

**VILLAGE OF DOWNSVILLE  
LOUISIANA**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

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## ACCOUNTANT'S COMPILATION REPORT

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

Management is responsible for the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Village of Downsville, Louisiana, as of and for the year ended December 31, 2022, which collectively comprise the Village of Downsville's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

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

### **Required Supplementary Information**

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

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

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



Don M. McGehee  
Certified Public Accountant  
June 30, 2023

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	Governmental Activities	Business Type Activities	Total
<b>ASSETS</b>			
Current Assets:			
Cash	\$ 8,723	\$ 5,833	\$ 14,556
Accounts Receivable, net	0	17,381	17,381
Taxes Receivable	1,609	0	1,609
Internal Balances	19,826	(19,826)	0
Prepaid Expenses	288	576	864
Noncurrent Assets:			
Restricted Cash	0	61,105	61,105
Capital Assets, net	402,525	586,589	989,114
Other Assets	0	30	30
<b>TOTAL ASSETS</b>	<b>\$ 432,971</b>	<b>\$ 651,688</b>	<b>\$ 1,084,659</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	\$ 992	\$ 28,232	\$ 29,224
Accrued Expenses	0	413	413
Deferred Revenue	0	33,537	33,537
Accrued Interest Payable	0	34	34
Current Portion of Revenue Bonds Payable	0	4,840	4,840
Noncurrent Liabilities:			
Customer Deposits	0	14,977	14,977
Revenue Bonds Payable	0	73,019	73,019
<b>TOTAL LIABILITIES</b>	<b>992</b>	<b>155,052</b>	<b>156,044</b>
<b>NET POSITION</b>			
Invested in Capital Assets, net of related debt	402,525	508,729	911,254
Restricted for Debt Service	0	12,557	12,557
Unrestricted	29,454	(24,650)	4,804
<b>TOTAL NET POSITION</b>	<b>431,979</b>	<b>496,636</b>	<b>928,615</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 432,971</b>	<b>\$ 651,688</b>	<b>\$ 1,084,659</b>

See accountant's report.

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities		Total
<b>PRIMARY GOVERNMENT</b>								
<b>GOVERNMENTAL ACTIVITIES:</b>								
General Government	\$ 3,440	\$ 0	\$ 0	\$ 0	\$ (3,440)	\$ 0		\$ (3,440)
Police	11,045	0	6,000	0	(5,045)	0		(5,045)
Streets	3,522	0	0	0	(3,522)	0		(3,522)
Parks and Recreation	20,641	0	0	0	(20,641)	0		(20,641)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>38,648</u>	<u>0</u>	<u>6,000</u>	<u>0</u>	<u>(32,648)</u>	<u>0</u>		<u>(32,648)</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>								
Water and Sewer	96,188	85,170	0	0	0	(11,018)		(11,018)
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 134,836</u>	<u>\$ 85,170</u>	<u>\$ 6,000</u>	<u>\$ 0</u>	<u>(32,648)</u>	<u>(11,018)</u>		<u>(43,666)</u>
<b>GENERAL REVENUES:</b>								
Franchise Tax					6,838	0		6,838
Rent					150	0		150
Licenses					995	0		995
Investment Earnings					2	16		18
Other Revenue					757	0		757
<b>TRANSFERS</b>					<u>5,445</u>	<u>(5,445)</u>		<u>0</u>
<b>TOTAL GENERAL REVENUES AND TRANSFERS</b>					<u>14,187</u>	<u>(5,429)</u>		<u>8,758</u>
<b>CHANGE IN NET POSITION</b>					(18,461)	(16,447)		(34,908)
<b>NET POSITION-BEGINNING</b>					<u>450,440</u>	<u>513,083</u>		<u>963,523</u>
<b>NET POSITION-ENDING</b>					<u>\$ 431,979</u>	<u>\$ 496,636</u>		<u>\$ 928,615</u>

See accountant's report.

## **FUND FINANCIAL STATEMENTS**



**VILLAGE OF DOWNSVILLE, LOUISIANA**

**BALANCE SHEET  
GOVERNMENTAL FUND  
GENERAL FUND  
DECEMBER 31, 2022**

**ASSETS**

Cash	\$ 8,723
Franchise Tax Receivable	1,609
Due from Water and Sewer Fund	19,826
Prepaid Insurance	<u>288</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>30,446</u></b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES:**

Accounts Payable	\$ <u>992</u>
<b>TOTAL LIABILITIES</b>	<b><u>992</u></b>

**FUND BALANCE:**

Nonspendable--	
Prepaid Insurance	288
Unassigned	<u>29,166</u>
<b>TOTAL FUND BALANCE</b>	<b><u>29,454</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ <u>30,446</u></b>

**RECONCILIATION OF THE GOVERNMENTAL FUND  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

<b>Total Fund Balance-Governmental Fund</b>	<b>\$ 29,454</b>
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Amounts Reported for Governmental Activities in the  
Statement of Net Assets are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>402,525</u>
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<b>Net Position of Governmental Activities</b>	<b>\$ <u>431,979</u></b>
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See accountant's report.

