

**TOWN OF GRAND ISLE
LOUISIANA**

**FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2020**

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable David Camardelle, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Grand Isle, Louisiana (the Town), as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the 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 Town as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund and the Community Center and Playground District No. 16 Special Revenue Fund for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

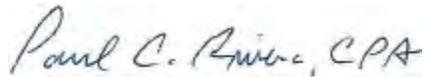
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with Management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide assurance.

Other Information

My audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund statements and schedules and other information, as listed in the table of contents, are not a required part of the basic financial statements. This 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual fund statements and schedules and other information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated December 14, 2020 on my consideration of the Town's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of my audit.



December 14, 2020

TOWN OF GRAND ISLE
PO BOX 200 LUDWIG LANE
GRAND ISLE, LA 70358

MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the Town of Grand Isle, Louisiana, we offer readers of the Town’s financial statements this narrative overview and analysis of the financial activities of the Town of Grand Isle, Louisiana for the fiscal year ended June 30, 2020.

We encourage readers to consider the information presented here in conjunction with the financial statements, which begin on page 20. All amounts in this discussion, unless otherwise noted, are expressed in thousands (\$1,000s) of dollars.

FINANCIAL HIGHLIGHTS

- The auditor’s opinion was “unmodified” (i.e., a clean opinion) for the year ended June 30, 2020.
- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$25,662 (*net position*). Of this amount, \$20,084 or 78.3 percent, is invested in capital assets, such as building, equipment, vehicles, and infrastructure, net of related debt. \$982 or 3.8 percent is restricted for debt service and the remaining balance of \$4,596 (*unrestricted net position*) or 17.9 percent may be used to meet the government’s ongoing obligations to citizens and creditors.
- The Town’s total net position decreased by \$(1,554) or 5.7 percent during the current year because total revenues (\$5,347) were less than expenses (\$6,901) by that amount. See the table below for explanations on why the change occurred. The Town’s governmental activities resulted in a current year net decrease of \$(1,586), while the business-type activities saw an increase of \$32.
- As of the close of the current fiscal year, the Town’s governmental funds reported combined ending fund balances of \$4,443, a decrease of \$(1,457) or 24.7 percent from the prior year. Of this amount, \$46 or 1.0 percent is categorized as *restricted fund balance*, \$1,272 or 28.6 percent is categorized as *assigned fund balance* and \$3,125 or 70.4 percent is categorized as *unassigned fund balance*. Restricted and assigned fund balance is generally for a specific purpose, while unassigned fund balance is available for spending at the government’s discretion (see Note D.6 for further discussion).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,125 or 70.3 percent of the total governmental fund balances and 71.1 percent of current year general fund expenditures.
- The Town’s Business-type Enterprise Funds ended the year with a positive \$3,494 in net position, with the Water Utility Fund showing a net position of \$2,901 and the Gas Utility Fund showing \$593.
- The Town and the surrounding areas have been struck by hurricanes and tropical storms in 2005, 2008, 2012, 2017 and again in 2019. The Town continues to recover and rebuild. See Note E.2 in the financial statements for more details on the public assistance claims with FEMA related to these storms.
- The COVID-19 Coronavirus pandemic came to the area in March 2020 and resulted in business and facility closures throughout the area in the spring of 2020. While many have reopened to limited capacity, the effects of the pandemic are still being felt throughout the area as the second and third waves of the pandemic filter through the population. See Notes E.3 and F.3 for information on the pandemic.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The "*Statement of Net Position*" presents information on all of the Town's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both of the government-wide financial statements are designed to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Town's governmental activities include executive, general government, public safety, public works, health and welfare and culture, recreation and tourism functions. The business-type activities of the Town include Waterworks and Gas utilities.

The government-wide financial statements include only the financial activities of the Town. The Town has reports on one "component unit" – the Community Center and Playground District No. 16 Special Revenue fund, which has been "blended" into the Town's operations.

The government-wide financial statements can be found on pages 20 and 21 of this report.

Fund financial statements. A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town's funds are classified into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The Town maintains seven governmental funds that are grouped for management purposes into various fund types. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the General fund and the Community Center and Playground District No. 16 Special Revenue Fund, all of which are considered to be “major” funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of “combining statements” elsewhere in this report.

The Town adopts an annual appropriated budget for its General fund and for its one other major funds - the Community Center and Playground District No. 16 Special Revenue Fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 22 to 27 of this report.

Proprietary funds. The Town maintains one type of proprietary fund – *Enterprise*. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its Waterworks and Gas Utilities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks Utilities fund and the Gas Utilities fund, both of which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found on pages 28 to 30 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government entity. The Town maintains one agency fund to account for donations received from the public for disaster relief. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 31 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 to 60 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining statements for non-major governmental can be found on pages 63 to 74 of this report. Individual fund statements and schedules, which show additional detailed financial information of some of the funds, are found on pages 75 to 88. Other information, which includes a Schedule of Expenditures of Federal Funds and other state and bond covenant-required schedules, is included on pages 89 to 98.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position may serve over time as a useful indicator of a government’s financial position. In the case of the Town, assets exceeded liabilities by \$25,662 at June 30, 2020.

A large portion of the Town’s net position (\$20,084 or 78.3 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure); net of any related debt used to acquire those assets that are still outstanding. The Town used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

**TOWN OF GRAND ISLE, LOUISIANA
NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 4,552	\$ 6,007	\$ 177	\$ 116	\$ 4,729	\$ 6,123
Restricted assets	0	0	1,044	866	1,044	866
Capital assets	17,726	17,854	9,375	9,776	27,101	27,630
Total assets	<u>22,278</u>	<u>23,861</u>	<u>10,596</u>	<u>10,758</u>	<u>32,874</u>	<u>34,619</u>
Long-term liabilities outstanding	0	0	7,042	7,237	7,042	7,237
Payable from restricted assets	0	0	55	53	55	53
Other liabilities	110	107	5	6	115	113
Total liabilities	<u>110</u>	<u>107</u>	<u>7,102</u>	<u>7,296</u>	<u>7,212</u>	<u>7,403</u>
Net position:						
Net investment in capital assets	17,726	17,854	2,358	2,565	20,084	20,419
Restricted	0	0	982	806	982	806
Unrestricted	4,442	5,900	154	91	4,596	5,991
Total net position	<u>\$ 22,168</u>	<u>\$ 23,754</u>	<u>\$ 3,494</u>	<u>\$ 3,462</u>	<u>\$ 25,662</u>	<u>\$ 27,216</u>

The Town’s *restricted net position* totals \$982 (or 3.8 percent). These monies represent funds restricted to servicing the debt on the water revenue bonds, as well as funds held on deposit in the gas utilities fund.

The balance of *unrestricted net position* of \$4,596 (or 17.9 percent) may be used to meet the government’s ongoing obligations to citizens and creditors.

At June 30, 2020, the Town is able to report positive balances in all three categories of total net position.

The Town’s net position decreased by \$(1,554) or 5.7 percent, during the current fiscal year. A breakdown of the increases and decreases follows.

**TOWN OF GRAND ISLE, LOUISIANA
CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 1,236	\$ 1,146	\$ 312	\$ 419	\$ 1,548	\$ 1,565
Operating grants and contributions	729	651	542	541	1,271	1,192
Capital grants and contributions	275	385	58	145	333	530
General revenues:						
Property taxes	471	439	347	328	818	767
Sales taxes	635	612	-	-	635	612
Franchise taxes	128	122	-	-	128	122
Licenses and permits	166	180	-	-	166	180
Intergovernmental	5	5	-	-	5	5
Gaming fees and commissions	307	390	-	-	307	390
Unrestricted interest	59	83	13	15	72	98
Gain on sale or disposal of assets	-	268	55	-	55	268
Miscellaneous	7	21	2	1	9	22
Total revenues	4,018	4,302	1,329	1,449	5,347	5,751
Expenses:						
Public safety						
Executive	120	92	-	-	120	92
General government	1,281	1,220	-	-	1,281	1,220
Public safety	977	899	-	-	977	899
Public works	2,019	1,860	-	-	2,019	1,860
Health and welfare	222	185	-	-	222	185
Culture, recreation and tourism	985	846	-	-	985	846
Water	-	-	896	879	896	879
Gas	-	-	401	441	401	441
Total expenses	5,604	5,102	1,297	1,320	6,901	6,422
Increase (decrease) in net position	(1,586)	(800)	32	129	(1,554)	(671)
Net Position - beginning of year	23,754	24,554	3,462	3,333	27,216	27,887
Net Position - end of year	\$ 22,168	\$ 23,754	\$ 3,494	\$ 3,462	\$ 25,662	\$ 27,216

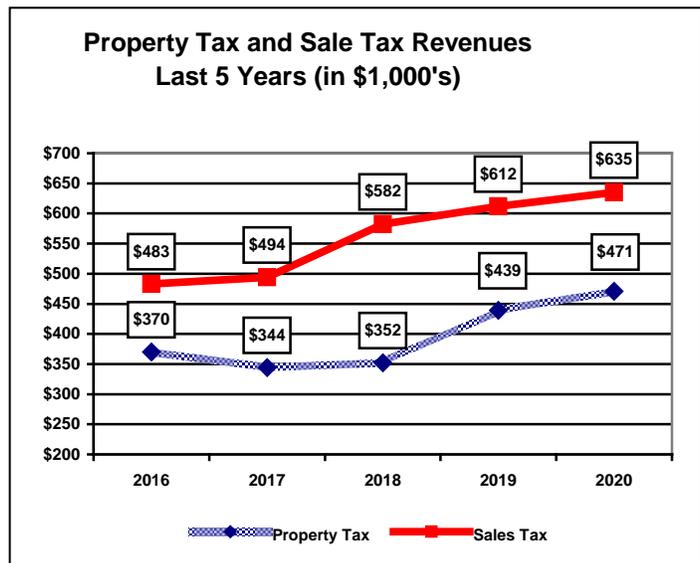
Governmental Activities. Governmental activities decreased the Town’s net position by \$(1,586). Key elements of this increase are as follows:

- The **program revenue “charges for services”** represents money received from the public. The total amount received during 2020 was \$1,236, an increase of \$90. Of this amount, \$62 was received by the General Government function (\$35 from property tax collection charges, \$1 from tax research, \$-0- from advertising recoveries, and \$26 from interdepartmental admin charges); \$333 from public safety (\$35 in fines, forfeitures, and costs, \$123 from Redflex traffic systems and \$175 for golf car permits); \$636 from Public Works (sanitation fees); \$201 came from Health and Welfare (mosquito fees); and \$4 from Culture, Recreation and Tourism (\$1 from the community fair and \$3 from community center rentals). The increase of \$90 is net of various increases and decreases, but was mainly caused by the \$123 increase in Public Safety brought on by the implementation of the Redflex traffic ticketing system (ticket revenues from this source were up \$123), offset by a drop of \$(60) in the Culture and Recreation function (caused by the cancellation of the community fair).

➤ **Operating grants** for governmental activities totaled \$729, an increase of \$78. Of this amount, \$57 is recognized in the General Government function (from CARES Act Coronavirus reimbursements), \$66 is recognized in the Public Safety function (\$38 from the CARES Act Coronavirus reimbursements and \$28 from an agreement with the JP School System for a resource officer at the local school), \$180 is recognized in the Public Works function (\$14 from a State DOTD maintenance contract and \$166 from the State “parish road fund” allocation) and \$426 was recognized by the Culture, Recreation and Tourism function (\$392 from Parish dedicated ad valorem taxes for the Community Center and Playground District No. 16 fund, \$28 from State tourism funds, and \$6 for the State Beach Quality Program). The increase of \$78 was mostly from the CARES Act reimbursements in the General Government function (up \$57) and in the Public Safety function (up \$38), offset by a drop of \$(16) in Culture and Recreation (due to a drop of \$(75) in funds from the Parish for youth programs and an increase of \$60 in the dedicated ad valorem taxes to the Community Center).

➤ **Capital grants** for governmental activities totaled \$275, a decrease of \$(110) from last year. Of this amount, \$216 was recognized in the General Government function (\$6 from FEMA for public disaster assistance related to Hurricanes, \$200 from the Parish for renovations at the Multiplex building, and \$10 from the Parish for coastal erosion projects). \$35 was recognized in the Public Safety function (representing a grant from the Parish to purchase a police car). The Public Works function recognized \$14 (from a State LGAP grant for drainage equipment) and the Culture, Recreation and Tourism function recognized \$10 (from a Parish capital grant for the Community Center). The majority of the decrease was seen in the Culture and Recreation function, which was \$(190) lower than last year due to the non-recurrence of a \$200 grant from the Parish to fix the Community Center roof. This drop was offset by the new capital grants noted above.

➤ **Property taxes** for governmental activities totaled \$471 for the year, an increase of \$32. This increase is primarily due to an increase in tax collections (as the tax roll value actually went down 3.1% from last year). The Town’s millage rate was 7.39 mills on the 2019 tax roll (rolled forward from the 6.81 mills levied last year to offset the drop in the tax roll).



➤ **Sales taxes**, including motor vehicle taxes, totaled \$635, an increase of \$23 from last year. These taxes are collected for various reasons – general government, drainage, law enforcement, and tourism. The increase resulted from a slight increase in the local economy prior to the slowdown caused by the COVID-19 pandemic in the last quarter of the fiscal year.

➤ **Franchise taxes** totaled \$128 for 2020, an increase of \$6 over last year. This revenue comes from two sources - \$74 from the electric utility and \$54 from the cable utility. Each one saw modest increases.

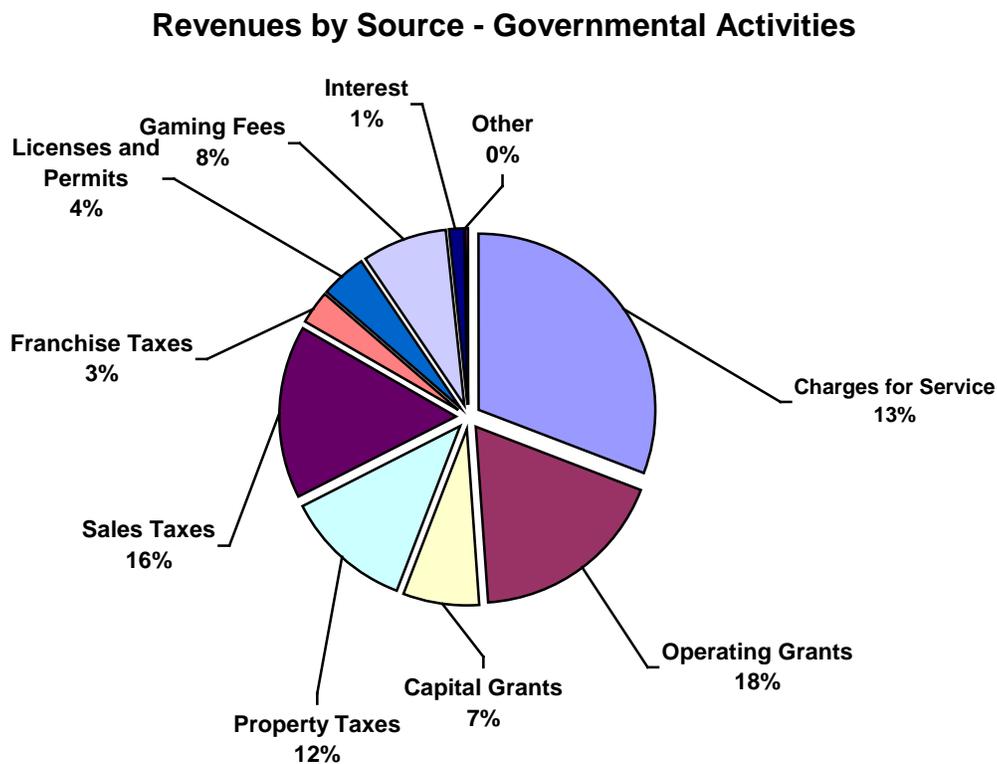
➤ **Licenses and permits** for business and insurance activities within the Town totaled \$166 for 2020, down \$(14) from last year (mainly due to a slowdown in the last quarter brought on by the COVID-19 pandemic).

➤ **Gaming fees and commissions** for governmental activities totaled \$307 for 2020, a decrease of \$(83). This amount comes from two sources - \$275 from riverboat admission fees received from the Parish for the Boomtown casino and \$32 from video poker commissions for machines located in the Town. The riverboat commissions were down \$(69) and video poker decreased \$(13) from last year.

Both of these revenue sources are susceptible to economic swings and the amount of disposable income in the community. The closures of the casino and bars mandated by the State in the early part of the COVID-19 pandemic also greatly affected the cash flows from these sources.

- **Unrestricted interest** totaled only \$59, down \$(24) from last year. This reflects a decrease in the interest rate as well as the cash balances earning interest.
- **Gain on sale of disposal of assets** totaled \$-0-, down \$(268) from last year. In the prior year, this amount represented the proceeds from the sale of the old library site.
- **Miscellaneous income** was \$7, down \$(14) from last year.

A breakdown of the revenues received by the Town’s governmental activities is as follows:



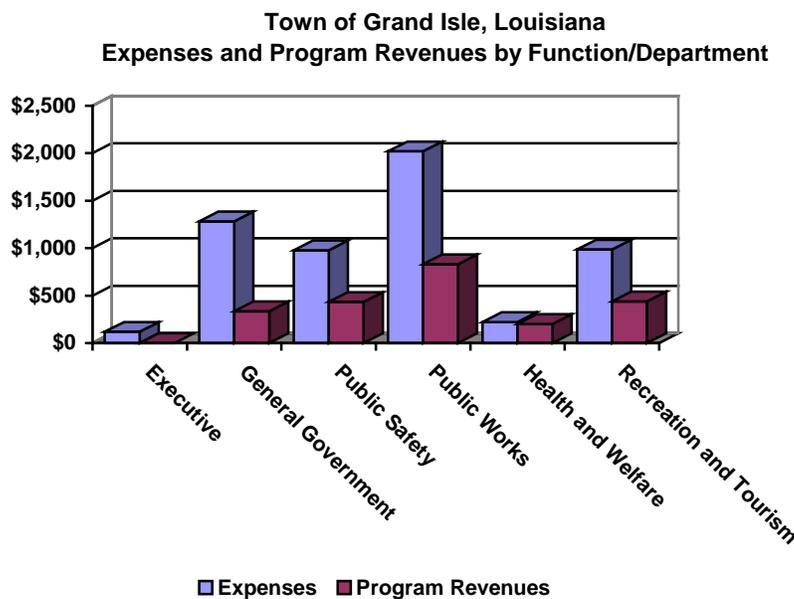
For 2020, governmental activity expenses totaled \$5,604, an increase of \$502 over 2019.

- \$120 was in the Executive function which accounts for the Mayor’s office.
- \$1,281 was in General Government, which accounts for finance, tax and planning, and general government activities (including some general infrastructure and facilities, such as the Multiplex Center).
- \$977 was in Public Safety, which accounts for the Town’s police and civil defense departments.
- \$2,019 was in Public Works, which accounts for the streets and sanitation departments,
- \$222 was in Health and Welfare, which accounts for the mosquito fund, and
- \$985 was in the Culture, Recreation and Tourism function, which accounts for the operations of the Community Center and Playground District No. 16, as well as the Town’s tourism office.

The increase in expenses was the net of several items. Executive saw an increase of \$28, General Government function saw an increase of \$61, Public Safety saw an increase of \$78, Public Works increased \$159, Health and Welfare increased \$37, and Culture, Recreation and Tourism increased \$139.

The Executive function increase was mostly related to an increase in salaries (up \$27 due to a raise given to the Mayor and other smaller raises given to staff). The General government increase mostly had to do with increases in insurance – hospitalization (up \$26), insurance – workers compensation (up \$16), legal and professional fees (up \$51) and salaries – tax and planning (down \$(22)). Public Safety increased primarily due to an increase in salaries (up \$50), salaries – beach patrol (up \$14), a drop in gas and oil (down \$(7)), depreciation expense (up \$18). Public Works saw an increase in salaries (up \$63), repairs – vehicles (up \$11), gas and oil (up \$9), contracted services – hauling fees (up \$15), disposal charges (up \$9), a drop in street repairs (down \$(7)), a drop in depreciation expense (down \$(16), plus an increase in drainage district costs of \$35. Health and Welfare increased due to an increase of \$37 in the costs for spraying and larviciding in the mosquito control fund (some of these costs related to the Town bringing on an employee to try and operate the control system “in-house”). Culture and recreation increased \$139, primarily due to drop of \$(24) in advertising by the Tourism Department, a drop of \$(52) in Community Fair costs, offset by an increase of \$200 in operating the Community Center.

For 2020, program revenues (service charges, operating and capital grants) totaling \$2,240 (see above) were used to offset the \$5,604 in general expenses of the Town, leaving a net cost to the Town of \$3,364 before general revenues. A graph comparing the expense of each Function/Department with the program revenue generated is presented below.

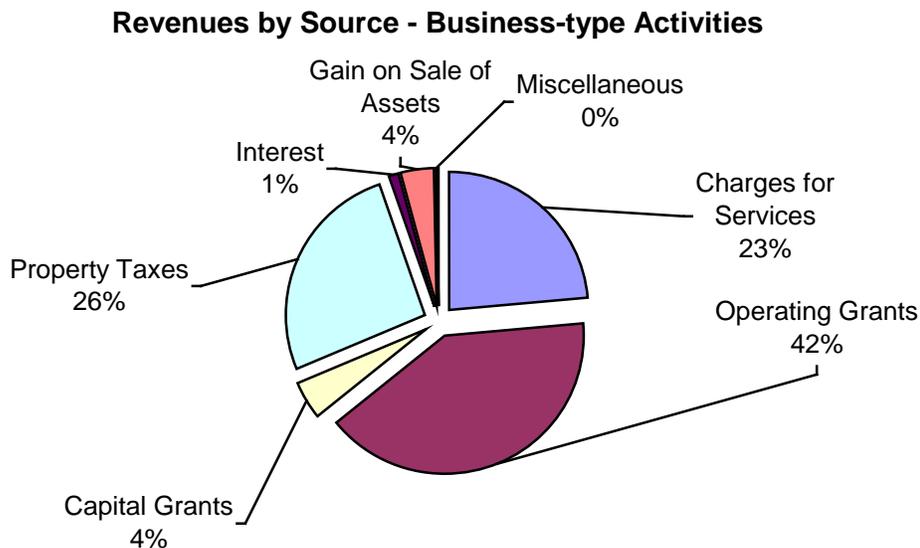


Business-type Activities. Business-type activities increased the Town’s net position by \$32. Key elements of this increase are as follows:

- The total increase in net position of \$32 was generated by a decrease in the Waterworks Department - \$(65) and an increase in the Gas Utilities Department – \$97.
- Charges for services for business-type activities totaled \$312, which is a decrease of \$(107). This decrease was in the Gas Utilities Department, as usage and collections were down.
- Operating grants totaled \$542, the same as last year. \$542 of this amount represents the operating subsidy provided by the Parish’s water department as called for by the take-over agreement.
- Capital grants totaled \$58, which represented FEMA public assistance recognized in the Gas Utilities Fund.
- A gain on the sale of assets of \$55 was recognized as the Town traded in several old pieces of heavy equipment towards the purchase of a new excavator.
- The net (cost) revenue of the business-type activities was \$(385) – \$(355) Waterworks, and \$(30) in Gas.

