

VILLAGE OF DELTA

DELTA, LOUISIANA

Financial Statements

**For the Year Ended June 30, 2023
with
Independent Auditor's Report**

**VILLAGE OF DELTA
DELTA, LOUISIANA
FINANCIAL STATEMENTS
JUNE 30, 2023**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Review Report	1-4
Required Supplementary Information (Part I)	
Management's Discussion and Analysis	5-9
Basic Financial Statements	
Government- Wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	15
Statement of Net Position - Enterprise Fund	16
Statement of Revenues, Expenses, and Changes in Net Position- Enterprise Fund	17
Statement of Cash Flows - Enterprise Fund	18
Notes to the Financial Statements	19-27

-continued

**VILLAGE OF DELTA
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FINANCIAL STATEMENTS
JUNE 30, 2023**

TABLE OF CONTENTS - continued

	<u>Page No.</u>
Required Supplementary Information (Part II)	
Budget Comparison Schedules	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	28-29
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Non-Major Funds	30
Other Supplementary Information (Part III)	
Combining Balance Sheet - Non-Major Governmental Funds	31
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	32
Schedule of Compensation Paid to Mayor and Aldermen	33
Schedule of Compensation, Benefits, and Reimbursements Paid to Agency Head	34
Justice System Funding Schedule	35
Compliance Reporting and Other Schedules Required by Government Auditing Standards	
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 <i>Government Auditing Standards</i>	36-37
Schedule of Findings and Responses	38
Schedule of Prior Year Findings	39
Statewide Agreed-Upon Procedures	
Independent Accountants' Report on Applying Agreed-Upon Procedures	40-53

THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor, and Members of
The Board of Aldermen
Village of Delta
Delta, Louisiana

Report on the Financial Statements

Opinions

We 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 Village of Delta, Louisiana as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of June 30, 2023, 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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our audit. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor, and Members of
The Board of Aldermen
Village of Delta
Page Two

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 Village'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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 GAAS 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 judgement of a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*,
We

- Exercise professional judgement 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.

The Honorable Mayor, and Members of
The Board of Aldermen
Village of Delta
Page Three

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- 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 our judgement, there are conditions or events considered in the aggregate, which raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are 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 we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Honorable Mayor, and Members of
The Board of Aldermen
Village of Delta
Page Four

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Delta's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to the Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not part of the basic financial statements. Such information is the responsibility of management and was 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 our opinion, the Schedule of Compensation, Benefits, and Other Payments to the Agency Head or Chief Executive Officer is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Governmental Auditing Standards, we have also issued our report dated November 21, 2023, on our consideration of the Village of Delta, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Delta, Louisiana's internal control over financial reporting and compliance.

The Halford Firm, PLLC

Vicksburg, Mississippi
November 21, 2023

REQUIRED SUPPLEMENTARY INFORMATION

PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of The Village of Delta, Louisiana's financial performance provides an overview of the Village's financial activities for the year ended June 30, 2023. Please read it in conjunction with the Village's financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

The Village's net position increased \$211,832 as a result of this year's operations. This increase in net position is mainly due to the Village's investment in capital assets.

During the year, the Village had total expenses of \$386,856 in governmental activities and expenses of \$191,427 in the Water and Sewer Funds.

The Village's total revenue in governmental funds for the current year was \$673,206. This was an increase of \$245,025 from the previous year. This increase is mainly because of grant revenues received.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Village's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and illustrate a longer-term view of the Village's finances. The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-wide Financial Statements by providing information about the most significant funds. 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 Village's finances, in a manner similar to a private-sector business. The government-wide financial statements provide short- and long-term information about the Village's financial status as a whole.

The Village of Delta's government-wide financial statements include a Statement of Net Position (pg. 10) and Statement of Activities (pg. 11), which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the Statement of Net Position is to report all of the assets held and liabilities owed by the Village using the full accrual basis of accounting. The Village reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred.

The difference between the Village's total assets and total liabilities is reported as net position and this difference is similar to the total owner's equity presented by a commercial enterprise. Over time, increases or decreases in the Village's net position are indicators of whether financial health is improving or deteriorating.

The purpose of the Statement of Activities is to present the revenues and expenses of the Village. Again, the items presented on the Statement of Activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred by the Village. Thus, revenues are reported even though they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

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

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 impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds. Proprietary funds encompass enterprise funds on the fund financial statements. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The proprietary major fund presentation is presented on an accrual basis. Information is presented separately in the enterprise fund balance sheet and statement of revenues, expenditures and changes in fund balance for the Water and Sewer Funds, which are considered to be *major funds*.

Budget Adoption. The Village of Delta adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided to demonstrate compliance with this budget.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's performance.

REPORTING ON THE VILLAGE OF DELTA AS A WHOLE

The following table reflects the condensed Statement of Net Position:

CONDENSED STATEMENT OF NET POSITION Years Ended June 30, 2023, and 2022

	2023	2022
Assets		
Current and other assets	\$ 360,551	\$ 410,265
Capital assets, net of accumulated depreciation	1,583,401	1,457,810
Total Assets	<u>1,943,952</u>	<u>1,868,075</u>
Liabilities		
Current and other liabilities	88,261	61,202
Long-term note payable	70,417	233,431
Total Liabilities	<u>158,678</u>	<u>294,633</u>
Net Position		
Invested in capital assets, net of related debt	1,479,271	1,207,066
Restricted	91,123	244,480
Unrestricted	214,880	121,896
Total Net Position	<u>\$ 1,785,274</u>	<u>\$ 1,573,442</u>

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Delta, assets exceed liabilities at the close of the fiscal year by \$1,785,274 in 2023, and \$1,573,442 in 2022. Of these amounts \$1,479,271 or 83%, and \$1,207,066 or 77% of the total net position represents the investment of the Village in capital assets, net of related debt. Net position of \$214,880 for 2023, and \$121,896 for 2022, which are technically unrestricted, need to be viewed in light of information in the fund financial statements.

