile Operating Income to Net Cash Flow from Operating Activities:	
Depreciation	109,687
Changes in Assets and Liabilities:	
Decrease (Increase) in Prepaid Expenses	207
Decrease (Increase) in Customer Receivables	(144,123)
Decrease (Increase) in Other Receivables	-
Decrease (Increase) Due To/From	-
Increase (Decrease) in Accounts Payable and Taxes Payable	36,044
Net Cash flows from Operating Activities	<u>\$ 95,156</u>

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Introduction

The Town of Greensburg was incorporated under the provisions of a special charter. The Town operates under a Mayor-Board of Aldermen form of government. The Town of Greensburg provides public utilities, fire protection, and various other services to its residents. The Town provides law enforcement to the community, and maintains the streets and highways used by the residents.

The Board of Aldermen of the Town is comprised of five members, and a Mayor. Each Alderman, as well as the Mayor is elected for four year terms. The Board of Aldermen and the Mayor are compensated.

The Town of Greensburg is located in St. Helena Parish in the southeastern part of Louisiana. The estimated population of the Town is 1,018. The Town of Greensburg employs approximately 10 full-time employees, excluding the Board of Aldermen and the Mayor.

The Town provides natural gas, water, and sewer services for approximately 261 residential users, and 72 commercial. It also maintains approximately 6.0 miles of town streets, and 6.3 miles of state highways.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the municipality is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the municipality may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The Town implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows, of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The reader will note a change in terminology from "net assets" to "net position".

Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund 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 segment is 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, 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.

B. Measurement Focus, Basis of Accounting, and 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.

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

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. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town of Greensburg reports the following major governmental funds in a single 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 Town of Greensburg reports the following major proprietary funds in a single proprietary Fund:

The Gas, Water, & Sewer Fund is used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the governing authority is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of inter-fund 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.

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

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 for the Town of Greensburg's Proprietary Funds are charges for usage of gas, water, and sewer. Operating expenses for enterprise funds and internal service 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. Deposits and Investments

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

D. Receivables and 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 inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund 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."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Taxes Levied</u>
Taxes due for:			
2021	6.37	6.37	\$ 22,443

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

The following are the principal taxpayers and related property tax revenue for the municipality:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>Revenue for Municipality</u>
First Guaranty Bank	Bank	\$ 611,150	15.15%	\$ 3,893
Dixie Electric	Public Service	439,620	10.90%	2,880
Texas Petroleum	Oil Exploration	205,400	5.09%	1,308
Parkway Truckstop	Gaming/Fuel Station	138,670	3.44%	883
Southland Fabricators	Fabrication Shop	138,220	3.43%	881

The Town assesses a 1% sales and use tax. The proceeds from the sales and use tax are used as follows:

Sales Tax - Acquiring necessary lands and capital improvements, necessary employees, fire and police protection, encouragement of industrial development, and for the general purpose of properly operating and maintaining the Town of Greensburg for its inhabitants. The proceeds of this tax are accounted for in the General Fund.

E. Inventories and Prepaid Items

All inventories are valued at cost. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

Restricted assets applicable to the Gas, Water, and Sewer Fund consist of cash reserved from customer deposits of \$58,759 as of December 31, 2021.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The municipality maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Roads, Bridges, and Infrastructure	40 years
Land Improvements	10-20 years
Buildings and Building Improvements	40 years
Furniture and Fixtures	5-10 years
Vehicles	5-15 years
Equipment	7-10 years

H. Compensated Absences

The Town of Greensburg recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources.

Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

The Town of Greensburg has the following policy relating to vacation and sick leave: Full time employees earn annual leave based on the years of service. Sick leave begins after six months of full-time employment. A full-time employee earns 8 hours per month up to 480 hours and then the accumulation stops. Vacation time is earned after one year of continuous employment. After one year the employee earns two weeks, after ten years three weeks, and after 20 years four weeks. Neither sick leave nor vacation time is paid upon termination. The cost of current annual leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current year expenditure when annual leave is actually taken.

I. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Net Position/Fund Equity

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

Investment in Capital Assets –This component of net position includes capital assets, net of accumulated depreciation, reduced by the outstanding balance of any bonds, or indebtedness attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows or the resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Restricted Net Positions – Net assets 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 – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the Fund Financial Statements, governmental fund equity is classified as fund balance. Beginning with fiscal year 2011, the Town 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 a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

- a. Non-spendable 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,
- 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.