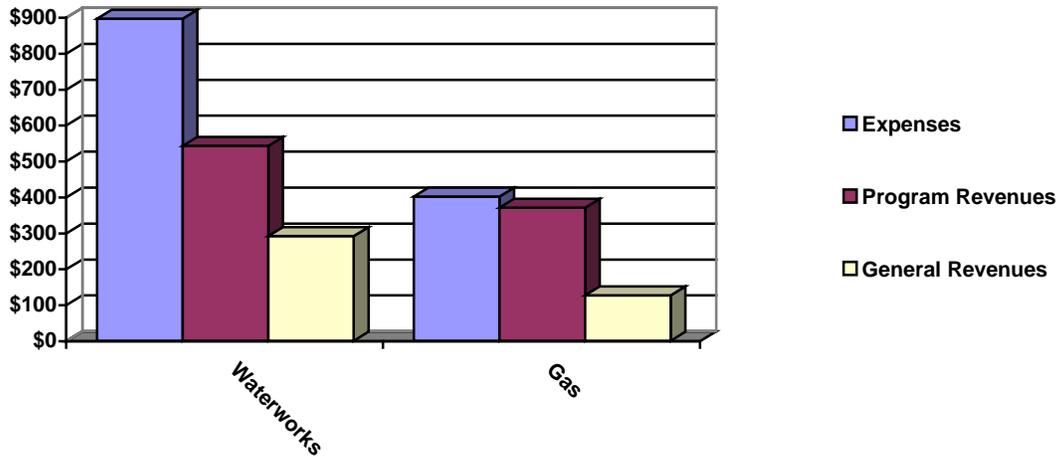
- The Waterworks Utility accounts for a significant portion of this net cost – \$(355). This was a result of the take-over of the water system by the Parish of Jefferson in mid-August 2005. The Town no longer has any recurring operating costs other than some incidental utilities expense. The Waterworks Utility is left with the Grand Isle to Lafitte waterline as an asset and the related debt on the Water Revenue Bonds. The Parish Water Department provided \$542 in operating subsidies to the Town’s Waterworks Department as part of the take-over agreement. Depreciation totaled \$440 and general and administrative costs totaled \$110 (including a remittance of \$82 to the Parish of surplus funds). Interest on long-term debt totaled \$347.
- The Gas Utilities incurred expenses of \$401, down \$(40) from last year. This change was caused by: 1) a decrease of \$(25) in contracted services (less gas purchased and lower prices), 2) a drop in repairs to the gas distribution system (down \$25), and 3) an increase of \$11 in insurance (higher premiums).
- Property taxes totaled \$347 for the year, an increase of \$19. Of this amount, 80 percent or \$278 was recognized by the Waterworks fund and 20 percent or \$69 was recognized by the Gas Utilities fund as a subsidy to the operating costs. The Town’s millage rate was 5.49 on the 2019 tax roll (which was rolled forward from the 5.06 mills levied last year due to a drop in the assessed values). The increase in revenues resulted from an increase in the tax collections.
- Payments on the Water Revenue Bonds of \$541 were made during the year (\$194 in principal and \$347 in interest) was paid for the year. Total revenue bonds outstanding at year-end were \$7,042.

A breakdown of the revenues received by the Town’s business-type activities is as follows:



As noted above, expenses totaled \$1,297, including current year depreciation of \$462. The Water Department expenses totaled \$896, while the Gas Utilities had expenses of \$401. A graph comparing the expense of each business-type expense with the program revenue generated is presented below.

**Town of Grand Isle, Louisiana
Expenses and Program Revenues - Business-type Activities**



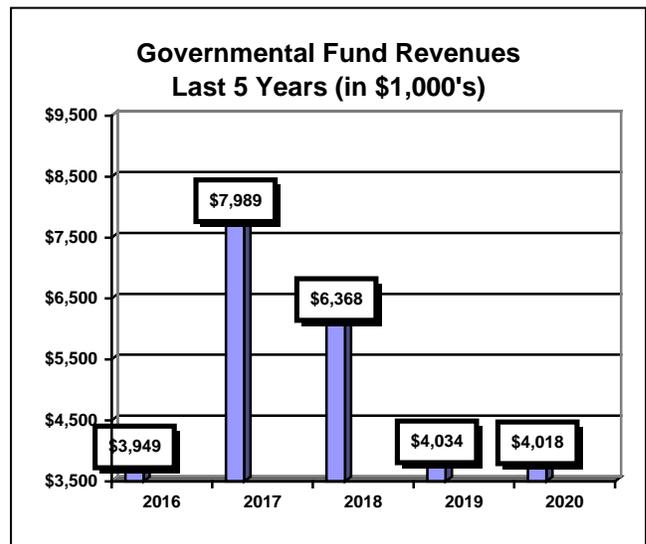
FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

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

Governmental Funds. The focus of the Town’s “governmental funds” is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town’s 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, 2020, the Town’s governmental funds reported combined ending fund balances of \$4,443, a decrease of \$(1,457) or 24.7 percent from the prior year. Of this amount, \$46 or 1.0 percent is categorized as *restricted*, \$1,272 or 28.6 percent is categorized as *assigned fund balance* and \$3,125 or 70.4 percent of this total constitutes *unassigned fund balance*, which is available for spending at the government’s discretion.

As noted above, the governmental funds include the general operating funds of the Town (i.e., the General Fund, the Community Center and Playground District No. 16 Special Revenue Fund, and the other non-major Special Revenue funds). Overall, as the graph shows, revenues of the Governmental Funds have increased and decreased significantly over the past 5 years (mostly due to one-time grants – especially FEMA grants and other public works-related grants, as well as the BP Economic Loss settlement). FY 2020 was down slightly from last year (down \$16) because of these types of funding swings (for 2020, the largest drop had to do with the state mandated closures of the Boomtown casino and bars, which caused a drop in the Town’s commissions on boarding fees and video poker revenues. These closures occurred in the early phases of the COVID-19 pandemic (March to May 2020)).



The **General fund** is the chief operating fund of the Town. At June 30, 2020, unassigned fund balance of the General fund was \$3,125 (which is 70.3 percent of the total governmental fund balance). As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance in the General Fund represent 71.1 percent of total general fund expenditures, down from 130.6 percent in the prior year.

The fund balance of the Town's General fund decreased by \$(1,135) or 26.4 percent, during the current fiscal year. Key factors in this change are as follows:

- The General Fund's revenues and other sources totaled \$3,356, while expenditure and other uses totaled \$4,491.
- Revenues and other financing sources decreased by \$(106) from the prior year, mainly because of:
 - Property taxes totaled \$471 – up \$32 due to higher tax collections.
 - Sales taxes totaled \$594 – up \$21 as the local economy was improving prior to the spring closures brought on by the COVID-19 pandemic.
 - Franchise taxes totaled \$128 – up \$5, due to slight increases in both electric and cable franchise tax.
 - Licenses and permits totaled \$340 – up \$16 over last year (up mainly due to golf cart permits).
 - Intergovernmental revenues totaled \$594 in 2020 – an increase of \$206. The 2020 revenues were made up of \$6 from FEMA for hurricane-related projects, \$96 in reimbursements from the CARES Act Coronavirus Relief Fund for salaries and civil leave incurred because of the pandemic, \$5 from the State for beer taxes, \$167 from the State Parish Road fund allocation, \$28 from the State for tourism, \$14 from State DOTD for maintenance of highways, \$6 for beach quality programs, \$200 from the Parish of Jefferson for Multiplex renovations, \$35 from the Parish for a police car grant, \$10 from the Parish for a coastal erosion project grant, and \$28 from the Jefferson Parish School System for resource officers at the local school. The increase was primarily due to the \$200 grant from the Parish for the Multiplex renovations and the \$96 received from the CARES Act grant, offset by drops of \$(35) in DEQ Revolving Loan funds and a drop of \$(98) in FEMA public assistance grants.
 - Gaming fees and commissions totaled \$307 – a decrease of \$(82). \$275 came from riverboat admission fees received from the Parish for the Boomtown casino and \$32 from video poker commissions for machines located in the Town. The Boomtown casino commissions were down \$(69) and video poker was down \$(13). Both of these revenue streams were severely affected by the COVID-19 state mandated closures in the spring of 2020.
 - Fines and forfeitures totaled \$158, up \$93 over last year. Regular fines were down \$30 as less tickets were written; however, the Town implemented a Redflex traffic ticketing (radar) system which generated \$123 in new revenues.
 - Charges for services totaled \$638, up \$23 over last year. Sanitation fees made up \$636 of this balance (up \$23), while tax research and advertising recoveries made up the balance.
 - Interest totaled \$56, down \$(24) from last year as available cash balances were significantly lower than last year (mainly due to internal funds being used for the Multiplex renovation project).
 - Miscellaneous income totaled \$70, which is up \$(8) less than last year (mainly due to a decrease in other revenues).
 - Other financing sources totaled \$-0- in 2020, down \$(267) from last year. In the prior year, the Town sold the land of the old library site.
 - Revolving Loan Proceeds totaled \$-0- for 2020, down \$(36) as funds were drawn down on the DEQ revolving loan program in 2019. This drawdown completed this project.
 - Transfers in totaled \$-0- in 2020, down \$(85) from last year. In the prior year, the Town moved \$24 from the Erosion Control Fund and transferred \$61 from the closeout of the Riverboat Gaming Special Revenue Fund. These did not recur in 2020.

Expenditures and other financing uses totaled \$4,491, an increase of \$1,171 over the prior year. An analysis of the expenditures is as follows:

- Executive expenditures totaled \$114, an increase of \$27 – mostly in salaries.
- General Government totaled \$2,311, an increase of \$1,033. This increase is mostly due to changes in 1) insurance – hospitalization (up \$26), 2) insurance – workers compensation (up \$16), 3) legal and professional fees (up \$51), 4) salaries – tax and planning (down \$(22)), 5) an increase of \$965 in capital outlay – buildings (Town Hall and Multiplex renovations), and 6) a decrease of \$(36) in capital outlay - road rehabilitation 90 West Project (as the project completed early in 2019).
- Public Safety totaled \$964, an increase of \$56 over the prior year. The increase was the result of changes in 1) salaries (up \$50), 2) salaries – beach patrol (up \$14), 3) utilities (up \$10 as the Police Department moved into the Multiplex and began paying higher utility bills), 4) gas and oil (down \$(7)), and 5) capital outlay – vehicles (down \$30) as a new police vehicles was purchased in 2019.
- Public Works totaled \$995, an increase of \$105 over last year. Most of this increase was in the streets department (up \$81) due to 1) an increase of \$63 in salaries (raises and overtime), 2) an increase of \$11 in vehicle repairs, and 3) a drop of \$(6) in street signs. The Sanitation Department also had an increase of \$24, mostly due to an increase in hauling and disposal fees (increased fees plus storm debris).
- Culture, Recreation and Tourism totaled \$75, which is up \$(24) lower than the prior year. Most of the decrease was in advertising (down \$23).
- Debt Service totaled \$0- for 2020, down \$(36) from last year as the DEQ revolving loan principal was forgiven (i.e., paid) out in 2019.
- Transfers out totaled \$32, up \$17 from last year, which is made up of the transfer to the Drainage District.

The Town reported one “major” fund other than the General Fund for the year ended June 30, 2020. The **Community Center and Playground District No. 16 Special Revenue Fund** had revenues of \$406, expenditures of \$666, and an ending fund balance of \$833. The Community Center received \$391 from Jefferson Parish for ad valorem taxes collected by the Parish and dedicated to the Town for the operations of the Community Center and Playground District. It also received a special \$10 allocation from the same funds for capital purposes. Rental income totaled \$3, which was up \$2 from last year. Expenditures were up \$202 due to 1) an increase of \$16 in the summer worker program, 2) an increase of \$186 in building repairs (fixing the roof and stucco siding with funds from the Parish), 3) a decrease of \$(12) in parks and playground repairs, and 4) a drop of \$(12) capital outlay – playground equipment (2 new scoreboards were purchased in the prior year).

The **Town’s other governmental funds** recorded revenue of \$256, expenditures of \$350, and other financing sources (uses) of \$32. A major part of the revenue this year was recognized by the Mosquito Control Special Revenue Fund (which received \$201 from mosquito fees), and the Drainage District No. 1 (which received sales taxes of \$40). The mosquito fees were up \$3 over last year, the Drainage fund taxes were up \$1 over last year, and the Community Fair revenues were down \$(62) as the fair was cancelled this year. \$259 of the expenditures occurred in the Mosquito Control fund, with \$109 being spent on spraying and larviciding contracts (down \$(69) from last year), and \$150 being spent on salaries, benefits, chemicals and equipment to outfit an “in-house” mosquito abatement program. In addition, \$85 was spent out of the Drainage Fund on operating and maintaining the Town’s drainage pumps and \$6 was spent on the Community Fair.

Proprietary Funds. The Town’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. As noted above, the Town maintains two enterprise funds. For the fiscal year ended June 30, 2020, these funds reported net position of \$3,494, which is a net increase from the prior year of \$32. The two funds are the Waterworks Utilities Enterprise fund and the Gas Utilities Enterprise fund. Factors concerning the finances of these two funds have already been addressed in the discussion of the Town’s business-type activities (see above).

Agency Funds. The Town maintains one agency fund in order to account for monies collected on behalf of others. The Grand Isle Relief fund is used to account for donations from the public for disaster relief to Town’s citizens. At year end, \$11 was held in this fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgeted revenues of the General Fund were increased by \$54. The more significant changes were made as follows: 1) property taxes were increased \$27 to reflect slightly higher anticipated tax roll and collections; 2) licenses and permits were lowered \$(265) mostly due to a drop in occupational licenses; 3) intergovernmental revenues increased \$118 to reflect a) an increase of \$200 from the Parish of Jefferson for a grant for the Multiplex renovations, b) an increase of \$10 for a coastal erosion grant from the Parish of Jefferson, c) a drop of \$(50) in FEMA disaster assistance, d) a drop of \$(20) in COE levee inspection reimbursements, and e) a drop of \$(25) in tourism funds; 4) a drop of \$(120) in gaming fees and commissions due mainly to the temporary closure of the Boomtown Casino in the initial wave of the Coronavirus pandemic, resulting in a drop in commissions; 5) an increase of \$55 in fines and forfeitures due to the implementation of the Redflex traffic ticketing system; 6) a drop of \$(15) in interest income due to a drop in available balances; and 7) an increase of \$15 in miscellaneous income.

Budgeted expenditures of the General Fund were increased by \$1,179. Note C.2 provides a breakdown of the changes in expenditures by function. The main changes were:

- The \$946 increase in the General Government's expenditures was the result of 1) an increase of \$877 in capital outlays (mostly in buildings and structures for the Town Hall Renovation project and the Multiplex Renovation project), 2) an increase of \$20 in health insurance (due to increased rates), and 3) an increase of \$58 in legal and professional fees (due to an increase in general engineering fees plus the cost of buying abstracts on the gulf-side properties near the levee breach). There were a number of smaller increases and decreases on various line-items that made up the difference in the change.
- The increase of \$206,298 in Public Safety was made up of 1) an increase of \$140 in salaries (mostly due to increases needed for a pay raise given to the Police Chief, plus overtime needed to patrol the beaches and to work the Coronavirus checkpoint), 2) an increase of \$17 in Digi-Court costs (due to increasing costs of using the online portal for court cases), 3) an increase of \$12 in utilities (to reflect the move to the Multiplex Building and the resulting increase in water and electricity utility charges), and 4) an increase of \$48 in capital outlays (mostly to reflect the purchase of a new wave runner).
- The increase of \$49 in Public Works is made up of 1) an increase of \$26 in salaries (due to raises given and overtime related to storms and levee breaches), and 2) an increase of \$20 in equipment rentals (for anticipated equipment needed for levee breaches).

General Fund revenues came in less than \$1 or 0.01 percent under the final budget, expenditures were \$29 or 0.7 percent under the final budget, and other financing sources (uses) came in \$32 or 100.0 percent over budget. The main revenue items over (under) budget were 1) sales taxes coming in \$10 over budget (due to a higher than expected collections prior to the closures brought on by the pandemic), 2) franchise taxes were \$18 over budget (due to higher remittances), 3) licenses and permits were over budget \$27 (due to increases in golf cart permits), 4) intergovernmental revenues were under budget by \$(95) mostly in FEMA public assistance funds, 5) gaming fees and commissions were \$37 over budget (due to higher than expected collections from Boomtown casino when they reopened after the first phase closure), and 6) charges for services were \$25 over budget (mainly in sanitation fees).

The largest variances in budgeted General Fund expenditures were seen in:

- The Executive Function came in \$6 under budget, mainly in capital outlay,
- The General Government Function came in \$(16) over budget, mainly in capital outlay – buildings (related to the Multiplex renovation project),
- The Public Safety Function was \$41 under budget, mainly in beach patrol salaries, repairs, and capital outlay,
- The Public Works Function was \$(15) over budget, mainly in salaries and hauling fees,
- The Culture, Recreation, and Tourism Function was \$12 under budget, mostly in advertising and travel.

The Community Center and Playground District No. 16 Special Revenue Fund had revenues come in \$(289) under budget, mainly in the parish allocated ad valorem taxes, federal and parish grants. The main line item under budget was the ad valorem taxes for capital (\$190 under budget), which was caused by the budgeting of \$200 for the roof project which the Parish paid in the prior year. Expenditures came in \$10 under budget, mostly in salaries and gas and oil for beach equipment.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Town’s net investment in capital assets for its governmental and business-type activities as of June 30, 2020 amounts to \$20,084 (net of accumulated depreciation and related debt), a decrease of \$(336) or 1.6 percent. This investment in capital assets includes land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure (including streets and roadways), and is shown net of any debt related to financing the assets. The governmental activities saw a decrease in its investment in capital assets of \$(128) or 0.7 percent, while the business-type activities saw a decrease of \$(208) or 8.1 percent.

**TOWN OF GRAND ISLE, LOUISIANA
CAPITAL ASSETS (NET OF DEPRECIATION)**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 383	\$ 383	\$ -	\$ -	\$ 383	\$ 383
Construction in progress	1,654	471	-	-	1,654	471
Buildings	5,758	5,957	-	-	5,758	5,957
Furniture and fixtures	76	64	1	1	77	65
Heavy equipment	242	274	-	-	242	274
Vehicles	153	193	65	6	218	199
Infrastructure	9,460	10,512	9,310	9,770	18,770	20,282
Capital Assets Net of Depreciation	17,726	17,854	9,376	9,777	27,102	27,631
Add unamortized charges	-	-	25	27	25	27
Less capital-related debt	-	-	(7,043)	(7,238)	(7,043)	(7,238)
Net Investment in Capital Assets	\$ 17,726	\$ 17,854	\$ 2,358	\$ 2,566	\$ 20,084	\$ 20,420

Additional information on the Town’s capital assets can be found in Note D.3. Major capital asset events during the current fiscal year included the following:

- \$1,183 was spent on construction in progress in the governmental activities, primarily on the Multiplex renovations (\$1,080), and the Town Hall renovations and painting project (\$103);
- \$40 was spent on furniture and fixtures (\$2 on general department laptops, \$5 on cameras to stream town meetings, \$13 on police computers, \$3 on police cameras, \$3 on Tasers for the police, and \$14 on various police guns and equipment);
- \$39 was spent on heavy equipment, mostly on mosquito control equipment;
- \$29 was spent on vehicles (\$29 for a new Polaris for the police department);
- The Gas Utilities Fund added \$60 to its vehicles (a new excavator was purchased after trading in various old pieces of equipment resulting in a trade-in proceeds of \$55);
- Depreciation expense totaled \$1,420 in the governmental funds and \$461 in the business-type activities.

Long-term Debt. At June 30, 2020, the Town had total outstanding debt of \$7,042.

**TOWN OF GRAND ISLE, LOUISIANA
OUTSTANDING DEBT**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Water Revenue Bonds	-	-	7,042	7,238	7,042	7,238
Total	\$ -	\$ -	\$ 7,042	\$ 7,238	\$ 7,042	\$ 7,238

The outstanding Water revenue bonds relate to the construction of the Grand Isle to Lafitte waterline. During 2020, principal payments on this debt totaled \$541 (\$194 principal and \$347 interest). See Note D.5 for more details.

State statutes limit the amount of general obligation debt a governmental unit may issue to 10 percent of its total assessed valuation. The Town has no outstanding debt subject to this limitation.

Additional information on the Town's long-term debt can be found in Note D.5 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Parish of Jefferson is currently 12.4 percent, which is 7.6 percent more than it was a year ago. In the fishing community of Grand Isle, which is heavily dependent on offshore oil, tourism and commercial fisheries (primarily shrimping), the rate tends to be slightly higher at times. The COVID-19 pandemic and the state-mandated closures and restrictions have had a major effect on the local rate. As the pandemic appears to be easing in the area, it is anticipated that the rate will begin to drop to more normal levels.
- Inflationary trends in the region compare favorably to national indices.
- The ad valorem millage rate levied for the 2020 (next year's) tax roll was 7.35 for the general fund and 5.46 for the Water and Gas funds (slightly lower due to a "rolling back" of the millage rates to offset changes in the tax rolls). The Water and Gas funds continue to split the tax 80/20.
- The Town continues to monitor its budgeted revenues and expenditures and cash flows in light of the uncertainties created by the COVID-19 pandemic. While some revenues have seen fluctuations, the Town has accounted for them in next year's budget and is in a position to cover these losses for the time being.

All of these factors were considered in preparing the Town's budget for the 2020/2021 fiscal year.

OTHER POTENTIALLY SIGNIFICANT MATTERS

- **Hurricanes Katrina, Gustav, and Ike, Hurricane Isaac, Tropical Storm Nate, and Hurricane Barry** – hurricanes hit the Grand Isle area in August and September 2005, 2008, 2012, 2017, and 2019 causing tidal flood damage in the Grand Isle area. The Town has filed claims with the Federal Emergency Management Agency (FEMA) for damages. To date, eligible claims of \$13,845 have been filed. To date, \$12,669 has been approved and \$12,654 has been received on these claims. The difference of \$15 is recognized as accounts receivable. The Town continues to recover from these hurricanes and to make infrastructure improvements and repairs. The close-out phase of these projects is nearing completion. Only a handful of projects are still open and are being processed. For the remaining projects, it is anticipated that the Town will be able to substantiate most, if not all of the costs incurred to date. See Note E.2 for more details.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Mayor David Camardelle, Town of Grand Isle, PO Box 200, Ludwig Lane, Grand Isle, LA 70358.

