

TOWN OF PORT BARRE, LOUISIANA

Financial Report

Year Ended September 30, 2020

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INDEPENDENT AUDITOR'S REPORT

The Honorable John Ardoin, Mayor,
and Members of the Board of Aldermen
Town of Port Barre, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Port Barre, Louisiana (the Town), as of and for the year ended September 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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, and each major fund of the Town of Port Barre, Louisiana, as of September 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 20, to the basic financial statements, the Town had a prior year restatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 37 through 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Town has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of, the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The other supplementary information on pages 42 through 56 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the comparative statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the Town's 2019 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements which were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in the relation to the basic financial statements from which they have been derived.

The various schedules included in other supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2021, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 5, 2021

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

TOWN OF PORT BARRE, LOUISIANA

Statement of Net Position
September 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 930,756	\$ 45,533	\$ 976,289
Receivables, net	29,782	152,972	182,754
Internal balances	(69,857)	69,857	-
Due from other governmental units	10,884	112,110	122,994
Total current assets	901,565	380,472	1,282,037
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	-	230,735	230,735
Capital assets:			
Land and construction in progress	86,425	1,174,577	1,261,002
Other capital assets, net	2,372,552	3,953,813	6,326,365
Total noncurrent assets	2,458,977	5,359,125	7,818,102
Total assets	3,360,542	5,739,597	9,100,139
LIABILITIES			
Current liabilities:			
Accounts, salaries and other payables	14,611	80,017	94,628
Contract payable	-	45,373	45,373
Retainage payable	-	49,861	49,861
Customers' deposits	-	159,397	159,397
Capital leases payable	30,755	56,225	86,980
Bonds payable	-	56,000	56,000
Accrued interest	-	692	692
Total current liabilities	45,366	447,565	492,931
Noncurrent liabilities:			
Capital leases payable	15,874	201,075	216,949
Bonds payable	-	113,000	113,000
Total noncurrent liabilities	15,874	314,075	329,949
Total liabilities	61,240	761,640	822,880
NET POSITION			
Net investment in capital assets	2,412,348	4,758,090	7,170,438
Restricted for sales tax dedication	656,384	-	656,384
Restricted for debt service	-	14,646	14,646
Unrestricted	230,570	205,221	435,791
Total net position	\$ 3,299,302	\$ 4,977,957	\$ 8,277,259

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

TOWN OF PORT BARRE, LOUISIANA

Statement of Activities
For the Year Ended September 30, 2020

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 289,215	\$ 118,424	\$ -	\$ -	\$ (170,791)	\$ -	\$ (170,791)
Public safety:							
Police	917,138	561,139	66,683	-	(289,316)	-	(289,316)
Streets	383,818	-	-	-	(383,818)	-	(383,818)
Culture and recreation	176,942	17,346	-	-	(159,596)	-	(159,596)
Interest on long-term debt	4,234	-	-	-	(4,234)	-	(4,234)
Total governmental activities	<u>1,771,347</u>	<u>696,909</u>	<u>66,683</u>	<u>-</u>	<u>(1,007,755)</u>	<u>-</u>	<u>(1,007,755)</u>
Business-type activities:							
Gas	209,228	218,439	-	-	-	9,211	9,211
Water	513,583	578,371	16,876	-	-	81,664	81,664
Sewerage	340,187	285,135	-	978,552	-	923,500	923,500
Total business-type activities	<u>1,062,998</u>	<u>1,081,945</u>	<u>16,876</u>	<u>978,552</u>	<u>-</u>	<u>1,014,375</u>	<u>1,014,375</u>
Total	<u>\$2,834,345</u>	<u>\$ 1,778,854</u>	<u>\$ 83,559</u>	<u>\$ 978,552</u>	<u>(1,007,755)</u>	<u>1,014,375</u>	<u>6,620</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes					88,847	-	88,847
Sales and use taxes, levied for general purposes					816,265	-	816,265
Franchise taxes					87,011	-	87,011
Grants and contributions not restricted to specific programs -							
State sources					48,589	-	48,589
Interest and investment earnings					1,574	775	2,349
Miscellaneous					55,256	-	55,256
Transfers					95,774	(95,774)	-
Total general revenues and transfers					<u>1,193,316</u>	<u>(94,999)</u>	<u>1,098,317</u>
Change in net position					185,561	919,376	1,104,937
Net position - October 1, 2019, as restated					<u>3,113,741</u>	<u>4,058,581</u>	<u>7,172,322</u>
Net position - September 30, 2020					<u>\$ 3,299,302</u>	<u>\$ 4,977,957</u>	<u>\$ 8,277,259</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

1966 Sales Tax Fund -

To account for the receipt and use of proceeds of the Town's 1% sales and use tax. These taxes are dedicated to the construction, acquisition, extension, improvement and/or maintenance of drainage facilities, sewer, and sewerage disposal works, streets, sidewalks, waterworks, and garbage collection and disposal facilities of the Town of Port Barre, including the purchase of equipment therefore.

1996 Sales Tax Fund -

To account for the receipt and use of proceeds of the Town's 1.2% sales and use tax. These taxes are dedicated to the construction, maintenance and improvement of public streets of the Town of Port Barre.

Enterprise Fund

Utility Fund -

To account for the provision of gas, water, and sewerage services to residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

TOWN OF PORT BARRE, LOUISIANA

Balance Sheet
Governmental Funds
September 30, 2020

	General	1966 Sales Tax Special Revenue	1996 Sales Tax Special Revenue	Total
ASSETS				
Cash and interest-bearing deposits	\$ 296,947	\$ 41,928	\$ 591,881	\$ 930,756
Receivables:				
Taxes, net	27,660	-	-	27,660
Other	2,122	-	-	2,122
Due from other funds	-	239,338	-	239,338
Due from other governmental units	10,884	-	-	10,884
Total assets	<u>\$ 337,613</u>	<u>\$ 281,266</u>	<u>\$ 591,881</u>	<u>\$ 1,210,760</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 11,062	\$ 2,254	\$ 1,295	\$ 14,611
Due to other funds	95,981	-	213,214	309,195
Total liabilities	<u>107,043</u>	<u>2,254</u>	<u>214,509</u>	<u>323,806</u>
Fund balances:				
Restricted for sales tax dedications	-	279,012	377,372	656,384
Unassigned	230,570	-	-	230,570
Total fund balances	<u>230,570</u>	<u>279,012</u>	<u>377,372</u>	<u>886,954</u>
Total liabilities and fund balances	<u>\$ 337,613</u>	<u>\$ 281,266</u>	<u>\$ 591,881</u>	<u>\$ 1,210,760</u>

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

TOWN OF PORT BARRE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2020

Total fund balances for governmental funds at September 30, 2020		\$ 886,954
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 86,425	
Buildings, net of \$1,419,715 accumulated depreciation	910,419	
Infrastructure, net of \$948,264 accumulated depreciation	1,255,575	
Equipment, net of \$577,020 accumulated depreciation	<u>206,558</u>	2,458,977
Long-term liabilities at September 30, 2020:		
Capital lease payable		<u>(46,629)</u>
Total net position of governmental activities at September 30, 2020		<u>\$3,299,302</u>

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

TOWN OF PORT BARRE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended September 30, 2020

	<u>General</u>	<u>1966 Sales Tax Special Revenue</u>	<u>1996 Sales Tax Special Revenue</u>	<u>Total</u>
Revenues:				
Taxes	\$ 173,414	\$ 367,364	\$ 448,901	\$ 989,679
Licenses and permits	118,424	-	-	118,424
Intergovernmental	117,716	-	-	117,716
Fines and forfeits	561,139	-	-	561,139
Miscellaneous	74,113	41	22	74,176
Total revenues	<u>1,044,806</u>	<u>367,405</u>	<u>448,923</u>	<u>1,861,134</u>
Expenditures:				
Current -				
General government	215,261	17,748	18,355	251,364
Public safety:				
Police	845,773	-	-	845,773
Highways and streets	-	296,656	35,469	332,125
Culture and recreation	140,920	14,086	-	155,006
Capital outlay	25,451	10,400	-	35,851
Debt service	33,712	-	-	33,712
Total expenditures	<u>1,261,117</u>	<u>338,890</u>	<u>53,824</u>	<u>1,653,831</u>
Excess (deficiency) of revenues over expenditures	<u>(216,311)</u>	<u>28,515</u>	<u>395,099</u>	<u>207,303</u>
Other financing sources (uses):				
Transfers in	255,774	300,000	-	555,774
Transfers out	-	(160,000)	(300,000)	(460,000)
Total other financing sources (uses)	<u>255,774</u>	<u>140,000</u>	<u>(300,000)</u>	<u>95,774</u>
Net changes in fund balances	39,463	168,515	95,099	303,077
Fund balances, beginning	<u>191,107</u>	<u>110,497</u>	<u>282,273</u>	<u>583,877</u>
Fund balances, ending	<u>\$ 230,570</u>	<u>\$ 279,012</u>	<u>\$ 377,372</u>	<u>\$ 886,954</u>

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

TOWN OF PORT BARRE, 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 September 30, 2020

