

**VILLAGE OF DOWNSVILLE
LOUISIANA**

**FINANCIAL STATEMENTS
DECEMBER 31, 2023**

VILLAGE OF DOWNSVILLE, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 2023

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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, 2023, 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. Such information is the responsibility of management. 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. 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
August 16, 2024

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities	Business Type Activities	Total
ASSETS			
Current Assets:			
Cash	\$ 14,324	\$ 11,564	\$ 25,888
Accounts Receivable, net	0	11,062	11,062
Taxes Receivable	1,349	0	1,349
Internal Balances	19,826	(19,826)	0
Prepaid Expenses	421	551	972
Noncurrent Assets:			
Restricted Cash	0	35,204	35,204
Capital Assets, net	389,362	559,508	948,870
Other Assets	0	30	30
TOTAL ASSETS	\$ 425,282	\$ 598,093	\$ 1,023,375
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 1,027	\$ 23,350	\$ 24,377
Accrued Expenses	0	415	415
Deferred Revenue	0	7,108	7,108
Accrued Interest Payable	0	32	32
Current Portion of Revenue Bonds Payable	0	5,101	5,101
Noncurrent Liabilities:			
Customer Deposits	0	14,827	14,827
Revenue Bonds Payable	0	67,918	67,918
TOTAL LIABILITIES	1,027	118,751	119,778
NET POSITION			
Invested in Capital Assets, net of related debt	389,362	486,489	875,851
Restricted for Debt Service	0	13,004	13,004
Unrestricted	34,893	(20,151)	14,742
TOTAL NET POSITION	424,255	479,342	903,597
TOTAL LIABILITIES AND NET POSITION	\$ 425,282	\$ 598,093	\$ 1,023,375

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES:							
General Government	\$ 3,437	\$ 0	\$ 0	\$ 0	\$ (3,437)	\$ 0	\$ (3,437)
Police	6,212	0	0	8,000	1,788	0	1,788
Streets	3,425	0	0	0	(3,425)	0	(3,425)
Parks and Recreation	21,901	0	514	0	(21,387)	0	(21,387)
TOTAL GOVERNMENTAL ACTIVITIES:	<u>34,975</u>	<u>0</u>	<u>514</u>	<u>8,000</u>	<u>(26,461)</u>	<u>0</u>	<u>(26,461)</u>
BUSINESS-TYPE ACTIVITIES:							
Water and Sewer	125,222	86,967	26,429	0	0	(11,826)	(11,826)
TOTAL PRIMARY GOVERNMENT	<u>\$ 160,197</u>	<u>\$ 86,967</u>	<u>\$ 26,943</u>	<u>\$ 8,000</u>	<u>(26,461)</u>	<u>(11,826)</u>	<u>(38,287)</u>
GENERAL REVENUES:							
Franchise Tax					6,196	0	6,196
Rent					650	0	650
Licenses					5,310	0	5,310
Investment Earnings					144	219	363
Other Revenue					750	0	750
TRANSFERS					<u>5,687</u>	<u>(5,687)</u>	<u>0</u>
TOTAL GENERAL REVENUES AND TRANSFERS					<u>18,737</u>	<u>(5,468)</u>	<u>13,269</u>
CHANGE IN NET POSITION					(7,724)	(17,294)	(25,018)
NET POSITION-BEGINNING					<u>431,979</u>	<u>496,636</u>	<u>928,615</u>
NET POSITION-ENDING					<u>\$ 424,255</u>	<u>\$ 479,342</u>	<u>\$ 903,597</u>

See accountant's report.

FUND FINANCIAL STATEMENTS

VILLAGE OF DOWNSVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
GENERAL FUND
DECEMBER 31, 2023

ASSETS		
Cash	\$	14,324
Franchise Tax Receivable		1,349
Due from Water and Sewer Fund		19,826
Prepaid Insurance		<u>421</u>
TOTAL ASSETS	\$	<u>35,920</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts Payable	\$	<u>1,027</u>
TOTAL LIABILITIES		<u>1,027</u>
FUND BALANCE:		
Nonspendable--		
Prepaid Insurance		421
Unassigned		<u>34,472</u>
TOTAL FUND BALANCE		<u>34,893</u>
TOTAL LIABILITIES AND FUND BALANCE	\$	<u>35,920</u>

RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023

Total Fund Balance-Governmental Fund	\$	34,893
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>389,362</u>
 Net Position of Governmental Activities	 \$	 <u>424,255</u>