The following table reflects the condensed Statement of Activities:

CONDENSED STATEMENT OF ACTIVITIES
Years Ended June 30, 2023, and 2022

	<u>2023</u>	<u>2022</u>
Governmental Funds:		
Revenues		
Traffic fines	\$ 65,335	\$ 60,264
Taxes	144,212	153,186
Video poker	129,990	110,000
License & permits	14,345	16,220
Intergovernmental	273,907	58,677
Interfund transfer	(14,000)	1,527
Interest	480	-
Other	44,938	29,834
Total	<u>659,207</u>	<u>429,708</u>
Expenses		
General government	126,859	135,233
Public safety	190,531	174,882
Public works	69,466	52,596
Total	<u>386,856</u>	<u>362,711</u>
Change in Net Position	272,351	66,997
Net Position - beginning	<u>381,367</u>	<u>314,370</u>
Net Position - ending	<u><u>\$ 653,718</u></u>	<u><u>\$ 381,367</u></u>
Business Type Activities:		
Revenues		
Charges for service	\$ 106,984	\$ 118,843
Intergovernmental	7,493	12,507
Other	2,431	2,644
Interfund transfer	14,000	(1,527)
Total	<u>130,908</u>	<u>132,467</u>
Expenses		
Water & sewer	<u>191,427</u>	<u>190,766</u>
Change in Net Position	(60,519)	(58,299)
Net Position - beginning	<u>1,192,075</u>	<u>1,250,374</u>
Net Position - ending	<u><u>\$ 1,131,556</u></u>	<u><u>\$ 1,192,075</u></u>

Financial Analysis of the Government's Funds

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2023, combined governmental fund balances of \$287,515, an increase of \$71,620 when compared to June 30, 2022.

Budgetary Highlights

The Village's budget is prepared according to Louisiana law.

A budgetary comparison schedule showing the Village's original and amended adopted budgets compared with actual operating results is provided in the report that follows.

Economic Factors and Next Year's Budgets

The Village considered many factors when setting the 2024 budget.

Revenues and expenditures of the Village's funds are expected to remain fairly consistent with the 2023 fiscal year, with the exception of grant revenues and capital outlay.

Capital Asset and Debt Administration

Capital assets. The Village's investment in capital assets as of June 30, 2023, amounts to \$1,583,401 (net of accumulated depreciation). This investment includes land, buildings, water and sewer plants, furniture, equipment and automobiles. Depreciation expense was \$112,808.

Long-term debt. At June 30, 2023, the Village had one note on the sewer treatment plant totaling \$76,903, and a note for police vehicle and fire truck of \$27,227.

Contacting the Village's Management

This financial report is designed to provide our taxpayers with a general overview of the Village's finances and to show the Village's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village of Delta, P. O. Box 29, Delta, Louisiana 71233.

BASIC FINANCIAL STATEMENTS

**VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2023**

	Government	Business Type	Total
Assets			
Cash and cash equivalents	\$ 267,370	\$ 10,911	\$ 278,281
Accounts receivable	39,817	11,027	50,844
Interfund balance	337	(337)	-
Restricted assets - cash	5,549	25,877	31,426
Capital assets - net	393,430	1,189,971	1,583,401
Total Assets	<u>706,503</u>	<u>1,237,449</u>	<u>1,943,952</u>
Liabilities			
Accounts payable	14,197	13,790	27,987
Accrued wages	4,031	-	4,031
Payroll taxes payable	7,330	-	7,330
Customer deposits	-	15,200	15,200
Notes payable - current	13,279	20,434	33,713
Total Current Liabilities	<u>38,837</u>	<u>49,424</u>	<u>88,261</u>
Notes payable - long term	13,948	56,469	70,417
Total Long Term Liabilities	<u>13,948</u>	<u>56,469</u>	<u>70,417</u>
Total Liabilities	<u>52,785</u>	<u>105,893</u>	<u>158,678</u>
Net Position			
Invested in capital assets, net of related debt	366,203	1,113,068	1,479,271
Restricted	80,446	10,677	91,123
Unrestricted	207,069	7,811	214,880
Total Net Position	<u>\$ 653,718</u>	<u>\$ 1,131,556</u>	<u>\$ 1,785,274</u>

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

**VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Function/Program	Program-Revenue				Net Revenue (Expenses)		
	Expenses	Charges for Services	Operating Grants	Capital Grants	Government Activities	Business-Type Activities	Total
Governmental Activities:							
General government	\$ 126,859	\$ -	\$ -	\$ -	\$ (126,859)	\$ -	\$ (126,859)
Public safety	190,531	65,335	12,000	5,000	(108,196)	-	(108,196)
Public works	69,466	-	46,677	210,230	187,441	-	187,441
Total Government Activities	386,856	65,335	58,677	215,230	(47,614)	-	(47,614)
Business Type Activities:							
Water & sewer	191,427	106,984	7,493	-	-	(76,950)	(76,950)
Total Primary Government	<u>\$ 578,283</u>	<u>\$ 172,319</u>	<u>66,170</u>	<u>\$ 215,230</u>	<u>(47,614)</u>	<u>(76,950)</u>	<u>(124,564)</u>
General Revenues:							
Ad valorem taxes					37,116	-	37,116
Licenses and permits					14,345	-	14,345
Sales tax					100,258	-	100,258
Franchise tax					6,838	-	6,838
Video poker					129,990	-	129,990
Transfers					(14,000)	14,000	-
Rents					14,650	-	14,650
Interest income					480	-	480
Other revenue					30,288	2,431	32,719
Total General Revenues					319,965	16,431	336,396
Changes in Net Position					272,351	(60,519)	211,832
Net Position - Beginning					381,367	1,192,075	1,573,442
Net Position - Ending					<u>\$ 653,718</u>	<u>\$ 1,131,556</u>	<u>\$ 1,785,274</u>

