

TOWN OF PORT BARRE, LOUISIANA

Financial Report

Year Ended September 30, 2021

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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, 2021, 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, 2021, 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.

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 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative statements on pages 42 through 51 and the Justice System Funding Schedule on page 55 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 and the Justice System Funding Schedule 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 2020 financial statements, which were 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, 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 schedules on pages 52 through 54 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 8, 2022, 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 8, 2022

BASIC FINANCIAL STATEMENTS

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

TOWN OF PORT BARRE, LOUISIANA

Statement of Net Position
September 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 1,276,065	\$ 520,776	\$ 1,796,841
Receivables, net	31,180	116,107	147,287
Internal balances	(69,857)	69,857	-
Due from other governmental units	9,164	-	9,164
Total current assets	<u>1,246,552</u>	<u>706,740</u>	<u>1,953,292</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	-	230,778	230,778
Capital assets:			
Land and construction in progress	86,425	15,292	101,717
Other capital assets, net	2,238,830	4,989,506	7,228,336
Total noncurrent assets	<u>2,325,255</u>	<u>5,235,576</u>	<u>7,560,831</u>
Total assets	<u>3,571,807</u>	<u>5,942,316</u>	<u>9,514,123</u>
LIABILITIES			
Current liabilities:			
Accounts, salaries and other payables	20,721	32,486	53,207
Customers' deposits	-	165,287	165,287
Unearned revenue	-	390,379	390,379
Capital leases payable	15,874	58,804	74,678
Bonds payable	-	58,000	58,000
Accrued interest	-	692	692
Total current liabilities	<u>36,595</u>	<u>705,648</u>	<u>742,243</u>
Noncurrent liabilities:			
Capital leases payable	-	231,598	231,598
Bonds payable	-	55,000	55,000
Total noncurrent liabilities	<u>-</u>	<u>286,598</u>	<u>286,598</u>
Total liabilities	<u>36,595</u>	<u>992,246</u>	<u>1,028,841</u>
NET POSITION			
Net investment in capital assets	2,309,381	4,659,396	6,968,777
Restricted for sales tax dedication	981,515	-	981,515
Restricted for debt service	-	6,799	6,799
Unrestricted	244,316	283,875	528,191
Total net position	<u>\$ 3,535,212</u>	<u>\$ 4,950,070</u>	<u>\$ 8,485,282</u>

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, 2021

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	\$ 241,767	\$ 122,299	\$ -	\$ -	\$ (119,468)	\$ -	\$ (119,468)
Public safety:							
Police	922,140	550,588	71,816	-	(299,736)	-	(299,736)
Highways & Streets	332,274	-	-	22,814	(309,460)	-	(309,460)
Culture and recreation	162,542	39,119	-	-	(123,423)	-	(123,423)
Interest on long-term debt	1,535	-	-	-	(1,535)	-	(1,535)
Total governmental activities	<u>1,660,258</u>	<u>712,006</u>	<u>71,816</u>	<u>22,814</u>	<u>(853,622)</u>	<u>-</u>	<u>(853,622)</u>
Business-type activities:							
Gas	259,059	219,671	-	-	-	(39,388)	(39,388)
Water	509,562	550,679	16,108	-	-	57,225	57,225
Sewerage	415,080	277,945	-	74,766	-	(62,369)	(62,369)
Total business-type activities	<u>1,183,701</u>	<u>1,048,295</u>	<u>16,108</u>	<u>74,766</u>	<u>-</u>	<u>(44,532)</u>	<u>(44,532)</u>
Total	<u>\$ 2,843,959</u>	<u>\$ 1,760,301</u>	<u>\$ 87,924</u>	<u>\$ 97,580</u>	<u>(853,622)</u>	<u>(44,532)</u>	<u>(898,154)</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes							
					76,617	-	76,617
Sales and use taxes, levied for general purposes							
					832,980	-	832,980
Franchise taxes							
					100,717	-	100,717
Grants and contributions not restricted to specific programs -							
State sources							
					58,739	-	58,739
Interest and investment earnings							
					603	402	1,005
Miscellaneous							
					36,119	-	36,119
Transfers							
					(16,243)	16,243	-
Total general revenues and transfers							
					<u>1,089,532</u>	<u>16,645</u>	<u>1,106,177</u>
Change in net position							
					235,910	(27,887)	208,023
Net position - October 1, 2020							
					<u>3,299,302</u>	<u>4,977,957</u>	<u>8,277,259</u>
Net position - September 30, 2021							
					<u>\$ 3,535,212</u>	<u>\$ 4,950,070</u>	<u>\$ 8,485,282</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, 2021

	<u>General</u>	<u>1966 Sales Tax Special Revenue</u>	<u>1996 Sales Tax Special Revenue</u>	<u>Total</u>
ASSETS				
Cash and interest-bearing deposits	\$314,951	\$ 69,510	\$ 891,604	\$ 1,276,065
Receivables:				
Taxes, net	31,180	-	-	31,180
Due from other funds	-	410,595	-	410,595
Due from other governmental units	9,164	-	-	9,164
Total assets	<u>\$355,295</u>	<u>\$ 480,105</u>	<u>\$ 891,604</u>	<u>\$ 1,727,004</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable, salaries, and other payables	\$ 14,998	\$ 4,333	\$ 1,390	\$ 20,721
Due to other funds	95,981	-	384,471	480,452
Total liabilities	<u>110,979</u>	<u>4,333</u>	<u>385,861</u>	<u>501,173</u>
Fund balances:				
Restricted for sales tax dedications	-	475,772	505,743	981,515
Unassigned	244,316	-	-	244,316
Total fund balances	<u>244,316</u>	<u>475,772</u>	<u>505,743</u>	<u>1,225,831</u>
 Total liabilities and fund balances	 <u>\$355,295</u>	 <u>\$ 480,105</u>	 <u>\$ 891,604</u>	 <u>\$ 1,727,004</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, 2021