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, 2023

REVENUES	
Franchise Taxes	\$ 6,196
Licenses and Permits	5,310
Intergovernmental Contributions	514
Rent	650
Miscellaneous	750
Interest	144
TOTAL REVENUES	<u>13,564</u>
EXPENDITURES	
General Government	
Dues	50
Insurance	100
Maintenance of Town Property	344
Publication	54
Town Hall Expense	2,839
Travel	50
Police Department	
Insurance	1,152
Salaries	4,260
Street Department	
Street Lights	3,425
Park and Recreation Department	
Repairs and Maintenance	1,030
Utilities	508
TOTAL EXPENDITURES	<u>13,812</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(248)
OTHER FINANCING SOURCES	
Operating Transfer In--Water and Sewer Fund	<u>5,687</u>
TOTAL OTHER FINANCING SOURCES	<u>5,687</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	5,439
FUND BALANCE-BEGINNING	<u>29,454</u>
FUND BALANCE-ENDING	<u><u>\$ 34,893</u></u>

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, 2023

NET CHANGE IN FUND BALANCES-GOVERNMENTAL FUNDS \$ 5,439

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

Governmental Funds do not record contributions of capital assets. However, in the Statement of Activities contribution revenue equal to the fair value of the capital assets is reported. An adjustment is required for the contribution of a truck to the Village. 8,000

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. (21,163)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (7,724)

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2023

	<u>Water and Sewer Enterprise Fund</u>
ASSETS	
CURRENT ASSETS:	
Cash	\$ 11,564
Accounts Receivable, net	11,062
Prepaid Insurance	<u>551</u>
TOTAL CURRENT ASSETS	<u>23,177</u>
NONCURRENT ASSETS:	
Restricted Cash	<u>35,204</u>
Capital Assets:	
Land	1,000
Equipment	3,484
Sewer System Improvements	417,675
Water Distribution System	1,409,461
Less Accumulated Depreciation	<u>(1,272,112)</u>
Capital Assets, net	<u>559,508</u>
Other Assets	<u>30</u>
TOTAL NONCURRENT ASSETS	<u>594,742</u>
TOTAL ASSETS	<u>617,919</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	23,350
Accrued Expenses	415
Deferred Revenue	7,108
Due to General Fund	19,826
Accrued Interest Payable	32
Current Maturities of Long-Term Debt	<u>5,101</u>
TOTAL CURRENT LIABILITIES	<u>55,832</u>
NONCURRENT LIABILITIES:	
Customer Deposits	14,827
Long-Term Debt	<u>67,918</u>
TOTAL NONCURRENT LIABILITIES	<u>82,745</u>
TOTAL LIABILITIES	<u>138,577</u>
NET POSITION	
Invested in Capital Assets, net of related debt	486,489
Restricted for Debt Service	13,004
Unrestricted	<u>(20,151)</u>
TOTAL NET POSITION	<u>\$ 479,342</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, 2023

	<u>Water and Sewer Enterprise Fund</u>
OPERATING REVENUES	
Water Sales	\$ 60,116
Sewer Charges	<u>26,851</u>
TOTAL OPERATING REVENUES	<u>86,967</u>
OPERATING EXPENSES	
Accounting	2,600
Depreciation	27,081
Dues	500
Insurance	2,229
Miscellaneous	20
Office Supplies	2,102
Outside Services	18,900
Purchased Water	22,038
Safe Drinking Water Fee	855
Salaries	6,000
System Repair and Maintenance	31,459
System Supplies and Expense	1,306
Taxes-Payroll	459
Telephone and Utilities	<u>5,703</u>
TOTAL OPERATING EXPENSES	<u>121,252</u>
OPERATING LOSS	(34,285)
NON-OPERATING REVENUES AND (EXPENSES)	
Intergovernmental Revenue - Grant	26,429
Interest Income	219
Interest Expense	<u>(3,970)</u>
NET NON-OPERATING REVENUES (EXPENSES)	<u>22,678</u>
INCOME BEFORE TRANSFERS	(11,607)
TRANSFERS OUT	<u>(5,687)</u>
CHANGE IN NET POSITION	(17,294)
TOTAL NET POSITION - BEGINNING	<u>496,636</u>
TOTAL NET POSITION - ENDING	<u>\$ 479,342</u>

See accountant's report.