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BASIC FINANCIAL STATEMENTS

TOWN OF GRAND ISLE, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 648,392	\$ 50,744	\$ 699,136
Investments	2,719,062	-	2,719,062
Receivables (net of allowance for uncollectibles)	1,095,794	189,889	1,285,683
Internal balances	89,162	(89,162)	-
Inventories	-	-	-
Unamortized charges	-	25,441	25,441
Prepaid items	-	-	-
Other assets	-	-	-
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	-	113,400	113,400
Investments	-	930,370	930,370
Capital assets (net of accumulated depreciation)	17,725,884	9,375,442	27,101,326
TOTAL ASSETS	<u>22,278,294</u>	<u>10,596,124</u>	<u>32,874,418</u>
LIABILITIES			
Accounts payable and other current liabilities	97,851	4,759	102,610
Due to taxing bodies and others	11,999	-	11,999
Unearned grant revenues	-	-	-
Liabilities payable from restricted assets:	-	54,812	54,812
Noncurrent liabilities:			
Due within one year	-	525,825	525,825
Due in more than one year	-	6,516,617	6,516,617
TOTAL LIABILITIES	<u>109,850</u>	<u>7,102,013</u>	<u>7,211,863</u>
NET POSITION			
Net investment in capital assets	17,725,884	2,358,441	20,084,325
Restricted for:			
Debt service	-	981,789	981,789
Construction	-	-	-
Other	-	-	-
Unrestricted	4,442,560	153,881	4,596,441
TOTAL NET POSITION	<u>\$ 22,168,444</u>	<u>\$ 3,494,111</u>	<u>\$ 25,662,555</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

FUNCTION/PROGRAM	EXPENDITURES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Primary Government							
Governmental Activities:							
Executive	\$ 119,500	\$ -	\$ -	\$ -	\$ (119,500)	\$ -	\$ (119,500)
General government	1,281,268	62,481	57,376	215,899	(945,512)	-	(945,512)
Public safety	977,465	332,543	66,007	35,000	(543,915)	-	(543,915)
Public works	2,018,754	635,960	180,422	14,000	(1,188,372)	-	(1,188,372)
Health and welfare	221,936	201,131	-	-	(20,805)	-	(20,805)
Culture, recreation, and tourism	984,486	3,625	425,823	10,000	(545,038)	-	(545,038)
Interest on long-term debt	-	-	-	-	-	-	-
Total governmental activities	<u>5,603,409</u>	<u>1,235,740</u>	<u>729,628</u>	<u>274,899</u>	<u>(3,363,142)</u>	<u>-</u>	<u>(3,363,142)</u>
Business-type activities:							
Waterworks	896,408	-	541,508	-	-	(354,900)	(354,900)
Gas	400,787	312,360	-	58,216	-	(30,211)	(30,211)
Total business-type activities	<u>1,297,195</u>	<u>312,360</u>	<u>541,508</u>	<u>58,216</u>	<u>-</u>	<u>(385,111)</u>	<u>(385,111)</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 6,900,604</u>	<u>\$ 1,548,100</u>	<u>\$ 1,271,136</u>	<u>\$ 333,115</u>	<u>(3,363,142)</u>	<u>(385,111)</u>	<u>(3,748,253)</u>
GENERAL REVENUES:							
Property taxes					470,971	346,990	817,961
Sales taxes:							
General					522,663	-	522,663
Drainage					39,639	-	39,639
Law enforcement					24,851	-	24,851
Hotel/motel					46,961	-	46,961
Franchise taxes					127,719	-	127,719
Licenses and permits					165,481	-	165,481
State beer tax allocation					4,753	-	4,753
Riverboat admission fees					275,291	-	275,291
Video poker allocation					32,143	-	32,143
Unrestricted interest					58,906	13,037	71,943
Gain (loss) on disposal of assets					-	55,000	55,000
Other					6,467	2,251	8,718
TOTAL GENERAL REVENUE AND TRANSFERS					<u>1,777,845</u>	<u>417,278</u>	<u>2,195,123</u>
CHANGE IN NET POSITION					(1,585,297)	32,167	(1,553,130)
NET POSITION							
Beginning of year					23,753,741	3,461,944	27,215,685
End of year					<u>\$ 22,168,444</u>	<u>\$ 3,494,111</u>	<u>\$ 25,662,555</u>

The accompanying notes are an integral part of this statement.

The accompanying notes are an integral part of this statement.

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TOWN OF GRAND ISLE, LOUISIANA

**GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

	<u>GENERAL</u>	<u>COMMUNITY CENTER AND PLAYGROUND DIST NO. 16</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Cash and cash equivalents	\$ 197,504	\$ 22,721	\$ 417,658	\$ 637,883
Investments	2,649,830	69,232	-	2,719,062
Receivables (net of allowance for uncollectibles)	359,350	724,450	11,994	1,095,794
Due from other funds	240,739	55,190	34,556	330,485
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>\$ 3,447,423</u>	<u>\$ 871,593</u>	<u>\$ 464,208</u>	<u>\$ 4,783,224</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 57,561	\$ -	\$ -	\$ 57,561
Accrued payroll and deductions	34,043	5,489	758	40,290
Due to other funds	183,736	32,281	25,306	241,323
Due to taxing bodies and others	1,490	-	-	1,490
Unearned grant revenues	-	-	-	-
TOTAL LIABILITIES	<u>276,830</u>	<u>37,770</u>	<u>26,064</u>	<u>340,664</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	45,881	-	-	45,881
Committed	-	-	-	-
Assigned	-	833,823	438,144	1,271,967
Unassigned	3,124,712	-	-	3,124,712
TOTAL FUND BALANCES	<u>3,170,593</u>	<u>833,823</u>	<u>438,144</u>	<u>4,442,560</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,447,423</u>	<u>\$ 871,593</u>	<u>\$ 464,208</u>	<u>\$ 4,783,224</u>

TOWN OF GRAND ISLE, LOUISIANA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

Amounts reported for governmental activities in the Statement of Net Assets (page 20) are different because:

Total Fund Balances at June 30, 2020 - Governmental Funds (page 22)	\$ 4,442,560
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$41,349,796 and the accumulated depreciation is \$23,623,912.	17,725,884
Total Net Position of Governmental Activities at June 30, 2020 (page 20)	<u>\$ 22,168,444</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	<u>GENERAL</u>	<u>COMMUNITY CENTER AND PLAYGROUND DIST NO. 16</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES				
Taxes				
Property taxes	\$ 470,971	\$ -	\$ -	\$ 470,971
Sales taxes	594,475	-	39,639	634,114
Franchise taxes	127,719	-	-	127,719
Licenses and permits	340,067	-	-	340,067
Intergovernmental	593,752	401,528	14,000	1,009,280
Gaming fees and commissions	307,434	-	-	307,434
Fines and forfeitures	157,957	-	-	157,957
Charges for services	637,642	3,000	201,131	841,773
Interest	56,407	1,822	677	58,906
Miscellaneous	69,566	-	325	69,891
TOTAL REVENUES	<u>3,355,990</u>	<u>406,350</u>	<u>255,772</u>	<u>4,018,112</u>
EXPENDITURES				
Current				
Public Safety				
Executive	114,166	-	-	114,166
General government	2,311,263	-	-	2,311,263
Public safety	964,283	-	-	964,283
Public works	994,902	-	84,813	1,079,715
Health and welfare	-	-	258,882	258,882
Culture, recreation and tourism	74,664	665,775	6,333	746,772
TOTAL EXPENDITURES	<u>4,459,278</u>	<u>665,775</u>	<u>350,028</u>	<u>5,475,081</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,103,288)</u>	<u>(259,425)</u>	<u>(94,256)</u>	<u>(1,456,969)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	31,988	31,988
Transfers out	(31,988)	-	-	(31,988)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(31,988)</u>	<u>-</u>	<u>31,988</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>(1,135,276)</u>	<u>(259,425)</u>	<u>(62,268)</u>	<u>(1,456,969)</u>
FUND BALANCE				
Beginning of year	4,305,869	1,093,248	500,412	5,899,529
End of year	<u>\$ 3,170,593</u>	<u>\$ 833,823</u>	<u>\$ 438,144</u>	<u>\$ 4,442,560</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

Amounts reported for governmental activities in the Statement of Activities (page 21) are different because:

Net change in fund balances - total governmental funds (page 24) \$ (1,456,969)

Reconciling items:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. (128,328)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets. -

Change in net position of governmental activities (page 21) \$ (1,585,297)

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes				
Property taxes	\$ 449,364	\$ 476,000	\$ 470,971	\$ (5,029)
Sales taxes	599,000	584,500	594,475	9,975
Franchise taxes	98,000	110,500	127,719	17,219
Licenses and permits	339,000	313,500	340,067	26,567
Intergovernmental	570,350	688,645	593,752	(94,893)
Gaming fees and commissions	390,000	270,000	307,434	37,434
Fines and forfeitures	108,000	163,000	157,957	(5,043)
Charges for services	611,000	612,250	637,642	25,392
Interest	75,000	60,000	56,407	(3,593)
Miscellaneous	62,500	77,400	69,566	(7,834)
TOTAL REVENUES	3,302,214	3,355,795	3,355,990	195
EXPENDITURES				
Current				
Executive	137,063	120,750	114,166	6,584
General government	1,349,220	2,295,515	2,311,263	(15,748)
Public safety	798,600	1,004,868	964,283	40,585
Public works	931,700	980,400	994,902	(14,502)
Health and welfare	-	-	-	-
Culture, recreation and tourism	93,475	87,150	74,664	12,486
Non-departmental	-	-	-	-
TOTAL EXPENDITURES	3,310,058	4,488,683	4,459,278	29,405
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,844)	(1,132,888)	(1,103,288)	29,600
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(31,988)	(31,988)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(31,988)	(31,988)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	(7,844)	(1,132,888)	(1,135,276)	(2,388)
FUND BALANCE				
Beginning of year	4,305,869	4,305,869	4,305,869	-
End of year	<u>\$ 4,298,025</u>	<u>\$ 3,172,981</u>	<u>\$ 3,170,593</u>	<u>\$ (2,388)</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 16
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	684,000	686,000	401,528	(284,472)
Gaming fees and commissions	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	5,000	5,000	3,000	(2,000)
Interest	1,000	2,250	1,822	(428)
Miscellaneous	2,500	2,500	-	(2,500)
TOTAL REVENUES	<u>692,500</u>	<u>695,750</u>	<u>406,350</u>	<u>(289,400)</u>
EXPENDITURES				
Current				
Executive	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture, recreation and tourism	664,416	676,110	665,775	10,335
Non-departmental	-	-	-	-
TOTAL EXPENDITURES	<u>664,416</u>	<u>676,110</u>	<u>665,775</u>	<u>10,335</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>28,084</u>	<u>19,640</u>	<u>(259,425)</u>	<u>(279,065)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>28,084</u>	<u>19,640</u>	<u>(259,425)</u>	<u>(279,065)</u>
FUND BALANCE				
Beginning of year	945,294	1,093,248	1,093,248	-
End of year	<u>\$ 973,378</u>	<u>\$ 1,112,888</u>	<u>\$ 833,823</u>	<u>\$ (279,065)</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATERWORKS UTILITY FUND	GAS UTILITY FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$ 16,452	\$ 34,292	\$ 50,744
Investments	-	-	-
Receivables (net of allowance for uncollectibles)	2,388	187,501	189,889
Due from other funds	104,551	2,796	107,347
Inventories	-	-	-
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	51,419	61,981	113,400
Investments	930,370	-	930,370
Capital assets (net of accumulated depreciation)	8,814,654	560,788	9,375,442
Unamortized bond issue costs (net of accumulated amortization)	25,441	-	25,441
TOTAL ASSETS	<u>9,945,275</u>	<u>847,358</u>	<u>10,792,633</u>
LIABILITIES			
Current Liabilities			
Accounts payable	-	1,792	1,792
Accrued payroll and deductions	-	2,967	2,967
Due to other funds	1,871	187,469	189,340
Liabilities payable from restricted assets:			
Customer deposits	-	54,812	54,812
Due to other funds	-	7,169	7,169
Noncurrent liabilities:			
Water revenue bonds payable	7,042,442	-	7,042,442
TOTAL LIABILITIES	<u>7,044,313</u>	<u>254,209</u>	<u>7,298,522</u>
NET POSITION			
Invested in capital assets, net of related debt	1,797,653	560,788	2,358,441
Restricted for:			
Debt service	981,789	-	981,789
Construction	-	-	-
Unrestricted	121,520	32,361	153,881
TOTAL NET POSITION	<u>\$ 2,900,962</u>	<u>\$ 593,149</u>	<u>\$ 3,494,111</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATERWORKS UTILITY FUND	GAS UTILITY FUND	TOTAL
OPERATING REVENUES			
Sales	\$ -	\$ 294,055	\$ 294,055
Service charges	-	1,850	1,850
Installation charges	-	5,024	5,024
Penalties	-	11,431	11,431
Intergovernmental transfers	541,508	-	541,508
Miscellaneous	-	2,251	2,251
TOTAL OPERATING REVENUES	541,508	314,611	856,119
OPERATING EXPENSES			
Personal services	-	209,353	209,353
Contracted services	-	36,265	36,265
Materials and supplies	-	6,712	6,712
General and administrative	109,429	126,701	236,130
Depreciation and amortization	440,376	21,756	462,132
TOTAL OPERATING EXPENSES	549,805	400,787	950,592
OPERATING INCOME (LOSS)	(8,297)	(86,176)	(94,473)
NONOPERATING REVENUES (EXPENSES)			
Interest income	12,744	293	13,037
Interest expense	(346,603)	-	(346,603)
Ad valorem taxes	277,592	69,398	346,990
Intergovernmental			
Federal - FEMA - Public Disaster Assistance	-	58,216	58,216
Gain (loss) on sale of assets	-	55,000	55,000
TOTAL NONOPERATING REVENUES (EXPENSES)	(56,267)	182,907	126,640
INCOME (LOSS) BEFORE TRANSFERS	(64,564)	96,731	32,167
OPERATING TRANSFERS			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
NET OPERATING TRANSFERS	-	-	-
CHANGE IN NET POSITION	(64,564)	96,731	32,167
NET POSITION			
Beginning of year	2,965,526	496,418	3,461,944
End of year	<u>\$ 2,900,962</u>	<u>\$ 593,149</u>	<u>\$ 3,494,111</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATERWORKS	GAS	TOTAL
	UTILITY FUND	UTILITY FUND	
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from (Refunds to) customers and others	\$ -	\$ 322,942	\$ 322,942
Receipts from Jefferson Parish Water - operating subsidy	541,508	-	541,508
Payments to suppliers	(27,759)	(168,001)	(195,760)
Payments to Jefferson Parish (surplus funds)	(81,670)	-	(81,670)
Payments to employees	-	(209,109)	(209,109)
Payments for interfund services used	(1)	(154,228)	(154,229)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>432,078</u>	<u>(208,396)</u>	<u>223,682</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Ad valorem taxes	277,592	69,398	346,990
Receipts under FEMA Public Disaster Assistance grants	-	133,404	133,404
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>277,592</u>	<u>202,802</u>	<u>480,394</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on Water Revenue Bonds, Series 2000	(194,906)	-	(194,906)
Interest paid on Water Revenue Bonds, Series 2000	(346,603)	-	(346,603)
Purchase of property and equipment	-	(60,258)	(60,258)
Proceeds from sale of assets	-	55,000	55,000
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(541,509)</u>	<u>(5,258)</u>	<u>(546,767)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	12,744	293	13,037
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>12,744</u>	<u>293</u>	<u>13,037</u>
INCREASE IN CASH AND CASH EQUIVALENTS	180,905	(10,559)	170,346
CASH AND CASH EQUIVALENTS			
Beginning of year	817,336	106,832	924,168
End of year	<u>\$ 998,241</u>	<u>\$ 96,273</u>	<u>\$ 1,094,514</u>
RECONCILIATION TO BALANCE SHEET			
Current Assets			
Cash and cash equivalents	\$ 16,452	\$ 34,292	\$ 50,744
Restricted Assets			
Cash and cash equivalents	51,419	61,981	113,400
Investments	930,370	-	930,370
TOTAL	<u>\$ 998,241</u>	<u>\$ 96,273</u>	<u>\$ 1,094,514</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (8,297)	\$ (86,176)	\$ (94,473)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	440,376	21,756	462,132
(Increase) decrease in assets:			
accounts receivable	-	6,476	6,476
due from other funds	(1)	(94)	(95)
inventory	-	3,575	3,575
other assets	-	(375)	(375)
Increase (decrease) in liabilities:			
accounts payable	-	(1,523)	(1,523)
accrued payroll and deductions	-	244	244
customer deposits	-	1,855	1,855
due to other funds	-	(154,134)	(154,134)
Net adjustments	<u>440,375</u>	<u>(122,220)</u>	<u>318,155</u>
Net cash provided (used) by operating activities	<u>\$ 432,078</u>	<u>\$ (208,396)</u>	<u>\$ 223,682</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA

**FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2020**

	<u>AGENCY FUNDS</u>
ASSETS	
Cash and cash equivalents	\$ 10,509
TOTAL ASSETS	<u>10,509</u>
LIABILITIES	
Due to taxing bodies and others	10,509
TOTAL LIABILITIES	<u>10,509</u>
NET POSITION	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

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TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the TOWN OF GRAND ISLE, LOUISIANA (the "Town") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

1. Reporting Entity

Under GASB's Codification of Governmental Accounting and Financial Reporting Standards Section 2100, the financial reporting entity consists of the primary government (the "Town") and its component units. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing body, and 1) the ability of the primary government to impose its will on that organization, or 2) whether the potential exists for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. Additionally, a component unit can be an organization for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units discussed below are included in the Town's reporting entity as blended component units because of the significance of their operational or financial relationships with the Town.

Community Center and Playground District No. 16 of Jefferson Parish

The above noted District is a legally separate entity from the Town and is funded primarily by taxes and fees levied by the Parish of Jefferson; however, under agreement with the Parish, the entity is governed by the same elected officials that govern the Town. For financial reporting purposes, this entity is reported as if it were part of the Town's operations.

2. Description of Activities

The Town was incorporated on June 15, 1959, under the provisions of the Lawrason Act (LRS 33:321 - 481). The Town is governed by a Mayor-Board of Alderman form of government. Services provided by the Town include general government activities, public works, public safety, health and welfare and culture and recreation programs. The Town also provides waterworks and gas utilities.

3. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to 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*.

Fund Financial Statements

Separate financial statements are provided for the governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements of the Town. Funds are used by the Town to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the Town are classified into three categories: *governmental, proprietary and fiduciary*. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of the Town's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the Town not accounted for in some other fund. "Major" individual governmental funds are reported as separate columns in the fund financial statements. The Town reports the following major governmental funds:

The **General Fund** is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

The **Community Center and Playground District No. 16 Special Revenue Fund** accounts for the proceeds of an ad valorem tax levied by the Parish of Jefferson and remitted to the Town for the construction, operations, and debt service costs of the Grand Isle Community Center and Playground District.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The Town uses *Enterprise Funds* to account for the operations of its waterworks and gas utilities. The principal operating revenues of each are charges to customers for sales and services or parish subsidies. Operating expenses of the enterprise funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. *Agency funds* generally are used to account for assets that the Town holds on behalf of others as their agent. The Grand Isle Relief Fund holds money donated to the Town for disaster relief to citizens in the Town.

4. 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 revenue as soon as all eligibility requirements imposed by the provider have been met and the funds are "available". As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* on the Statement of Activities include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and related commissions.

Within the fund financial statements, the accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers property taxes and sales taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due.

Those revenues susceptible to accrual are property taxes, sales taxes, franchise taxes, interest revenue, charges for services, and grants. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The proprietary fund type is accounted for on the *economic resources management focus* and the *accrual basis of accounting*. With this measurement focus, all assets and liabilities associated with the operation of this fund type are included on the balance sheet. Proprietary fund type operating statements represent increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of the timing of related cash flows.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town may also report unearned grant revenues on its combined balance sheet. Unearned grant revenues arise when potential revenue does not meet both the “measurable and available” criteria for recognition in the current period. Unearned grant revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures (i.e., an advance). In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability of unearned grant revenues is removed from the combined balance sheet and revenue is recognized.

5. Assets, Liabilities, and Net Position or Equity

A. Cash and Investments

Cash and cash equivalents shown on the face of the Combined Balance Sheet include amounts in demand deposits, petty cash, certificates of deposit with maturities of less than 90 days, and shares in the Louisiana Asset Management Pool (LAMP).

In accordance with GASB Codification Section 150, investments are generally stated at fair value, unless the Town invests in “money market” securities which have a maturity date of less than 90 days at the balance sheet date. If the investments mature within 90 days, they are stated at cost or amortized cost. Louisiana Revised Statutes, LRS 33:2955, authorize the Town to invest in (1) direct United States Treasury obligations, (2) bonds, indentures, and notes issued or guaranteed by federal agencies, provided that such obligations are backed by the full faith and credit of the United States (including but not limited to the FHA, FFB, GNMA, FHLB, FHLMC, FNMA, etc.), (3) direct repurchase agreements of any federal book entry only securities enumerated in (1) or (2), (4) time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, savings accounts or shares of savings and loan associations and savings banks, as defined by RS 6:703(16) or (17), (5) mutual or trust funds registered with the Securities Exchange Commission, (6) guaranteed investment contracts issued by a bank or entity having one of the two highest short-term rating categories of either Standard & Poor’s or Moody’s Investors Services, and (7) certain commercial grade commercial paper. The portfolio of the entity is limited in certain categories, for example, the investment in mutual funds cannot exceed 25 percent of the entity’s portfolio. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool. (LAMP), a state sponsored external investment pool.

For the purposes of the statement of cash flows, the Proprietary Fund considers its investment in LAMP and all highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents.

B. Interfund Receivables/Payables and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. As a general rule, all interfund balances are eliminated in the government-wide financial statements.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

C. Inventories

The cost of material and supplies acquired by governmental funds are recorded as expenditures at the time of purchase. The inventory of such materials and supplies at June 30, 2020 would not be material to the financial statements. The inventory of the Proprietary Fund is stated at the lower of cost or market, determined by a first-in, first-out method.

D. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2020 are recorded as prepaid items.

E. Unamortized Charges

Bond issuance costs relating to the Revenue Bonds are treated as unamortized charges and will be amortized/expended over the life of the bonds. Amortization will occur over the next 40 years.

F. Restricted Assets

Funds on hand which represent "customer meter deposits" are classified as restricted assets on the balance sheet of the enterprise fund since these funds may only be used for the payment of any outstanding water bills when customers discontinue service. Special accounts set up in accordance with the Bond Anticipation Notes and the Water Revenue Bonds, Series 2000 bond indenture are also classified as restricted assets on the balance sheet. These accounts include a "construction account", a "debt service - sinking fund", a "debt service - reserve fund", and a "reserve for depreciation and contingencies fund".

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$100 (except for electronic equipment is 100 percent capitalized) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and are included in construction in progress.

General government property, plant, equipment, and infrastructure is depreciated using the straight-line method (with a mid-year convention) over the following estimated useful lives:

Asset Category	Useful Life in Years
Buildings and Improvements	40
Equipment (including furniture and fixtures)	3
Heavy Equipment	5
Vehicles	7
Infrastructure - Other	15 to 35
Infrastructure - Streets	20 to 40

The proprietary funds also record capital assets and depreciation. The useful lives used for computing depreciation for the proprietary funds are as follows:

Asset Category	Useful Life in Years
Buildings and Improvements	20 to 50
Furniture and Fixtures	5 to 10
Vehicles and Heavy Equipment	5 to 10
Utility Distribution Systems and Lines	20 to 40

H. Compensated Absences

In both the governmental and proprietary fund types, annual and sick leave are expensed when claimed by the employee rather than when earned. In the opinion of management, the liability due at June 30, 2020 would not be material to the financial statements.

I. Long-Term Obligations

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

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

J. Fund Equity

In accordance with Government Accounting Standards Board (GASB) Codification Section 1800, in the fund financial statements, fund balances of the governmental fund types are categorized into one of five categories - Non-spendable, Restricted, Committed, Assigned, or Unassigned.

For *committed fund balances*, the Town Council is considered to be the highest level of decision-making authority and ordinances or resolutions passed by it is needed to establish, modify, or rescind a fund balance commitment. For *assigned fund balances*, the Mayor or Town Clerk may assign amounts to a specific purpose.

While the Town has not established a policy for its use of unrestricted fund balances, it does consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

K. Use of Estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires the Town 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. Actual results could differ from the estimates that were used.

L. Subsequent Events

The Town has evaluated subsequent events through December 14, 2020, the date the financial statements were available to be issued. See Note F.3 for subsequent events noted.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$(128,328) difference are as follows:

Capital outlay	\$ 1,291,368
Depreciation expense	(1,419,696)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u><u>\$ (128,328)</u></u>

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. Budgetary Information

Formal budgetary accounting is employed as a management control device during the year for the General Fund and Special Revenue Funds. Informal budgets are also adopted for the Proprietary funds but are not presented.

Expenditures may not exceed budgeted appropriations at the division or department level. Expenditures may not exceed appropriations until additional appropriations have been provided. All annual appropriations which are not expended or encumbered lapse at year end.

Budgets are adopted for the General and Special Revenue funds on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons presented in the accompanying financial statements are on this GAAP basis.