The General Fund has an unassigned fund balance of \$1,119,285.

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the municipality, which are either unusual in nature or infrequent in occurrence.

Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

M. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented instatement F of the basic financial statements.

N. Budget and Budgetary Accounting

Budgetary procedures applicable to the Town of Greensburg are defined in state law, Louisiana Revised Statues 39:1301-1315. The Town of Greensburg used the following budget practices:

1. The Town of Greensburg must adopt a budget each year for the general fund and each special revenue fund, if applicable.

The Town of Greensburg must prepare and submit the proposed budget for consideration not later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal in the parish. The notice of public hearing was published in the official journal on November 17, 2020 and November 24, 2020, and held on December 8, 2020.

All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. The budget was adopted on December 8, 2020.

Budgetary amendments involving the transfers of funds from one program or function to another or involving increase in expenditures resulting from revenues exceeding amount estimated require the approval of the Board of Aldermen. The secretary-treasurer presents necessary budget amendments to the Aldermen during the year when actual operations are different from those anticipated in the original budget. The Town of Greensburg adopts the amendments and they are made available for public inspection.

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

2. All budgetary appropriations lapse at the end of each fiscal year.
3. The Town of Greensburg does not use encumbrance accounting.
4. Budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for the general fund, compare the expenditures with the amended budgets. All budgets are presented in accordance with the (GAAP) basis of accounting. Proprietary funds are not budgeted.
5. The Town did not have any individual funds with actual expenditures over budgeted appropriations for the year ended December 31, 2021.

2. Stewardship, Compliance Accountability, and Deficits

The Town did not have any individual funds with deficits in unassigned fund balance at December 31, 2021.

3. Cash and Cash Equivalents

At December 31, 2021, the Town of Greensburg has cash and cash equivalents (book balances) totaling \$731,782 and restricted cash of \$58,759 as follows:

	General <u>Fund</u>	Proprietary <u>Fund</u>	<u>Total</u>
Demand deposits	\$ 170,699	560,347	\$ 731,046
Demand Deposits-Restricted cash		58,759	58,759
Time and Savings	-	736	736
Total	\$ 170,699	\$ 619,842	\$ 790,541

These deposits are stated at cost, which approximates market. 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.

Custodial credit risk as it relates to cash deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. At December 31, 2021 the Town of Greensburg has \$793,600 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$543,600 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

Even though the pledge securities are considered uncollateralized (Category 3) under the provision of GASB Statement 3, 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 Town that the fiscal agent has failed to pay deposited funds upon demand.

4. Investments

Investments are categorized into three categories of credit risk:

1. Insured or registered, or securities held by the Town or its agent in the Town's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department of agent in the Town's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the Town's name.

In accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments, when held, are carried at fair market value, with the estimated fair market value based on quoted market prices.

All investments held by the Town fall into category 1 credit risk, defined as: insured or registered, or securities held by the Town or its agent in the Town's name. In accordance with GASB-31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pool*, all investments are carried at fair value, with the estimate of fair value based on quoted market prices. At December 31, 2021, the Town's investment balances are as follows:

	<u>General</u>	<u>Proprietary</u>		<u>Total</u>
	<u>Fund</u>	<u>Fund</u>		
Certificates of Deposits	\$ 888,256	\$ 609,778	\$	1,498,034

The deposits as listed above are stated at cost with approximate market value. These deposits totaling \$1,498,034 are secured from risk by \$1,451,301 of federal deposit insurance and \$46,733 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

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

Interest Rate Risk: The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

5. Receivables

The receivables of \$558,295 at December 31, 2021, are as follows:

Franchise Tax	\$ 13,578		\$ 13,578
Other:			
Gaming Revenues	15,320		15,320
Rents and Royalties	1,275		1,275
State Grants		23,850	23,850
Federal Grants	120,768	-	120,768
Other	2,700		2,700
Interest Receivable	163		163
Gas, Water, and Sewer		352,620	352,620
Less: Allowance for uncollectables		(10,791)	(10,791)
Total	<u>\$ 192,616</u>	<u>\$ 365,679</u>	<u>\$ 558,295</u>

6. Inter-fund Receivables/Payables/Transfers

Interfund Transfers

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	-	\$ 120,572
Proprietary Fund	\$ 120,572	-
Total Interfund Transfers	<u>\$ 120,572</u>	<u>\$ 120,572</u>

The primary reason for the transfer between the General Fund and the Proprietary Fund is to transfer American Rescue Plan grant revenues received by the Town to fund capital outlays for water projects.

7. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2021, for the primary government is as follows:

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

	Beginning			Ending
	Balance	Increases	Decreases	Balance
Governmental Activities:				
Capital assets, not being depreciated				
Land	85,975	-		85,975
Construction in Progress				-
Total capital assets, not being depreciated	85,975	-	-	85,975
Capital assets being depreciated				
Buildings	211,095			211,095
Machinery and equipment	602,306	75,128	(25,010)	652,424
Total capital assets being depreciated	813,401	75,128	(25,010)	863,519
Less accumulated depreciation for:				
Buildings	117,140	5,520		122,660
Machinery and equipment	562,768	18,914	(23,218)	558,464
Total accumulated depreciation	679,908	24,434	(23,218)	681,124
Total Capital assets net of Depreciation	219,468	50,694	(1,792)	268,370
Business-type activities:				
Capital assets, not being depreciated				
Land	4,000	-	-	4,000
Construction in progress	237,840	10,986		248,826
Total capital assets, not being depreciated	241,840	10,986	-	252,826
Capital assets being depreciated				
Buildings	22,691	1,200	-	23,891
Improvements other than buildings	3,247,024		-	3,247,024
Machinery and equipment	426,269	143,720		569,989
Total capital assets being depreciated	3,695,984	144,920	-	3,840,904
Less accumulated depreciation for:				
Buildings	11,580	610		12,190
Improvements other than buildings	1,775,278	91,810		1,867,088
Machinery and equipment	262,214	17,268		279,482
Total accumulated depreciation	2,049,072	109,688	-	2,158,760
Total business-type assets net of Depreciation	1,888,752	46,218	-	1,934,970
Total Net Capital Assets	2,108,220	96,912	(1,792)	2,203,340

Depreciation expense of \$24,434 for the year ended December 31, 2021, was charged to the following governmental functions:

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

General Government	\$ 2,815
Public Safety	16,976
Public Works	3,434
Cultural and Recreation	<u>1,209</u>
Total	<u><u>\$ 24,434</u></u>

8. Construction Commitments

The Town is in the process of constructing wastewater collection on Taylor Road. Construction in progress in the amount of \$8,133 has been recorded in the Gas, Water, and Sewer fund as of December 31, 2021 related to that project.

The Town is in the process of constructing an Oxidation Pond. Construction in progress in the amount of \$230,489 has been recorded in the Gas, Water, and Sewer fund as of December 31, 2021 related to that project.

The Town is in the process of constructing a Warehouse. Construction in progress in the amount of \$10,204 has been recorded in the Gas, Water, and Sewer fund as of December 31, 2021 related to that project.

9. Accounts, Salaries, and Other Payables

The payables of \$136,538 at December 31, 2021, are as follows:

	<u>General Fund</u>	<u>Proprietary Fund</u>	<u>Total</u>
Withholdings	982	446	1,428
Accounts	10,536	124,574	135,110
Total	<u><u>\$ 11,518</u></u>	<u><u>\$ 125,020</u></u>	<u><u>\$ 136,538</u></u>

10. Short-Term Debt

The Town of Greensburg did not have any short-term debt during the fiscal year December 31, 2021.

11. Leases

In June 1989 the Town of Greensburg entered into a lease agreement with the St. Helena Babe Ruth Association whereby the Town Leases a parcel of land to them for a period of 50 years for a sum of \$1.

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

12. Long-Term Obligations

The Town of Greensburg did not have any long-term debt during the fiscal year December 31, 2021.

13. Retirement Systems

Employees of the Town of Greensburg are members of the social security system. The employee payroll deductions and the Town's matching contributions are remitted to the system. Employer amounts contributed to social security for the year ended December 31, 2021 were \$24,056.

14. Restricted Net Position

At December 31, 2021, the statement of Net Position for the Proprietary fund has restricted net position in the amount of \$58,759 as, which are restricted deposits from customers.

15. Risk Management

The Town of Greensburg is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town of Greensburg attempts to minimize risk form significant losses through the purchase of insurance.