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

**VILLAGE OF DELTA
DELTA, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

	General Fund	Other Governmental Funds	Total
Assets			
Cash	\$ 193,094	\$ 79,825	\$ 272,919
Receivables	39,335	482	39,817
Interfund receivable	-	337	337
Total Assets	<u>232,429</u>	<u>80,644</u>	<u>313,073</u>
Liabilities			
Accounts payable	13,999	198	14,197
Accrued wages	4,031	-	4,031
Payroll taxes payable	7,330	-	7,330
Total Liabilities	<u>25,360</u>	<u>198</u>	<u>25,558</u>
Fund Balance			
Assigned fund balance	-	80,446	80,446
Unassigned fund balance	207,069	-	207,069
Total Fund Balance	<u>207,069</u>	<u>80,446</u>	<u>287,515</u>
 Total Liabilities and Equity	 <u>\$ 232,429</u>	 <u>\$ 80,644</u>	 <u>\$ 313,073</u>

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

**VILLAGE OF DELTA
DELTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2023**

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

Fund Balances, Total Governmental Funds	\$ 287,515
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	393,430
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities.	<u>(27,227)</u>
Net Position of Governmental Activities	<u>\$ 653,718</u>

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

**VILLAGE OF DELTA
DELTA, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023**

	General Fund	Other Governmental Funds	Total
Revenues			
Ad valorem taxes	\$ 6,437	\$ 30,679	\$ 37,116
Fines & court fees	62,115	3,220	65,335
Licenses & permits	14,345	-	14,345
Sales tax	100,258	-	100,258
Franchise tax	6,838	-	6,838
Beer tax	1,999	-	1,999
Video poker	129,990	-	129,990
Intergovernmental	273,907	-	273,907
Rent	14,650	-	14,650
Interest	480	-	480
Other	21,286	7,002	28,288
Total Revenues	<u>632,305</u>	<u>40,901</u>	<u>673,206</u>
Expenditures			
Current:			
General governmental	124,412	-	124,412
Public safety	144,242	14,572	158,814
Public works	51,248	60	51,308
Capital outlay	234,299	4,100	238,399
Debit service:			
Principal payment	3,496	9,145	12,641
Interest payment	557	1,455	2,012
Total Expenditures	<u>558,254</u>	<u>29,332</u>	<u>587,586</u>
Excess of Revenues Over Expenditures	<u>74,051</u>	<u>11,569</u>	<u>85,620</u>
Other Financing Sources (Uses)			
Transfers in	6,702	-	6,702
Transfers out	(14,000)	(6,702)	(20,702)
Total Other Financing Sources (Uses)	<u>(7,298)</u>	<u>(6,702)</u>	<u>(14,000)</u>
Net Change in Fund Balance	66,753	4,867	71,620
Fund Balance - Beginning	<u>140,316</u>	<u>75,579</u>	<u>215,895</u>
Fund Balance - Ending	<u>\$ 207,069</u>	<u>\$ 80,446</u>	<u>\$ 287,515</u>

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

**VILLAGE OF DELTA
DELTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

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

Net Change in Fund Balances, Total Governmental Funds	\$ 71,620
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal payments	12,641
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Government 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 outlay exceeded depreciation in the current period.

<u>188,090</u>

Change in Net Position of Governmental Activities

<u><u>\$272,351</u></u>

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

VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF NET POSITION – ENTERPRISE FUND
JUNE 30, 2023

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Assets			
Current Assets:			
Cash and cash equivalents	\$ 1,443	\$ 9,468	\$ 10,911
Accounts receivable	5,943	5,084	11,027
Interfund receivable	-	3,018	3,018
Total Current Assets	<u>7,386</u>	<u>17,570</u>	<u>24,956</u>
Non-current Assets:			
Restricted cash and cash equivalents	15,200	10,677	25,877
Capital assets:			
Depreciable:			
Property, plant, and equipment	458,605	1,637,778	2,096,383
Accumulated depreciation	(139,209)	(770,203)	(909,412)
Land	3,000	-	3,000
Total Non-current Assets	<u>337,596</u>	<u>878,252</u>	<u>1,215,848</u>
Total Assets	<u>344,982</u>	<u>895,822</u>	<u>1,240,804</u>
Liabilities and Net Assets			
Current Liabilities:			
Accounts payable	12,887	903	13,790
Interfund payable	3,355	-	3,355
Note payable - Current	-	20,434	20,434
Total Current Liabilities	<u>16,242</u>	<u>21,337</u>	<u>37,579</u>
Liabilities payable from restricted assets:			
Customer deposits	15,200	-	15,200
Long-Term Debt:			
Note payable - Long term	-	56,469	56,469
Total Liabilities	<u>31,442</u>	<u>77,806</u>	<u>109,248</u>
Net Position (Deficit)			
Invested in capital assets, net of related debt	322,396	790,672	1,113,068
Restricted	-	10,677	10,677
Unrestricted	(8,856)	16,667	7,811
Total Net Position	<u>\$ 313,540</u>	<u>\$ 818,016</u>	<u>\$ 1,131,556</u>