VILLAGE OF DOWNSVILLE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Water and Sewer Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 93,135
Cash Payments for Goods and Services	(93,025)
Cash Payments for Salaries and Wages	<u>(6,000)</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>(5,890)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating Transfers to General Fund	<u>(5,687)</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>(5,687)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal Payments on Revenue Bonds	(4,841)
Interest Payments on Revenue Bonds	<u>(3,972)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(8,813)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	<u>219</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>219</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(20,171)
CASH AT BEGINNING OF YEAR	<u>66,939</u>
CASH AT END OF YEAR	<u>\$ 46,768</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Loss	\$ (34,285)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities--	
Depreciation	27,081
(Increase) Decrease in Accounts Receivable	6,318
(Increase) Decrease in Prepaid Insurance	24
Increase (Decrease) in Accounts Payable	(4,881)
Increase (Decrease) in Accrued Expenses	3
Increase (Decrease) in Customers' Deposits	<u>(150)</u>
Total Adjustments	<u>28,395</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (5,890)</u>
CASH PER STATEMENT OF NET POSITION	
Current Cash	\$ 11,564
Restricted Cash	<u>35,204</u>
TOTAL CASH AT YEAR END	<u>\$ 46,768</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, 2023

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	Amounts Budgetary Basis	Budget Favorable (Unfavorable)
REVENUES				
Franchise Taxes	\$ 5,000	\$ 5,910	\$ 6,196	\$ 286
Licenses and Permits	950	810	5,310	4,500
Contributions	0	13	514	501
Rent	200	500	650	150
Miscellaneous	0	0	750	750
Interest	<u>5</u>	<u>100</u>	<u>144</u>	<u>44</u>
TOTAL REVENUE	<u>6,155</u>	<u>7,333</u>	<u>13,564</u>	<u>6,231</u>
EXPENDITURES				
General Government				
Dues	125	175	50	125
Insurance	0	0	100	(100)
Maintenance of Town Property	100	100	344	(244)
Miscellaneous	500	500	0	500
Office Supplies	200	200	0	200
Publications	50	50	54	(4)
Town Hall Expense	3,000	3,000	2,839	161
Travel	250	250	50	200
Capital Outlay	0	0	50	(50)
Police				
Auto Maintenance and Repairs	100	100	0	100
Insurance	885	1,286	1,152	134
Salaries	4,260	4,260	4,260	0
Supplies	50	50	0	50
Streets				
Street Lights	3,500	3,800	3,425	375
Park and Recreation				
Operations	200	200	0	200
Professional Fees	0	0	1,030	(1,030)
Utilities	<u>0</u>	<u>0</u>	<u>508</u>	<u>(508)</u>
TOTAL EXPENDITURES	<u>13,220</u>	<u>13,971</u>	<u>13,862</u>	<u>109</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(7,065)	(6,638)	(298)	6,340
OTHER FINANCING SOURCES				
Operating Transfer In--Utility Fund	<u>7,260</u>	<u>7,260</u>	<u>5,687</u>	<u>(1,573)</u>
TOTAL OTHER FINANCING SOURCES	<u>7,260</u>	<u>7,260</u>	<u>5,687</u>	<u>(1,573)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	195	622	5,389	4,767
FUND BALANCE - BEGINNING	<u>27,551</u>	<u>27,551</u>	<u>29,454</u>	<u>1,903</u>
FUND BALANCE - ENDING	<u>\$ 27,746</u>	<u>\$ 28,173</u>	<u>\$ 34,843</u>	<u>\$ 6,670</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, 2023

Mayor, Reggie Skains:

Purpose

Amount

There were no payments made to the Mayor.

See accountant's report.

OTHER

VILLAGE OF DOWNSVILLE, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2023

SECTION I FINANCIAL STATEMENT FINDINGS

Finding 2023-1. Late Submitting Audit Report. The Village of Downsville did not submit their financial statements to the Legislative Auditor by June 30, 2024, as required by state law. The accountant engaged to issue a compilation report on the financial statements was not able to timely submit a current PEER Review Report (PRR) to the PRR Oversight Committee due to unforeseen health issues of the PRR preparer. The late submission of the PRR delayed the acceptance of the PRR by the PRR Oversight Committee until after June 30th. In that the accountant was required to have a current PRR which had been accepted by the PRR Oversight Committee on file with the Legislative Auditor for his compilation report to be accepted, the accountant was prevented from timely submitting compiled financial statements to the Legislative Auditor.

Response: The Village of Downsville will make inquiries of the accountant to determine if there are any anticipated problems that would prevent the accountant from being able to complete the 2024 compilation and submit the financial statements to the Legislative Auditor by June 30, 2025.

VILLAGE OF DOWNSVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2023

SECTION I AGREED-UPON PROCEDURES REPORT

FINDINGS

CURRENT YEAR STATUS

No Findings.