In accordance with the Louisiana Local Government Budget Act (LSA-RS 39:1301), the procedures used by the Town in establishing the budgetary data reflected in the financial statements are as follows:

- a. Not less than 30 days before the end of the fiscal year, the Mayor recommends to the Town Council a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. The proposed budget is summarized and advertised and the public notified that the proposed budget is available for inspection and that within 10 days thereafter public hearings are conducted to obtain taxpayer comments.
- c. The budget is then legally enacted by passage of an ordinance by the Town Council.
- d. Any revisions that alter the total expenditures of a department must be approved by the Town Council. Changes to specific line-items within the departments must also be approved by the Town Council.

Budgeted amounts presented in the financial statements are as originally adopted or as finally amended by the Town Council.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

2. Amendments to the Budget

The Town made several supplemental budgetary appropriations throughout the year, the final being made on June 23, 2020 via Ordinance 997. The most significant of the changes made are described below:

Budgeted revenues of the General Fund were increased by \$53,581. The more significant changes were made as follows: 1) property taxes were increased \$26,636 to reflect slightly higher anticipated tax roll and collections; 2) licenses and permits were lowered \$(25,500) mostly due to a drop in occupational licenses; 3) intergovernmental revenues increased \$118,295 to reflect a) an increase of \$200,000 from the Parish of Jefferson for a grant for the Multiplex renovations, b) an increase of \$10,000 for a coastal erosion grant from the Parish of Jefferson, c) a drop of \$(50,000) in FEMA disaster assistance, d) a drop of \$(20,000) in COE levee inspection reimbursements, and e) a drop of \$(24,705) in tourism funds; 4) a drop of \$(120,000) in gaming fees and commissions due mainly to the temporary closure of the Boomtown Casino in the initial wave of the Coronavirus pandemic, resulting in a drop in commissions; 5) an increase of \$55,000 in fines and forfeitures due to the implementation of the Redflex traffic ticketing system; 6) a drop of \$(15,000) in interest income due to a drop in available balances; and 7) an increase of \$14,900 in miscellaneous income.

Budgeted expenditures of the General Fund were increased by \$1,178,625. A breakdown by function follows:

Fund/Function	Original Budget	Amendments	Final Budget
General Fund			
Executive	\$ 137,063	\$ (16,313)	\$ 120,750
General Government	1,349,220	946,295	2,295,515
Public Safety	798,600	206,268	1,004,868
Public Works	931,700	48,700	980,400
Culture, Recreation and Tourism	93,475	(6,325)	87,150
Total	<u>\$ 3,310,058</u>	<u>\$ 1,178,625</u>	<u>\$ 4,488,683</u>

The \$946,295 increase in the General Government’s expenditures was the result of 1) an increase of \$877,450 in capital outlays (mostly in buildings and structures for the Town Hall Renovation project and the Multiplex Renovation project), 2) an increase of \$20,000 in health insurance (due to increased rates), and 3) an increase of \$57,500 in legal and professional fees (due to an increase in general engineering fees plus the cost of buying abstracts on the gulf-side properties near the levee breach). There were a number of smaller increases and decreases on various line-items that made up the difference in the change.

The increase of \$206,298 in Public Safety was made up of 1) an increase of \$139,700 in salaries (mostly due to increases needed for a pay raise given to the Police Chief, plus overtime needed to patrol the beaches and to work the Coronavirus checkpoint), 2) an increase of \$17,000 in Digi-Court costs (due to increasing costs of using the online portal for court cases), 3) an increase of \$12,000 in utilities (to reflect the move to the Multiplex Building and the resulting increase in water and electricity utility charges), and 4) an increase of \$48,118 in capital outlays (mostly to reflect the purchase of a new wave runner).

The increase of \$48,700 in Public Works is made up of 1) an increase of \$25,500 in salaries (due to raises given and overtime related to storms and levee breaches), and 2) an increase of \$20,000 in equipment rentals (for anticipated equipment needed for levee breaches).

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The Community Center and Playground District No. 16 Special Revenue Fund had a net increase in revenues of \$3,250 made up of an increase of \$2,000 in Parish-allocated millage funds for capital purposes, and an increase of \$1,250 in interest income. Expenditures went up \$11,694 (\$21,000 in building repairs, \$38,000 in park and playground repairs, \$(41,806) in capital outlays – playground equipment, and a drop of \$(19,000) in general insurance.

3. Expenditures in Excess of Appropriations

The following funds had expenditures on a budgetary basis in excess of appropriations for the fiscal year ended June 30, 2020:

Fund/Function	Expenditures	Budget	Excess
General Fund			
General Government	\$ 2,311,263	\$ 2,295,515	\$ (15,748)
Public Works	994,902	980,400	(14,502)
Special Revenue			
Community Fair	6,333	5,800	(533)

Expenditures exceeded appropriations in for the following reasons: the General Government function of the General Fund was over budget primarily due to costs exceeding budget in the Multiplex renovation project. The Public Works function was over budget on the hauling fees line-item due to increased costs from storms. The Community Fair was over budget due to more than anticipated costs associated with the fair (as the fair was ultimately cancelled). All of the above overages were absorbed by available revenues/fund balances.

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Deposits with Financial Institutions and Investments

Deposits with Financial Institutions

At June 30, 2020, deposits with financial institutions consisted of the following:

	Cash	Certificates of Deposit	Other	Total
Deposits in Bank Accounts per Balance Sheet	\$ 812,236	\$ -	\$ 300	\$ 812,536
Bank Balances of Deposits Exposed to Custodial Credit Risk:				
A. Uninsured and uncollateralized	\$ -	\$ -	\$ -	\$ -
B. Uninsured and collateralized with securities held by the pledging institution	-	-	-	-
C. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Town's name.	-	-	-	-
Total Bank Balances Exposed to Custodial Credit Risk	\$ -	\$ -	\$ -	\$ -
Total Bank Balances - All Deposits	\$ 1,112,245	\$ -	\$ -	\$ 1,112,245

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Petty cash is not required to be reported in the note disclosure; however, to aid in reconciling amounts reported on the balance sheet to the amounts reported in this note, the Town held \$300 in petty cash at June 30, 2020 (\$200 in the General Fund and \$100 in the Gas Utilities Fund) which is shown as other above.

A breakdown of cash and investments as shown on the Statement of Net Position is as follows:

Fund	Cash and		
	Cash Equivalents	Investments	Total
Major Funds			
General Fund	\$ 197,504	\$ 2,649,830	\$ 2,847,334
Community Center and Playground District No. 16	22,721	69,232	91,953
Non-major Governmental Funds			
Special Revenue Funds	417,658	-	417,658
Proprietary Funds (Unrestricted and Restricted)			
Waterworks Utilities Enterprise Fund	67,871	930,370	998,241
Gas Utilities Enterprise Fund	96,273	-	96,273
Fiduciary Funds - Agency	10,509	-	10,509
Total (See Footnote D.1)	<u>\$ 812,536</u>	<u>\$ 3,649,432</u>	<u>\$ 4,461,968</u>

Investments

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counter-party or the counter-party's trust department or agent but not in the entity's name. The Town's investments consist of shares in the Louisiana Asset Management Pool (LAMP). The balance as of June 30, 2020 for all funds is \$3,649,432. Because this investment is not evidenced by securities that exist in physical or book entry form, it is not categorized for the purposes of this note.

Credit Risk of Investments

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. It is the Town's policy is to limit its investments in these investment types to the top ratings group. State statutes also allow the Town to invest in the Louisiana Asset Management Pool (LAMP). The following table lists the Town's investments by credit quality rating, whether held directly or indirectly (i.e., LAMP):

S&P or Moody's Rating	Fair Value
AAAm	\$ 3,649,432
	<u>\$ 3,649,432</u>

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Interest Rate Risk

In accordance with the Town’s investment policy, exposure to declines in fair values is managed by limiting the maturity of its investments to less than 1 year. By investing in LAMP, the Town is even less exposed to long-term interest rate risk.

Concentrations of Credit Risk

The Town does not limit how much can be invested in a particular issuer as long as the limits set forth in State Statutes are met. At June 30, 2020, 100 percent of the Town’s investments of \$3,649,432 were invested with the Louisiana Asset Management Pool (LAMP).

2. Receivables

Receivables at June 30, 2020 consist of the following:

	General	Community Center and Playground District No. 16 Special Revenue	Other Governmental Funds	Proprietary Funds	Total
Receivables:					
Accounts					
Utilities	\$ -	\$ -	\$ -	\$ 187,375	\$ 187,375
Franchise taxes	31,674	-	-	-	31,674
Intergovernmental					
Sales taxes	177,468	-	11,994	-	189,462
Beer taxes	1,592	-	-	-	1,592
Gaming fees and commissions	18,138	-	-	-	18,138
Playground Dist No 16 taxes	-	709,551	-	-	709,551
Parish Transportation Funds	22,429	-	-	-	22,429
DEQ Revolving Loan 90 West	-	-	-	-	-
Federal, state, and local grants	95,627	14,899	-	-	110,526
State Park sanitation fees	-	-	-	-	-
State DOTD highway maint fees	6,925	-	-	-	6,925
State Beach water quality fees	1,000	-	-	-	1,000
Other	4,497	-	-	3,514	8,011
Subtotal	359,350	724,450	11,994	190,889	1,286,683
Less: Allowance for uncollectibles	-	-	-	(1,000)	(1,000)
Net Receivables - Governmental Funds	\$ 359,350	\$ 724,450	\$ 11,994	\$ 189,889	\$ 1,285,683

The Town generally considers all receivables to be collectible, however, in the Gas Utilities Enterprise Fund, an allowance for uncollectibles of approximately 1 percent (\$1,000) of the utility bills receivable has been recorded.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Sales taxes are collected by the Jefferson Parish Sheriff's Office (the ex-officio tax collector of the Parish). Sales taxes collected by vendors are remitted to the Sheriff in the month following the sale and the Sheriff then remits the taxes to the taxing agencies (i.e., the Town) by the 10th of the following month. These amounts represent sales taxes due from the Sheriff for May and June 2020, which were received in July and August 2020.

The General Fund receivables include normal recurring remittances for taxes and intergovernmental fees that were received after year end. Other than sales taxes, the largest receivables has to do with the accrual of \$30,226 in franchise taxes (related to the cable and electric utility franchise agreements). The \$95,627 for Federal, State and Local Grants is made up of reimbursements due under the CARES Act – Coronavirus Relief Fund for salaries and benefit costs related to the pandemic (see Note E.3). The gaming fees and commissions are due from the Parish and the State for Boomtown Casino boarding fees and video poker commissions. The Parish Transportation Funds are due from the State's annual allocation.

The \$724,450 shown in the Playground District No. 16 Special Revenue fund relates to 1) the balance of parish dedicated ad valorem taxes collected by the Parish on the Town's behalf under a local cooperative agreement in the amount of \$709,551 (after a reduction for the Parish's fund balance reserve), and 2) \$14,899 in claims to FEMA related to Hurricane Isaac (See Note E.2). The ad valorem tax amounts are remitted to the Town by the Parish on a monthly basis. The Parish typically withholds a percentage of the annual tax collection for contingencies/reserves. The amount held by the Parish is not accrued into the Town's fund.

Finally, the Waterworks Utilities Enterprise Fund includes \$5 for utility billings to customers for gas, penalties and sanitation fees, while the Gas Utilities Enterprise Fund includes \$187,370 for these types of billings. Included within the gas receivable amount is \$12,599 for un-billed receivables. This amount represents approximately one-half of the July 31, 2020 gas bills which are for the actual usage of gas in the last half of June 2020.

3. Capital Assets

The Town's capital assets include various infrastructure assets, including the value of Town-owned streets. The amount of streets capitalized totaled \$12,969,828 and is based on estimates from the Town's engineers on which streets are Town-owned, the make-up and condition of the street, the historical cost of the street, etc. The Town elected to capitalize these costs and depreciate them over their useful lives. The Town does not follow the "alternative method" of accounting for and depreciating these street networks, thus, any general maintenance costs (including street overlays) are being expended in the year incurred rather than capitalized.

The following is a summary of changes in capital assets related to governmental activities during the fiscal year:

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

	Balance July 1, 2019	Additions	Deletions	Reclasses & Transfers	Balance June 30, 2020
Governmental Activities:					
Capital Assets Not Being Depreciated					
Land	\$ 382,830	\$ -	\$ -	\$ -	\$ 382,830
Construction in progress	471,271	1,182,445	-	-	1,653,716
Total Capital Assets Not Being Depreciated	<u>\$ 854,101</u>	<u>\$ 1,182,445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,036,546</u>
Capital Assets Being Depreciated:					
Buildings and improvements	\$ 7,816,781	\$ -	\$ -	\$ -	\$ 7,816,781
Furniture and fixtures	763,405	40,492	(60,898)	3,323	746,322
Heavy Equipment	3,603,971	39,023	(222,454)	(3,323)	3,417,217
Vehicles	485,760	29,408	(13,000)	-	502,168
Infrastructure	26,830,762	-	-	-	26,830,762
Total Capital Assets Being Depreciated	<u>39,500,679</u>	<u>108,923</u>	<u>(296,352)</u>	<u>-</u>	<u>39,313,250</u>
Less Accumulated Depreciation:					
Buildings and improvements	(1,860,064)	(198,232)	-	-	(2,058,296)
Furniture and fixtures	(698,862)	(31,167)	60,898	(1,424)	(670,555)
Heavy Equipment	(3,330,211)	(68,527)	222,454	1,424	(3,174,860)
Vehicles	(292,653)	(69,819)	13,000	-	(349,472)
Infrastructure	(16,318,778)	(1,051,951)	-	-	(17,370,729)
Total Accumulated Depreciation	<u>(22,500,568)</u>	<u>(1,419,696)</u>	<u>296,352</u>	<u>-</u>	<u>(23,623,912)</u>
Net Capital Assets Being Depreciated					
Buildings and improvements	5,956,717	(198,232)	-	-	5,758,485
Furniture and fixtures	64,543	9,325	-	1,899	75,767
Heavy Equipment	273,760	(29,504)	-	(1,899)	242,357
Vehicles	193,107	(40,411)	-	-	152,696
Infrastructure	10,511,984	(1,051,951)	-	-	9,460,033
Total Net Capital Assets Being Depreciated	<u>\$ 17,000,111</u>	<u>\$ (1,310,773)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,689,338</u>
Total Net Capital Assets - Governmental Activities	<u>\$ 17,854,212</u>	<u>\$ (128,328)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,725,884</u>

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The following is a summary of changes in capital assets related to business-type activities during the fiscal year:

	Balance July 1, 2019	Additions	Deletions	Reclasses & Transfers	Balance June 30, 2020
Business-type Activities:					
Capital Assets Not Being Depreciated					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Assets Being Depreciated:					
Buildings and improvements	\$ -	\$ -	\$ -	\$ -	\$ -
Furniture and equipment	4,432	-	-	-	4,432
Heavy Equipment	4,186	-	-	-	4,186
Vehicles	56,348	60,258	-	-	116,606
Transmission and distribution systems	18,688,405	-	-	-	18,688,405
Total Capital Assets Being Depreciated	<u>18,753,371</u>	<u>60,258</u>	<u>-</u>	<u>-</u>	<u>18,813,629</u>
Less Accumulated Depreciation:					
Buildings and improvements	-	-	-	-	-
Furniture and equipment	(3,217)	(304)	-	-	(3,521)
Heavy Equipment	(4,186)	-	-	-	(4,186)
Vehicles	(50,060)	(1,572)	-	-	(51,632)
Transmission and distribution systems	(8,919,886)	(458,962)	-	-	(9,378,848)
Total Accumulated Depreciation	<u>(8,977,349)</u>	<u>(460,838)</u>	<u>-</u>	<u>-</u>	<u>(9,438,187)</u>
Net Capital Assets Being Depreciated					
Buildings and improvements	-	-	-	-	-
Furniture and equipment	1,215	(304)	-	-	911
Heavy Equipment	-	-	-	-	-
Vehicles	6,288	58,686	-	-	64,974
Transmission and distribution systems	9,768,519	(458,962)	-	-	9,309,557
Total Net Capital Assets Being Depreciated	<u>\$ 9,776,022</u>	<u>\$ (400,580)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,375,442</u>
Total Net Capital Assets - Business-type Activities	<u>\$ 9,776,022</u>	<u>\$ (400,580)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,375,442</u>

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Depreciation expense has been charged to the functions/programs of the Town as follows:

	Depreciation Expense
Governmental Activities	
Executive	\$ 5,334
General Government	159,012
Public Safety	75,336
Public Works	940,223
Health and Welfare	-
Culture, Recreation and Tourism	239,791
Total Depreciation Expenses - Governmental Activities	\$ 1,419,696
Business-type Activities	
Waterworks Utilities	\$ 439,082
Gas Utilities	21,756
Total Depreciation Expenses - Governmental Activities	\$ 460,838

The Construction in Progress of \$1,653,716 in the Governmental Activities relates to the following ongoing project(s):

Project	Construction In Progress	Required Future Financing	Expended During Year
Town Hall Renovations and Painting	\$ 462,560	\$ 14,884	\$ 102,320
Gymnasium Renovations	58,399	638,268	-
Multiplex Renovations	1,132,757	60,958	1,080,125
Total Construction in Progress	\$ 1,653,716	\$ 714,110	\$ 1,182,445

The Town Hall Renovations project is nearing completion. The majority of the work is done and is awaiting final inspection and the issuance of substantial completion. In previous years, the Parish provided \$150,000 to the Town for engineering fees to study and design this project. During 2020, the Town spent \$102,320 bringing the total to date cost to \$462,560. Some of the work was reimbursed through FEMA grants (see Note E.2)

The Gymnasium renovations are being funded with a \$740,000 State Capital Outlay grant (Project No. 50-MB1-12-01). The State is providing \$100,000 in cash for engineering and design work. The balance of \$640,000 is in a non-cash line of credit. During 2020, the Town spent \$0-, bringing the total to date cost to \$58,399. The work on the project has been delayed but continues.

The Town is renovating the Multiplex Center to provide the Police Department with offices and holding cells. The Parish of Jefferson has provided \$200,000 towards this project, with the balance being paid for with Town funds. During 2020, the Town expended \$1,080,125 on this project, bringing the total project to date cost to \$1,132,757. The project was completed subsequent to year end and was awaiting the issuance of substantial completion before paying the final retainages due on the contract.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Water District Takeover

As discussed in Note F.2, the Parish of Jefferson created Sub-District No. 1 of the Consolidated Water District No. 2 of Jefferson Parish in July 2005. This Sub-District effectively took over the daily operations of the Town's water district, while the Town continues to maintain custody of the Lafitte-to-Grand Isle waterline along with the associated debt (i.e., Water Revenue Bonds, Series 2000). This "take-over" of the water district effectively took place on or about August 15, 2005. Under the terms of the takeover, the Town turned over all operating and capital assets to the Parish's Water District, except for the Lafitte-to-Grand Isle Waterline. The \$17,563,296 cost of the waterline and related debt remain on the books of the Town because of restrictions in the bond indenture that funded the waterline construction. This asset is included in the transmission and distribution systems reported above in the Business-type capital assets.

4. Restricted Assets

The balances of Waterworks Utility and Gas Utility Enterprise Funds' restricted asset accounts are as follows:

<u>Fund/Restricted Asset Account</u>	
Waterworks Utilities Enterprise Fund	
Water Pipeline Debt Service - Sinking Fund	\$ 51,419
Water Pipeline Debt Service - Reserve Fund	466,543
Water Pipeline Debt Service - Depreciation & Contingencies Reserve	<u>463,827</u>
Total Waterworks Utilities	<u>981,789</u>
Gas Utilities Enterprise Fund	
Meter Deposits	<u>61,981</u>
Total Waterworks Utilities	<u>61,981</u>
Total Restricted Assets	<u><u>\$ 1,043,770</u></u>

5. Long-Term Debt

Water Revenue Bonds, Series 2000

The Waterworks Utilities Enterprise Fund issued Water Revenue Bonds, Series 2000 on February 25, 2000, totaling \$9,225,000, with interest of 4.75% per annum. The proceeds of the bonds were used to pay off the 2000 Bond Anticipation Notes issued by the Louisiana Facilities Planning Department. The Water Revenue Bonds are secured and payable solely by a pledge of the income and revenues of the Waterworks Utility System after provision for the payment of reasonable and necessary costs and expenses of operating and maintaining the system. Beginning March 25, 2002, and continuing each month through February 25, 2040, payments of \$43,819, representing principal and interest, are due each month. Payments totaling \$541,508 (\$194,906 principal and \$346,602 interest) were made during the current fiscal year.

Revenue bond debt service requirements to maturity, including interest of \$3,649,332, are as follows:

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Year Ending June 30,	Water Revenue Bonds R-1	Water Revenue Bonds R-2	Total
2021	\$ 399,000	\$ 126,825	\$ 525,825
2022	399,000	126,825	525,825
2023	399,000	126,825	525,825
2024	399,000	126,825	525,825
2025	399,000	126,825	525,825
Thereafter	6,117,999	1,944,650	8,062,649
Total minimum payments	\$ 8,112,999	\$ 2,578,775	\$ 10,691,774
Less amount representing interest	(2,782,398)	(866,934)	(3,649,332)
Principal Due	\$ 5,330,601	\$ 1,711,841	\$ 7,042,442

There are a number of limitations and restrictions contained in the bond indenture which the Town was in compliance with during the fiscal year ended June 30, 2020, except for the following:

Under Section 9 of Ordinance 701, the Waterworks Utility fund is required “to provide revenues in each year, after paying all reasonable and necessary expenses of operating and maintaining the system in such year, of at least 120% of the largest amount of principal and interest falling due on the bonds ... in any future year.” Under this requirement, the Waterworks fund should have \$630,990 of surplus funds (\$525,825 - highest principal and interest due times 120%) each year after paying the operating and maintenance costs.

The Town cannot calculate compliance with this requirement due to the takeover of the water operations by the Parish Water District (See Note G). All operating revenues and expenses are now the responsibility of the Parish Water District. Under the terms of this takeover agreement, the Parish now provides water directly to the Town’s citizens and bills and collects water sales revenues. The Parish is to remit any surplus funds to the Town each month in order for the Town to make payment on the outstanding debt. Absent any surplus, the Parish agrees to provide a subsidy sufficient to pay the monthly debt.

The Ordinance also requires the Town to place a certain amount of funds each year into a Depreciation and Contingencies Fund as well as a Reserve Fund. The Town has fallen behind in depositing the required amount of funds into these reserve funds. The Town expects to withhold enough out of subsequent years ad valorem taxes to make up the shortfall.

Changes in General Long-Term Liabilities

The following is a summary of the changes in long-term debt related to governmental activities for the fiscal year ended June 30, 2020:

Type of Debt	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Business-type Activities:					
Water Revenue Bonds (R-1 & R-2)	\$ 7,237,348	\$ -	\$ (194,906)	\$ 7,042,442	\$ 525,825
Total	\$ 7,237,348	\$ -	\$ (194,906)	\$ 7,042,442	\$ 525,825

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

6. Restrictions of Net Position and Fund Balance Components

The government-wide statement of net position includes several restrictions on net position. The following describes these restrictions:

Net Position - Restricted for Debt Service

This restriction of \$981,789 reflects the balance in the Water Utility fund set aside for paying principal and interest on the Water Revenue Bonds, as well as amounts held under the bond indenture for on Reserves and for Depreciation and Contingencies.

In accordance with GASB Codification Section 1800, fund balances of the governmental fund types are categorized into one of five categories – Non-spendable, Restricted, Committed, Assigned, or Unassigned. The Town commits, restricts or assigns its fund balances to various specific purposes within each category. Descriptions of the details of these specific purposes are as follows:

Fund Balance - Restricted for Parish Lighting Project

This \$45,881 represents the balance of funds received from the Parish of Jefferson for a lighting improvement project (\$64,000 received less \$18,119 expended to date).