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

**VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION – ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating Revenues:			
Water and sewer revenue	\$ 63,159	\$ 43,825	\$ 106,984
Other operating revenue	2,431	-	2,431
Total Operating Revenue	<u>65,590</u>	<u>43,825</u>	<u>109,415</u>
Operating Expenses:			
Water purchases	97,929	-	97,929
Repairs and maintenance	5,452	6,968	12,420
Utilities	5,310	6,311	11,621
Office	435	3,199	3,634
Depreciation	25,776	36,723	62,499
Total Operating Expenses	<u>134,902</u>	<u>53,201</u>	<u>188,103</u>
Net Operating Profit (Loss)	<u>(69,312)</u>	<u>(9,376)</u>	<u>(78,688)</u>
Non-operating Revenues (Expenses)			
Transfers in	14,000	-	14,000
Intergovernmental	7,493	-	7,493
Interest expense	-	(3,324)	(3,324)
Total Non-operating Revenue	<u>21,493</u>	<u>(3,324)</u>	<u>18,169</u>
Net Income (Loss)	(47,819)	(12,700)	(60,519)
Net Position - Beginning	<u>361,359</u>	<u>830,716</u>	<u>1,192,075</u>
Net Position - Ending	<u>\$ 313,540</u>	<u>\$ 818,016</u>	<u>\$ 1,131,556</u>

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

**VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF CASH FLOWS – ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2023**

Cash Flows From Operating Activities	
Cash received from customers	\$ 113,095
Cash payments for water purchases	(96,156)
Cash payments for other operating expenses	<u>(26,985)</u>
Net cash provided (used) by operating activities	<u>(10,046)</u>
Cash Flows From Capital And Financing Activities	
Increase in customer deposits	2,550
Operating grants	7,493
Loan payments	(133,973)
Transfers in	14,000
Interest expense	<u>(3,324)</u>
Net cash provided (used) by capital and financing activities	<u>(113,254)</u>
Net Increase (Decrease) in Cash and Cash Equivalent	(123,300)
Cash and Cash Equivalents - Beginning	<u>160,088</u>
Cash and Cash Equivalents - Ending	<u>\$ 36,788</u>
Supplemental Disclosures	
Cash paid for interest	<u>\$ 3,324</u>
Reconciliation of Net Profit from Operation to Net Cash Provided By Operation:	
Net Operating - Profit (Loss)	\$ (78,688)
Depreciation expense	62,499
Decrease in accounts receivable	3,467
Increase in accounts payable	2,463
Decrease in interfund payable	<u>213</u>
Net Cash Provided By Operations	<u>\$ (10,046)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

INTRODUCTION

The Village of Delta, Louisiana (the Village) was created under the provisions of the Lawrason Act, Louisiana Revised Statute 33:321 on August 28, 1973, and operates under a Mayor-Board of Aldermen form of government.

The Mayor and three Alderpersons are elected at large every four years by the citizens of the Village and are compensated for their services.

The purpose of the municipality is to promote the general welfare, safety, health, peace, good order, comfort, convenience, and morals of its inhabitants.

The Village is situated in the northeast part of Madison Parish with a population of 232. Within its boundaries are approximately 5 miles of roads maintained by the Village. It is currently servicing 134 water and sewer customers and employs 9 people.

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 the provisions of this statement, the Village 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 Village 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. The Village does not have oversight of any other component units. Therefore, no other government unit is included in the Village's financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly

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**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023 - continued**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Government-Wide and Fund Financial Statements (continued)

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

Enterprise funds are used to account for operations: (a) that are financed and operated similarly to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expense incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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. 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 revenues 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 claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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.

**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023 - continued**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The Village reports the following major governmental funds:

The General Fund is the Village'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 Village also has three funds that are considered non-major:

Fire Department Fund - A fee is added to each water bill monthly to be used for the maintenance and operation cost of the Village's fire department.

Street Fund - This is used to maintain the Village's streets.

Drug Fund - This fund recovers funds from each drug arrest within the Village and the proceeds are used in helping maintain the Village's police force.

All proprietary funds are accounted for on an economic resources' measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on an accrual basis when the exchange takes place.

C. Cash and Cash Equivalents

Cash includes amounts in demand deposits. Under state law, the Village may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Certificates of deposits are classified as investments if their maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents.

D. Investments

Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings.

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**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023- continued**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Capital Assets

Under GASB Statement No. 34, capital assets, which include buildings, other improvements, machinery and equipment, vehicles, and furniture and fixtures, are reported and depreciated in the applicable government or business-type activities column of the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental fund statements.

As permitted by GASB Statement No. 34, the Village has elected not to capitalize infrastructure assets retroactively such as streets, sidewalks, drainage, and street lighting.

All purchased capital assets are recorded at cost. Donated capital assets are valued at fair market value at date of gift. Major additions are capitalized while maintenance and repairs that do not improve or extend the life of the respective assets are charged to expense. Interest is capitalized on funds used during construction of projects acquired with bonds.

Capital assets are depreciated over the estimated useful lives of the assets using the straight-line method. Estimated useful lives are as follows (in years):

Buildings	26 to 40 years
Water System	30 to 40 years
Sewerage System	40 years
Office Equipment	5 to 10 years
Equipment & Vehicles	5 to 20 years
Infrastructure	10 to 40 years

E. Fund Equity

Beginning with fiscal year 2011, the Village implemented GASB Statement No. 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 balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

Restricted Fund Balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision, or by enabling legislation.

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**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023 - continued**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Fund Equity (continued)

Committed Fund Balance - amounts constrained to specific purposes by the Village itself, using its highest level of decision-making authority (i.e., Mayor/Board of Aldermen). To be reported as committed, amounts cannot be used for any other purpose unless the Village takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance - amounts the Village intends to use for a specific purpose. Intent is expressed by the Mayor/Board of Aldermen.

Unassigned Fund Balance - amounts that are available for any purpose.

G. Restricted Net Position

For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on assets use are either:

- Externally imposed by creditors (such as debt covenants), grants, contributors, laws, or regulations of other governments, or
- Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

H. Budgets and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in these financial statements.

1. Prior to the beginning of each fiscal year, the Mayor submits a proposed budget to the Board of Aldermen for their approval.
2. A public hearing is conducted to obtain taxpayer comments.
3. The Board of Aldermen approves the budget prior to the beginning of the fiscal year.
4. Budget amendments during the fiscal year require approval by the Board of Aldermen.
5. All budgetary appropriations lapse at the end of the fiscal year.