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE--GOVERNMENTAL FUND**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**REVENUES**

Franchise Taxes	\$ 6,838
Licenses and Permits	995
Intergovernmental	
State Supplemental Pay	6,000
Rent	150
Miscellaneous	757
Interest	<u>2</u>
<b>TOTAL REVENUES</b>	<b><u>14,742</u></b>

**EXPENDITURES**

General Government	
Dues	175
Insurance	100
Office Supplies	32
Publication	11
Town Hall Expense	3,077
Travel	45
Police Department	
Insurance	785
Salaries	10,260
Street Department	
Street Lights	3,522
Park and Recreation Department	
Utilities	<u>277</u>
<b>TOTAL EXPENDITURES</b>	<b><u>18,284</u></b>

**DEFICIENCY OF REVENUES**

**UNDER EXPENDITURES** (3,542)

**OTHER FINANCING SOURCES**

Operating Transfer In--Water and Sewer Fund	<u>5,445</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<b><u>5,445</u></b>

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

1,903

**FUND BALANCE-BEGINNING**

27,551

**FUND BALANCE-ENDING**

**\$ 29,454**

See accountant's report.

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**NET CHANGE IN FUND BALANCES-GOVERNMENTAL FUNDS** **\$ 1,903**

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

Capital outlays are not recognized as expenditures in the Statement of Activities, but an economic cost of the capital outlay is allocated over the estimated useful life of the related asset and reported as depreciation expense. To reconcile the difference in accounting between the fund accounting method and the government-wide method, an adjustment is necessary to recognize the difference by which depreciation expense in the government-wide fund statements exceeds capital outlay expense recognized in the government fund statements.

(20,364)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** **\$ (18,461)**

**VILLAGE OF DOWNSVILLE, LOUISIANA****STATEMENT OF NET POSITION****PROPRIETARY FUND****DECEMBER 31, 2022**

	<u>Water and Sewer Enterprise Fund</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS:</b>	
Cash	\$ 5,833
Accounts Receivable, net	17,381
Prepaid Insurance	576
<b>TOTAL CURRENT ASSETS</b>	<u>23,790</u>
<b>NONCURRENT ASSETS:</b>	
Restricted Cash	<u>61,105</u>
Capital Assets:	
Land	1,000
Equipment	3,484
Sewer System Improvements	417,675
Water Distribution System	1,409,461
Less Accumulated Depreciation	<u>(1,245,031)</u>
Capital Assets, net	<u>586,589</u>
Other Assets	<u>30</u>
<b>TOTAL NONCURRENT ASSETS</b>	<u>647,724</u>
<b>TOTAL ASSETS</b>	<u>671,514</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts Payable	28,232
Accrued Expenses	413
Deferred Revenue	33,537
Due to General Fund	19,826
Accrued Interest Payable	34
Current Maturities of Long-Term Debt	<u>4,840</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>86,882</u>
<b>NONCURRENT LIABILITIES:</b>	
Customer Deposits	14,977
Long-Term Debt	<u>73,019</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<u>87,996</u>
<b>TOTAL LIABILITIES</b>	<u>174,878</u>
<b>NET POSITION</b>	
Invested in Capital Assets, net of related debt	508,729
Restricted for Debt Service	12,557
Unrestricted	<u>(24,650)</u>
<b>TOTAL NET POSITION</b>	<u>\$ 496,636</u>

See accountant's report.