16. On-Behalf Payments For Fringe Benefits and Salaries

For the year ended December 31, 2021, on behalf payments in the form of supplemental payments were paid to employees of the police department. The town recorded \$15,517 on behalf payments in revenues and expenditures in the general fund.

17. Contracts

The Town as of December 31, 2021 had a contract with an energy company who furnishes natural gas for the Greensburg community. The utility company manages all aspects for the purchase, transportation, and delivery of the gas. The initial term of the contract began on October 1, 2003, and expired on September 30, 2004. At the conclusion of the initial term, the contract will automatically extend for successive one-year periods, provided however that either party may terminate this agreement at the end of any term, by giving the other party ninety days advance written notice of termination.

**Town of Greensburg
Greensburg, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021**

18. Litigation

The Town has a lawsuit claim pending against them. The Town has referred this suit to its liability insurance carrier. No accrual for gain of loss contingencies has been recorded in the financial statements for any legal actions. As of December 31, 2021 the potential outcome of the claim is not known.

19. COVID-19 Pandemic

In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic and this pandemic has resulted in federal, state, and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home order, and quarantining of people that may have been exposed to the virus.

COVID-19 and actions taken to mitigate it had and are expected to continue to have adverse effects on the economy. As the COVID-19 pandemic is complex and rapidly evolving, we cannot reasonably estimate the duration or severity of this pandemic nor its full impact on the entity, its financial position, change in financial position, or cash flow.

Required Supplemental Information (Part II)

Town of Greensubrg
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual (GAAP Basis)-General Fund
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget Positive (Negative)</u>
Budgetary Fund Balances, Beginning	\$1,054,045	\$1,091,278	\$1,091,278	-
Resources (Inflows)				
Taxes:				
Ad valorem	19,800	21,500	22,435	935
Sales and use	193,000	179,600	184,352	4,752
Other taxes, penalties, interest, etc.	66,250	76,650	74,575	(2,075)
Licenses and permits	68,500	68,500	68,011	(489)
Intergovernmental revenues:				
Federal grants	-	129,217	120,768	-
State funds:				
Parish transportation funds	5,400	5,400	5,400	-
Gaming Revenues	78,000	127,200	141,628	14,428
Other State Funds	-	15,467	-	(15,467)
Intergovernmental transfer of assets	-	-	-	-
Fines and forfeitures	13,000	24,500	22,319	(2,181)
Fire Insurance Rebates	3,000	3,000	2,999	(1)
Rents and Royalties	2,500	2,700	4,328	1,628
Investment earnings	12,500	11,125	5,033	(6,092)
Sale of Assets	-	2,000	2,000	-
Other revenues	-	1,570	1,570	-
Transfers In from Other Funds	-	-	-	-
Transfers In from Other Governments	-	-	3,098	3,098
Supplemental Pay	18,000	15,500	15,517	17
Amounts available for Appropriations	<u>1,533,995</u>	<u>1,775,207</u>	<u>\$1,765,311</u>	<u>(9,896)</u>
Charges to Appropriations (outflows)				
General government	131,289	132,458	127,234	5,224
Public safety	251,980	262,117	258,642	3,475
Public works	55,487	49,358	45,856	3,502
Cultural and recreation	3,000	3,438	3,175	263
Capital outlay	3,000	97,227	75,127	22,100
Paymnets to Other Governments	-	2,000	2,000	-
Transfers to Other Funds	-	120,572	120,572	-
Total Charges to Appropriations	<u>444,756</u>	<u>667,170</u>	<u>632,606</u>	<u>34,564</u>
Budgetary Fund Balances, Ending	<u>\$1,089,239</u>	<u>\$1,108,037</u>	<u>\$1,132,705</u>	<u>\$ 24,668</u>

See Independent Auditor's Report.