Total net changes in fund balances at September 30, 2020 per statement of revenues, expenditures and changes in fund balances			\$ 303,077
The change in net position reported for governmental activities in the statement of activities is different because:			
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.			
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances		\$ 35,851	
Depreciation expense for the year ended September 30, 2020		(170,303)	
Loss on disposal of capital assets		<u>(12,542)</u>	(146,994)
Proceeds from capital leases are financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, issuing debt increases the liabilities and does not affect the statement of activities. Similarly, principal repayment is recorded as an expenditure in the governmental funds but reduces the liability in the statement of net position.			
Capital lease principal payments			<u>29,478</u>
Total changes in net position at September 30, 2020 per statement of activities			<u>\$ 185,561</u>

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

TOWN OF PORT BARRE, LOUISIANA

Statement of Net Position
 Proprietary Fund
 September 30, 2020

	<u>Enterprise Fund</u>
ASSETS	
Current assets:	
Cash	\$ 45,533
Receivables:	
Accounts receivable, net	152,972
Due from other funds	69,857
Due from other governmental units	<u>112,110</u>
Total current assets	<u>380,472</u>
Noncurrent assets:	
Restricted assets:	
Cash	92,469
Interest-bearing deposits, at cost	138,266
Capital assets:	
Land and construction in progress	1,174,577
Other capital assets, net	<u>3,953,813</u>
Total noncurrent assets	<u>5,359,125</u>
Total assets	<u>5,739,597</u>
LIABILITIES	
Current liabilities:	
Accounts payable	77,457
Other liabilities	2,560
Contracts payable	45,373
Retainage payable	49,861
Capital lease payable	56,225
Payable from restricted assets -	
Revenue bonds	56,000
Accrued interest	692
Customers' deposits	<u>159,397</u>
Total current liabilities	<u>447,565</u>
Noncurrent liabilities:	
Capital lease payable	201,075
Revenue bonds	<u>113,000</u>
Total noncurrent liabilities	<u>314,075</u>
Total liabilities	<u>761,640</u>
NET POSITION	
Net investment in capital assets	4,758,090
Restricted for debt service	14,646
Unrestricted	<u>205,221</u>
Total net position	<u>\$4,977,957</u>

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

TOWN OF PORT BARRE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Fund
 For the Year Ended September 30, 2020

	<u>Enterprise Fund</u>
Operating revenues:	
Charges for services -	
Gas charges	\$ 213,521
Water sales	565,624
Sewer service charges	279,433
Connection charges	4,896
Miscellaneous	<u>18,471</u>
Total operating revenues	<u>1,081,945</u>
Operating expenses:	
Gas department	209,228
Water department	504,595
Sewerage department	<u>331,200</u>
Total operating expenses	<u>1,045,023</u>
Operating income	<u>36,922</u>
Nonoperating revenues (expenses):	
State grant revenue	16,876
Interest income	775
Interest expense	(17,425)
Paying agent fees	<u>(550)</u>
Total nonoperating revenues (expenses)	<u>(324)</u>
Income before capital contributions and transfers	<u>36,598</u>
Capital contributions	<u>978,552</u>
Transfers:	
Transfers in	160,000
Transfers out	<u>(255,774)</u>
Total transfers	<u>(95,774)</u>
Change in net position	919,376
Net position, beginning, as restated	<u>4,058,581</u>
Net position, ending	<u>\$ 4,977,957</u>

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

TOWN OF PORT BARRE, LOUISIANA

Statement of Cash Flows

Proprietary Fund

For the Year Ended September 30, 2020

	<u>Enterprise Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 1,045,725
Payments to suppliers	(661,598)
Payments to employees	(193,457)
Other receipts	<u>18,471</u>
Net cash provided by operating activities	<u>209,141</u>
Cash flows from noncapital financing activities:	
State grants received	12,744
Net decrease in meter deposits	(10,413)
Cash received from other funds	18,181
Transfers from other funds	160,000
Transfers to other funds	<u>(255,774)</u>
Net cash used by noncapital financing activities	<u>(75,262)</u>
Cash flows from capital and related financing activities:	
Proceeds from capital lease	22,933
Principal paid on revenue bond maturities	(55,000)
Principal paid on capital lease	(74,143)
Interest and fiscal charges paid on revenue bonds	(6,038)
Interest on capital lease	(12,617)
Acquisition of equipment	(992,951)
Capital contributions	<u>884,251</u>
Net cash used by capital and related financing activities	<u>(233,565)</u>
Cash flows from investing activities:	
Purchase of interest-bearing deposits	(28,538)
Maturities of interest-bearing deposits	28,232
Interest on investments	<u>775</u>
Net cash provided by investing activities	<u>469</u>
Net decrease in cash and cash equivalents	(99,217)
Cash and cash equivalents, beginning of period	<u>346,947</u>
Cash and cash equivalents, end of period	<u>\$ 247,730</u>

(continued)

TOWN OF PORT BARRE, LOUISIANA

Statement of Cash Flows
 Proprietary Fund (Continued)
 For the Year Ended September 30, 2020

	<u>Enterprise Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 36,922
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	206,715
Changes in current assets and liabilities:	
Accounts receivable	(17,749)
Prepaid expenses	4,263
Accounts payable	(12,842)
Other liabilities	<u>(8,168)</u>
Net cash provided by operating activities	<u>\$ 209,141</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, beginning of period -	
Cash - unrestricted	\$ 134,894
Cash - restricted	102,795
Interest-bearing deposits - restricted	137,490
Less: Interest-bearing deposits with a maturity over three months	<u>(28,232)</u>
Total cash and cash equivalents	<u>346,947</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	45,533
Cash - restricted	92,469
Interest-bearing deposits - restricted	138,266
Less: Interest-bearing deposits with a maturity over three months	<u>(28,538)</u>
Total cash and cash equivalents	<u>247,730</u>
Net decrease in cash and cash equivalents	<u>\$ (99,217)</u>

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

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Port Barre (Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A Financial Reporting Entity

The Town of Port Barre was incorporated under the provisions of the Lawrason Act. The Town operates under the Mayor-Board of Aldermen form of government.

This report includes all funds that are controlled by or dependent on the Town executive and legislative branches (the Mayor and Board of Aldermen). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

There are no component units over which the Town exercises significant influence.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Town are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type: and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

All funds of the Town are considered to be major funds and are described below:

Governmental Funds -

General Fund

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.

Special Revenue Funds:

1966 Sales Tax Fund

The 1966 Sales Tax Fund is used to account for the receipt and use of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

1996 Sales Tax Fund

The 1996 Sales Tax Fund is used to account for the proceeds of a 1.2 percent sales and use tax that is legally restricted to expenditures for specific purposes.

Proprietary Fund -

Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Town of Port Barre's enterprise fund is the Utility Fund.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used.

D. Assets, Liabilities, and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Town. For the purpose of the proprietary fund statement of cash flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible utility service receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectibles for customers' utility receivables was \$47,779 at September 30, 2020. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to the revenue bond accounts and utility meter deposits.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are, reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Town maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to October 1, 2001, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment	5-15 years
Utility system and improvements	4-50 years
Infrastructure	20-40 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as a liability in the government-wide statements. The long-term debt consists of the capital leases and revenue bonds payable.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid. Vacation must be taken in the year accrued and cannot be carried over. Sick leave is accumulated by employees at a rate dependent upon number of years of employment. Although sick leave is available for employees when needed, it does not vest nor is it payable at termination of employment. Therefore, no liability has been recorded in the accounts as of September 30, 2020.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Town's debt. Restricted net position is reduced by liabilities related to the restricted assets.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two previous components and is available for general use by the Town.

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balances of the governmental funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Town's Mayor and Board of Aldermen, which is the highest level of decision-making authority for the Town.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes determined by a formal decision of the Town's Mayor and Board of Aldermen.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purpose for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town has provided otherwise in their commitment or assignment actions.

Proprietary fund equity is classified the same as in the government-wide statements.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:

Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. Revenue Restrictions

The Town has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales Tax	See Note 3
Water and Sewer Revenue	Debt Service and Utility Operations

The Town uses unrestricted resources only when restricted resources are fully depleted.

G. Capitalization of Interest Expense

It is the policy of the Town to capitalize material amount of interest resulting from borrowings in the course of the construction of capital assets. For the year ending September 30, 2020, there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books. Total interest incurred and expensed for the year ending September 30, 2020 for the proprietary fund and business-type activities was \$17,425.

Total interest incurred and expensed for the year ended September 30, 2020 for the governmental funds and the governmental activities was \$4,234.

TOWN OF PORT BARRE, LOUISIANA
Notes to Basic Financial Statements (Continued)

H. Debt Issue Costs

Debt issue costs are expensed as incurred.

I. Use of Estimates

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

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October and are actually billed to taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of St. Landry Parish. Town property tax revenues are budgeted in the year billed.

For the year ended September 30, 2020, taxes of 5.15 mills were levied on property with assessed valuations totaling \$15,787,330 and were dedicated for general corporate purposes.

Total taxes levied were \$81,305. Taxes receivable (including interest and penalties receivable) at September 30, 2020 consisted of the following:

Total receivable	\$ 2,927
Allowance for uncollectibles	<u>(392)</u>
Net receivable	<u>\$ 2,535</u>

(3) Dedication and Restriction of Proceeds and Flow of Funds - Sales and Use Taxes

The Town levies two sales taxes as follows:

- A. Proceeds of a 1966 1% sales and use tax levied in perpetuity by the Town of Port Barre (2020 collections \$367,364) is dedicated for constructing, acquiring, extending, improving and/or maintaining drainage facilities, sewers and sewerage disposal works, streets, sidewalks, waterworks, and garbage collection and disposal facilities of the Town, including the purchase of equipment therefore.