Fund Balance - Assigned to Community Center & Playgrounds

This amount represents the balance in the Community Center and Playground District No. 16 Special Revenue Fund that can only be used for the operations and maintenance of the district. The money comes from an ad valorem tax levied by the Parish and remitted to the Town.

Fund Balance - Assigned to Public Safety Functions

This amount represents the balance in the Seizure and Forfeiture Special Revenue Fund that can only be used by the Town's Police Department for law enforcement purposes.

Fund Balance - Assigned to Public Works Functions

This amount represents the balances in the Drainage District No. 1 and Erosion Control Special Revenue Funds. These funds can only be used for public works related to each of these functions. The Drainage District is funded by a sales tax that is assigned to this purpose.

Fund Balance - Assigned to Mosquito Control

This amount represents the balances in the Mosquito Control Special Revenue Fund. These funds are derived from user charges and can only be used for costs related to the Town's mosquito abatement program.

Fund Balance - Assigned to General Purposes

This amount represents the remaining balances in the specific Special Revenue funds that have not been explained above. These fund balances are assigned for the use in the purpose set forth in each specific fund.

Fund Balance - Unassigned

This amount represents funds that have not been assigned to other funds and have not been restricted, committed, or assigned to a specific purpose within the General Fund. This is the residual classification for the General Fund.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The specific purpose details of fund balance categories are recapped as follows:

	General	Major Governmental Funds	Other Governmental Funds	Total
Non-spendable	\$ -	\$ -	\$ -	\$ -
Restricted to:				
Parish Lighting project	45,881	-	-	45,881
	45,881	-	-	45,881
Committed	-	-	-	-
Assigned to:				
Community Center and Playgrounds	-	833,823	-	833,823
Public Safety	-	-	9,367	9,367
Public Works	-	-	59,178	59,178
Mosquito Control	-	-	342,131	342,131
General Purposes	-	-	27,468	27,468
	-	833,823	438,144	1,271,967
Unassigned	3,124,712	-	-	3,124,712
Total Fund Balance	\$ 3,170,593	\$ 833,823	\$ 438,144	\$ 4,442,560

7. Taxes

Sales Taxes

The total sales tax levied on purchases within the Town limits was 8 3/4 percent. Of this, 4 percent is levied by the State, 1 1/2 percent is levied by the Jefferson Parish Public School System (a separate entity), 3 percent is levied by the Parish of Jefferson (a separate entity), and 1/4 percent is levied by the Jefferson Parish Sheriff's Office.

Of the 3 percent levied by the Parish, 1/2 percent is remitted to the Jefferson Parish Public School System and 2 1/2 percent is remitted to the Town (as in incorporated municipality). Of this 2 1/2 percent, 1/6 percent is recognized in the Drainage District No. 1 Special Revenue Fund (generating \$39,639 for 2020). The balance goes to the Town's General Fund (generating \$594,475 for 2020). Included in this amount is the 1/4 percent levied by the Sheriff's Office that is remitted directly to the Town for law enforcement purposes and is recognized in the General Fund (\$24,851 for 2020) as well as hotel/motel taxes totaling \$46,961.

Ad Valorem Taxes

The Town levies an ad valorem tax on real property within the city limits. Ad valorem taxes are recognized in the fiscal year in which the taxes are levied. The levy is generally made as of November 15 of each year. The tax is due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish Assessor with the Louisiana Tax Commission (usually December 1). The tax is considered delinquent on March 1 in the year after the levy. The taxes are billed and collected by the Town.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor’s Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Ad valorem taxes are levied (per \$1,000 assessed value) in varying amounts for maintenance and operation of the Town.

The number of mills levied on the 2019 tax rolls was 7.39 for the General Fund and 5.49 for the Waterworks and Gas Utility funds. The Utility funds split the 5.49 mills, with 80 percent going to the Waterworks Utility Fund and 20 percent going to the Gas Utility Fund. Assessed values for the 2019 totaled \$64,248,023 (a decrease of \$(2,078,130) or 3.1%), resulting in a current year tax levy of \$827,516 (\$474,995 for the General Fund and \$352,521 for the Water and Gas Utility Funds). After refunds, changes and write-offs, the General Fund recognized \$467,538 in current year taxes plus \$3,433 in back taxes, for a net total of \$470,971. The Water and Gas Utility Funds recognized \$346,990 in current year taxes (\$277,592 in the Water Utilities Fund and \$69,398 in the Gas Utilities Fund).

As part of the agreement with the Parish to have them take over the water department operations, the Town is required to remit any surplus funds remaining in the Water Utilities Fund after all operating and debt service expenses have been made. For 2020, the Water Utilities Fund was able to remit \$81,670 to the Parish’s Water Department.

8. Interfund Transactions

Operating Transfers

A summary of operating transfers by fund type for the fiscal year ended June 30, 2020 is as follows:

Fund		Transfers In	Transfer Out
General Fund	Drainage District No. 1	\$ -	\$ 31,988
Other Governmental Funds			
Drainage District No. 1	General Fund	31,988	-
		31,988	-
Total Governmental Funds		\$ 31,988	\$ 31,988

The \$31,988 transfer represents the difference between the funds expended on drainage-related costs and the sales tax generated by the drainage tax. Each year, the General Fund subsidizes this cost, depending on receipts and expenditures. For the current year, the General Fund had to send funds to the Drainage District to cover all costs.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Interfund Administrative Fee

The Town’s General Fund processes all of the transactions of the various funds of the Town. For certain funds, it charges an administrative fee to help cover the costs of operations. For 2020, it collected \$26,400 under this allocation - \$5,400 from the Mosquito Control Special Revenue Fund, \$15,000 from the Community Center and Playground District No. 16 Special Revenue Fund, and \$6,000 from the Gas Utility Fund. These fees are recorded as Miscellaneous Income in the General Fund and an expenditure in the respective fund charged the cost.

Interfund Receivables and Payables

Individual balances due from/to other funds at June 30, 2020 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 240,739	\$ 183,736
Major Funds		
Community Center and Playground Dist No. 16	55,190	32,281
	<u>55,190</u>	<u>32,281</u>
Other Governmental Funds		
Drainage District No. 1	33,058	-
Mosquito Control Fund	1,498	25,306
	<u>34,556</u>	<u>25,306</u>
Total Governmental Funds	<u>330,485</u>	<u>241,323</u>
Proprietary Funds		
Waterworks Utilities Enterprise Fund		
Unrestricted	104,551	1,871
Gas Utilities Enterprise Fund		
Unrestricted	2,796	187,469
Restricted	-	7,169
Total Proprietary Funds	<u>107,347</u>	<u>196,509</u>
Total All Funds	<u>\$ 437,832</u>	<u>\$ 437,832</u>

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

9. CARES Act - Coronavirus Relief Fund (CRF) Reimbursements

In response to the COVID-19 pandemic, the Federal Government passed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and a supplemental bill, the Coronavirus Relief Fund (CRF). Through the CRF, States were to receive direct payments, with each State receiving a minimum of \$1.25 billion. Louisiana's share totaled \$1.8 billion. The State allocated a portion of these funds (\$810 million) to parishes and municipalities who have or will incur expenditures due to the public health emergency between the dates of March 1, 2020 and December 31, 2020.

Through June 30, 2020, the Town submitted costs for salaries, benefits, and civil leave totaling \$108,815, of which \$13,187 was deemed ineligible. The balance of \$95,627 was approved for reimbursement. As of June 30, 2020, \$0- has been received and \$95,727 has been accrued as accounts receivable in the General Fund at year end. Reimbursement requests have been submitted and the funds have been received subsequent to year end. As additional costs are incurred, they will be submitted for reimbursement. The Town does not expect any additional ineligible costs at this time.

NOTE E - CONTINGENCIES

1. Risk Management and Litigation

The Town is exposed to various risks of loss from personal injury; torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect itself from these losses, the Town purchases various types of commercial insurance. The Town pays premiums for coverage on general liability, auto, and excess liability. Coverage limits per occurrence is \$500,000, with an aggregate limit of \$500,000 on general liability claims and \$500,000 on excess liability claims.

Town's management and its attorney have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Town in excess of insurance coverages and to arrive at an estimate, if any, of the amount or range of potential loss to the Town in accordance with Governmental Accounting Standards Board Codification Section C50 – Claims and Judgments. As a result of such review, loss contingencies on the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote". For 2020, there were no claims pending that would require disclosure.

The Town also carries commercial insurance for other risks of loss, including law enforcement officer's liability, public officials' errors and omission, workers' compensation, employee health and accident insurance, fire damage, etc. In each policy, the Town is responsible for the deductible. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

During 2020, the Parish of Jefferson renewed its insurance coverage for damage to the waterline. The Town is required to have this coverage in place under the requirements of Section (C) of Ordinance 701, which authorized the sale of the Water Revenue Bonds, Series 2000. The Town has been unable to secure coverage on the waterline due to its size; however, the Parish has been able to obtain coverage on its behalf.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE E - CONTINGENCIES (CONTINUED)

2. Federal Financial Assistance

The Town participates in certain federal financial assistance programs. Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any disallowed costs, 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 Town expects such amounts, if any, to be immaterial.

Hurricane Katrina

On August 29, 2005, Hurricane Katrina struck the New Orleans Metropolitan area, which includes Jefferson Parish and the Town of Grand Isle. While the Town was spared from a direct hit, the Isle was overrun by the storm surge. Approximately 30 percent of the businesses and residences on the back side of the Isle (including the Caminada area) were destroyed or badly damaged. Most of the Town's major assets (i.e., buildings) survived the Hurricane; however, some of its office equipment (police department), heavy equipment (pump stations), vehicles and infrastructure assets were damaged or destroyed. The gas lines sustained damage, as well as part of the water distribution system due to salt-water intrusion. The Town's fishing pier was partially destroyed. Before, during, and after the Hurricanes, the Town incurred expenses for emergency management, evacuations, debris removal, etc.

To date, the Town has filed claims (i.e., project worksheets) totaling \$7,465,610. The Federal Emergency Management Agency (FEMA) is reimbursing the Town at 100% for all categories under this disaster. Funds are paid via a pass-through grant from the Governor's Office of Homeland Security and Emergency Protection (GOHSEP). As of June 30, 2020, the Town has incurred eligible expenditures totaling \$7,509,699 and has received \$7,509,699 in payments and "applied credits". The difference of \$-0- is shown on the balance sheet as accounts receivable at year end (see Note D.2). During 2020, the Town closed all remaining project worksheets with FEMA. The result was the recognition of \$155,012 in cash receipts and \$37,746 in "applied credits". Applied credits are funds recaptured by FEMA/GOHSEP from other disasters/project worksheets that may have had overpayments on them. For 2020, the Town recognized total revenues related to this disaster of \$2,374 (\$2,374 in the General Fund, \$-0- in the Community Center and Playground District No. 16 Special Revenue Fund, and \$-0- in the Gas Utilities Enterprise Fund). These revenues relate to administrative costs being reimbursed by FEMA.

Hurricanes Gustav and Ike

On August 29, 2008, Hurricane Gustav struck just west of the New Orleans Metropolitan Area. Due to the severity of the storm, the New Orleans Metropolitan Area, including Jefferson Parish, was evacuated. While the widespread wind and flood damage did not occur in the northern parts of the Parish, the southern-most part of the Parish, including Grand Isle, experienced severe damage. Most of the Town's facilities were spared significant damage, however, the hurricane protection levee suffered severe damage and the gas distribution lines experienced salt-water intrusion. The Town provided emergency services before, during and after the Hurricane.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE E - CONTINGENCIES (CONTINUED)

To date, the Town has filed claims (i.e., project worksheets) totaling \$3,127,731. FEMA is reimbursing the Town for Gustav-related claims at a 90% level for all eligible costs. As of June 30, 2020, the Town has incurred eligible expenditures totaling \$2,732,374. Of this amount, \$2,458,545 is eligible for federal reimbursement and \$2,458,545 has been received in payments and “applied credits”, with the balance of \$-0- being reflected on the balance sheet as a receivable of \$-0- (See Note D.2). During 2020, the Town received \$-0- on this disaster; however, previous overpayments of \$(37,746) were taken in as “applied credits” against other disasters/project worksheets. As such, the Town recognized previously unearned revenue of \$(37,746), less the applied credits of \$(37,746), for a net revenue of \$-0- in 2020. One project remains open on this disaster. It is anticipated that this project worksheet will be closed within the next year.

On September 11, 2008, Hurricane Ike passed just south of the coast of Louisiana and struck the State of Texas. While the State was spared a direct hit, the southern parts of the Parish, including the communities of Grand Isle, Lafitte, Barataria, and Crown Point suffered significant damage from storm and tidal surges. Again, the Town’s facilities were spared any significant damage; however, the Town was once again evacuated.

The Town provided emergency services before, during and after the Hurricane. To date, the Town has filed claims (i.e., project worksheets) totaling \$2,919,267, with the largest projects relating to the Cheniere and Grand Isle Fishing Piers. Ike-related claims were paid at 100% for Category B claims (i.e., emergency labor and equipment) and at 90% for all other categories. As of June 30, 2020, the Town has incurred costs of \$2,834,820, after adjusting for ineligible costs and administrative fees. Of this amount, \$2,649,743 is eligible for reimbursement and \$2,643,743 has been received in payments and “applied payments”. The difference of \$-0- is reflected on the balance sheet as a receivable (See Note D.2). During 2020, the Town received \$58,216 on this disaster. This amount was recognized as revenue in the Gas Utilities Fund in 2020. Only one project remains open on this disaster. It is anticipated that this project worksheet will be closed within the next year.

Hurricane Isaac

On September 1, 2012, Hurricane Isaac struck just west of the New Orleans Metropolitan Area. While the area was spared a direct hit, the southern parts of the Parish, including the communities of Grand Isle, Lafitte, Barataria, and Crown Point suffered significant water damage from storm and tidal surges. The entire metropolitan New Orleans area also lost electricity for nearly 10 days due to falling trees and downed lines. The Town’s facilities were largely spared any significant damage; however, recreational facilities (parks and playgrounds) were damaged. In addition, the Town provided emergency services before, during and after the Hurricane.

The Town provided emergency services before, during and after the storm. Most of these costs are considered eligible for reimbursement through the Federal Emergency Management Agency’s (FEMA) Public Disaster Assistance program. To date, the Town has filed claims (i.e., project worksheets) totaling \$123,184, with the largest projects relating to the parks and playgrounds. FEMA is reimbursing the Town for 75% of eligible costs. As of June 30, 2020, the Town has incurred eligible expenditures totaling \$57,850, after adjusting for ineligible items and administrative fees. Of this, \$47,166 is eligible for reimbursement and \$32,267 has been received. The difference of \$14,899 is reflected on the balance sheet as a receivable (See Note D.2) of the Community Center Fund. For 2020, the Town recognized revenues of \$-0- in the General Fund and \$-0- in the Community Center Special Revenue Fund. The Town continues to work with FEMA/GOHSEP on closing the remaining project worksheets on this disaster.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 11 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Tropical Storm Nate

On October 7, 2018, Tropical Storm Nate brushed the mouth of the Mississippi River just east of the Town of Grand Isle. While the area was spared a direct hit, the southern parts of Jefferson Parish, including Grand Isle, suffered high tides and water damage from storm and tidal surges. The Town's facilities were largely spared any significant damage; however, recreational facilities (beaches, parks and playgrounds) were damaged. In addition, the Town provided emergency services before, during and after the Tropical Storm. Most of these costs are considered eligible for reimbursement through the Federal Emergency Management Agency's (FEMA) Public Disaster Assistance program.

To date, the Town has filed claims (i.e., project worksheets) totaling \$204,520; however, none of the claims have yet been approved or obligated by FEMA. If eligible, FEMA will reimburse the Town for 75% of eligible costs. For 2020, the Town recognized revenues of \$-0- in the General Fund and \$-0- in the Community Center Special Revenue Fund related to this disaster. The Town continues to work with GOHSEP and FEMA to have the projects approved and obligated.

Hurricane Barry

From July 11 to July 13, 2019, Hurricane Barry passed south of the Town of Grand Isle. While the area was spared a direct hit, Grand Isle suffered high tides and water damage from storm and tidal surges. The Town's facilities were largely spared any significant damage; however, recreational facilities (such as beaches) were damaged. In addition, the Town provided emergency services before, during and after the storm, as well as storm debris removal. Most of these costs are considered eligible for reimbursement through the Federal Emergency Management Agency's (FEMA) Public Disaster Assistance program.

To date, the Town has filed claims (i.e., project worksheets) totaling \$4,700, mostly related to debris removal. FEMA is reimbursing the Town for 75% of eligible costs. As of June 30, 2020, the Town has incurred eligible expenditures totaling \$4,700, after adjusting for ineligible items and administrative fees. Of this, \$3,525 is eligible for reimbursement and \$3,525 has been received. The difference of \$-0- is reflected on the balance sheet as a receivable (See Note D.2) of the General Fund. For 2020, the Town received \$3,525 and recognized revenues of \$3,525 in the General Fund. The Town continues to work with FEMA/GOHSEP on costs related to this disaster.

3. COVID-19 Pandemic

In early March 2020, the COVID-19 virus was declared a global pandemic, and unfortunately it continues to spread rapidly throughout the United States. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, has been severely impacted for months, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management of the Town is carefully monitoring the situation and evaluating its options during this time. Since most of its assets are short-term in nature, there is no effect on their fair value as of the date of this report. The various grants and contracts are also still in place, therefore, future funding for these projects do not appear to be in jeopardy at this time. There are pressures on some budgeted revenues in the future due to facility closures and restrictions imposed by the State. Sales tax revenues, gaming fees and fines and forfeitures continue to fluctuate, as well, depending on the rate of contagion in the area. No adjustments have been made to these financial statements as a result of this uncertainty.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE F - OTHER INFORMATION

1. Retirement Plan

The Town provides a Savings Incentive Match Plan for employees (i.e., a SIMPLE IRA Plan). The plan allows all full-time employees to make pre-tax salary deferrals of up to \$6,000 annually. The Town is required to make either a dollar-for-dollar match up to 3% of compensation or a 2% non-elective contribution to all eligible participants. The funds are held by a third-party trustee in accounts for each employee. Total contributions to the plan for the year ended June 30, 2020 totaled \$109,037 (\$74,557 employee and \$34,480 employer).

2. Restructuring of Water District

In an effort to address the failing financial condition of the Waterworks Utility Fund, the Town passed Ordinance No. 816 on April 12, 2005 asking for the Parish of Jefferson to take-over the daily operations of the Town's water district. On July 13, 2005, the Parish complied by passing Ordinance No. 22560, which created Sub-District No. 1 of the Consolidated Water District No. 2 of Jefferson Parish. This Sub-District effectively took over the daily operations of the Town's water district, while the Town maintains custody of the Lafitte-to-Grand Isle waterline along with the associated debt (i.e., Water Revenue Bonds, Series 2000).

Under the terms of the Local Services Agreement, which was authorized by Resolution No. 2430 on August 9, 2005, the Town's citizens and businesses are now customers of Sub-District No. 1 of the Consolidated Water District No. 2 of Jefferson Parish (i.e., the Parish's Water Department). All water services (usage, installation, repairs, etc.) are now provided to the citizens and businesses of the area by the Parish's Water Department. All billings and collections for services are now handled by the Parish as well.

The citizens and businesses of the Town will continue to pay the current rates (subject to CPI increases) to help fund the outstanding debt. These rates, which are higher than any other Parish resident, will continue to be paid even after the debt is paid off to repay the Parish's Sub-District for any subsidies that may have been provided over the years.

This "take-over" of the water district effectively took place on or about August 15, 2005. On that date, all operating assets (fixed assets, etc.) were turned over to the Parish's Water District (See Note D.3). Additional assets (gas deposits, petty cash, and outstanding utility billings) totaling \$147,369 were transferred to the Gas Utilities Enterprise Fund. The Waterworks fund is essentially left with the Lafitte-to-Grand Isle waterline, the associated debt (i.e., Water Revenue Bonds, Series 2000, and any amounts due to other funds that resulted from the Waterworks fund not being able to remit general collections to the General Fund, the Mosquito Fund, and the Gas Fund.

The Town's ad valorem taxes that are collected for the Waterworks and Gas Utility Funds will be remitted to the Parish of Jefferson (after the Town's Water District pays off its current outstanding debt). The Parish's Sub-District will collect all operating revenues of the water district. By the 20th of each month, the Parish's Sub-District will remit any surplus revenues to the Town's Waterworks Utility Fund so that the Town may service the debt on the Water Revenue Bonds. Should there be no surplus, the Parish agrees to provide a subsidy to the Town in an amount sufficient to service the debt.

During the current fiscal year, the Parish's Water Department provided \$541,508 in operating subsidies to the Town's Waterworks Utility Fund to help cover debt service payments due under the Water Revenue Bonds and the Town was able to remit \$57,000 of surplus local ad valorem tax funds back to the Parish.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE F - OTHER INFORMATION (CONTINUED)

3. Subsequent Events

Subsequent to year end, the COVID-19 pandemic continues to spread across the State of Louisiana, including the area that encompasses the Town of Grand Isle. While COVID-19 has had a minimal impact on the operations of the Town, it has had a larger impact on certain businesses within and around the Town. The stay-at-home mandate and social distancing orders of Federal, State, and Local government authorities continue to have a negative impact on the local economy. It is expected that any revenue reductions seen by the Town will be offset by utilizing available fund balances in the short-term and possible operating cost reductions in the long-term, if needed. See Note E.3 for more discussion of the pandemic.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

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***COMBINING STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS***

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenues that are legally restricted to expenditures for specific purposes.

SEIZURE AND FORFEITURE

Used to account for the proceeds of funds seized during drug enforcement activities. These proceeds are to be used exclusively for drug enforcement.

DRAINAGE DISTRICT NO. 1

Used to account for the proceeds of one-third of the 1981 ½ cent sales tax to be used for operations, maintenance, and improvements of the Town's drainage system.

EROSION CONTROL FUND

Used to account for intergovernmental revenues and donations received to be used for erosion control projects within the Town limits.

MOSQUITO CONTROL FUND

Used to account for the proceeds of a mosquito fee assessed on all residential and commercial property to be used to control the mosquito population within the community.

COMMUNITY FAIR

Used to account for the proceeds of the community fair sponsored by the Town.