Other Supplemental Information

Town of Greensburg

**Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2021**

Mayor and Board Members	Term	Total Amount
Paula McNabb (985) 351-7280 725 Taylor St, Greensburg, LA 70441	Mayor 12/01/20 - 11/30/24	6,960
Amanda Ficklin-Mixon (985) 517-9147 66 College Stree, Greensburg, LA 70441	Board Member 12/01/20 - 11/30/24	3,960
Nicholas Carruth (985) 247-1239 13820 Hwy 37, Greensburg, LA 70441	Board Member 12/01/20 - 11/30/24	3,960
Aron E. Burton (985) 514-1929 331 S. Third Street, Greensburg, LA 70441	Board Member 12/01/20 - 11/30/24	3,960
JoEllen Carruth (985) 517-9147 246 Timberlane Street, Greensburg, LA 70441	Board Member 12/01/20 - 11/30/24	3,960
Huey B. Travis (958) 517-0218 P.O. Box 727, Greensburg, LA 70441	Board Member 12/01/20 - 11/30/24	3,960
 Total		<u><u>26,760</u></u>

See Independent Auditor's Report.

Town of Greensburg

Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2021

Agency Head Name: Paul McNabb, Mayor

<u>Purpose</u>	Amount
Salary	\$ 6,960
Employer Paid Medicare & Social Security	<u>532</u>
Total	<u>\$ 7,492</u>

See Independent Auditor's Report

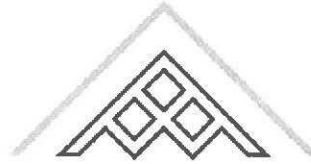
**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Governmental Auditing Standards***

ANTHONY B. BAGLIO, CPA
PRESIDENT

MEMBER

American Institute of Certified Public Accountants

Society of Louisiana Certified Public Accountants



ANTHONY B. BAGLIO, CPA

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A PROFESSIONAL ACCOUNTING CORPORATION

**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***

To the Honorable Mayor, Paula McNabb
and Members of the Board of Aldermen
Town of Greensburg
Greensburg, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Greensburg, Greensburg, Louisiana, as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Town of Greensburg, Greensburg, Louisiana's basic financial statements and have issued my report thereon dated June 24, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Town of Greensburg, Greensburg, Louisiana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Greensburg, Greensburg, Louisiana's internal control. Accordingly, I do not express an opinion on the effectiveness of the Town of Greensburg, Greensburg, Louisiana's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Honorable Mayor Paula McNabb,
and Members of the Board of Aldermen
Greensburg, Louisiana

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Greensburg, Louisiana's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standard*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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 purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Anthony B. Baglio, CPA
A Professional Accounting Corporation
Hammond, Louisiana

June 24, 2022

**TOWN OF GREENSBURG
GREENSBURG, LOUISIANA**

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS

TOWN OF GREENSBURG
Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS
Year Ended December 31, 2021

SECTION I – SUMMARY OF AUDITOR’S RESULTS

I have audited the financial statements of the Town of Greensburg, Greensburg, Louisiana as of and for the year ended December 31, 2021 and have issued my report thereon dated June 24, 2022. I conducted my 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. My audit of the financial statements as of December 31, 2021 resulted in an unqualified opinion.

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes X No

Compliance

Noncompliance material to financial statements noted? ___ Yes X No

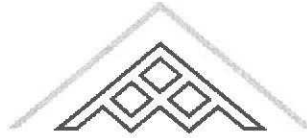
SECTION II – FINANCIAL STATEMENT FINDINGS

No financial statement findings were noted during the audit for the year ended December 31, 2021.

ANTHONY B. BAGLIO, CPA
PRESIDENT

MEMBER

American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants



ANTHONY B. BAGLIO, CPA

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor Paula McNabb
And Members of the Board of Aldermen
Town of Greensburg
Greensburg, Louisiana

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. Town of Greensburg's management is responsible for those C/C areas identified in the SAUPs.

Town of Greensburg has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Budgeting is addressed in the Town's Administrative Policy and Procedures Manual.

Town of Greensburg
Greensburg, Louisiana

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Purchasing is addressed in the Town's Administrative Policy and Procedures Manual.

- c) **Disbursements**, including processing, reviewing, and approving.

Disbursements are addressed in the Town's Administrative Policy and Procedures Manual.