Under the terms of the bond resolution, the proceeds of the special 1% sales and use tax are deposited with the Town's fiscal agent bank in a sales tax fund. After the payment of all reasonable and necessary costs and expenses of collecting the tax, \$1,000 is retained in the sales tax fund for operating expenses.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Any monies remaining in the sales tax fund on the 20th day of each month in excess of the \$1,000 are to be retained for operating capital shall be considered as surplus. The Town may use such surplus for any of the purposes for which the imposition of the tax is authorized.

- B. Proceeds of a 1996 1.2% sales and use tax levied in perpetuity by the Town of Port Barre (2020 collections \$448,901) is dedicated for constructing, maintaining and improving public streets.

(4) Cash and Interest-Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 2020, the Town had cash and interest-bearing deposits (book balances) totaling \$1,207,024 as follows:

Non interest-bearing	\$ 840,811
Interest-bearing	115,197
Time deposits	<u>251,016</u>
Total	<u>\$ 1,207,024</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town's deposits may not be recovered. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at September 30, 2020 were secured as follows:

Bank balances	<u>\$ 1,243,611</u>
Federal deposit insurance	528,538
Pledged securities	<u>715,073</u>
Total	<u>\$ 1,243,611</u>

Deposits in the amount of \$715,073 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Town's name. The Town does not have a policy for custodial credit risk.

TOWN OF PORT BARRE, LOUISIANA
Notes to Basic Financial Statements (Continued)

(5) Receivables

Receivables at September 30, 2020 consist of the following:

	General Fund	Utility Fund	Total
Accounts	\$ -	\$ 152,972	\$ 152,972
Taxes:			
Franchise taxes	25,125	-	25,125
Ad valorem taxes	2,535	-	2,535
Other	2,122	-	2,122
Total	\$ 29,782	\$ 152,972	\$ 182,754

(6) Due from Other Governmental Units

Due from other governmental units at September 30, 2020 consist of the following:

Governmental Activities -

General Fund:

Amount due from the State of Louisiana for beer taxes revenues earned during the fiscal year ending September 30, 2020 \$ 1,715

Amount due from the State of Louisiana for video poker revenues earned during the fiscal year ending September 30, 2020 1,639

Amount due from the St. Landry Parish Government for casino revenues earned during the fiscal year ending September 30, 2020 5,087

Amount due from the St. Landry Housing Authority for payment in lieu of taxes earned during the fiscal year ending September 30, 2020 2,443

Total General Fund 10,884

Business-Type Activities -

Utility Fund:

Amount due from the State of Louisiana Division of Administration for reimbursement of expenses paid for the LCDBG sewer improvements project during the fiscal year ending September 30, 2020 95,234

Amount due from the State of Louisiana Community Water Enrichment Fund Program for reimbursement of expenses paid for improvements at the water treatment plant during the fiscal year ending September 30, 2020 16,142

Amount due from the State of Louisiana Local Government Assistance Program for reimbursement of expenses paid for improvements at the water treatment plant during the fiscal year ending September 30, 2020 734

Total Utility Fund 112,110

Total \$122,994

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital asset activity for the year ended September 30, 2020 was as follows:

	Balance 9/30/2019	Additions	Deletions	Balance 9/30/2020
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 86,425	\$ -	\$ -	\$ 86,425
Other capital assets:				
Buildings	2,330,134	-	-	2,330,134
Infrastructure	2,203,839	-	-	2,203,839
Equipment	851,461	35,851	103,734	783,578
Totals	<u>5,471,859</u>	<u>35,851</u>	<u>103,734</u>	<u>5,403,976</u>
Less accumulated depreciation:				
Buildings	1,362,021	57,694	-	1,419,715
Infrastructure	898,706	49,558	-	948,264
Equipment	605,161	63,051	91,192	577,020
Total accumulated depreciation	<u>2,865,888</u>	<u>170,303</u>	<u>91,192</u>	<u>2,944,999</u>
Governmental activities, capital assets, net	<u>\$ 2,605,971</u>	<u>\$(134,452)</u>	<u>\$ 12,542</u>	<u>\$ 2,458,977</u>
Business-type activities:				
Capital assets not being depreciated:				
Land - sewer system	\$ 15,292	\$ -	\$ -	\$ 15,292
Construction in progress	102,865	1,056,421	-	1,159,286
Other capital assets:				
Gas system	600,822	-	-	600,822
Water system	2,510,625	7,897	-	2,518,522
Sewer system	4,474,334	-	-	4,474,334
Machinery and equipment	151,399	22,933	-	174,332
Totals	<u>7,855,337</u>	<u>1,087,251</u>	<u>-</u>	<u>8,942,588</u>
Less accumulated depreciation:				
Gas system	451,652	9,695	-	461,347
Water system	915,658	81,514	-	997,172
Sewer system	2,171,286	94,579	-	2,265,865
Machinery and equipment	68,887	20,927	-	89,814
Total accumulated depreciation	<u>3,607,483</u>	<u>206,715</u>	<u>-</u>	<u>3,814,198</u>
Business-type activities, capital assets, net	<u>\$ 4,247,854</u>	<u>\$ 880,536</u>	<u>\$ -</u>	<u>\$ 5,128,390</u>

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 37,851
Police	58,823
Streets	51,693
Culture and recreation	<u>21,936</u>
Total depreciation expense	<u>\$ 170,303</u>

Depreciation expense was charged to business-type activities as follows:

Gas	\$ 22,503
Water	81,514
Sewer	<u>102,698</u>
Total depreciation expense	<u>\$ 206,715</u>

(8) Restricted Assets - Proprietary Fund Type

Restricted assets consisted of the following at September 30, 2020:

Revenue bond and interest sinking account	\$ 15,458
Revenue bond contingency account	55,880
Customers' deposits	<u>159,397</u>
Total restricted assets	<u>\$ 230,735</u>

(9) Changes in Long-Term Debt

The following is a summary of long-term debt transactions of the Town for the year ended September 30, 2020:

	Governmental Activities	Business-type Activities	
	Capital Lease Payable	Revenue Bonds Payable	Capital Lease Payable
Long-term debt payable, September 30, 2019	\$ 76,107	\$ 224,000	\$ 308,510
Long-term debt issued	-	-	22,933
Long-term debt retired	<u>(29,478)</u>	<u>(55,000)</u>	<u>(74,143)</u>
Long-term debt payable, September 30, 2020	<u>\$ 46,629</u>	<u>\$ 169,000</u>	<u>\$ 257,300</u>

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term debt payable at September 30, 2020 is comprised of the following issues:

	<u>Current Portion</u>
Governmental activities:	
Capital lease -	
\$90,500 lease-purchase agreement to Government Capital Corporation dated April 12, 2019, due in monthly installments of \$2,679, including interest at 4.25%, through April 12, 2022; secured by vehicles with book value of \$63,350 (cost \$90,500 less accumulated depreciation of \$27,150).	<u>\$ 46,629</u> <u>\$ 30,755</u>
Business-Type activities:	
Capital lease -	
\$574,321 lease-purchase agreement to Government Capital Corporation dated October 6, 2016, due in 10 annual installments of \$68,579, including interest at 3.366%, through September 29, 2026; secured by equipment and vehicles with a book value of \$384,417 (cost of \$452,330 less accumulated depreciation of \$67,913).	<u>\$257,300</u> <u>\$ 56,225</u>
Revenue bonds -	
\$508,000 Utilities Revenue Refunding Bonds dated September 25, 2013, due in annual installments ranging from \$34,000 to \$55,000 July 1, 2023; interest rate at 2.45 percent, secured by utility system revenues.	<u>\$169,000</u> <u>\$ 56,000</u>

The long-term debt is due as follows:

Year Ending September 30,	Governmental Activities		Business-Type Activities			
	Capital Lease		Capital Lease		Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 30,755	\$ 1,387	\$ 56,225	\$ 12,355	\$ 56,000	\$ 3,455
2022	15,874	197	58,117	10,462	58,000	2,058
2023	-	-	60,073	8,506	55,000	674
2024	-	-	62,095	6,484	-	-
2025	-	-	20,790	4,394	-	-
Total	<u>\$ 46,629</u>	<u>\$ 1,584</u>	<u>\$257,300</u>	<u>\$ 42,200</u>	<u>\$169,000</u>	<u>\$ 6,187</u>

The Town has \$80,673 of lease proceeds available to be drawn down at September 30, 2020.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Flow of Funds; Restrictions on Use - Utilities Revenues

Under the terms of the bond indenture on outstanding Utilities Revenue Refunding Bonds dated September 25, 2013, all income and revenues of every nature, earned or derived from operation of the waterworks and sewer systems, are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into a fund called the "Utilities Revenue Bond and Interest Sinking Fund" an amount constituting 1/12 of the next maturing installment of principal and 1/6 of the next maturing installment of interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

Each month, there shall be deposited into a "Utilities Depreciation and Contingency Fund", an amount equal to at least 5% of the amount to be paid into the Sinking Fund. Money in this fund may be used for extensions, additions, improvements, renewals and replacements necessary to properly operate the system. Money in this fund may also be used to pay principal or interest on the bonds, including any additional parity bonds, for the payment of which there is not sufficient money in the other bond funds.