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2020

	SPECIAL REVENUE FUNDS		
	SEIZURE AND FORFEITURE	DRAINAGE DISTRICT NO. 1	EROSION CONTROL FUND
ASSETS			
Cash and cash equivalents	\$ 9,367	\$ -	\$ 14,126
Investments	-	-	-
Receivables (net of allowance for uncollectibles)			
Accounts	-	-	-
Intergovernmental	-	11,994	-
Gaming fees and commissions	-	-	-
Due from other funds	-	33,058	-
TOTAL ASSETS	\$ 9,367	\$ 45,052	\$ 14,126
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll and deductions	-	-	-
Due to other funds	-	-	-
Unearned grant revenues	-	-	-
TOTAL LIABILITIES	-	-	-
Fund Balances			
Nonspendable			
Restricted	-	-	-
Committed	-	-	-
Assigned	9,367	45,052	14,126
Unassigned	-	-	-
TOTAL FUND BALANCES	9,367	45,052	14,126
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,367	\$ 45,052	\$ 14,126

<u>MOSQUITO CONTROL FUND</u>	<u>COMMUNITY FAIR</u>	<u>TOTAL</u>
\$ 366,697	\$ 27,468	\$ 417,658
-	-	-
-	-	-
-	-	11,994
-	-	-
1,498	-	34,556
<u>\$ 368,195</u>	<u>\$ 27,468</u>	<u>\$ 464,208</u>
\$ -	\$ -	\$ -
758	-	758
25,306	-	25,306
-	-	-
<u>26,064</u>	<u>-</u>	<u>26,064</u>
-	-	-
-	-	-
342,131	27,468	438,144
-	-	-
<u>342,131</u>	<u>27,468</u>	<u>438,144</u>
<u>\$ 368,195</u>	<u>\$ 27,468</u>	<u>\$ 464,208</u>

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES
 FOR THE YEAR ENDD JUNE 30, 2020

	SPECIAL REVENUE FUNDS		
	SEIZURE AND FORFEITURE	DRAINAGE DISTRICT NO. 1	EROSION CONTROL FUND
REVENUES			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Sales taxes	-	39,639	-
Franchise taxes	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	14,000	-
Gaming fees and commissions	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest	-	-	29
Miscellaneous	-	-	-
TOTAL REVENUES	<u>-</u>	<u>53,639</u>	<u>29</u>
EXPENDITURES			
Current			
Public Safety			
Executive	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	84,813	-
Health and welfare	-	-	-
Culture, recreation and tourism	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>84,813</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	<u>-</u>	<u>(31,174)</u>	<u>29</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	31,988	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>31,988</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	-	814	29
FUND BALANCE			
Beginning of year	9,367	44,238	14,097
End of year	<u>\$ 9,367</u>	<u>\$ 45,052</u>	<u>\$ 14,126</u>

<u>MOSQUITO CONTROL FUND</u>	<u>COMMUNITY FAIR</u>	<u>TOTAL</u>
\$ -	\$ -	\$ -
-	-	39,639
-	-	-
-	-	-
-	-	14,000
-	-	-
-	-	-
201,131	-	201,131
598	50	677
-	325	325
<u>201,729</u>	<u>375</u>	<u>255,772</u>
-	-	-
-	-	-
-	-	-
-	-	84,813
258,882	-	258,882
-	6,333	6,333
<u>258,882</u>	<u>6,333</u>	<u>350,028</u>
<u>(57,153)</u>	<u>(5,958)</u>	<u>(94,256)</u>
-	-	31,988
-	-	-
<u>-</u>	<u>-</u>	<u>31,988</u>
(57,153)	(5,958)	(62,268)
399,284	33,426	500,412
<u>\$ 342,131</u>	<u>\$ 27,468</u>	<u>\$ 438,144</u>

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDD JUNE 30, 2020

	TOTALS BY FUNCTION			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	BUDGETS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	40,000	40,100	39,639	(461)
Intergovernmental	14,000	14,000	14,000	-
Gaming fees and commissions	-	-	-	-
Fines and forfeitures	1,000	1,000	-	(1,000)
Charges for services	189,500	200,000	201,131	1,131
Interest	1,040	1,065	677	(388)
Miscellaneous	5,500	8,200	325	(7,875)
TOTAL REVENUES	<u>251,040</u>	<u>264,365</u>	<u>255,772</u>	<u>(8,593)</u>
EXPENDITURES				
Current				
Public Safety	1,040	1,040	-	1,040
Public Works	92,000	87,000	84,813	2,187
Health and Welfare	379,227	289,627	258,882	30,745
Culture and Recreation	3,300	5,800	6,333	(533)
TOTAL EXPENDITURES	<u>475,567</u>	<u>383,467</u>	<u>350,028</u>	<u>33,439</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	<u>(224,527)</u>	<u>(119,102)</u>	<u>(94,256)</u>	<u>24,846</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	38,000	38,000	31,988	(6,012)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>38,000</u>	<u>38,000</u>	<u>31,988</u>	<u>(6,012)</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>(186,527)</u>	<u>(81,102)</u>	<u>(62,268)</u>	<u>18,834</u>
FUND BALANCE				
Beginning of year	372,422	500,412	500,412	-
End of year	<u>\$ 185,895</u>	<u>\$ 419,310</u>	<u>\$ 438,144</u>	<u>\$ 18,834</u>

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDD JUNE 30, 2020

	SEIZURE AND FORFEITURE			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	BUDGETS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Fines and forfeitures				
Seizures and forfeitures	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Interest	40	40	-	(40)
TOTAL REVENUES	<u>1,040</u>	<u>1,040</u>	<u>-</u>	<u>(1,040)</u>
EXPENDITURES				
Current				
Public Safety				
Police dog costs	-	-	-	-
Supplies	1,040	1,040	-	1,040
Towing fees	-	-	-	-
Training	-	-	-	-
Travel and lodging	-	-	-	-
TOTAL EXPENDITURES	<u>1,040</u>	<u>1,040</u>	<u>-</u>	<u>1,040</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Beginning of year	9,367	9,367	9,367	-
End of year	<u>\$ 9,367</u>	<u>\$ 9,367</u>	<u>\$ 9,367</u>	<u>\$ -</u>

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDD JUNE 30, 2020

DRAINAGE DISTRICT NO. 1				VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETS				
ORIGINAL	FINAL	ACTUAL		
REVENUES				
Taxes				
Sales taxes	\$ 40,000	\$ 40,100	\$ 39,639	\$ (461)
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental				
State - LGAP Grant	14,000	14,000	14,000	-
Gaming fees and commissions	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	54,000	54,100	53,639	(461)
EXPENDITURES				
Current				
Public Works				
Culverts and gates	5,000	4,000	1,945	2,055
Lease and rental payments	7,000	6,000	3,295	2,705
Miscellaneous	-	-	-	-
Repairs and maintenance - pump stations	29,000	27,000	36,232	(9,232)
Repairs and maintenance - vehicles	-	-	-	-
Utilities	20,000	20,000	17,337	2,663
Capital outlay				
Pump stations	31,000	30,000	26,004	3,996
TOTAL EXPENDITURES	92,000	87,000	84,813	2,187
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	(38,000)	(32,900)	(31,174)	1,726
OTHER FINANCING SOURCES (USES)				
Transfers in	38,000	38,000	31,988	(6,012)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	38,000	38,000	31,988	(6,012)
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	-	5,100	814	(4,286)
FUND BALANCE				
Beginning of year	41,722	44,238	44,238	-
End of year	\$ 41,722	\$ 49,338	\$ 45,052	\$ (4,286)

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDD JUNE 30, 2020

	EROSION CONTROL FUND			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	BUDGETS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Interest	\$ 400	\$ 400	\$ 29	\$ (371)
TOTAL REVENUES	<u>400</u>	<u>400</u>	<u>29</u>	<u>(371)</u>
EXPENDITURES				
Current				
Public Works				
Engineering fees	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	<u>400</u>	<u>400</u>	<u>29</u>	<u>(371)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	400	400	29	(371)
FUND BALANCE				
Beginning of year	38,066	14,097	14,097	-
End of year	<u>\$ 38,466</u>	<u>\$ 14,497</u>	<u>\$ 14,126</u>	<u>\$ (371)</u>

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDD JUNE 30, 2020

	MOSQUITO CONTROL FUND			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	BUDGETS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Charges for services				
Mosquito fees	\$ 189,500	\$ 200,000	\$ 201,131	\$ 1,131
Grass cutting fees	-	-	-	-
Interest	500	525	598	73
TOTAL REVENUES	<u>190,000</u>	<u>200,525</u>	<u>201,729</u>	<u>1,204</u>
EXPENDITURES				
Current				
Health and Welfare				
Salaries	21,000	21,000	16,348	4,652
Payroll taxes	1,607	1,607	334	1,273
State unemployment taxes	420	420	24	396
Health insurance	6,200	6,200	5,029	1,171
Workmans compensation insurance	2,000	2,000	2,285	(285)
Audit	3,000	3,000	3,000	-
Bank Charges	-	-	413	(413)
Chemicals	100,000	78,000	76,784	1,216
Gas and oil	15,000	10,000	585	9,415
Grass cutting	-	1,000	-	1,000
Interdepartmental administrative fee	5,400	5,400	5,400	-
Insurance - general	5,000	5,000	-	5,000
Miscellaneous	600	2,000	364	1,636
Repairs and maintenance - vehicles	5,000	500	368	132
Schools and training	2,000	2,000	145	1,855
Small tools and equipment	1,500	1,500	993	507
Spraying and larviciding	150,000	106,000	108,940	(2,940)
Spraying - aerial	6,000	6,000	-	6,000
Telephone	2,000	-	-	-
Travel and other	2,500	-	-	-
Capital outlay				
Buildings and improvements	-	1,000	925	75
Vehicles and equipment	50,000	37,000	36,945	55
TOTAL EXPENDITURES	<u>379,227</u>	<u>289,627</u>	<u>258,882</u>	<u>30,745</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	<u>(189,227)</u>	<u>(89,102)</u>	<u>(57,153)</u>	<u>31,949</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>(189,227)</u>	<u>(89,102)</u>	<u>(57,153)</u>	<u>31,949</u>
FUND BALANCE				
Beginning of year	256,720	399,284	399,284	-
End of year	<u>\$ 67,493</u>	<u>\$ 310,182</u>	<u>\$ 342,131</u>	<u>\$ 31,949</u>

TOWN OF GRAND ISLE, LOUISIANA

NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDD JUNE 30, 2020

	COMMUNITY FAIR			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	BUDGETS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Interest	\$ 100	\$ 100	\$ 50	\$ (50)
Miscellaneous				
Fair receipts	5,000	5,000	325	(4,675)
Fair donations	500	3,200	-	(3,200)
			-	
TOTAL REVENUES	<u>5,600</u>	<u>8,300</u>	<u>375</u>	<u>(7,925)</u>
EXPENDITURES				
Current				
Culture and Recreation				
Advertising	300	300	290	10
Bank charges	-	-	12	(12)
Fair supplies	3,000	5,500	6,031	(531)
TOTAL EXPENDITURES	<u>3,300</u>	<u>5,800</u>	<u>6,333</u>	<u>(533)</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	<u>2,300</u>	<u>2,500</u>	<u>(5,958)</u>	<u>(8,458)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	2,300	2,500	(5,958)	(8,458)
FUND BALANCE				
Beginning of year	26,547	33,426	33,426	-
End of year	<u>\$ 28,847</u>	<u>\$ 35,926</u>	<u>\$ 27,468</u>	<u>\$ (8,458)</u>

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*INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Taxes				
Property taxes	\$ 449,364	476,000	\$ 470,971	\$ (5,029)
Sales taxes				
General	520,000	510,000	522,663	12,663
Law Enforcement	25,000	24,500	24,851	351
Hotel/Motel	54,000	50,000	46,961	(3,039)
Franchise taxes				
Electric - Entergy	68,000	70,000	73,828	3,828
Cable - Vision Communications	30,000	40,500	53,891	13,391
	<u>1,146,364</u>	<u>1,171,000</u>	<u>1,193,165</u>	<u>22,165</u>
Licenses and permits				
Business				
Occupational	127,000	92,000	88,055	(3,945)
Liquor and beer	6,500	6,000	5,315	(685)
Non-business				
Building	90,000	80,000	72,061	(7,939)
Zoning and adjustments	500	500	50	(450)
Golf cart permits	115,000	135,000	174,586	39,586
	<u>339,000</u>	<u>313,500</u>	<u>340,067</u>	<u>26,567</u>
Intergovernmental				
Federal				
FEMA - Disaster Assistance	250,000	200,000	5,899	(194,101)
COE - Hurricane Levee Inspections	20,000	-	-	-
CARES Act - Coronavirus Relief Fund	-	-	95,627	95,627
State				
Beer tax	6,500	6,500	4,753	(1,747)
Parish road fund	165,000	168,000	166,572	(1,428)
Tourism funds	53,000	28,295	28,295	-
DOTD - Highway maintenance	13,850	13,850	13,850	-
Beach Water Quality Program	7,000	7,000	6,000	(1,000)
State Capital Outlay - Gymnasium	-	-	-	-
Local				
Jeff Parish - Multiplex	-	200,000	200,000	-
Jeff Parish - Police Car Grant	-	-	35,000	35,000
Jeff Parish - Coastal Erosion Grant	-	10,000	10,000	-
Jeff Parish Schools - Police Grant	55,000	55,000	27,756	(27,244)
	<u>570,350</u>	<u>688,645</u>	<u>593,752</u>	<u>(94,893)</u>
Gaming fees and commissions				
Riverboat admission fees	330,000	234,500	275,291	40,791
Video poker allocation	60,000	35,500	32,143	(3,357)
	<u>390,000</u>	<u>270,000</u>	<u>307,434</u>	<u>37,434</u>
Fines and forfeitures				
Fines and court costs - regular	105,000	40,000	35,000	(5,000)
Fines and fees - Redflex	-	123,000	122,957	(43)
Bond fees	3,000	-	-	-
	<u>108,000</u>	<u>163,000</u>	<u>157,957</u>	<u>(5,043)</u>
Charges for services and fees				
Sanitation fees	610,000	610,000	635,960	25,960
Tax research and notices	1,000	1,250	1,007	(243)
Advertising recoveries	-	500	375	(125)
Flag sales	-	500	300	(200)
	<u>611,000</u>	<u>612,250</u>	<u>637,642</u>	<u>25,392</u>
Interest	<u>75,000</u>	<u>60,000</u>	<u>56,407</u>	<u>(3,593)</u>
Miscellaneous				
Interdepartmental administrative fee	26,500	26,500	26,400	(100)
10% tax collection charge	32,000	35,000	34,699	(301)
Donations	-	-	2,000	2,000
Other	4,000	15,900	6,467	(9,433)
	<u>62,500</u>	<u>77,400</u>	<u>69,566</u>	<u>(7,834)</u>
TOTAL REVENUES	<u>\$ 3,302,214</u>	<u>3,355,795</u>	<u>\$ 3,355,990</u>	<u>\$ 195</u>

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
 EXECUTIVE FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
MAYOR'S DEPARTMENT				
Current				
Salaries	\$ 111,063	\$ 108,250	\$ 109,226	\$ (976)
Local and special costs	1,000	1,000	-	1,000
Office supplies	2,000	1,000	1,062	(62)
Legal and professional fees	12,000	1,000	-	1,000
Repairs - vehicles	1,500	1,500	963	537
Gas and oil	3,000	2,000	1,300	700
Travel and other	3,000	2,500	1,585	915
Miscellaneous	500	500	30	470
Capital outlay				
Office furniture and equipment	3,000	3,000	-	3,000
TOTAL DEPARTMENT	<u>\$ 137,063</u>	<u>\$ 120,750</u>	<u>\$ 114,166</u>	<u>\$ 6,584</u>
TOTAL EXECUTIVE	<u>\$ 137,063</u>	<u>\$ 120,750</u>	<u>\$ 114,166</u>	<u>\$ 6,584</u>

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
 GENERAL GOVERNMENT FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
GENERAL AND ADMINISTRATIVE				
Current				
Salaries	\$ 183,440	\$ 193,940	\$ 171,761	\$ 22,179
Payroll taxes	90,000	90,000	100,268	(10,268)
Unemployment taxes	1,400	1,700	1,969	(269)
Insurance - hospitalization	225,000	245,000	250,308	(5,308)
Insurance - workman's compensation	60,000	55,000	57,262	(2,262)
Retirement - employer contributions	35,000	35,000	34,480	520
Aldermen - per diems	31,200	31,200	31,186	14
Aldermen - expenses	5,000	5,750	5,689	61
Audit	17,750	14,975	14,975	-
Legal and professional fees	25,000	82,500	88,875	(6,375)
Office supplies	11,250	11,250	10,406	844
Coffee supplies	10,000	6,500	6,990	(490)
Janitorial supplies	2,300	3,500	4,322	(822)
Advertising	7,500	12,000	10,945	1,055
Bank charges	500	500	297	203
Signs and insignias	1,000	800	709	91
LMA - dues	400	400	216	184
LMA - expenses	5,500	5,500	4,264	1,236
Dues and subscriptions	3,200	1,200	973	227
Insurance - general and auto	90,000	86,000	84,619	1,381
Utilities	18,000	12,000	12,836	(836)
Postage	4,000	6,000	6,153	(153)
Telephone	18,000	18,000	17,919	81
Repairs - buildings	12,000	24,000	26,102	(2,102)
Repairs - office equipment	13,500	13,500	8,206	5,294
Repairs - vehicles	5,000	2,500	1,105	1,395
Repairs - storm damage	-	5,000	11,074	(6,074)
Gas and oil	8,000	7,500	7,112	388
Public assistance	500	1,500	1,329	171
Physicals	500	1,000	1,095	(95)
School training	500	500	-	500
Uniforms	1,500	1,200	1,104	96
Travel and other	500	-	-	-
Safety equipment	500	-	-	-
Miscellaneous	3,000	3,000	1,619	1,381
Capital outlay				
Buildings and structures	250,000	1,101,000	1,183,166	(82,166)
Office furniture and equipment	25,000	24,000	7,059	16,941
Vehicles	2,500	1,000	76	924
Christmas decorations	2,200	1,150	3,145	(1,995)
Hurricane Levee inspection/restoration	20,000	50,000	25,000	25,000
Road Rehabilitation - DEQ 90 West	-	-	-	-
TOTAL DEPARTMENT	\$ 1,190,640	\$ 2,155,565	\$ 2,194,614	\$ (39,049)

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
 GENERAL GOVERNMENT FUNCTION (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
PLANNING COMMISSION AND TAX DEPARTMENT				
Current				
Salaries	\$ 140,780	\$ 130,500	\$ 110,724	\$ 19,776
Legal and professional fees	-	-	-	-
Dues and subscriptions	-	-	-	-
Office supplies	3,000	2,000	2,327	(327)
Contracted services	-	-	-	-
Gas and oil	-	-	-	-
Printing - tax bills	3,300	3,300	4,559	(1,259)
Postage	3,300	-	-	-
Property abatement	-	-	-	-
Advertising	1,100	-	(1,463)	1,463
Recordation	3,500	3,500	402	3,098
School training	1,500	-	-	-
Travel and other	500	-	-	-
Miscellaneous	100	150	100	50
Intergovernmental	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay				
Office furniture and equipment	1,500	500	-	500
TOTAL DEPARTMENT	<u>\$ 158,580</u>	<u>\$ 139,950</u>	<u>\$ 116,649</u>	<u>\$ 23,301</u>
TOTAL GENERAL GOVERNMENT	<u>\$ 1,349,220</u>	<u>\$ 2,295,515</u>	<u>\$ 2,311,263</u>	<u>\$ (15,748)</u>

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
 PUBLIC SAFETY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
POLICE DEPARTMENT				
Current				
Salaries	\$ 395,300	\$ 535,000	\$ 546,322	\$ (11,322)
Police details	-	-	-	-
Salaries - beach patrol	55,000	55,000	35,827	19,173
Insurance - hospitalization	138,000	142,000	143,876	(1,876)
Insurance - workman's compensation	56,000	40,000	42,037	(2,037)
Chief of Police - expenses	-	2,500	2,303	197
Clerk of Court fees	-	17,000	11,759	5,241
Decals	-	1,000	2,301	(1,301)
Dues and subscriptions	200	500	430	70
Food and lodging - deputies	600	600	195	405
Food - prisoners	600	-	-	-
Legal and professional fees	4,500	4,000	3,075	925
Local and special	1,000	1,000	-	1,000
Office supplies	3,500	3,500	2,579	921
Coffee supplies	2,800	1,100	1,104	(4)
Janitorial supplies	1,500	2,000	1,901	99
Ammunition	500	5,000	1,060	3,940
Chemicals	100	100	-	100
Insurance - general and auto	47,000	51,000	50,149	851
Utilities	3,500	15,500	14,532	968
Postage	250	200	222	(22)
Telephone	15,000	18,000	18,068	(68)
Repairs - buildings	4,000	-	3,901	(3,901)
Repairs - office equipment	1,000	1,000	341	659
Repairs - vehicles	14,000	8,000	7,319	681
Gas and oil	30,000	25,000	17,867	7,133
School training	2,000	2,000	201	1,799
Uniforms	1,500	8,000	5,138	2,862
Travel and other	500	500	286	214
Public assistance	1,000	1,000	-	1,000
Small tools and equipment	250	250	22	228
Miscellaneous	2,000	2,000	1,235	765
Capital outlay				
Office furniture and equipment	2,500	2,500	3,777	(1,277)
Guns and equipment	2,500	10,118	5,784	4,334
Vehicles	7,000	44,500	39,743	4,757
TOTAL DEPARTMENT	<u>\$ 793,600</u>	<u>\$ 999,868</u>	<u>\$ 963,354</u>	<u>\$ 36,514</u>
CIVIL DEFENSE				
Current				
Emergency supplies	5,000	5,000	929	4,071
TOTAL DEPARTMENT	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 929</u>	<u>\$ 4,071</u>
TOTAL PUBLIC SAFETY	<u>\$ 798,600</u>	<u>\$ 1,004,868</u>	<u>\$ 964,283</u>	<u>\$ 40,585</u>

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
 PUBLIC WORKS FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
STREETS DEPARTMENT				
Current				
Salaries	\$ 300,000	\$ 325,500	\$ 338,886	\$ (13,386)
Chemicals	8,000	1,000	1,360	(360)
Street repairs	8,000	6,500	-	6,500
Street signs	5,000	4,000	3,598	402
Limestone	5,000	11,300	10,509	791
Small tools and equipment	2,500	2,800	3,351	(551)
Repairs - vehicles	35,000	41,000	38,317	2,683
Gas and oil	35,000	40,000	42,485	(2,485)
Equipment rental	5,000	25,000	369	24,631
Uniforms	1,000	1,000	122	878
Miscellaneous	3,000	7,000	3,874	3,126
Capital outlay				
Vehicles	5,000	6,600	1,305	5,295
TOTAL DEPARTMENT	<u>\$ 415,500</u>	<u>\$ 471,700</u>	<u>\$ 444,176</u>	<u>\$ 27,524</u>
SANITATION DEPARTMENT				
Current				
Contracted services - hauling fees	\$ 430,000	\$ 435,000	\$ 476,189	\$ (41,189)
Disposal charges	85,000	73,000	74,445	(1,445)
Utilities	200	200	92	108
Miscellaneous	1,000	500	-	500
TOTAL DEPARTMENT	<u>\$ 516,200</u>	<u>\$ 508,700</u>	<u>\$ 550,726</u>	<u>\$ (42,026)</u>
TOTAL PUBLIC WORKS	<u>\$ 931,700</u>	<u>\$ 980,400</u>	<u>\$ 994,902</u>	<u>\$ (14,502)</u>

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
 CULTURE, RECREATION AND TOURISM
 FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
TOURISM DEPARTMENT				
Current				
Salaries	\$ 33,325	\$ 30,000	\$ 28,573	\$ 1,427
Advertising	53,000	50,000	44,217	5,783
Dues and subscriptions	-	-	25	(25)
Office supplies	1,500	1,500	818	682
Telephone	1,500	1,500	911	589
Postage	150	150	120	30
Travel and other	1,500	1,500	-	1,500
Miscellaneous	1,500	1,500	-	1,500
Capital outlay				
Office furniture and equipment	1,000	1,000	-	1,000
TOTAL DEPARTMENT	<u>\$ 93,475</u>	<u>\$ 87,150</u>	<u>\$ 74,664</u>	<u>\$ 12,486</u>
TOTAL CULTURE, RECREATION, AND TOURISM	<u>\$ 93,475</u>	<u>\$ 87,150</u>	<u>\$ 74,664</u>	<u>\$ 12,486</u>

TOWN OF GRAND ISLE, LOUISIANA

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 16
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDD JUNE 30, 2020