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUND TYPE**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Water and Sewer Enterprise Fund</u>
<b>OPERATING REVENUES</b>	
Water Sales	\$ 60,032
Sewer Charges	<u>25,138</u>
<b>TOTAL OPERATING REVENUES</b>	<u>85,170</u>
<b>OPERATING EXPENSES</b>	
Accounting	3,250
Depreciation	27,081
Dues	375
Insurance	2,278
Miscellaneous	20
Office Supplies	1,091
Outside Services	18,900
Purchased Water	19,998
Safe Drinking Water Fee	855
Salaries	6,000
System Repair and Maintenance	5,414
System Supplies and Expense	681
Taxes-Payroll	459
Telephone and Utilities	<u>5,569</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>91,971</u>
<b>OPERATING LOSS</b>	(6,801)
<b>NON-OPERATING REVENUES AND (EXPENSES)</b>	
Interest Income	16
Interest Expense	<u>(4,217)</u>
<b>NET NON-OPERATING REVENUES (EXPENSES)</b>	<u>(4,201)</u>
<b>INCOME BEFORE TRANSFERS</b>	(11,002)
<b>TRANSFERS OUT</b>	<u>(5,445)</u>
<b>CHANGE IN NET POSITION</b>	(16,447)
<b>TOTAL NET POSITION - BEGINNING</b>	<u>513,083</u>
<b>TOTAL NET POSITION - ENDING</b>	<u>\$ 496,636</u>

See accountant's report.

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Water and Sewer Enterprise Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers and Users	\$ 83,576
Cash Payments for Goods and Services	(62,776)
Cash Payments for Salaries and Wages	<u>(6,000)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>14,800</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Proceeds from Operating Grants	24,079
Operating Transfers to General Fund	<u>(5,445)</u>
<b>NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>18,634</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Principal Payments on Revenue Bonds	(4,594)
Interest Payments on Revenue Bonds	<u>(4,219)</u>
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(8,813)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Received	<u>16</u>
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>16</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	24,637
<b>CASH AT BEGINNING OF YEAR</b>	<u>42,301</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 66,938</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating Loss	\$ (6,801)
Adjustments to Reconcile Operating Loss to Net Cash	
Provided by Operating Activities--	
Depreciation	27,081
(Increase) Decrease in Accounts Receivable	(1,819)
(Increase) Decrease in Prepaid Insurance	(24)
Increase (Decrease) in Accounts Payable	(3,864)
Increase (Decrease) in Accrued Expenses	2
Increase (Decrease) in Customers' Deposits	<u>225</u>
Total Adjustments	<u>21,601</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 14,800</u>
<b>CASH PER STATEMENT OF NET POSITION</b>	
Current Cash	\$ 5,833
Restricted Cash	<u>61,105</u>
<b>TOTAL CASH AT YEAR END</b>	<u>\$ 66,938</u>

See accountant's report.

**REQUIRED SUPPLEMENTAL INFORMATION**

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**--BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Budget
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Franchise Taxes	\$ 5,000	\$ 6,840	\$ 6,838	\$ (2)
Licenses and Permits	950	995	995	0
State Supplemental Police Pay	0	0	6,000	6,000
Rent	200	100	150	50
Miscellaneous	0	0	757	757
Interest	<u>5</u>	<u>1</u>	<u>2</u>	<u>1</u>
<b>TOTAL REVENUE</b>	<u>6,155</u>	<u>7,936</u>	<u>14,742</u>	<u>6,806</u>
<b>EXPENDITURES</b>				
General Government				
Beautification Committee	100	0	0	0
Dues	125	175	175	0
Insurance	0	0	100	(100)
Maintenance of Town Property	100	0	0	0
Miscellaneous	500	0	0	0
Office Supplies	200	50	32	18
Publications	50	25	11	14
Town Hall Expense	3,800	3,000	3,077	(77)
Travel	500	50	45	5
Police				
Auto Maintenance and Repairs	100	0	0	0
Insurance	885	885	785	100
Salaries	4,260	4,260	10,260	(6,000)
Supplies	50	0	0	0
Streets				
Street Lights	3,000	3,800	3,522	278
Park and Recreation				
Operations	200	0	0	0
Utilities	<u>0</u>	<u>0</u>	<u>277</u>	<u>(277)</u>
<b>TOTAL EXPENDITURES</b>	<u>13,870</u>	<u>12,245</u>	<u>18,284</u>	<u>(6,039)</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(7,715)	(4,309)	(3,542)	767
<b>OTHER FINANCING SOURCES</b>				
Operating Transfer In--Utility Fund	<u>7,260</u>	<u>7,260</u>	<u>5,445</u>	<u>(1,815)</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>7,260</u>	<u>7,260</u>	<u>5,445</u>	<u>(1,815)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES</b>	(455)	2,951	1,903	(1,048)
<b>FUND BALANCE - BEGINNING</b>	<u>26,160</u>	<u>26,160</u>	<u>27,551</u>	<u>1,391</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 25,705</u>	<u>\$ 29,111</u>	<u>\$ 29,454</u>	<u>\$ 343</u>

See accountant's report.



## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF DOWNSVILLE, LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO THE MAYOR**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**Mayor, Reggie Skains:**

Purpose

Amount

There were no payments made to the Mayor.

See accountant's report.