The Town is not required to maintain a bond reserve fund under this bond issuance.

All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful corporate purpose.

The Town of Port Barre was in compliance with all significant limitations and restrictions in the bond indenture at September 30, 2020.

(11) Employee Retirement

All employees of the Town of Port Barre are members of the Federal Social Security system. The Town and its employees contribute a percentage of each employee's salary to the system (7.65% contributed by the Town; 7.65% by the employee). Total covered wages for the year ended September 30, 2020 was \$1,048,573. The Town's contribution during the year ended September 30, 2020 amounted to \$80,216.

(12) On-Behalf Payments of Salaries

During the year ended September 30, 2020, the State of Louisiana paid the Town's policemen \$66,683 of supplemental pay, which is included in the accompanying financial statements as intergovernmental revenues and public safety – police expenses/expenditures in the government-wide and General Fund financial statements.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Risk Management

The Town is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(14) Natural Gas Contract

The Town entered into a gas purchase contract with Cypress Gas Pipeline Company with an initial term of January 1, 1992 to January 1, 1996 with provisions to continue beyond January 1, 1996 on a year-to-year basis until either party request termination of the contract. The terms of the contract require the Town to purchase all of its natural gas requirements from Cypress Gas Pipeline Company. During the year ended September 30, 2020, the Town purchased natural gas from Cypress Gas Pipeline Company in the amount of \$38,985. At September 30, 2020, the Town owed \$2,262 for natural gas purchases for the month of September 2020.

(15) Departmental Information for the Enterprise Fund

The Town of Port Barre maintains one enterprise fund with three departments that provide gas, water, and sewerage services. Departmental information for the year ended September 30, 2020, was as follows:

	Gas Department	Water Department	Sewerage Department	Total Enterprise Fund
Operating revenues	<u>\$218,439</u>	<u>\$578,371</u>	<u>\$285,135</u>	<u>\$1,081,945</u>
Operating expenses:				
Depreciation	22,503	81,514	102,698	206,715
Other	<u>186,725</u>	<u>423,081</u>	<u>228,502</u>	<u>838,308</u>
Total operating expenses	<u>209,228</u>	<u>504,595</u>	<u>331,200</u>	<u>1,045,023</u>
Operating income (loss)	<u>\$ 9,211</u>	<u>\$ 73,776</u>	<u>\$ (46,065)</u>	<u>\$ 36,922</u>

(16) Pending Litigation

At September 30, 2020, the Town of Port Barre is not a defendant in any litigation.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(17) Compensation, Benefits, and Other Payments to Mayor

A detail of compensation, benefits, and other payments paid to the Mayor for the year ended September 30, 2020 follows:

Salary	\$ 24,000
Car allowance	<u>12,000</u>
Total	<u>\$ 36,000</u>

(18) Compensation of Town Officials

A detail of compensation paid to the Board of Aldermen for the year ended September 30, 2020 follows:

Aldermen:	
Todd Abshire	\$ 5,000
Nelson Barron	5,000
Sammy Hardy	5,000
Polly Pickney	5,000
Donald Robin	<u>5,000</u>
Total	<u>\$ 25,000</u>

(19) Interfund Transactions

A. Interfund receivables and payables consisted of the following at September 30, 2020:

	Due From	Due To
Governmental Funds:		
General Fund	\$ -	\$ 95,981
1966 Sales Tax Special Revenue Fund	239,338	-
1996 Sales Tax Special Revenue Fund	-	213,214
Proprietary Fund:		
Enterprise Fund	<u>69,857</u>	<u>-</u>
Total	<u>\$ 309,195</u>	<u>\$ 309,195</u>

These balances resulted from short-term loans made to other funds. All interfund balances will be repaid within one year.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Transfers consisted of the following at September 30, 2020:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund	\$ 255,774	\$ -
1966 Sales Tax Special Revenue Fund	300,000	160,000
1996 Sales Tax Special Revenue Fund	-	300,000
Proprietary Fund:		
Enterprise Fund	<u>160,000</u>	<u>255,774</u>
Total	<u>\$ 715,774</u>	<u>\$ 715,774</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(20) Prior Year Restatement

During the fiscal year ended September 30, 2019, the Town over accrued LCDBG grant revenues for engineering expenses related to the LCDBG sewer system improvement project which were to be paid by the Town. The correction of this error resulted in a restatement of previously reported net position as follows:

	<u>Business-type Activities</u>	<u>Enterprise (Utility) Fund</u>
October 1, 2019 net position, as previously reported	\$4,131,781	\$4,131,781
Effect of over accrual of revenue for expenses related to the LCDBG sewer system improvement project	<u>(73,200)</u>	<u>(73,200)</u>
October 1, 2019 net position, as restated	<u>\$4,058,581</u>	<u>\$4,058,581</u>

(21) Uncertainties Arising During and After Financial Statement Date

As a result of the spread of the COVID 19 coronavirus, economic uncertainties have arisen which may have and may continue to impact the Town's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

**REQUIRED
SUPPLEMENTARY INFORMATION**

TOWN OF PORT BARRE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 162,000	\$ 170,081	\$ 173,414	\$ 3,333
Licenses and permits	125,900	116,094	118,424	2,330
Intergovernmental	117,633	102,098	117,716	15,618
Fines and forfeits	565,900	566,496	561,139	(5,357)
Miscellaneous	68,800	76,804	74,113	(2,691)
Total revenues	<u>1,040,233</u>	<u>1,031,573</u>	<u>1,044,806</u>	<u>13,233</u>
Expenditures:				
Current -				
General government	212,450	224,976	215,261	9,715
Public safety - police	798,000	837,440	845,773	(8,333)
Culture and recreation	161,773	132,215	140,920	(8,705)
Capital outlay	60,200	27,401	25,451	1,950
Debt service	33,712	51,892	33,712	18,180
Total expenditures	<u>1,266,135</u>	<u>1,273,924</u>	<u>1,261,117</u>	<u>12,807</u>
Deficiency of revenues over expenditures	(225,902)	(242,351)	(216,311)	26,040
Other financing sources:				
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>255,774</u>	<u>5,774</u>
Net change in fund balance	24,098	7,649	39,463	31,814
Fund balance, beginning	<u>191,107</u>	<u>191,107</u>	<u>191,107</u>	<u>-</u>
Fund balance, ending	<u>\$ 215,205</u>	<u>\$ 198,756</u>	<u>\$ 230,570</u>	<u>\$ 31,814</u>

TOWN OF PORT BARRE, LOUISIANA
1966 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		Actual
Revenues:				
Taxes	\$287,000	\$ 346,369	\$ 367,364	\$ 20,995
Interest	-	42	41	(1)
Total revenues	287,000	346,411	367,405	20,994
Expenditures:				
Current -				
General government:				
Professional fees	12,015	14,390	14,570	(180)
Miscellaneous	2,550	3,305	3,178	127
Total general government	14,565	17,695	17,748	(53)
Highways and streets:				
Salaries	173,700	133,049	141,408	(8,359)
Payroll taxes	12,950	9,594	11,193	(1,599)
Group insurance	41,000	35,924	32,300	3,624
Maintenance and materials	24,800	79,224	85,049	(5,825)
Street materials and supplies	12,700	20,092	18,555	1,537
Miscellaneous	13,800	10,368	8,151	2,217
Total highways and streets	278,950	288,251	296,656	(8,405)
Culture and recreation	18,800	12,466	14,086	(1,620)
Capital outlay -				
Street equipment	45,000	10,630	10,400	230
Total expenditures	357,315	329,042	338,890	(9,848)
Excess (deficiency) of revenues over expenditures	(70,315)	17,369	28,515	11,146
Other financing sources (uses):				
Transfers in	250,000	325,000	300,000	(25,000)
Transfers out	(175,000)	(280,000)	(160,000)	120,000
Total other financing sources (uses)	75,000	45,000	140,000	95,000
Net change in fund balance	4,685	62,369	168,515	106,146
Fund balance, beginning	110,497	110,497	110,497	-
Fund balance, ending	\$ 115,182	\$ 172,866	\$ 279,012	\$ 106,146

TOWN OF PORT BARRE, LOUISIANA
1996 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 347,000	\$ 415,718	\$ 448,901	\$ 33,183
Interest	20	20	22	2
Total revenues	<u>347,020</u>	<u>415,738</u>	<u>448,923</u>	<u>33,185</u>
Expenditures:				
Current -				
General government:				
Professional fees	12,015	14,390	14,570	(180)
Miscellaneous	3,125	3,969	3,785	184
Total general government	15,140	18,359	18,355	4
Highways and streets:				
Electricity for lights	30,000	35,406	35,469	(63)
Total expenditures	45,140	53,765	53,824	(59)
Excess of revenues over expenditures	301,880	361,973	395,099	33,126
Other financing uses:				
Transfers out	(250,000)	(325,000)	(300,000)	25,000
Net change in fund balance	51,880	36,973	95,099	58,126
Fund balance, beginning	<u>282,273</u>	<u>282,273</u>	<u>282,273</u>	<u>-</u>
Fund balance, ending	<u>\$ 334,153</u>	<u>\$ 319,246</u>	<u>\$ 377,372</u>	<u>\$ 58,126</u>

TOWN OF PORT BARRE, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 15, the Town Clerk submits to the Mayor and Board of Aldermen a proposed operating budget for the fiscal year commencing the following October 1.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen.