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**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023 - continued**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Property Taxes

Ad valorem taxes were levied for the General Fund at 7.83 mils for 2023. Ad valorem taxes were levied for the Street Fund at 7.00 mils for 2023. Ad valorem taxes, which attach as enforceable liens on property as of January 1, are levied in October, become due on receipt and until December 31, and become delinquent on January 1 of the following year. The taxes are generally collected in December of the current year and January and February of the following year.

I. Compensated Absences

Employees of the Village do not accrue or "carry forward" vacation or sick pay from year to year. As such, there are no accruals made in either the Enterprise Funds, or the General Long-Term Debt account group for these payments.

J. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

K. Retirement Plan

The Village does not participate in any retirement fund; therefore, all employees are covered by the social security administration.

NOTE 2 - CASH AND CASH EQUIVALENTS

At June 30, 2023, the Village had cash and cash equivalents totaling \$309,707 as follows:

Demand deposits	\$ 159,615
Interest bearing demand deposits	150,092
Total	<u>\$ 309,707</u>

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**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023 – continued**

These deposits are stated at cost, which approximates market. Under state law, these deposits 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 the 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 accepted to both parties.

Even though the pledged securities are considered uncollateralized under the provisions 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 district attorney that the fiscal agent has failed to pay deposited funds upon demand.

As of June 30, 2023, the book balance of the Village's bank accounts was \$309,707, and the bank balance was \$319,761. Of the bank balance, \$319,761 was covered by federal depository insurance and \$-0- by pledged securities.

NOTE 3 - RECEIVABLES

Receivables at June 30, 2023, consist of the following:

	<u>Governmental</u>	<u>Enterprise</u>	<u>Totals</u>
Receivables:			
Taxes	\$ 30,109	\$ -	\$ 30,109
Accounts	9,708	11,027	20,735
Total receivables	<u>\$ 39,817</u>	<u>\$ 11,027</u>	<u>\$ 50,844</u>

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**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023 – continued**

NOTE 4 – CHANGES IN CAPITAL ASSETS

The changes in capital assets are as follows:

	Balance 6/30/2022	Additions	Deductions	Balance 6/30/2023
Governmental Activities:				
Land	\$ 3,310	\$ -	\$ -	\$ 3,310
Construction in progress	-	3,333	-	3,333
Fire Station and steel building	423,208	4,100	-	427,308
Fire Station equipment	126,006	-	-	126,006
Tractors and equipment	66,080	-	-	66,080
Police equipment	180,359	2,995	-	183,354
Office equipment	10,929	6,100	-	17,029
Infrastructure	-	221,871	-	221,871
Monument and playground	10,654	-	-	10,654
Total Capital Assets	820,546	238,399	-	1,058,945
Less: Accumulated depreciation	(615,206)	(50,309)	-	(665,515)
Net Capital Assets-governmental activities	205,340	188,090	-	393,430
Business-Type Activities:				
Land	3,000	-	-	3,000
Water tanks	191,237	-	-	191,237
Water treatment motor	19,863	-	-	19,863
Water main	247,505	-	-	247,505
Sewer treatment plant	1,121,815	-	-	1,121,815
Sewer tie-in	515,963	-	-	515,963
Total Capital Assets	2,099,383	-	-	2,099,383
Less Accumulated depreciation	(846,913)	(62,499)	-	(909,412)
Net Capital Assets-business-type activities	\$1,252,470	\$ (62,499)	\$ -	\$1,189,971

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**VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023- continued**

NOTE 5 – NOTES PAYABLE

The Village completed a new sewer treatment plant in 2008. The plant was financed by two bond issues and grants. The Village paid these bonds in full this year. This was done with cash the Village had, as well as a new loan from Communities Unlimited Inc. This new note is \$85,000 dated December 27, 2022. The interest rate is 3.5% during the first thirty-six months per annum during the initial thirty-six months of the loan. The interest rate will increase to 4.5% during months thirty-seven through forty-eight. The monthly payment is \$1,900.26. Beginning December 7, 2025, the monthly payment may be adjusted to keep the monthly payments consistent with remaining amortization.

Principal balance	\$ 76,903
Current portion	<u>20,434</u>
Long - Term	<u><u>\$ 56,469</u></u>

<u>Maturity Schedule</u>	<u>Required Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Mortgage Balance</u>
June 30, 2024	22,803	20,434	2,369	56,469
June 30, 2025	22,803	21,166	1,637	35,303
June 30, 2026	22,803	21,784	1,019	13,519
June 30, 2027	13,730	13,519	211	-
Total	<u>\$ 82,139</u>	<u>\$ 76,903</u>	<u>\$ 5,236</u>	<u>\$ -</u>

The Village purchased a police vehicle and fire truck in a prior fiscal year. The equipment was financed through Republic First National Corporation. The original contract amount was \$75,511 with interest at 5.047%. The term is for six yearly installments of \$14,652.62. The balance at June 30, 2023, is \$27,227.