	BUDGETS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Intergovernmental				
Parish dedicated ad valorem taxes - operations	\$ 378,000	\$ 380,000	\$ 391,528	\$ 11,528
Parish dedicated ad valorem taxes - capital	200,000	200,000	10,000	(190,000)
Federal Grants - COE	76,000	76,000	-	(76,000)
Federal Grants - FEMA	-	-	-	-
Parish - Special Funds	25,000	25,000	-	(25,000)
Parish - Hoops on the Isle	5,000	5,000	-	(5,000)
Charges for services				
Rental income	5,000	5,000	3,000	(2,000)
Interest	1,000	2,250	1,822	(428)
Miscellaneous	2,500	2,500	-	(2,500)
TOTAL REVENUES	692,500	695,750	406,350	(289,400)
EXPENDITURES				
Current				
Culture and Recreation				
Salaries	55,000	55,000	46,496	8,504
Salaries - beach sweep	48,000	48,000	55,711	(7,711)
Salaries - summer program	-	6,000	17,371	(11,371)
Payroll taxes	9,200	9,200	9,654	(454)
Unemployment taxes	500	500	556	(56)
Insurance				
Hospitalization	30,200	30,200	26,216	3,984
Workman's compensation	7,000	5,500	5,634	(134)
General and auto	73,000	54,000	51,973	2,027
Audit	7,500	7,500	7,500	-
Gas and oil - beach equipment	10,000	12,000	-	12,000
Janitorial supplies	5,000	9,000	8,329	671
Legal and professional fees	500	500	388	112
Office supplies and costs	750	750	268	482
Recreational assistance	12,500	12,500	5,897	6,603
Repairs and maintenance				
Building	235,000	256,000	260,171	(4,171)
Office equipment	2,000	1,000	665	335
Beach cleaning equipment	8,000	8,000	7,753	247
Tennis courts	2,500	-	-	-
Parks and playgrounds	30,000	68,000	67,514	486
Small tools and equipment	500	500	444	56
Telephone	3,000	8,000	7,282	718
Utilities	45,000	45,000	42,737	2,263
Interdepartmental administrative fee	15,000	15,000	15,000	-
Miscellaneous	3,000	1,000	497	503
Capital outlays				
Office furniture and equipment	1,000	4,500	127	4,373
Beach cleaning equipment	12,000	12,000	3,939	8,061
Christmas decorations	5,460	5,460	4,249	1,211
Playground equipment	42,806	1,000	549	451
TOTAL EXPENDITURES	664,416	676,110	665,775	10,335
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES	28,084	19,640	(259,425)	(279,065)
OTHER FINANCING SOURCES (USES)				
Transfers in				
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
EXCESS (DEFICIENCY) OF REVNUES OVER EXPENDITURES AND OTHER SOURCES (USES)	28,084	19,640	(259,425)	(279,065)
FUND BALANCE				
Beginning of year	945,294	1,093,248	1,093,248	-
End of year	\$ 973,378	\$ 1,112,888	\$ 833,823	\$ (279,065)

TOWN OF GRAND ISLE, LOUISIANA

**WATERWORKS UTILITY FUND
SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

GENERAL AND ADMINISTRATIVE

Audit	\$	-
Bank charges		-
Grant expenses - Rural Development		-
Insurance - general and auto		-
Interdepartmental administrative fee		-
Intergovernmental - Excess Millage to JP		81,670
Legal and professional fees		-
Miscellaneous		-
Office and janitorial supplies		-
One call service		-
Physicals and drug testing		-
Postage		-
Repairs and maintenance		-
Tax collection commission		27,759
Telephone		-
Training school		-
Travel and other		-
Uniforms		-
Utilities		-
Water master plan		-
Waterline survey		-
Total General and Administrative		<u>109,429</u>

DEPRECIATION

Depreciation and amortization		<u>440,376</u>
Total Depreciation		<u>440,376</u>

TOTAL OPERATING EXPENSES \$ 549,805

TOWN OF GRAND ISLE, LOUISIANA

**WATERWORKS UTILITY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS OF
RESTRICTED ASSET FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

WATER PIPELINE DEBT SERVICE - SINKING FUND

Cash and cash equivalents at June 30, 2019	\$ 51,324
Receipts	
Transfers from Water Pipeline Construction Fund	-
Intergovernmental subsidy - JP Water	541,508
Interest and bank charges	95
Total Receipts	<u>541,603</u>
Disbursements	
Payments of principal on Water Revenue Bonds, Series 2000	194,906
Payments of interest on Water Revenue Bonds, Series 2000	346,602
Bank Charges	-
Total Disbursements	<u>541,508</u>
Cash and cash equivalents at June 30, 2020	<u>\$ 51,419</u>

WATER PIPELINE DEBT SERVICE - RESERVE FUND

Cash and cash equivalents at June 30, 2019	\$ 378,567
Receipts	
Transfers from Waterworks Utility Fund	81,670
Transfer from Depreciation and Contingencies Fund	-
Interest and bank charges	6,306
Total Receipts	<u>87,976</u>
Cash and cash equivalents at June 30, 2020	<u>\$ 466,543</u>

TOWN OF GRAND ISLE, LOUISIANA

**WATERWORKS UTILITY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS OF
RESTRICTED ASSET FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

WATER PIPELINE - RESERVE FOR DEPRECIATION AND CONTINGENCIES FUND

Cash and cash equivalents at June 30, 2019	\$ 375,894
Receipts	
Transfers from Waterworks Utility Fund	81,670
Interest and bank charges	6,263
Total Receipts	<u>87,933</u>
Disbursements	
Transfer to Debt Service Reserve Fund	-
Payments of interest on Water Revenue Bonds, Series 2000	-
Total Disbursements	<u>-</u>
Cash and cash equivalents at June 30, 2020	<u>\$ 463,827</u>

SUMMARY OF CASH AND CASH EQUIVALENTS - RESTRICTED ASSETS

Water Pipeline - Debt Service - Sinking Fund	\$ 51,419
Water Pipeline - Debt Service - Reserve Fund	466,543
Water Pipeline - Reserve for Depreciation and Contingencies Fund	463,827
	<u>\$ 981,789</u>
<u>Reported on Balance Sheet as:</u>	
Restricted Assets	
Cash and cash equivalents	\$ 51,419
Investments	930,370
	<u>\$ 981,789</u>

TOWN OF GRAND ISLE, LOUISIANA

GAS UTILITY FUND
 SCHEDULE OF OPERATING EXPENSES
 FOR THE YEAR ENDED JUNE 30, 2020

PERSONAL SERVICES

Salaries	\$ 147,726
Payroll taxes	10,730
Unemployment tax	478
Insurance - workmen's compensation	4,769
Insurance - hospitalization and other	45,650
Total Personal Services	<u>209,353</u>

CONTRACTED SERVICES

Gas purchases	33,545
Contracted services	2,720
Total Contracted Services	<u>36,265</u>

MATERIALS AND SUPPLIES

Installation materials and labor	1,599
Gas and oil	4,084
Small tools and equipment	1,029
Equipment rental	-
Total Materials and Supplies	<u>6,712</u>

GENERAL AND ADMINISTRATIVE

Audit	2,000
Bank charges	36
Dues and subscriptions	350
Insurance - general and auto	57,136
Inspection and surveys	5,300
Interdepartmental administrative fee	6,000
Miscellaneous	176
Office and janitorial supplies	3,215
One call service	1,001
Physicals and drug testing	420
Postage	7,792
Repairs and maintenance	
Buildings	-
Office equipment	138
Vehicles	1,539
Gas distribution system	26,076
Gas meters	1,780
Tax collection commission	6,940
Telephone	4,320
Training school	669
Travel and other	180
Utilities	1,633
Total General and Administrative	<u>126,701</u>

DEPRECIATION

Depreciation and amortization	<u>21,756</u>
Total Depreciation	<u>21,756</u>

TOTAL OPERATING EXPENSES \$ 400,787

TOWN OF GRAND ISLE, LOUISIANA

**AGENCY FUNDS
SCHEDULE OF CHANGES IN DEPOSIT BALANCES
DUE TO OTHERS
FOR THE YEAR ENDED JUNE 30, 2020**

**DEPOSIT BALANCES DUE TO OTHERS
AT JUNE 30, 2019** \$ 10,892

COLLECTIONS

Deposits	
Donations	1,000
Interest Income	22
	<u>1,022</u>
Total Collections	<u>1,022</u>

DISTRIBUTIONS

Deposits Settled To:	
Town of Grand Isle General Fund	-
Disaster victims and vendors	-
Relief supplies and expenses	1,405
Capital outlay	-
	<u>1,405</u>
Total Distributions	<u>1,405</u>

**DEPOSIT BALANCES DUE TO OTHERS
AT JUNE 30, 2020** \$ 10,509

OTHER INFORMATION

TOWN OF GRAND ISLE, LOUISIANA

**SCHEDULE OF PAYMENTS TO COUNCILPERSONS
For the Fiscal Year Ended June 30, 2020**

COUNCILPERSON	SEAT	AMOUNT
Ray Santiny	Seat A	\$ 6,237
Brian Barthelemy	Seat B	6,237
Mona Santiny	Seat C	6,237
Kelly Besson Jr	Seat D	6,237
Leoda Bladsacker	Seat E	6,237
TOTAL		<u><u>\$ 31,185</u></u>

The Mayor and the Councilpersons may be contacted by writing to:

Town of Grand Isle
PO Box 200, Ludwig Lane
Grand Isle, LA 70358

TOWN OF GRAND ISLE

**SCHEDULE OF COMPENSATION AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2020**

Agency Head Name/Title:

David Camardelle, Mayor

<u>Purpose</u>	<u>Amount</u>	
Salary	\$ 71,040	(1)
Taxes - Federal (Social Security and Medicare)	5,055	(2)
Benefits - Retirement	2,131	(3)
Benefits - Insurance (Group Health)	13,088	(4)
Benefits - Other (Life and Dental Insurance)	744	
Vehicle Provided by Agency	3,753	(5)
Vehicle Use Reimbursements	-	
Per Diem	-	
Reimbursements	-	
Travel (Meal per diems)	-	
Registration Fees	-	(6)
Conference Travel	1,585	(7)
Continuing Professional Education Fees	-	
Housing	-	
Unvouchered Expenses	-	
Special Meals	-	

Notes to Schedule:

- (1) The Mayor's salary is set by Town Ordinance.
- (2) The Town and its employees pay social security and medicare taxes. This amount represents the amount of taxes paid by the employer (the Town) on this employee's taxable wages.
- (3) The Town allows its employees to participate in a 401-K retirement plan. The employee can contribute up to 3% of his earnings and the Town matched the contribution. This amount is the Town's portion of the expense.
- (4) The Town pays for 75.0% of the health insurance coverage for all full-time employees. This represents the amount of the Mayor's premium paid for by the Town, net of the 25% employee share.
- (5) The Town provides the Mayor with a take-home vehicle. This amount represents the costs associated with the operation of the vehicle (gas, repairs, insurance).
- (6) Attendance at conferences was suspended due to the COVID-19 pandemic.
- (7) Includes travel costs (airfare, hotel, parking, etc.) for attending meetings in Baton Rouge or Washington DC. Most travel for conferences was suspended due to the COVID-19 pandemic.

TOWN OF GRAND ISLE
SCHEDULE OF CASH AND CASH EQUIVALENTS
June 30, 2020

<u>FUND/ACCOUNT</u>	<u>BANK</u>	<u>6/30/2020 BANK BALANCE</u>	<u>6/30/2020 BOOK BALANCE</u>
GENERAL FUND AND MAJOR FUNDS			
GENERAL FUND			
CASH AND CHECKING			
Petty Cash	N/A	\$ -	\$ 200
Operating	South Lafourche Bank	320,883	155,151
Accounts Payable	South Lafourche Bank	75,035	34,198
Payroll	South Lafourche Bank	9,112	3,905
Appearance Bonds	Community Bank	6,008	4,050
		<u>411,038</u>	<u>197,504</u>
LOUISIANA ASSET MANAGEMENT POOL			
General Fund Accounts		<u>2,649,830</u>	<u>2,649,830</u>
TOTAL GENERAL FUND		\$ <u>3,060,868</u>	\$ <u>2,847,334</u>
COMMUNITY CENTER AND PLAYGROUND DIST NO. 16			
CASH AND CHECKING			
Community Center	South Lafourche Bank	<u>42,758</u>	<u>22,721</u>
		<u>42,758</u>	<u>22,721</u>
LOUISIANA ASSET MANAGEMENT POOL			
Community Center		<u>69,232</u>	<u>69,232</u>
TOTAL OTHER MAJOR FUNDS		\$ <u>111,990</u>	\$ <u>91,953</u>
TOTAL MAJOR FUNDS		\$ <u>3,172,858</u>	\$ <u>2,939,287</u>
NON-MAJOR FUNDS			
SPECIAL REVENUE			
CASH AND CHECKING			
Mosquito Control	South Lafourche Bank	\$ 365,755	\$ 366,697
Seizure and Forfeiture	South Lafourche Bank	9,367	9,367
Erosion Control	South Lafourche Bank	14,126	14,126
Community Fair	State Bank	27,468	27,468
		<u>416,716</u>	<u>417,658</u>
TOTAL NON-MAJOR FUNDS		\$ <u>416,716</u>	\$ <u>417,658</u>
TOTAL GOVERNMENTAL FUNDS		\$ <u>3,589,574</u>	\$ <u>3,356,945</u>

(continued)

TOWN OF GRAND ISLE
SCHEDULE OF CASH AND CASH EQUIVALENTS
June 30, 2020

<u>FUND/ACCOUNT</u>	<u>BANK</u>	<u>6/30/2020 BANK BALANCE</u>	<u>6/30/2020 BOOK BALANCE</u>
PROPRIETARY FUNDS			
WATERWORKS - UNRESTRICTED			
CASH AND CHECKING			
Operating (O&M)	South Lafourche Bank	12,096	16,452
Total Waterworks - Unrestricted		<u>12,096</u>	<u>16,452</u>
WATERWORKS - RESTRICTED			
CASH AND CHECKING			
Waterpipeline - Sinking	South Lafourche Bank	51,419	51,419
		<u>51,419</u>	<u>51,419</u>
LOUISIANA ASSET MANAGEMENT POOL			
Waterpipeline - Reserve		466,543	466,543
Waterpipeline - Depreciation and Contingencies		463,827	463,827
		<u>930,370</u>	<u>930,370</u>
Total Waterworks - Restricted		<u>981,789</u>	<u>981,789</u>
TOTAL WATERWORKS FUND		<u>993,885</u>	<u>998,241</u>
GAS FUND			
CASH AND CHECKING			
Gas Operating	South Lafourche Bank	104,021	34,192
Petty Cash	N/A	-	100
		<u>104,021</u>	<u>34,292</u>
GAS UTILITIES - RESTRICTED			
CASH AND CHECKING			
Meter Deposit	JP Morgan Chase	-	(1,764)
Meter Deposit	State Bank	63,688	63,745
Total Gas Utilities - Restricted		<u>63,688</u>	<u>61,981</u>
TOTAL GAS UTILITIES FUND		<u>167,709</u>	<u>96,273</u>
TOTAL PROPRIETARY FUNDS		<u>\$ 1,161,594</u>	<u>\$ 1,094,514</u>
FIDUCIARY FUNDS			
AGENCY FUNDS			
CASH AND CHECKING			
Grand Isle Relief Fund	South Lafourche Bank	\$ 10,509	\$ 10,509
TOTAL FIDUCIARY FUNDS		<u>\$ 10,509</u>	<u>\$ 10,509</u>
GRAND TOTAL		<u>\$ 4,761,677</u>	<u>\$ 4,461,968</u>

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT/PROJECT NUMBER	GRANT PERIOD FROM TO	GRANT AMOUNT
PASS-THROUGH PROGRAMS:				
OFFICE OF HOMELAND SECURITY - FEMA				
Passed through Louisiana Governor's Office of Homeland Security (GOHSEP)				
Disaster Assistance - Hurricane Katrina	97.036	FEMA-1603-DR-LA	Project Completion	\$ 7,465,610
Disaster Assistance - Hurricane Gustav	97.036	FEMA-1786-DR-LA	Project Completion	3,127,731
Disaster Assistance - Hurricane Ike	97.036	FEMA-1792-DR-LA	Project Completion	2,919,267
Disaster Assistance - Hurricane Isaac	97.036	FEMA-4080-DR-LA	Project Completion	123,184
Disaster Assistance - Tropical Storm Nate	97.036	FEMA-3392-DR-LA	Project Completion	204,520
Disaster Assistance - Hurricane Barry	97.036	FEMA-4458-DR-LA	Project Completion	4,700
TOTAL HOMELAND SECURITY				
DEPARTMENT OF THE TREASURY				
Passed Through Louisiana Governor's Office of Homeland Security (GOHSEP)				
Coronavirus Relief Fund (CRF) Expense Reimbursements	21.019	Coronavirus Relief Fund	Project Completion	
TOTAL DEPARTMENT OF TREASURY				
DEPARTMENT OF AGRICULTURE				
Passed through Louisiana Local Government Facility Planning				
Water Act 2000 - Lafitte to Grand Isle Waterline Project	10 Unknown	Case #22-026-0726014896	Project Completion	9,225,000 (2)
TOTAL DEPARTMENT OF AGRICULTURE				
TOTAL PASS-THROUGH				
TOTAL FEDERAL ASSISTANCE				

NOTES TO SCHEDULE:

This schedule was prepared on the accrual basis of accounting and covers the period from July 1, 2019 to June 30, 2020. Since the federal expenditures were less than \$750,000, the Town was not subject to a "Single Audit" in accordance with OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards under 2 CFR Part 200. As such, this Schedule is not required; however, the Town elected to present the schedule anyway.

- (1) The Town spent all of the federal money itself - it had no pass-through subrecipients.
- (2) Amount represents a federal loan, not a grant. Funds were used to construct the new waterline. The bonds to fund this project were issued through the United States Rural Development Authority.
- (3) Current year grant receipts are made up of \$155,012 in actual receipts and \$37,746 in "applied receipts" from other Hurricanes/PWs. Applied receipts represent credits taken by FEMA/GOHSEP against project worksheets that had overpayments on them.
- (4) Current year grant receipts are made up of \$0- in actual receipts and \$(37,746) in "applied receipts/credits" from/to other Hurricanes/PWs.
- (5) The Town has not negotiated an indirect cost rate. Also, the Town elected not to use the 10% de minimus cost rate as allowed by 2 CFR 200.414 Indirect (F&A) costs.

ACCRUED (DEFERRED) REVENUE JUNE 30, 2019	CASH RECEIVED		ACCRUED (DEFERRED) REVENUE JUNE 30, 2020	TOTAL REVENUE RECOGNIZED	EXPENDITURES (1)		TOTAL EXPENDITURES
	GRANT	OTHER			FEDERAL	OTHER	
\$ 190,384	\$ 192,758 (3)	\$ -	\$ -	\$ 2,374	\$ 2,374	\$ -	\$ 2,374
(37,746)	(37,746) (4)	-	-	-	-	-	-
-	58,216	-	-	58,216	58,216	-	58,216
14,899	-	-	14,899	-	-	-	-
-	-	-	-	-	-	-	-
-	3,525	1,175	-	4,700	3,525	1,175	4,700
<u>167,537</u>	<u>216,753</u>	<u>1,175</u>	<u>14,899</u>	<u>65,290</u>	<u>64,115</u>	<u>1,175</u>	<u>65,290</u>
-	-	-	95,627	95,627	95,627	-	95,627
-	-	-	<u>95,627</u>	<u>95,627</u>	<u>95,627</u>	<u>-</u>	<u>95,627</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 167,537</u>	<u>\$ 216,753</u>	<u>\$ 1,175</u>	<u>\$ 110,526</u>	<u>\$ 160,917</u>	<u>\$ 159,742</u>	<u>\$ 1,175</u>	<u>\$ 160,917</u>
<u>\$ 167,537</u>	<u>\$ 216,753</u>	<u>\$ 1,175</u>	<u>\$ 110,526</u> (A)	<u>\$ 160,917</u>	<u>\$ 159,742</u>	<u>\$ 1,175</u>	<u>\$ 160,917</u>
			Less Local Match	(1,175)			
			Federal Assistance	<u>159,742</u> (B)			

Shown on Balance Sheet as:

Accounts Receivable	\$ 110,526
Unearned Revenues	-
	<u>\$ 110,526</u> (A)

Shown on Statement of Revenues and Expenditures in:

\$ 101,526	General Fund
-	Community Center Fund
58,216	Gas Utility Fund
<u>\$ 159,742</u> (B)	

TOWN OF GRAND ISLE

**SCHEDULE OF STATE FUNDING
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>DESCRIPTION OF FUNDING</u>	<u>AMOUNT</u>
Department of Treasury - Tax Allocations	
Tobacco Tax	-
Beer Tax	\$ 4,753
Parish Transportation Funds	166,572
Video Poker Allocation	32,143
Grand Isle Tourist Commission Enterprise Tax	28,295
	<u>231,763</u>
Department of Transportation and Development	
Highway 1 - Maintenance Agreement	13,850
	<u>13,850</u>
Louisiana Department of Health and Hospitals	
Grand Isle Beach Water Quality Program	6,000
	<u>6,000</u>
Louisiana Office of Community Development	
Louisiana Government Assistance Program (LGAP - 18195-JFN-01011)	14,000
	<u>14,000</u>
Louisiana Facilities Planning and Control (State Capital Outlay)	
Gymnasium Renovations (# 50-MB112-01)	-
Water Distribution System Master Plan (FPC 50-MB1-02-02)	-
	<u>-</u>
 TOTAL	 <u>\$ 265,613</u>

(1) \$300,000 received but deferred until construction starts. Amount recognized in prior year.

(2) - represents disallowed costs recognized in prior year.

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 2020

(UNAUDITED)

TYPE OF POLICY/RISKS COVERED	POLICY NO.	INSURER	EXPIRATION DATE
Physical Damage - Water Pipeline	17-7590270344-I-01	Lloyd's of London	4/11/2021 (1)
FHA Bond - General	71488812	Western Surety	12/1/2020
Fidelity Bonds - Treasurer	142232835	Western Surety	3/27/2021
Fidelity Bonds - PE Others	0601-05613505	Western Surety	3/1/2020
Fidelity Bonds - Police Chief	0601-70179654	Western Surety	7/1/2021
Flood Insurance			
Police Department	17-11510842403-06	Wright Insurance	2/23/2021
City Hall	17-11510842402-06	Wright Insurance	2/23/2021
Maintenance Building	17-1151313953-04	Wright Insurance	1/16/2021
Storage Building	17-1151313950-04	Wright Insurance	1/16/2021
Community Center	17-1151313956-04	Wright Insurance	1/16/2021
Gas Building	17-1151313958-04	Wright Insurance	1/16/2021
Commercial Property Coverage			
City Hall	#39149-05	AMRISC, LP	8/1/2020
Police Department	#39149-05	AMRISC, LP	8/1/2020
Community Center	#39149-05	AMRISC, LP	8/1/2020
Multiplex Building	#39149-05	AMRISC, LP	8/1/2020
Maintenance Building	#39149-05	AMRISC, LP	8/1/2020
Stoarge Building	#39149-05	AMRISC, LP	8/1/2020
Commercial/General Liability	479613-0	LARIS - Progressive	3/1/2020 (2)
General Total - \$500,000			
Products and Completed Work - \$500,000			
Fire - \$50,00 per occurrence			
Medical - \$1,000 per person			
Medical - \$10,000 per accident			
Each Even Limit - \$500,000			
Premises Damage Limit - \$500,000			
Automotive Liability	LML-0375-16366	Louisiana Municipal Risk Management Association	6/1/2020 (2)
Bodily Injury and Property Damage			
Combined - \$500,000 per accident			
Law Enforcement Liability Protection	LML-0375-16366	Louisiana Municipal Risk Management Association	6/1/2020 (2)
Total Limit - \$500,000			
Each Wrongful Act - \$500,000			
Each Wrongful Act Deductible - \$1,000			
Public Entity Errors and Omissions	LML-0375-16366	Louisiana Municipal Risk Management Association	6/1/2020 (2)
Claims Made			
Total Limit - \$500,000			
Each Wrongful Act - \$500,000			
Each Wrongful Act Deductible - \$1,000			
Standard Workman's Compensation		Louisiana Municipal Risk Management Association	
Hospitalization - Employees		Blue Cross/Blue Shield	

(1) insurance on water pipeline is placed by Jefferson Parish.