(2) Excess of Expenditures Over Appropriations

For the year ended September 30, 2020, the following funds had actual expenditures over appropriations, at the functional level, as follows:

<u>Fund and Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
Governmental Funds:			
General Fund:			
Public safety - police	837,440	845,773	(8,333)
Culture and recreation	132,215	140,920	(8,705)
1966 Sales Tax Special Revenue Fund:			
General government	17,695	17,748	(53)
Highways and streets	288,251	296,656	(8,405)
Culture and recreation	12,466	14,086	(1,620)
1996 Sales Tax Special Revenue Fund:			
Highways and streets	35,406	35,469	(63)

OTHER SUPPLEMENTARY INFORMATION

TOWN OF PORT BARRE, LOUISIANA

Statement of Net Position

September 30, 2020

With Comparative Totals for September 30, 2019

	2020			2019 Totals
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 930,756	\$ 45,533	\$ 976,289	\$ 813,060
Receivables, net	29,782	152,972	182,754	164,464
Internal balances	(69,857)	69,857	-	-
Due from other governmental units	10,884	112,110	122,994	93,033
Prepaid items	-	-	-	4,263
Total current assets	<u>901,565</u>	<u>380,472</u>	<u>1,282,037</u>	<u>1,074,820</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	230,735	230,735	240,285
Capital assets:				
Land and construction in progress	86,425	1,174,577	1,261,002	204,581
Other capital assets, net	<u>2,372,552</u>	<u>3,953,813</u>	<u>6,326,365</u>	<u>6,649,243</u>
Total noncurrent assets	<u>2,458,977</u>	<u>5,359,125</u>	<u>7,818,102</u>	<u>7,094,109</u>
Total assets	<u>3,360,542</u>	<u>5,739,597</u>	<u>9,100,139</u>	<u>8,168,929</u>
LIABILITIES				
Current liabilities:				
Accounts, salaries and other payables	14,611	80,017	94,628	142,675
Contract payable	-	45,373	45,373	933
Retainage payable	-	49,861	49,861	-
Customers' deposits	-	159,397	159,397	169,810
Capital leases payable	30,755	56,225	86,980	83,872
Bonds payable	-	56,000	56,000	55,000
Accrued interest	-	692	692	1,372
Total current liabilities	<u>45,366</u>	<u>447,565</u>	<u>492,931</u>	<u>453,662</u>
Noncurrent liabilities:				
Capital leases payable	15,874	201,075	216,949	300,745
Bonds payable	-	113,000	113,000	169,000
Total noncurrent liabilities	<u>15,874</u>	<u>314,075</u>	<u>329,949</u>	<u>469,745</u>
Total liabilities	<u>61,240</u>	<u>761,640</u>	<u>822,880</u>	<u>923,407</u>
NET POSITION				
Net investment in capital assets	2,412,348	4,758,090	7,170,438	6,300,207
Restricted for sales tax dedication	656,384	-	656,384	392,770
Restricted for debt service	-	14,646	14,646	14,103
Unrestricted	<u>230,570</u>	<u>205,221</u>	<u>435,791</u>	<u>538,442</u>
Total net position	<u>\$ 3,299,302</u>	<u>\$4,977,957</u>	<u>\$ 8,277,259</u>	<u>\$7,245,522</u>

TOWN OF PORT BARRE, LOUISIANA

Comparative Balance Sheet
General and Special Revenue Funds
September 30, 2020 and 2019

	General		1966 Sales Tax Special Revenue		1996 Sales Tax Special Revenue	
	2020	2019	2020	2019	2020	2019
ASSETS						
Cash and interest-bearing deposits	\$ 296,947	\$ 300,894	\$ 41,928	\$ 80,267	\$ 591,881	\$ 297,005
Receivables:						
Taxes, net	27,660	29,241	-	-	-	-
Other	2,122	-	-	-	-	-
Due from other funds	-	-	239,338	36,617	-	-
Due from other governmental units	10,884	6,156	-	-	-	-
Total assets	<u>\$ 337,613</u>	<u>\$ 336,291</u>	<u>\$ 281,266</u>	<u>\$ 116,884</u>	<u>\$ 591,881</u>	<u>\$ 297,005</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 11,062	\$ 31,022	\$ 2,254	\$ 6,387	\$ 1,295	\$ 4,241
Due to other funds	95,981	114,162	-	-	213,214	10,493
Total liabilities	<u>107,043</u>	<u>145,184</u>	<u>2,254</u>	<u>6,387</u>	<u>214,509</u>	<u>14,734</u>
Fund balances:						
Restricted for sales tax dedications	-	-	279,012	110,497	377,372	282,271
Unassigned	230,570	191,107	-	-	-	-
Total fund balances	<u>230,570</u>	<u>191,107</u>	<u>279,012</u>	<u>110,497</u>	<u>377,372</u>	<u>282,271</u>
Total liabilities and fund balances	<u>\$ 337,613</u>	<u>\$ 336,291</u>	<u>\$ 281,266</u>	<u>\$ 116,884</u>	<u>\$ 591,881</u>	<u>\$ 297,005</u>

TOWN OF PORT BARRE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended September 30, 2020
With Comparative Actual Amounts for the Year Ended September 30, 2019

	2020			Variance with Final Budget Positive (Negative)	2019 Actual
	Budget		Actual		
	Original	Final			
Taxes:					
Ad valorem	\$ 75,500	\$ 81,341	\$ 81,271	\$ (70)	\$ 70,384
Interest and penalties on taxes	-	-	5,132	5,132	1,799
Franchise -					
Electric and cable TV	<u>86,500</u>	<u>88,740</u>	<u>87,011</u>	<u>(1,729)</u>	<u>87,546</u>
Total taxes	<u>162,000</u>	<u>170,081</u>	<u>173,414</u>	<u>3,333</u>	<u>159,729</u>
Licenses and permits:					
Occupational licenses	104,000	103,964	104,269	305	104,034
Building permits	<u>21,900</u>	<u>12,130</u>	<u>14,155</u>	<u>2,025</u>	<u>23,462</u>
Total licenses and permits	<u>125,900</u>	<u>116,094</u>	<u>118,424</u>	<u>2,330</u>	<u>127,496</u>
Intergovernmental:					
State of Louisiana -					
Beer taxes	6,800	5,863	6,111	248	5,493
Video poker	17,500	14,142	12,523	(1,619)	16,428
Grass cutting	4,200	4,200	4,200	-	4,200
On-behalf payments	50,000	50,000	66,683	16,683	65,935
St. Landry Parish - casino revenue	37,200	25,960	25,755	(205)	37,493
St. Landry Parish Housing Authority	<u>1,933</u>	<u>1,933</u>	<u>2,444</u>	<u>511</u>	<u>1,793</u>
Total intergovernmental	<u>117,633</u>	<u>102,098</u>	<u>117,716</u>	<u>15,618</u>	<u>131,342</u>
Fines and forfeits	<u>565,900</u>	<u>566,496</u>	<u>561,139</u>	<u>(5,357)</u>	<u>586,154</u>
Miscellaneous:					
Rent	27,800	27,800	27,800	-	115,800
Parks	10,200	7,075	8,000	925	9,350
Library fees	3,430	2,572	2,638	66	4,067
Youth league	24,500	14,298	6,708	(7,590)	23,121
Sale of equipment	1,000	-	-	-	1,130
Insurance reimbursement	-	19,876	19,876	-	-
Interest	1,800	5,131	1,511	(3,620)	1,245
Other	<u>70</u>	<u>52</u>	<u>7,580</u>	<u>7,528</u>	<u>6,847</u>
Total miscellaneous	<u>68,800</u>	<u>76,804</u>	<u>74,113</u>	<u>(2,691)</u>	<u>161,560</u>
Total revenues	<u>\$ 1,040,233</u>	<u>\$ 1,031,573</u>	<u>\$ 1,044,806</u>	<u>\$ 13,233</u>	<u>\$ 1,166,281</u>

TOWN OF PORT BARRE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended September 30, 2020
With Comparative Actual Amounts for the Year Ended September 30, 2019