NOTE 6 – CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 21, 2023, the day the financial statements were available to be issued. No events came to our attention that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

**VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGED IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Original	Amended	Actual	Variance Favorable (Unfavorable)
Revenues				
Sales tax	\$ 106,750	\$ 99,500	\$ 100,258	\$ 758
Traffic fines	41,500	63,500	62,115	(1,385)
Occupational licenses / permits	16,200	14,150	14,345	195
Ad valorem tax	6,700	6,425	6,437	12
Intergovernmental	12,000	272,000	273,907	1,907
Beer tax	230	2,000	1,999	(1)
Video poker	60,000	75,000	129,990	54,990
Vending machines	11,500	13,600	14,357	757
Franchise tax	6,300	6,300	6,838	538
Rent	13,720	14,650	14,650	-
Interest	-	411	480	69
Other	3,885	12,525	16,052	3,527
Total Revenue	278,785	580,061	641,428	61,367
Expenditures				
Office salary	40,000	42,500	40,976	1,524
Police salary	90,000	107,200	109,091	(1,891)
Mayor salary	12,600	12,600	12,600	-
City council salary	3,060	3,060	3,060	-
Water professional	4,500	4,500	2,850	1,650
Utility/Maintenance salary	33,000	37,250	38,292	(1,042)
Advertising	3,000	1,500	1,162	338
Vending machines	8,000	8,700	9,124	(424)
Justice System Funding	9,500	10,000	8,788	1,212
Election expense	100	100	-	100
Dues and subscriptions	1,400	1,400	575	825
Insurance	37,500	37,500	23,662	13,838
Legal and accounting	14,500	14,500	12,959	1,541
Office expense	8,509	8,599	6,195	2,404
Repairs and maintenance	2,500	1,500	1,206	294
Travel	1,900	1,900	1,815	85
Police car maintenance	9,000	9,000	6,484	2,516
Police payroll tax	6,000	8,000	8,106	(106)
Police car gas	11,000	11,000	10,341	659
Police supplies	500	500	398	102
Police training	500	500	-	500
Police cell phone	720	1,050	1,035	15
Miscellaneous	250	250	-	250
Payroll taxes	7,500	7,200	7,373	(173)
Tax assessor	274	309	309	-
Telephone	1,400	1,400	1,292	108
Utilities	9,700	12,000	11,307	693
Mowing and maintenance	2,700	10,160	10,025	135
Mosquito control	4,000	-	-	-
Debit service	4,100	4,100	4,053	47
Capital outlay	5,000	236,045	234,299	1,746
Total Expenditures	332,713	594,323	567,377	26,946

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**VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGED IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023 – continued**

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(53,928)</u>	<u>(14,262)</u>	<u>74,051</u>	<u>88,313</u>
Other Financing Sources (Uses)				
Transfers in	-	6,752	6,702	(50)
Transfers out	-	(14,000)	(14,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(7,248)</u>	<u>(7,298)</u>	<u>(50)</u>
Net Change in Fund Balance	(53,928)	(21,510)	66,753	88,263
Fund Balance - Beginning	<u>140,316</u>	<u>140,316</u>	<u>140,316</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 86,388</u>	<u>\$ 118,806</u>	<u>\$ 207,069</u>	<u>\$ 88,263</u>

**VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – NON MAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

	Original	Amended	Actual	Variance Favorable (Unfavorable)
Revenues				
Ad Valorem	\$ 32,277	\$ 30,628	\$ 30,679	\$ 51
Fines	7,100	3,220	3,220	-
Other	-	2,719	2,719	-
Monthly fees	4,100	4,100	4,283	183
Total Revenues	<u>43,477</u>	<u>40,667</u>	<u>40,901</u>	<u>234</u>
Expenditures				
Supplies	4,100	1,200	997	203
Equipment rent	340	-	-	-
Training/travel	2,711	2,350	3,551	(1,201)
Capital outlay	5,204	4,100	4,100	-
Debt service	10,600	10,600	10,600	-
Utilities	2,000	1,300	1,282	18
Insurance	4,000	3,425	3,413	12
Inspection fees	305	75	75	-
Telephone	2,000	1,500	1,608	(108)
Repairs and maintenance	6,500	1,730	1,328	402
Office	1,925	2,530	2,378	152
Total Expenditures	<u>39,685</u>	<u>28,810</u>	<u>29,332</u>	<u>(522)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,792</u>	<u>11,857</u>	<u>11,569</u>	<u>(288)</u>
Other Sources (Uses)				
Transfers In (Out)	<u>1,527</u>	<u>(6,702)</u>	<u>(6,702)</u>	<u>-</u>
Total Other Sources	<u>1,527</u>	<u>(6,702)</u>	<u>(6,702)</u>	<u>-</u>
Net Change in Fund Balance	5,319	5,155	4,867	(288)
Fund Balance - Beginning	<u>75,579</u>	<u>75,579</u>	<u>75,579</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 80,898</u>	<u>\$ 80,734</u>	<u>\$ 80,446</u>	<u>\$ (288)</u>

OTHER SUPPLEMENTARY INFORMATION

PART III

**VILLAGE OF DELTA
DELTA, LOUISIANA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	<u>Drug Fund</u>	<u>Street Account</u>	<u>Volunteer Fire Department</u>	<u>Total</u>
Assets:				
Cash	\$ 5,658	\$ 26,646	\$ 47,521	\$ 79,825
Accounts Receivables	-	-	482	482
Interfund Balance	-	-	337	337
Total Assets	<u>5,658</u>	<u>26,646</u>	<u>48,340</u>	<u>80,644</u>
Liabilities and Fund Balance				
Liabilities:				
Accounts Payable	-	-	198	198
Fund Balance:				
Assigned Fund Balance	<u>5,658</u>	<u>26,646</u>	<u>48,142</u>	<u>80,446</u>
Total Liabilities and Fund Balance	<u>\$ 5,658</u>	<u>\$ 26,646</u>	<u>\$ 48,340</u>	<u>\$ 80,644</u>