- d) **Receipts/Collections** including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Receipts/Collections are addressed in the Town's Administrative Policy and Procedures Manual.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Payroll/Personnel is addressed in the District's Financial and Operating Procedures Manual.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Contracting is addressed in the Town's Administrative Policy and Procedures Manual, except for the legal review and monitoring on contracts

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Fuel cards are addressed in the Town's Administrative Policy and Procedures Manual. However, credit cards were not included, due to the fact they were not issued until November 2021.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Travel and Expense Reimbursements are addressed in the Town's Administrative Policy and Procedures Manual.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Ethics are addressed in the Town's Administrative Policy and Procedures Manual.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable since the Town has no long-term debt.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Information Technology Disaster Recovery/Business Continuity is not addressed in the District's Financial and Operating Procedures Manual.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Sexual Harassment is not addressed in the Town's Administrative Policy and Procedures Manual.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions noted, board met with a quorum on a monthly basis as observed in the minutes.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds⁷. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

No exceptions noted. The minutes referenced monthly financial reports and budget comparisons.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Not applicable. The general fund did not have negative unrestricted fund balance.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Obtained a listing of client bank accounts from management and management's representation that the listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

The Town only has one deposit site, which is at the town hall and obtained management representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

The Town only has one collection location, which is at the town hall and obtained management's representation that the listing is complete.

- a) Employees responsible for cash collections do not share cash drawers/registers.

No exception noted.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

The town clerk is responsible for collecting cash is also responsible for making bank deposits. However, outside CPA firm reconciles documentation to the deposits.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The town clerk collecting cash is responsible for putting collection entries to the general ledger. However, this is all reviewed by an outside CPA firm.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions noted.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Copy obtained. The employees who have access to cash are covered by an insurance policy for theft.

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7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
No exceptions noted.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
The pre-numbered receipts were traced to the deposit slips.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
No exceptions noted.
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
No exceptions noted.
 - e) Trace the actual deposit per the bank statement to the general ledger.
No exceptions noted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
There is only one location that processes payments and obtained management's representation that the listing is complete.
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Mayor and council members are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

- b) At least two employees are involved in processing and approving payments to vendors.

Mayor and council members are involved in processing and approving payments to vendors.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.

The person responsible for processing payments is allowed to add or update vendor files as needed.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The mayor responsible for signing checks does not process payments.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

Obtained the year-to-date general ledger and obtained management's representation that the population is complete.

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions noted.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Obtained list for all fuel cards and the two (2) credit cards by employee and management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

No exceptions noted.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

No late fees were incurred on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Not applicable, no travel and travel-related reimbursements during the fiscal year.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Not applicable.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Not applicable.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Not applicable.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

The town has two (2) contracts with the State of Louisiana

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions noted, bid was submitted with applications.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

No exceptions noted.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Not applicable

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Not applicable – No payments were made during the fiscal year..

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained a listing of employees during the fiscal period and management representation that the listing is complete.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory)

No exceptions noted.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Although the original pay rate was in the personnel files, there were no documentation of pay increases.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours, and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

The Town had no termination payments during the fiscal year.

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19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions noted.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Not applicable.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Not applicable.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Not applicable.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

The Town provided me with an instance of fraudulent activity in their operating account. Although they did not report it to the legislative auditor and the district attorney, they did report this to the proper authorities (Sherriff's office and bank), Since the bank was deemed at fault, all funds were returned to the Town, so contacting the legislative auditor and bank weren't necessary.

24. Observe the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

No exceptions noted. Backups are performed daily.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

No exceptions noted. Restoration of backup was successfully tested.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

No exceptions noted, all computers have current and active antivirus software.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

The five (5) employees received the sexual harassment training.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

No exceptions noted.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

No exceptions noted, annual sexual harassment report was dated January 31, 2022. There were no sexual harassment complaints received in 2021.

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I am engaged by The Town of Greensburg to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I am not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of Town of Greensburg and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

The report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Anthony B. Baglio, CPA
Hammond, Louisiana

June 24, 2022

TOWN OF GREENSBURG
For the Year ended December 31, 2021

Management's responses to the following agreed-upon procedure sections:

Written Policies and Procedures

1. (f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- (g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- (k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- (L) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Management's response: In the future we will make sure that our Administrative Policy and Procedures Manual address all issued mentioned above.

9. (c) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.

Management's response: The employee responsible for processing payments will obtain written approval from the major or a council member prior to modifying vendor information or adding additional vendors. The administrative policy and procedure manual will be updated to reflect this procedure.

17. (d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Management's response: All documentation regarding original pay rates as well and any subsequent changes to the rates (i.e., increases, etc.) will be documented in the future in the personnel files. However, pay rate changes are noted in the event section of the employee profile in the accounting system.