	2020		Actual	Variance with Final Budget Positive (Negative)	2019 Actual
	Budget				
	Original	Final			
Current:					
General government -					
Advertising	\$ 2,000	\$ 1,341	\$ 1,311	\$ 30	\$ 1,924
Dues and subscriptions	5,700	1,342	1,387	(45)	5,687
Insurance	5,100	5,208	4,847	361	4,653
Legal fees	35,000	15,933	15,774	159	34,357
Mayor's allowance	12,000	12,000	12,000	-	12,000
Miscellaneous	20,000	15,117	10,033	5,084	11,594
Payroll taxes	5,700	5,758	5,834	(76)	6,033
Professional fees	15,800	21,055	19,735	1,320	15,555
Computer consulting fees	10,200	19,982	19,562	420	9,888
Building permit inspection fees	-	10,000	8,816	1,184	18,440
Demolition expense	-	21,800	21,800	-	-
Salaries	80,500	77,721	77,721	-	80,085
Travel and meetings	6,200	1,891	1,891	-	6,490
Preparation of tax roll	2,800	2,669	2,669	-	2,810
Repairs and maintenance	7,000	2,595	2,085	510	40,936
Coroner's fees	2,200	7,350	7,025	325	2,000
Electricity	2,250	3,214	2,771	443	2,211
Total general government	<u>212,450</u>	<u>224,976</u>	<u>215,261</u>	<u>9,715</u>	<u>254,663</u>
Public safety - police -					
Feeding prisoners	700	436	1,660	(1,224)	856
Drug enforcement	1,000	-	-	-	500
Insurance	20,600	20,088	20,927	(839)	18,949
Group insurance	70,000	79,138	78,990	148	67,989
Miscellaneous	4,000	4,445	3,649	796	3,550
Police car expenditures	40,500	21,348	20,133	1,215	50,008
Salaries	524,500	581,911	581,888	23	579,720
Payroll taxes	38,900	45,490	46,079	(589)	44,572
Supplies	15,600	20,490	25,278	(4,788)	12,556
Repairs and maintenance	33,500	14,465	15,171	(706)	41,856
Uniforms	3,300	4,463	4,373	90	3,815
Training academy	2,100	2,140	2,140	-	2,085
Travel and meetings	2,800	1,073	1,073	-	3,329
Telephone	13,700	21,012	22,591	(1,579)	13,697
Electricity	6,200	6,587	7,183	(596)	6,029
Medical and drug testing	2,300	1,534	1,564	(30)	2,256
Janitorial	2,200	2,453	2,707	(254)	2,161
Fine remittance fees	16,100	10,367	10,367	-	20,238
Total public safety	<u>798,000</u>	<u>837,440</u>	<u>845,773</u>	<u>(8,333)</u>	<u>874,166</u>

(continued)

TOWN OF PORT BARRE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended September 30, 2020
With Comparative Actual Amounts for the Year Ended September 30, 2019

	2020			Variance with Final Budget Positive (Negative)	2019 Actual
	Budget		Actual		
	Original	Final			
Culture and recreation -					
Community Center -					
Salaries	38,640	34,621	34,747	(126)	38,709
Payroll taxes	3,000	2,658	2,658	-	2,961
Electricity	3,100	3,917	4,487	(570)	2,829
Repairs and maintenance	2,700	3,366	3,946	(580)	2,645
Library -					
Salaries	31,200	27,910	27,505	405	29,015
Payroll taxes	2,400	2,135	2,104	31	2,220
Telephone and electricity	6,500	7,029	6,720	309	6,048
Repairs and maintenance	1,300	2,033	2,270	(237)	1,269
Supplies and equipment	750	1,307	1,257	50	1,169
Parks and recreation -					
Salaries	28,080	28,080	28,080	-	18,506
Payroll taxes	2,100	2,148	2,148	-	1,379
Telephone and electricity	1,400	1,278	3,506	(2,228)	10,147
Repairs and maintenance	6,000	2,636	2,524	112	1,217
Contract labor	10,100	1,835	1,835	-	10,064
Youth league supplies	16,218	2,730	2,271	459	8,314
Miscellaneous	8,285	8,532	14,862	(6,330)	10,350
Total culture and recreation	<u>161,773</u>	<u>132,215</u>	<u>140,920</u>	<u>(8,705)</u>	<u>146,842</u>
Capital outlay	<u>60,200</u>	<u>27,401</u>	<u>25,451</u>	<u>1,950</u>	<u>131,739</u>
Debt service:					
Principal retirement	29,374	49,228	29,478	19,750	14,393
Interest and fiscal charges	4,338	2,664	4,234	(1,570)	5,394
Total debt service	<u>33,712</u>	<u>51,892</u>	<u>33,712</u>	<u>18,180</u>	<u>19,787</u>
Total expenditures	<u>\$ 1,266,135</u>	<u>\$ 1,273,924</u>	<u>\$ 1,261,117</u>	<u>\$ 12,807</u>	<u>\$ 1,427,197</u>

TOWN OF PORT BARRE, LOUISIANA
1966 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2020
With Comparative Actual Amounts for the Year Ended September 30, 2019

	2020			Variance with Final Budget Positive (Negative)	2019 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 287,000	\$ 346,369	\$ 367,364	\$ 20,995	\$ 297,511
Interest	-	42	41	(1)	-
Total revenues	<u>287,000</u>	<u>346,411</u>	<u>367,405</u>	<u>20,994</u>	<u>297,511</u>
Expenditures:					
Current -					
General government:					
Professional fees	12,015	14,390	14,570	(180)	11,905
Collection fees	2,550	3,305	3,178	127	2,771
Total general government	<u>14,565</u>	<u>17,695</u>	<u>17,748</u>	<u>(53)</u>	<u>14,676</u>
Highways and streets:					
Salaries	173,700	133,049	141,408	(8,359)	172,939
Maintenance and materials	24,800	79,224	85,049	(5,825)	21,340
Street materials and supplies	12,700	20,092	18,555	1,537	6,276
Group insurance	41,000	35,924	32,300	3,624	37,230
Payroll taxes	12,950	9,594	11,193	(1,599)	13,392
Miscellaneous	13,800	10,368	8,151	2,217	13,472
Total highways and streets	<u>278,950</u>	<u>288,251</u>	<u>296,656</u>	<u>(8,405)</u>	<u>264,649</u>
Culture and recreation	18,800	12,466	14,086	(1,620)	18,479
Capital outlay -	<u>45,000</u>	<u>10,630</u>	<u>10,400</u>	<u>230</u>	<u>19,700</u>
Total expenditures	<u>357,315</u>	<u>329,042</u>	<u>338,890</u>	<u>(9,848)</u>	<u>317,504</u>
Excess (deficiency) of revenues over expenditures	<u>(70,315)</u>	<u>17,369</u>	<u>28,515</u>	<u>11,146</u>	<u>(19,993)</u>
Other financing sources (uses):					
Transfers in	250,000	325,000	300,000	(25,000)	375,000
Transfers out	(175,000)	(280,000)	(160,000)	120,000	(330,000)
Total other financing sources (uses)	<u>75,000</u>	<u>45,000</u>	<u>140,000</u>	<u>95,000</u>	<u>45,000</u>
Net change in fund balance	4,685	62,369	168,515	106,146	25,007
Fund balance, beginning	110,497	110,497	110,497	-	85,490
Fund balance, ending	<u>\$ 115,182</u>	<u>\$ 172,866</u>	<u>\$ 279,012</u>	<u>\$ 106,146</u>	<u>\$ 110,497</u>

TOWN OF PORT BARRE, LOUISIANA
1996 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2020
With Comparative Actual Amounts for the Year Ended September 30, 2019

	2020			Variance with Final Budget Positive (Negative)	2019 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 347,000	\$ 415,718	\$ 448,901	\$ 33,183	\$ 363,482
Interest	20	20	22	2	25
Total revenues	<u>347,020</u>	<u>415,738</u>	<u>448,923</u>	<u>33,185</u>	<u>363,507</u>
Expenditures:					
Current -					
General government:					
Professional fees	12,015	14,390	14,570	(180)	11,903
Collection fees	<u>3,125</u>	<u>3,969</u>	<u>3,785</u>	<u>184</u>	<u>3,244</u>
Total general government	15,140	18,359	18,355	4	15,147
Highways and streets:					
Electricity for lights	<u>30,000</u>	<u>35,406</u>	<u>35,469</u>	<u>(63)</u>	<u>32,776</u>
Total expenditures	<u>95,140</u>	<u>53,765</u>	<u>53,824</u>	<u>(59)</u>	<u>47,923</u>
Excess of revenues over expenditures	251,880	361,973	395,099	33,126	315,584
Other financing uses:					
Transfers out	<u>(250,000)</u>	<u>(325,000)</u>	<u>(300,000)</u>	<u>25,000</u>	<u>(375,000)</u>
Net change in fund balance	1,880	36,973	95,099	58,126	(59,416)
Fund balance, beginning	<u>282,273</u>	<u>282,273</u>	<u>282,273</u>	-	<u>341,689</u>
Fund balance, ending	<u>\$ 284,153</u>	<u>\$ 319,246</u>	<u>\$ 377,372</u>	<u>\$ 58,126</u>	<u>\$ 282,273</u>