**VILLAGE OF DELTA
DELTA, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

	Drug Fund	Street Account	Volunteer Fire Department	Total
Revenues				
Ad Valorem taxes	\$ -	\$ 6,198	\$ 24,481	\$ 30,679
Fines & court fees	3,220	-	-	3,220
Other	-	-	7,002	7,002
Total Revenues	<u>3,220</u>	<u>6,198</u>	<u>31,483</u>	<u>40,901</u>
Expenditures				
Current:				
Public safety	5,477	-	9,095	14,572
Public works	-	60	-	60
Capital outlay	-	-	4,100	4,100
Debt service	-	-	10,600	10,600
Total Expenditures	<u>5,477</u>	<u>60</u>	<u>23,795</u>	<u>29,332</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(2,257)</u>	<u>6,138</u>	<u>7,688</u>	<u>11,569</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	(6,702)	-	(6,702)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(6,702)</u>	<u>-</u>	<u>(6,702)</u>
Net Change in Fund Balance	(2,257)	(564)	7,688	4,867
Fund Balance - Beginning	<u>7,915</u>	<u>27,210</u>	<u>40,454</u>	<u>75,579</u>
Fund Balance - Ending	<u>\$ 5,658</u>	<u>\$ 26,646</u>	<u>\$ 48,142</u>	<u>\$ 80,446</u>

**VILLAGE OF DELTA
DELTA, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO MAYOR AND ALDERMEN
FOR THE YEAR ENDED JUNE 30, 2023**

At the end of the current year, Mayor Marvin Ashley's salary was \$1,050 per month with a total of \$12,600 for the year.

Aldermen

Kathy Davis	\$ 1,020
Stephanie Edleston	1,020
Pam Stokes	<u>1,020</u>
 Total	 <u><u>\$ 3,060</u></u>

**VILLAGE OF DELTA
DELTA, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND
REIMBURSEMENTS PAID TO AGENCY HEAD
JUNE 30, 2023**

Marvin Ashley – Mayor

Salary & expense amount	\$ 13,564
Reimbursements	<u>243</u>
Total	<u><u>\$ 13,807</u></u>

**VILLAGE OF DELTA
DELTA, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEDULE
COLLECTING / DISBURSING ENTITY
FOR THE YEAR ENDED JUNE 30, 2023**

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected	\$ -	\$ -
Add: Collections		
Criminal Fines- other	40,529	24,593
Subtotal Collections	40,529	24,593
Less: Disbursements to Governments and Nonprofits-		
Louisiana Commission of Law Enforcement- Criminal Fines	360	143
Louisiana State Treasurer CMIS - Criminal Fines	140	73
LA Dept of Health & Hospitals THI/SCI - Criminal Fines	500	265
North LA Criminalistics Lab - Criminal Fines	5,150	2,050
Louisiana Supreme Court- Criminal Fines	70	37
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	34,309	22,025
Subtotal Disbursement/Retainage	40,529	24,593
Ending Balance of Amounts Collected but not Disbursed/Retained	\$ -	\$ -

COMPLIANCE REPORTING AND OTHER SCHEDULES REQUIRED BY
GOVERNMENT AUDITING STANDARDS

THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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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 *GOVERN- MENT AUDITING STANDARDS*

Honorable Mayor and Members
Of the Board of Aldermen
Village of Delta, Louisiana

We have audited the financial statements of the Village of Delta as of and for the year ended June 30, 2023, and have issued our report thereon dated November 21, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village of Delta's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. We did not identify any deficiencies in internal control that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Delta's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance and other matters, described as 23-01, that is required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Village of Delta, management, other within the organization, and appliance State Auditors and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statue 24:513, this report is distributed by the Legislative Auditor as a public document.

The Halford Firm, PLLC

Vicksburg, Mississippi
November 21, 2023

**VILLAGE OF DELTA, LOUISIANA
DELTA, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023**

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the annual financial statements of the Village of Delta, Louisiana.
2. No instances of noncompliance material to the financial statements were disclosed during the audit of the financial statements.
3. One significant deficiency relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control.

FINDINGS - FINANCIAL STATEMENTS AUDIT

23-01- Segregation of Duties

CONDITION: The Village does not have an adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follow: "Internal control is a process, effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations."

CAUSE: The cause of the condition is the fact that the Village does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Management should consider hiring additional staff and/or outside services to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Village has determined that it is not cost effective to achieve complete segregation of duties within the accounting functions.

**VILLAGE OF DELTA, LOUISIANA
DELTA, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022**

The following is a summary of the status of the prior year findings included in the auditor's report dated December 12, 2022, covering the examination of the financial statements of the Village of Delta as of and for the year ended June 30, 2022.

22-01 – Segregation of Duties

Findings:

During our audit we noted that the size of the Village of Delta and the limited number of employees does not permit an adequate segregation of employee duties for effective internal control. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Status:

This finding was not resolved and is a repeat finding in the current year.

**STATEWIDE
AGREED-UPON PROCEDURES**

THE HALFORD FIRM, PLLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of The Village of Delta
and the Louisiana Legislative Auditor,

We have performed the procedures enumerated below, which were agreed to by the Village of Delta and the Louisiana Legislative Auditor (LLA), solely to assist the users in evaluating management's assertions about the Village of Delta's compliance with certain laws and regulations during the fiscal year ended June 30, 2023, included in the Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures (SAUPs). The Village of Delta's management is responsible for those control and compliance (C/C) areas identified in the SAUPs.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Governmental Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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

-continued

Written Policies and Procedures - continued

- 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).
- e) ***Payroll/Personnel***, including (1) payroll processing, and (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.
- 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) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) ***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)
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-11121, (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.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 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) ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

In examining written procedures, we noted the following exceptions. The Village does not have written policies and procedures for budgeting, contracting, debt service, and disaster relief.

-continued

Written Policies and Procedures – continued

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 meets with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

The board met with a quorum at least monthly.

- 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 funds. *Alternatively, for those entities reporting on the not-for-profit 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.*

The board reviews their financial statements monthly, which include actual to 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.

The general fund did not have a negative fund balance in the prior year audit report.