(2) renewed subsequent to year end.

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF WATER RATES AND CONNECTIONS
JUNE 30, 2020

(UNAUDITED)

<u>CLASS OF CUSTOMER</u>	<u>(1) MINIMUM RATE</u>	<u>RATE PER FIRST 30 UNITS</u>	<u>(3) 2019 # OF CONNECTIONS</u>	<u>(3) 2018 # OF CONNECTIONS</u>
Residential	\$ 6.50 for 30 units	\$3.50 per 1,000 gallons	-	-
Non-residential	\$10.00 for 30 units	\$4.00 per 1,000 gallons	-	-
Commercial	\$10.00 for 30 units	\$4.00 per 1,000 gallons	-	-
Industrial	\$25.00 for 30 units	\$7.50 per 1,000 gallons (2)	-	-
Elderly	\$3.25 for 30 units	\$3.50 per 1,000 gallons	-	-
			<u>-</u>	<u>-</u>

(1) - one unit equals 100 gallons

(2) - rate was reduced on January 13, 2004 per Ord. No. 796 to \$4.50 per 1,000 gallons

(3) - Jefferson Parish Water District took over billings for system. Breakdown not available.

TOWN OF GRAND ISLE, LOUISIANA

AGEING OF UTILITY BILLINGS RECEIVABLE
JUNE 30, 2020

(UNAUDITED)

	<u>(4) 2020 UTILITY BILLING RECEIVABLE</u>		<u>(4) 2019 UTILITY BILLING RECEIVABLE</u>	
Current (< 30 days)				
Water	\$ -		\$ -	
Gas	22,946		33,631	
Garbage	54,058		52,657	
Mosquito	-		-	
Sales tax	90		134	
	<u>77,094</u>	44.1%	<u>86,422</u>	49.2%
>30 days	<u>97,677</u>	55.9%	<u>89,311</u>	50.8%
	<u>\$ 174,771</u>	100.0%	<u>\$ 175,733</u>	100.0%

(4) - Jefferson Parish Water District took over billings for system. These amounts are shown as receivable in the Town's Gas Utilities Enterprise Fund. All receivables relating to the Waterworks system now flow through the Parish's Water District.

COMPLIANCE SECTION

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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
GOVERNMENT AUDITING STANDARDS**

The Honorable David Camardelle, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Grand Isle, Louisiana (the "Town"), as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents, and have issued my report thereon dated December 14, 2020.

Internal Control Over Financial Reporting

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

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or deficiencies and therefore, material weaknesses or significant deficiencies by exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses, which I consider to be significant deficiencies. See deficiencies #SD 20-01, SD 20-02, and SD 20-03.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion.

The results of my tests disclosed two instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*. See compliance findings #CF 20-01 and CF 20-02 in the attached Schedule of Findings and Responses.

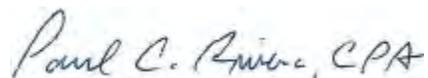
I also noted certain other matters that I have reported to management of the Town in a separate letter entitled "Memorandum of Advisory Comments", dated December 14, 2020.

Town's Responses to Deficiencies and/or Findings

The Town's responses to the deficiencies and/or findings identified in my audit are described in the accompanying Schedule of Findings and Responses. The Town's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion of the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statutes 24:513, the report is distributed by the Legislative Auditor as a public document.



December 14, 2020
Marrero, Louisiana

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES For the Fiscal Year Ended June 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

- A. The Auditor's report expresses an unmodified opinion.
- B. No material weaknesses were identified in the Town's internal control over financial reporting.
- C. Two significant deficiencies are noted related to the audit of the financial statements are reported in the *Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit in Accordance With Government Auditing Standards*. These deficiencies are outlined below.
- D. No instances of noncompliance material to the financial statements of the Town, which is required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.
- E. The audit was not subject to OMB Uniform Administrative Requirements 2 CFR Part 200 (a "Single Audit"), as federal expenditures did not exceed the \$750,000 threshold.
- F. A separate management letter was issued for the year ended June 30, 2020.

SECTION II - FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT

INTERNAL CONTROLS:

Significant Deficiencies

SD Comment # 20-01 - Preparation of Financial Statements by Auditor

Condition and Criteria - The Town does not have controls in place for proper oversight of its financial reporting and for the preparation of financial statements in accordance with generally accepted accounting principles. As is common in small organizations, the Town has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles.

Cause - Recently issued Statement of Auditing Standards (SAS) 115 requires that I report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation - As mentioned, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. In this case, I do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, I do not believe any corrective action is necessary.

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED) For the Fiscal Year Ended June 30, 2020

Management's Response - The Town's staff is familiar with the day-to-day accounting requirements; however, due to limited staffing and funding, we do not consider it practical to provide sufficient training to our staff in order to eliminate this condition and can only continue to rely on the auditor to prepare the financial statements at this time.

SD Comment # 20-02 – Maintaining Proper Capital Asset and Depreciation Records

Condition and Criteria - The Town does not maintain a formal capital assets ledger that includes a calculation of depreciation expense. Instead, it has chosen to rely on an excel spreadsheet that was originally designed by the external auditor to maintain a schedule of capital assets and accumulated depreciation. The schedule is adjusted at the end of the year during the audit. Depreciation is not calculated until year-end when any additions or deletions are posted. By not maintaining a formal capital asset system that includes additions and deletions as they occur and a timely calculation of depreciation, the Town must wait until year end for the capital assets to be totaled. The Town has taken ownership of the spreadsheet; however, they do not have the expertise to make the calculations.

Cause - The Town's software system was not set up to depreciate capital assets. It merely tracks description, costs, and tag numbers.

Recommendation - The Town should work towards modifying its current software database or purchasing one that would allow for the timely calculation of depreciation of all fixed assets.

Management's Response - We will look into doing this for the next fiscal year audit. Since we record our activity on a "cash-basis" of accounting, we do not see this as a must and are satisfied with relying on the year-end audit adjustments to reflect capitalization and depreciation activity. We review the end-of-year schedule of assets prepared by the external auditor. We are currently in the process of upgrading our computer system.

SD Comment # 20-03 – Not Recognizing Revenues and Expenditures Properly for Redflex Traffic Ticketing System

Condition and Criteria – In the summer of 2019, the Town implemented a Redflex traffic ticketing system whereby the Redflex Company would provide the Town with a traffic control truck equipped with radar guns and cameras. The truck would be placed in speed zones within Town limits and as speeders were captured on camera, they would be sent an automated traffic violation notice from Redflex. As collections were made by Redflex, they would be remitted to the Town on a monthly basis, less a commission for Redflex, adjusted for refunds and other adjustments. The Town would receive its remittance via ACH each month and was supposed to receive a Monthly Report of Traffic Violation Remittances to support the remittance. While the Town did receive ACH remittances totaling \$122,957 from Redflex between July 1, 2019 and June 30, 2020, they Town never did receive a single report detailing what the remittances were for or how much commissions Redflex was withholding from the fines. The result is that revenues are overstated by the commissions that Redflex withheld and expenses are understated by the same unknown amount. The net revenues are also not supported by anything other than the ACH transfer received.

Cause - The Town contacted Redflex several times throughout the year and was promised access to an online reporting system that never worked. Redflex kept stating that they were having software issues with the system and that it would be resolved shortly. The system never generated a report that could be used to support the ACH that was received.

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED) For the Fiscal Year Ended June 30, 2020

Recommendation - The Town should demand that Redflex provide these monthly reports supporting the traffic tickets issued, voided, refunded and ultimately remitted to the Town and that their commission be reflected in the report.

Management's Response – The new Police Chief has “parked” the Redflex truck for the time being and is looking to either work these issues out with the company or discontinue using their services.

COMPLIANCE:

Compliance Findings

CF Finding # 20-01 - Noncompliance with Louisiana Local Government Budget Act

Condition and Criteria - Louisiana Revised Statute 39:1311 requires governments to amend their budgets when budgeted revenues or expenditures are expected to exceed budget by more than 5 percent.

Finding - For the year ended June 30, 2020, the Community Center and Playground District No. 16 Special Revenue Fund and the Community Fair Special Revenue Fund had revenues and expenditures in excess of 5 percent of the budgeted amounts. The Community Center and Playground District No. 16 had actual revenues of \$406,350, which were \$289,400 or 41.6 percent under budget. The primary reasons for the variance had to do with the budgeting of capital funds from the Parish for the roof project that did not come through. This accounted for \$200,000 of the variance noted. The expenditures of the fund did fall within the 5 percent variance allowance.

The Community Fair Special Revenue Fund had its revenues budgeted at \$8,300, while actual revenues came in at \$375. This is a variance of \$7,925 or 2,113 percent. Expenditures were budgeted at \$5,800 and came in at \$6,333, a variance of \$533 or 8.4 percent.

Effect - The Town is not in compliance with LRS 39:1311 for the year ended June 30, 2020 in these three instances.

Management's Response – The Community Center budget should not have included the \$200,000 for the roof grant as it had been received in the previous year. The actual costs of the project were incurred in 2020, so it should have been offset by fund balance, not revenues. We will make sure to budget this properly in the future. The fair revenues were off due to the fair being cancelled in response to the COVID-19 pandemic. The Town had already incurred some mobilization costs, which resulted in the actual costs exceeding budget. The cancellation happened too late in the year to amend the budget. We consider this a one-time event and do not expect it will occur again.

TOWN OF GRAND ISLE, LOUISIANA

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the Fiscal Year Ended June 30, 2020**

CF Finding # 20-02 - Noncompliance with Water Revenue Bond Debt Covenants

Condition and Criteria - The Waterworks Utilities Enterprise Fund issued Water Revenue Bonds, Series 2000 on February 25, 2000 totaling \$9,225,000, with interest of 4.75% per annum. The proceeds of the bonds were used to pay off the 2000 Bond Anticipation Notes issued by the Louisiana Facilities Planning Department. The Water Revenue Bonds are secured and payable solely by a pledge of the income and revenues of the Waterworks Utility System after provision for the payment of reasonable and necessary costs and expenses of operating and maintaining the system. Sections 4(e) and 4(f) of the Bond Certificate call for the Town to fund a Debt Reserve Fund and a Depreciation and Contingencies Fund. Per the payment schedules, the Town is to make monthly deposits into these two funds from February 2001 until February 2040. Currently, the Town is to be making deposits of \$2,191 per month into these two funds, for a total of \$26,292 annually per fund.

Finding - For 2020, the annual deposit was made as well as a make-up deposit; however, when looking at the required balance as of June 30, 2020, I noted that the Town was still behind in funding these two funds. If the required deposits had been made since 2005, the funds would have the balances noted in the table below. As noted in the table, the Debt Reserve Fund appears to under-funded by \$(61,492) and the Depreciation and Contingencies Fund appears to be under-funded by \$(64,208).

<u>Debt Reserve Fund</u>			<u>Depreciation and Contingencies Fund</u>		
<u>Amount</u>	<u># of Mos</u>	<u>Amount On Hand</u>	<u>Amount</u>	<u># of Mos</u>	<u>Amount On Hand</u>
\$ 1,826	24	\$ 43,824	\$ 1,826	24	\$ 43,824
\$ 2,191	221	484,211	\$ 2,191	221	484,211
Total Required To Date		528,035	Total Required To Date		528,035
Current Fund Balance		466,543	Current Fund Balance		463,827
Surplus (Deficit)		<u>\$ (61,492)</u>	Surplus (Deficit)		<u>\$ (64,208)</u>

Effect - The Town is not in compliance with the reserve requirements of the bond certificate.

Management's Response - The Water District was taken over by the Parish of Jefferson in August 2005. Since then, the Town's Water Utility Fund merely acts as a conduit to collect the ad valorem taxes dedicated to it as well as the debt subsidy provided by the Parish of Jefferson as part of the takeover. The Water Utility Fund owed money from prior years (mostly sanitation fees) to the Town's General Fund when the takeover occurred. Each year, the Town was trying to pay some of this debt off as well as make the required deposits into the Reserve and Depreciation and Contingencies Fund. The Town would then remit the balance of funds to the Parish of Jefferson to aid in operating the Water District.

Apparently, sometime between the period of 2011 and 2017, we inadvertently remitted too much to the Parish and did not deposit enough into the Reserve Fund and the Depreciation and Contingencies Fund. Given the level of ad valorem taxes we levy and collect each year, we anticipate withholding enough from the taxes in the next two to three years to catch up on these deficit balances and to bring these two funds up to the required levels.

TOWN OF GRAND ISLE, LOUISIANA

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the Fiscal Year Ended June 30, 2020**

SECTION III - FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS

Not Applicable

SECTION IV - STATUS OF PRIOR YEAR FINDINGS AND DEFICIENCIES

Prior Year Comment No.	Description	Status
SD 19-01	The Town relies upon its external auditor to prepare its financial statements.	Not resolved. See CY SD Comment # 20-01.
SD 19-02	The Town does not maintain a formal capital assets and depreciation schedule and does not post additions and deletions or depreciation expense until year end.	Not resolved. See CY SD Comment # 20-02.
CF 19-01	The Town did not comply with the Local Government Budget Act as both revenues and expenditures had variances between budget and actual of greater than 5%.	Not resolved. See CY CF Comment # 20-01.
CF 19-02	The Town was not in compliance with the reserve requirements of the Water Bond certificates.	Not resolved. See CY CF Comment # 20-02.

(END OF REPORT)

MEMORANDUM OF ADVISORY COMMENTS

TOWN OF GRAND ISLE, LOUISIANA

For the Fiscal Year Ended June 30, 2020

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**INTERNAL CONTROL
AND RELATED MATTERS**

Paul C. Rivera, CPA

The Honorable David Camardelle, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited the financial statements of the Town of Grand Isle, Louisiana, for the fiscal year ended June 30, 2020, and have issued my reports thereon dated December 14, 2020. As part of my audit, I considered the Town's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing an opinion on the financial statements, and not to provide an opinion on the effectiveness of the Town's internal control.

Significant deficiencies, which may have been noted during my consideration of the internal control over financial reporting, have been reported on in a separately issued report, entitled "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".

This memorandum summarizes various immaterial deficiencies, instances of noncompliance, and other matters that have come to my attention. While not involving significant control deficiencies or material weaknesses, these matters do present opportunities for strengthening the Town's internal controls and improving the operating efficiency of the Town.

I have already discussed these comments and suggestions with the Town's administrative personnel and have included their responses. I will be pleased to discuss these comments and suggestions with you in further detail at your convenience, perform an additional study of these matters, or assist you in implementing the recommendations.

Paul C. Rivera, CPA

December 14, 2020

TOWN OF GRAND ISLE, LOUISIANA

**COMMENTS AND SUGGESTIONS
For the Fiscal Year Ended June 30, 2020**

ENSURING PROPER ACCOUNTING AND REPORTING

MLC 20-1 – Bank Reconciling Adjustments Not Being Posted to the General Ledger

ADVISORY COMMENT

While the Town Treasurer does reconcile the various bank accounts on a monthly basis, it was noted that several of the bank reconciliations were carrying reconciling differences or “outages” on them. This meant that the bank accounts were technically reconciled; however, the general ledger accounts did not balance back to the bank reconciliations until audit adjusting journals were posted. This comment was provided in the prior year.

RECOMMENDATION

The reconciling differences on the bank reconciliations should be posted in the month they are noted, or at least in the subsequent month to ensure that the bank reconciliations and the general ledger balances agree.

RESPONSE

The main checking account was out due to credit card differences on the collections of fines, as well as some property tax collections and interfund transfers. Once a proof of cash was performed, the adjustments were made and the accounts were in balance. The other few accounts that had reconciling differences were also adjusted during the audit and these entries will be posted to the general ledger. We will attempt to post these reconciling differences on a more timely basis in the future.

MLC 20-2 – Credit Card Payments on Fines Not Being Reconciled/Recorded Properly

ADVISORY COMMENT

During 2018, the Town’s Police Department began accepting credit card payments on fines and fees. The transactions are entered into the DigiCourt system and a report is provided to the Accounting Department on the transactions for that month. During my testing in 2020, I noted that the amounts that were recorded on the general ledger did not agree to the amounts that were clearing the bank statements. It appears that there are timing and reconciling differences between the police department reports and the merchant statements from the credit card companies that are not being reconciled or recorded. As such, there were a number of reconciling entries that had to be posted to the general ledger at year end in order to bring the cash account into balance. This comment was provided in the prior year.

TOWN OF GRAND ISLE, LOUISIANA
COMMENTS AND SUGGESTIONS
For the Fiscal Year Ended June 30, 2020

ENSURING PROPER ACCOUNTING AND REPORTING

RECOMMENDATION

The reconciling differences on the bank reconciliations should be posted in the month they are noted, or at least in the subsequent month to ensure that the bank reconciliations and the general ledger balances agree. The credit card merchant statements should be reconciled to the activity posted to the general ledger.

RESPONSE

One of the problems is that the monthly report from the DigiCourt system does not contain dates on the fine payments that it reports. Thus, it is hard to reconcile/match which payments are showing up on the DigiCourt report to the transactions on the merchant statement and/or bank statement. We will work with the police department and DigiCourt to determine whether dates can be affixed to the transaction register report. We will then work to have a monthly reconciliation of the credit card merchant statement put in place.

PROTECTING THE ASSETS OF THE TOWN

MLC 20-3 – Physical Inventory of Police Department Fixed Assets Reveals Some Items Being Unaccounted For

ADVISORY COMMENT

In July 2020, the citizens of Grand Isle elected a new Police Chief. When the new Chief took office, he ordered an inventory of assets held by the Police Department. Subsequent to year end, a physical inventory of the Town’s Police Department’s fixed assets was performed. The inventory indicated that approximately \$23,000 worth of fixed assets “could not be located”. The missing items included a Remington shotgun, two Glock pistols, a Flir Thermal Imaging camera and carrying case, two drones, some computer equipment, and various other miscellaneous equipment.

RECOMMENDATION

The Town should inquire of the former Police Chief and his staff as to the whereabouts of the un-located equipment. Absent a proper resolution of this matter, the Town should consider its legal options and obligations in determining the status and location of these pieces of equipment.

TOWN OF GRAND ISLE, LOUISIANA
COMMENTS AND SUGGESTIONS
For the Fiscal Year Ended June 30, 2020

RESPONSE

The current Police Chief is already working on resolving this matter.

**COMPLIANCE WITH LAWS
AND REGULATIONS**

Paul C. Rivera, CPA

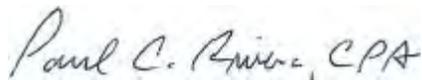
(504) 371-4390

The Honorable David Camardelle, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited the financial statements of the Town of Grand Isle, Louisiana, for the fiscal year ended June 30, 2020 and have issued my reports thereon dated December 14, 2020. As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, I performed tests of the Town's compliance with certain provisions of laws, regulations, contracts, and grant agreements. However, my objective was not to provide an opinion on compliance with such provisions.

Material instances of noncompliance have already been reported on in a separately issued report, entitled "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with Government Auditing Standards". The attached schedule of noncompliance with laws and regulations includes certain immaterial instances of noncompliance noted as a result of the items tested.

I have already discussed these findings with the Town's administrative personnel and have included their responses. I will be pleased to discuss these comments with you in further detail at your convenience or to perform any additional study of these matters.



December 14, 2020

TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF NONCOMPLIANCE WITH
LAWS AND REGULATIONS
For the Fiscal Year Ended June 30, 2020

ICF 20-1 – Unable to Calculate Compliance with a Water Revenue Bond Covenant

COMPLIANCE FINDING

There are a number of limitations and restrictions contained in the bond indenture which the Town was in compliance with during the fiscal year ended June 30, 2020, except for the following:

Under Section 9 of Ordinance 701, the Waterworks Utility fund is required “to provide revenues in each year, after paying all reasonable and necessary expenses of operating and maintaining the system in such year, of at least 120% of the largest amount of principal and interest falling due on the bonds ... in any future year.” Under this requirement, the Waterworks fund should have \$630,990 of surplus funds (\$525,825 - highest principal and interest due times 120%) each year after paying the operating and maintenance costs. The Town has fallen short of this requirement for the past several years. For June 30, 2020, compliance with this requirement could not be calculated because of the take-over of daily operations by the Parish’s Water District.

RESPONSE

The Parish has taken over the operations of the Water District effective August 15, 2005. The surplus funds and operating subsidy provided by the Parish should cover any future debt payments required by the bonds. Since the takeover, the Parish has made all of the required payments and the Town has, in turn, paid the bonds as they come due.

ICF 20-2 – Police Department Electronic Records Were Not Backed Up and Were Deleted

COMPLIANCE FINDING

Under LRS 44:1, entitled the Public Records Act, Section A.(1) defines a "public body" to include any branch, department, office, agency, board, commission, district, governing authority, political subdivision, or any committee, subcommittee, advisory board, or task force thereof, any other instrumentality of state, parish, or municipal government, including a public or quasi-public nonprofit corporation designated as an entity to perform a governmental or proprietary function, or an affiliate of a housing authority.

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF NONCOMPLIANCE WITH LAWS AND REGULATIONS For the Fiscal Year Ended June 30, 2020

Section A.(2)(a) states that all books, records, writings, accounts, letters and letter books, maps, drawings, photographs, cards, tapes, recordings, memoranda, and papers, and all copies, duplicates, photographs, including microfilm, or other reproductions thereof, or any other documentary materials, regardless of physical form or characteristics, including information contained in electronic data processing equipment, having been used, being in use, or prepared, possessed, or retained for use in the conduct, transaction, or performance of any business, transaction, work, duty, or function which was conducted, transacted, or performed by or under the authority of the constitution or laws of this state, or by or under the authority of any ordinance, regulation, mandate, or order of any public body or concerning the receipt or payment of any money received or paid by or under the authority of the constitution or the laws of this state, are "public records", except as otherwise provided in this Chapter or the Constitution of Louisiana. The laws go on to state that it is the Town's duty to maintain and protect the "public records" of the Town, as well as to make them available when requested.

Good internal controls call for the "backing up" of electronic (computer) files on a timely basis. It is best if the back-up file is copied to a storage device that is kept off-site so that if something happens to the desktop or the network, the files are secure and accessible. In July 2020, the citizens of Grand Isle elected a new Police Chief. The new Chief did not take office until October 2020. In the time between the election and the takeover by a new Chief, several computer files in the Police Department were deleted and no backup files exist. It appears, in fact, that all of the Police Department desktop computers were "wiped clean" of all files.

LRS 44:36, requires, in all instances in which a formal retention schedule has not been executed, such public records shall be preserved and maintained for a period of at least three (3) years from the date on which the public record was made. Thus, it appears that the deletion of these records violates LRS 44:36.

RESPONSE

The Town administration was unaware that the Police Department computers were not being backed up or that they were wiped clean until after the new Police Chief took office. We have taken steps to ensure that all electronic files are now backed up and preserved.

**STATUS OF PRIOR YEAR
COMMENTS AND FINDINGS**

TOWN OF GRAND ISLE, LOUISIANA

STATUS OF PRIOR YEAR COMMENTS AND FINDINGS

June 30, 2020

Prior Year Comment No.	Prior Year Comment	Status
Internal Control MLC # 19-1	The Town's bank reconciliation adjustments were not being posted on a timely basis.	Not Resolved. See CY Internal Control Comment MLC # 20-1.
Internal Control MLC # 19-2	Credit Card Payments on Fines Not Being Reconciled/Recorded Properly	Not Resolved. See CY Internal Control Comment MLC # 20-2
Internal Control MLC # 19-3	The Town's Gas Utilities Fund continues to experience operating losses and cash flow problems.	Resolved.
Compliance Finding ICF # 19-1	The Town's Waterworks Utilities Fund was in violation of its Revenue Bond covenants due to its inability to meet the targeted surplus ratios called for.	Not Resolved. See CY Compliance Finding ICF # 20-1.