TOWN OF PORT BARRE, LOUISIANA

Comparative Statement of Net Position
Enterprise Fund
Utility Fund
September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets:		
Cash	\$ 45,533	\$ 134,894
Receivables:		
Accounts receivable, net	152,972	135,223
Due from other funds	69,857	88,038
Due from other governmental units	112,110	13,677
Prepaid items	-	4,263
Total current assets	<u>380,472</u>	<u>376,095</u>
Noncurrent assets:		
Restricted assets:		
Cash	92,469	102,795
Interest -bearing deposits, at cost	138,266	137,490
Capital assets:		
Land and construction in progress	1,174,577	118,156
Other capital assets, net	<u>3,953,813</u>	<u>4,129,697</u>
Total noncurrent assets	<u>5,359,125</u>	<u>4,488,138</u>
Total assets	<u>5,739,597</u>	<u>4,864,233</u>
LIABILITIES		
Current liabilities:		
Accounts payable	77,457	90,299
Contracts payable	45,373	-
Retainage payable	49,861	933
Capital lease payable	56,225	54,394
Other liabilities	2,560	10,728
Payable from restricted assets -		
Revenue bonds	56,000	55,000
Accrued interest	692	1,372
Customers' deposits	<u>159,397</u>	<u>169,810</u>
Total current liabilities	<u>447,565</u>	<u>382,536</u>
Noncurrent liabilities:		
Capital lease payable	201,075	254,116
Revenue bonds	<u>113,000</u>	<u>169,000</u>
Total noncurrent liabilities	<u>314,075</u>	<u>423,116</u>
Total liabilities	<u>761,640</u>	<u>805,652</u>
NET POSITION		
Net investment in capital assets	4,758,090	3,770,343
Restricted for debt service	14,646	14,103
Unrestricted	<u>205,221</u>	<u>274,135</u>
Total net position	<u>\$4,977,957</u>	<u>\$4,058,581</u>

TOWN OF PORT BARRE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Departmental Statement of Revenues and Expenses
For the Years Ended September 30, 2020 and 2019

	Totals		Gas	
	2020	2019	2020	2019
Operating revenues:				
Charges for services -				
User charges	\$ 1,058,578	\$ 1,065,062	\$ 213,521	\$ 267,620
Connection charges	4,896	3,950	300	-
Miscellaneous	18,471	28,072	4,618	7,030
Total operating revenues	<u>1,081,945</u>	<u>1,097,084</u>	<u>218,439</u>	<u>274,650</u>
Operating expenses:				
Professional fees	19,030	13,995	-	-
Engineering fees	4,675	20,438	-	8,769
Depreciation	206,715	196,743	22,503	14,379
Electricity	58,766	64,036	-	-
Natural gas purchased	38,985	70,046	38,985	70,046
Insurance	113,303	110,359	27,021	23,175
Group insurance	24,161	23,036	6,074	6,639
Office supplies and expense	30,410	12,259	-	-
Operative maintenance and supplies	185,034	120,827	11,221	17,227
Payroll taxes	12,072	9,992	4,259	3,615
Salaries	157,224	130,031	52,738	45,334
Truck expenses	14,762	12,915	-	-
Water and sewer chemicals	108,536	142,234	-	-
Telephone	36,465	25,227	-	-
Bad debts expense (recoveries)	(8,261)	5,448	(2,478)	2,209
Uniforms	6,034	6,339	-	-
Miscellaneous	37,112	36,966	18,353	13,097
Allocation of general and administrative expenses	-	-	30,552	23,745
Total operating expenses	<u>1,045,023</u>	<u>1,000,891</u>	<u>209,228</u>	<u>228,235</u>
Operating income (loss)	<u>36,922</u>	<u>96,193</u>	<u>\$ 9,211</u>	<u>\$ 46,415</u>
Nonoperating revenues (expenses):				
State grant revenue	16,876	12,743		
Interest income	775	713		
Interest expense	(17,425)	(15,936)		
Loss on sale/disposition of assets	-	998		
Insurance proceeds	-	3,903		
Paying agent fees/debt issuance costs	(550)	(550)		
Total nonoperating revenues (expenses)	<u>(324)</u>	<u>1,871</u>		
Income before capital contributions and transfers	<u>36,598</u>	<u>98,064</u>		
Capital contributions	<u>978,552</u>	<u>18,665</u>		
Transfers:				
Transfers in	160,000	330,000		
Transfers out	(255,774)	(192,602)		
Total transfers	<u>(95,774)</u>	<u>137,398</u>		
Change in net position	919,376	254,127		
Net position, beginning, as restated	<u>4,058,581</u>	<u>3,804,454</u>		
Net position, ending	<u>\$ 4,977,957</u>	<u>\$ 4,058,581</u>		

Water		Sewerage		General and Administrative	
2020	2019	2020	2019	2020	2019
\$ 565,624	\$ 521,587	\$ 279,433	\$ 275,855	\$ -	\$ -
3,696	3,950	900	-	-	-
<u>9,051</u>	<u>13,730</u>	<u>4,802</u>	<u>7,312</u>	-	-
<u>578,371</u>	<u>539,267</u>	<u>285,135</u>	<u>283,167</u>	-	-
-	-	-	-	19,030	13,995
-	6,369	4,675	5,300	-	-
81,514	80,897	102,698	101,467	-	-
30,082	33,446	25,913	28,379	2,771	2,211
-	-	-	-	-	-
42,460	36,418	32,167	27,590	11,655	23,176
12,013	10,931	6,074	5,466	-	-
-	-	-	-	30,410	12,259
100,914	59,007	69,258	42,225	3,641	2,368
4,873	3,928	2,940	2,449	-	-
65,180	52,194	39,306	32,503	-	-
-	-	-	-	14,762	12,915
102,816	136,105	5,720	6,129	-	-
3,091	2,020	4,398	3,183	28,976	20,024
(3,718)	2,082	(2,065)	1,157	-	-
-	-	-	-	6,034	6,339
5,488	5,672	8,342	16,506	4,929	1,691
<u>59,882</u>	<u>46,539</u>	<u>31,774</u>	<u>24,694</u>	<u>(122,208)</u>	<u>(94,978)</u>
<u>504,595</u>	<u>475,608</u>	<u>331,200</u>	<u>297,048</u>	-	-
<u>\$ 73,776</u>	<u>\$ 63,659</u>	<u>\$ (46,065)</u>	<u>\$ (13,881)</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF PORT BARRE, LOUISIANA
LCDBG Sewer System Improvement Project

Schedule of Net Position
For the Year Ended September 30, 2020

Assets:

Due from other governmental units \$ 95,234

Liabilities:

Contracts payable 45,373

Retainage payable 49,861

Total liabilities 95,234

Net Position

\$ -

TOWN OF PORT BARRE, LOUISIANA
LCDBG Sewer System Improvement Project

Schedule of Revenues, Expenses, and Change in Net Position
For the Year Ended September 30, 2020

Revenues:	
LCDBG program	\$ 978,552
Expenses:	
Construction	<u>978,552</u>
Change in net position	-
Net position, beginning of year	<u>-</u>
Net position, end of year	<u>\$ -</u>

TOWN OF PORT BARRE, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
September 30, 2020 and 2019

Records maintained by the Town indicated the following number of customers were being served during the month of September, 2020 and 2019:

<u>Department</u>	<u>2020</u>	<u>2019</u>
Gas (metered)	426	428
Water (metered)	1,312	1,302
Sewerage	911	932

TOWN OF PORT BARRE, LOUISIANA

Schedule of Insurance in Force
(Unaudited)
September 30, 2020

<u>Description of Coverage</u>	<u>Coverage Amounts</u>
Workmens' Compensation -	
Employer's liability	
Each occurrence	\$ 1,000,000
Aggregate	1,000,000
Surety Bonds -	
Mayor	36,000
Town clerk	36,000
Assistant town clerk	36,000
Assistant town clerk	36,000
Assistant town clerk	36,000
Water district agent	36,000
Parks director	36,000
Elderly Assistance Coordinator	36,000
Blanket bond	5,000
General liability -	
Each occurrence	500,000
Aggregate	500,000
Business automobile liability -	
Each occurrence	500,000
Aggregate	500,000
Property coverage -	
Fire and light, extended coverage, vandalism and malicious mischief	2,470,405
Equipment breakdown coverage	506,314
Public official errors and omissions	
Each wrongful act	500,000
Aggregate	1,000,000
Police professional liability -	
Each occurrence	500,000
Aggregate	500,000
Commercial automobile coverage -	
Each occurrence	222,500
Aggregate	1,500,000

TOWN OF PORT BARRE, LOUISIANA

Combined Schedule of Interest-Bearing Deposits - All Funds
September 30, 2020

	<u>Financial Institution</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
General Fund:				
Certificate of deposit	(A)	03/11/21	0.75%	\$ 176,466
Certificate of deposit	(A)	12/09/20	0.50%	<u>46,012</u>
Total General Fund				<u>222,478</u>
Special Revenue Funds:				
1996 Sales Tax Fund:				
Road Repair checking account	(A)	N/A	Variable	<u>5,470</u>
Utility Fund:				
Restricted assets -				
Certificate of deposit	(S)	01/16/21	0.45%	28,538
Savings accounts	(A)	N/A	Variable	<u>109,728</u>
Total Utility Fund				<u>138,266</u>
Total - all funds				<u>\$ 366,214</u>

Investments with:

(A) American Bank and Trust, Opelousas, Louisiana

(S) St. Landry Homestead, Opelousas, Louisiana

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

WWW.KSRCPCAS.COM

The Honorable John Ardoin, Mayor,
and Members of the Board of Aldermen
Town of Port Barre, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Port Barre, Louisiana (the Town) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated March 5, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we 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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2020-001 through 2020-003 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Town of Port Barre, Louisiana's Response to Findings

The Town's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The Town's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 5, 2021

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE.