- d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

The Village had one audit finding in the prior year audit report (Segregation of Duties). Due to the limited number of employees, the Village cannot achieve complete separation of duties.

Bank Reconciliations

3. Obtain a listing of the 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:

-continued

Written Policies and Procedures – continued

Bank Reconciliations-continued

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

No exception noted.

- b) Bank reconciliations include evidence that a member of management or a 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

There was not any evidence reconciliations were reviewed by management.

- 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.

There were not any checks outstanding for 12 months.

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 Village has only one deposit site.

- 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 there are no written policies or procedures, then 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:

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

The Village clerk and assistant share a cash drawer.

- b) Each employee responsible for collecting cash is also 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 employee collecting cash is responsible for preparation of the deposit slips and does make the deposit.

- c) Each employee responsible for collecting cash is not also 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 employees responsible for collecting cash do not record the general ledger.

-continued

Written Policies and Procedures – continued

Collections (excluding electronic funds transfers) -continued

- 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, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

The employees responsible for reconciling cash collection to the general ledger are not responsible for collecting cash.

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

All employees are covered by a bond.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3 (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.

Receipts are sequentially pre-numbered.

- b) Trace sequentially pre-numbered receipts, systems report, and other related collection documentation to the deposit slip.

No exception noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exception noted.

- d) Observe that 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).

Deposits are made once a week (Thursday).

- e) Trace the actual deposit per the bank statement to the general ledger.

No exception noted.

continued

Written Policies and Procedures – continued

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).

One location- Village of Delta office (200 First Street Delhi, La. 71233)

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 jobs duties (if the agency has no written policies and procedures, then 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 or making the purchase.

At least two employees are involved in the above procedures.

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

At least two employees 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.

Employees responsible for processing payments are not prohibited from adding/ modifying vendor files.

- 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 signs the checks, but another employee mails them.

- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exception noted.

Written Policies and Procedures – continued

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

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:

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

No exception noted.

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

The Village stated that due to its size it was not cost effective to hire enough employees to segregate responsibilities.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedures #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/ or account for testing that does include electronic disbursements.

No exception noted.

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

12. 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.

The Village has one credit card and three fuel cards.

-continued

Written Policies and Procedures – continued

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

13. 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. (Those instances requiring such approval may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported).

Supporting documentation was obtained for all tested items and no exceptions were found.

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

There were not any finance charges or late fees on the statements tested.

14. Using the monthly statements or combined statements selected under procedure #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, (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that 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 observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

The Village had supporting documentation for all tested transactions.

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

15. 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:

- a) If reimbursed using a per diem, observe that 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)

The Village does not have per diem reimbursement.

-continued

Written Policies and Procedures – continued

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

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

The Village had supporting documentation with business purposes for all listed transactions.

- c) Observe that 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 Policies Procedures procedure #1h.

No exception noted.

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

No exception noted.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, lease, 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:

- 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 exception noted.

- 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 exception noted.

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

No exception noted.

-continued

Written Policies and Procedures – continued

Contracts

- 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 that the invoice and related payment agreed to the terms and conditions of the contract.

No exception noted.

Payroll and Personnel

- 17. Obtain a listing employees/elected official 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.

The Village supplied the list of employees.

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

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

All tested attendance and leave time were documented.

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

All tested attendance and leave were approved by the Mayor or Clerk.

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

No exception noted.

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

No exception noted.

continued

Written Policies and Procedures – continued

Payroll and Personnel-continued

19. 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 Village had one termination in the year under review, but termination payment was not made.

20. 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.

Payroll reports and payments thereon were reviewed in the audit procedures. No exception noted. The Village does not provide health insurance or retirement benefits. Worker's Compensation premiums were paid.

Ethics

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

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.

All employees completed a one-hour ethics training course during the year.

- b) Observe that 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.

There were not any changes to the ethics policy in the audit period.

22. Inquire and/or observe whether the agency had appointed an ethics designee as required by R.S. 42:1170.

-continued

Written Policies and Procedures – continued

Debt Service

23. Obtain a listing of bond/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debts instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

No exception noted.

24. Obtain a listing of bond/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 assets funds, or other funds required by the debt covenants).

Actual reserve balance and payments agree with the requirements of the debt covenants.

Fraud Notice

25. 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 as required by R.S. 24:523.

The management of the Village of Delta is not aware of any misappropriations in the year under review.

26. Observe that 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.

The Village of Delta has the required notice posted in the office.

Information Technology Disaster Recovery/Business Continuity

27. 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, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

The Village does backups weekly, but they are stored on site.

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Written Policies and Procedures – continued

Information Technology Disaster Recovery/Business Continuity-continued

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is 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.

The Village does not have documentation that it has tested its backups.

- 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.

The Village has two computers and both of them are in the office in Delta. Both Computers have active antivirus software, and the accounting system is supported by the vendor.

- 28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #. Observe evidence that the selected terminated employees have been removed or disabled from the network.

One terminated employee and he never had access to the network.

Prevention of Sexual Harassment

- 29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #16 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 as required by R.S. 42:343.

All tested employees had required sexual harassment training.

- 30. Observe that 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).

The Village has posted its sexual harassment policy.

- 31. 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 that the report includes the applicable requirements of R.S. 42:344:

The Village has not filed any sexual harassment reports.

- a) Number and percentage of public servants in the agency who have completed the training requirements.

Six of nine = 67%

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Written Policies and Procedures – continued

Sexual Harassment-continued

- b) Number of sexual harassment complaints received by the agency.

The Village did not receive any sexual harassment complaint in the year under review.

- c) Number of complaints which resulted in a finding that sexual harassment occurred.

N/A

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action, and.

N/A

- e) The amount of time it took to resolve each complaint.

N/A

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

The purpose of this report is 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 Louisiana Legislative Auditor as a public document.

The Halford Firm, PLLC

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