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The Honorable John Ardoin, Mayor,
and Members of the Board of Aldermen
Town of Port Barre, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Town of Port Barre's (the Town) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Town's major federal programs for the year ended September 30, 2020. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Town's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination the Town's compliance.

Opinion on the Major Federal Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2020.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2020-005. Our opinion on the major federal program is not modified with respect to this matter.

The Town's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2020-004, that we consider to be a material weakness.

The Town's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 5, 2021

TOWN OF PORT BARRE, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2020

<u>Federal Grantor / Pass-Through Grantor / Program Name</u>	<u>Federal CFDA Number</u>	<u>Disbursements/ Expenditures</u>
U.S. Department of Housing and Urban Development - Passed through Louisiana Division of Administration: Community Development Block Grant *	14.228	<u>\$ 978,552</u>

* Indicates major program

TOWN OF PORT BARRE, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
Year Ended September 30, 2020

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Town of Port Barre (the Town) under programs of the federal government for the year ended September 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Town's basic financial statements for the year ended September 30, 2020. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The Town has elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended September 30, 2020

Part I. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the Town were prepared in accordance with GAAP.
2. Three deficiencies in internal control were disclosed during the audit of the financial statements. These deficiencies were considered to be material weaknesses.
3. No instances of noncompliance material to the financial statements of the Town, which would be required to be reported in accordance with *Governmental Auditing Standards*, were disclosed during the audit.
4. There was one material weakness in internal control over major federal award programs reported during the audit.
5. The auditor's report on compliance for the Community Development Block Grant (14.228) expresses an unmodified opinion.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516 (a) are reported in this schedule.
7. The following program is considered to be the only major program: Community Development Block Grant (14.228).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The auditee did not qualify as a low-risk auditee.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Internal Control Finding -

2020-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

Condition

The Town did not have adequate segregation of functions within the accounting system.

Criteria

The Town should have a control policy according to which no person should be given responsibility for more than one related function.

Cause

Due to the size of the Town, they do not have a sufficient number of employees to provide adequate segregation of duties.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
Year Ended September 30, 2020

Effect

The Town has employees that are performing more than one related function.

Recommendation

The Town should monitor mitigating controls over functions that are not completely segregated.

Management's Corrective Action Plan

Due to the size of operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

2020-002 Utility Usage/Billing Adjustments

Fiscal year finding initially occurred: 2019

Condition

The Town posted utility usage/billing adjustments to the utility billing software without proper authorization.

Criteria

The Town should monitor controls to ensure they are functioning properly.

Cause

A process was in place for the approval of usage/billing adjustments; however, there was no subsequent monitoring to ensure all adjustments were properly approved.

Effect

Failure to review all adjustments for proper authorization and support could result in accounts being undercharged or overcharged and could lead to errors and/or fraud.

Recommendation

The Town should monitor internal controls to ensure they are functioning properly.

Management's Corrective Action Plan

Management will review all billing adjustments for proper approval and supporting documentation on a monthly basis.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
Year Ended September 30, 2020

**2020-003 Inadequate Controls Over Collection and Accounting for Utility
Customer Deposits**

Fiscal year finding initially occurred: 2020

Condition

The Town did not have adequate control policies and procedures over collection and accounting for utility customer deposits.

Criteria

The Town should have control policies and procedures regarding cash collection and accounting for utility customer deposits.

Cause

Due to inadequate control policies and procedures, cash collections for utility deposits were not being deposited timely, the customer deposit listing was not being properly reconciled, and there was no monitoring to ensure voided transactions were properly approved.

Effect

Utility customer deposits were not properly applied to individual customer accounts, voided transactions were not approved, and the Town's utility customer deposit listing did not reconcile to the general ledger.

Recommendation

The Town should implement internal control policies and procedures relative to cash collection and accounting for utility customer deposits. The Town should monitor the internal controls to ensure they are functioning properly.

Management's Corrective Action Plan

Management will implement necessary internal control policies and procedures in order to ascertain that cash collections of utility customer deposits are properly deposited, recorded, reconciled, and reviewed on a regular basis.

Compliance Findings –

There were no compliance findings reported for the year ended September 30, 2020.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
Year Ended September 30, 2020

Part III. Findings and questioned cost for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

U.S. Department of Housing and Urban Development:

Internal Control Findings –

2020-004 Timely Disbursement of LCDBG Funds

Community Development Block Grant (14.228)

See compliance finding **2020-005**.

Compliance Findings –

2020-005 Timely Disbursement of LCDBG Funds

Community Development Block Grant (14.228)

Fiscal year finding initially occurred: 2020

Criteria

The 2019 Louisiana Community Development Block Grant (LCDBG) Grantee Handbook requires payments for expenditures to be disbursed within three working days of the receipt of the LCDBG funds.

Condition

The Town did not disburse the funds timely.

Cause

There were inadequate policies and procedures in place to ensure that the disbursements were made timely.

Effect

The Town did not comply with the grant agreement regarding timely disbursement of LCDBG funds.

Recommendation

Adequate policies and procedures should be implemented to ensure compliance with the grant agreement regarding timely disbursement of funds.

Management's Corrective Action Plan

The Town agrees with the finding and has established policies and procedures that will ensure the timely disbursement of LCDBG funds.

TOWN OF PORT BARRE

JOHN P. ARDOIN
MAYOR

P.O. BOX 219

PORT BARRE, LOUISIANA 70577

PHONE (337) 585-7646 FAX (337) 585-6645

TOWN COUNCIL:
POLLY PICKNEY
DONALD ROBIN
NELSON BARRON
SAMMY W. HARDY, II
TODD ABSHIRE

TOWN OF PORT BARRE Summary Schedule of Prior Audit Findings Year Ended September 30, 2020

OFFICERS:
JOHN P. ARDOIN
MAYOR
PAT MORROW
ATTORNEY
TORIA V. COMEAUX
TOWN CLERK AND TAX COLLECTOR
WILLIAM H. JARRELL, III, P.E.
CONSULTING ENGINEER

FINDINGS – FINANCIAL STATEMENT AUDIT:

Internal Control Finding –

2019-001

Condition: Due to the small number of employees, the Town did not have adequate segregation of functions within the accounting system.

Recommendation: The Town should monitor mitigating controls over functions that are not completely segregated.

Current Status: The finding was not resolved and is repeated in current year. The Town is monitoring mitigating controls over functions that are not completely segregated. Due to the size of operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

2019-002

Condition: The Town posted utility usage/billing adjustments to the utility billing software without proper authorization.

Recommendation: The Town should monitor internal controls to ensure they are functioning properly.

Current Status: The finding was not resolved and is repeated in current year. The Town is implementing additional controls over adjustments to utility billings by requiring the supervisor to document reasoning for adjustment and signature of approval of adjustment.

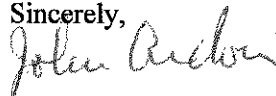
2019-003

Condition: The Town does not have adequate pledged securities for its bank deposits on September 30, 2019 and is not in compliance with R.S. 39:1218-1229.

Recommendation: The Town should monitor internal controls to ensure they are functioning properly.

Current Status: The finding was resolved.

Sincerely,



John Ardoin
Mayor

TOWN OF PORT BARRE

JOHN P. ARDOIN
MAYOR

P.O. BOX 219

PORT BARRE, LOUISIANA 70577

PHONE (337) 585-7646 FAX (337) 585-6645

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WILLIAM H. JARRELL, III, P.E.
CONSULTING ENGINEER

TOWN OF PORT BARRE Corrective Action Plan September 30, 2020

U.S. Department of Housing & Urban Development

The Town of Port Barre respectfully submits the following corrective action plan for the year ended September 30, 2020.

Audit conducted by:

Kolder, Slaven & Company, LLC
183 S. Beadle Road
Lafayette LA 70508

Audit Period: October 1, 2019 – September 30, 2020

The findings from the September 30, 2020 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT:

Material Weakness:

- 2020-001** **Recommendation:** The Town should monitor mitigating controls over functions that are not completely segregated.
- Corrective Action Plan:** Due to the size of operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.
- 2020-002** **Recommendation:** The Town should monitor internal controls to ensure they are functioning properly.
- Corrective Action Plan:** Management will review all billing adjustments for proper approval and supporting documentation on a monthly basis.
- 2020-003** **Recommendation:** The Town should implement internal control policies and procedures relative to cash collection and accounting for utility customer deposits. The Town should monitor the internal controls to ensure they are functioning properly.
- Corrective Action Plan:** Management will implement necessary internal control policies and procedures in order to ascertain that cash collections of utility customer deposits are deposited timely, recorded, reconciled, and reviewed on a regular basis.

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT:

DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

Community Development Block Grant (CDBG) (14.228)

Material Weaknesses:

2020-004 See **2020-005**.

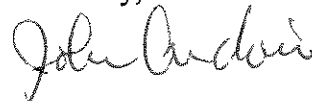
Compliance:

2020-005 **Recommendation:** Adequate policies and procedures should be implemented to ensure compliance with the grant agreement regarding timely disbursement of funds.

Corrective Action Plan: The Town agrees with the finding and has established policies and procedures that will ensure the timely disbursement of LCDBG funds.

If the U.S. Department of Housing & Urban Development has questions regarding this plan, please call Mayor John Ardoin at 337-585-7646.

Sincerely,



John Ardoin
Mayor