Total fund balances for governmental funds at September 30, 2021		\$ 1,225,831
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 \$1,477,774 accumulated depreciation	874,200	
Infrastructure, net of \$981,052 accumulated depreciation	1,209,787	
Equipment, net of \$627,265 accumulated depreciation	<u>154,843</u>	2,325,255
Long-term liabilities at September 30, 2021:		
Capital lease payable		<u>(15,874)</u>
Total net position of governmental activities at September 30, 2021		<u>\$3,535,212</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, 2021

	General	1966 Sales Tax Special Revenue	1996 Sales Tax Special Revenue	Total
Revenues:				
Taxes	\$ 174,395	\$ 374,809	\$ 458,171	\$ 1,007,375
Licenses and permits	122,299	-	-	122,299
Intergovernmental	133,494	-	22,814	156,308
Fines and forfeits	550,588	-	-	550,588
Miscellaneous	77,979	16	13	78,008
Total revenues	<u>1,058,755</u>	<u>374,825</u>	<u>480,998</u>	<u>1,914,578</u>
Expenditures:				
Current -				
General government	164,214	16,209	17,017	197,440
Public safety:				
Police	867,670	-	-	867,670
Highways and streets	-	250,154	35,610	285,764
Culture and recreation	126,260	16,064	-	142,324
Capital outlay	28,332	5,638	-	33,970
Debt service	32,290	-	-	32,290
Total expenditures	<u>1,218,766</u>	<u>288,065</u>	<u>52,627</u>	<u>1,559,458</u>
Excess (deficiency) of revenues over expenditures	<u>(160,011)</u>	<u>86,760</u>	<u>428,371</u>	<u>355,120</u>
Other financing sources (uses):				
Transfers in	173,757	300,000	-	473,757
Transfers out	-	(190,000)	(300,000)	(490,000)
Total other financing sources (uses)	<u>173,757</u>	<u>110,000</u>	<u>(300,000)</u>	<u>(16,243)</u>
Net changes in fund balances	13,746	196,760	128,371	338,877
Fund balances, beginning	<u>230,570</u>	<u>279,012</u>	<u>377,372</u>	<u>886,954</u>
Fund balances, ending	<u>\$ 244,316</u>	<u>\$ 475,772</u>	<u>\$ 505,743</u>	<u>\$ 1,225,831</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, 2021

Total net changes in fund balances for the year ended September 30, 2021
per statement of revenues, expenditures and changes in fund balances \$ 338,877

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	\$ 33,970	
Depreciation expense for the year ended September 30, 2021	(165,525)	
Loss on disposal of capital assets	<u>(2,167)</u>	(133,722)

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>30,755</u>
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Total changes in net position for the year ended September 30, 2021 per
statement of activities \$ 235,910

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, 2021

	<u>Enterprise Fund</u>
ASSETS	
Current assets:	
Cash	\$ 520,776
Receivables:	
Accounts receivable, net	116,107
Due from other funds	<u>69,857</u>
Total current assets	<u>706,740</u>
Noncurrent assets:	
Restricted assets:	
Cash	92,111
Interest-bearing deposits, at cost	138,667
Capital assets:	
Land and construction in progress	15,292
Other capital assets, net	<u>4,989,506</u>
Total noncurrent assets	<u>5,235,576</u>
Total assets	<u>5,942,316</u>
LIABILITIES	
Current liabilities:	
Accounts and salaries payable	23,879
Other liabilities	8,607
Capital lease payable	58,804
Unearned revenue	390,379
Payable from restricted assets -	
Revenue bonds	58,000
Accrued interest	692
Customers' deposits	<u>165,287</u>
Total current liabilities	<u>705,648</u>
Noncurrent liabilities:	
Capital lease payable	231,598
Revenue bonds	<u>55,000</u>
Total noncurrent liabilities	<u>286,598</u>
Total liabilities	<u>992,246</u>
NET POSITION	
Net investment in capital assets	4,659,396
Restricted for debt service	6,799
Unrestricted	<u>283,875</u>
Total net position	<u>\$4,950,070</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, 2021

	<u>Enterprise Fund</u>
Operating revenues:	
Charges for services -	
Gas charges	\$ 213,534
Water sales	535,996
Sewer service charges	271,874
Connection charges	3,542
Miscellaneous	<u>23,349</u>
Total operating revenues	<u>1,048,295</u>
Operating expenses:	
Gas department	259,059
Water department	501,870
Sewerage department	<u>407,389</u>
Total operating expenses	<u>1,168,318</u>
Operating loss	<u>(120,023)</u>
Nonoperating revenues (expenses):	
State grant revenue	16,108
Interest income	402
Interest expense	(14,833)
Paying agent fees	<u>(550)</u>
Total nonoperating revenues (expenses)	<u>1,127</u>
Loss before capital contributions and transfers	<u>(118,896)</u>
Capital contributions	<u>74,766</u>
Transfers:	
Transfers in	190,000
Transfers out	<u>(173,757)</u>
Total transfers	<u>16,243</u>
Change in net position	(27,887)
Net position, beginning	<u>4,977,957</u>
Net position, ending	<u>\$ 4,950,070</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, 2021

	<u>Enterprise Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 1,061,811
Payments to suppliers	(242,716)
Payments to employees	(244,899)
Other receipts	<u>23,349</u>
Net cash provided by operating activities	<u>597,545</u>
Cash flows from noncapital financing activities:	
State grants received	16,108
Net increase in meter deposits	5,890
Transfers from other funds	190,000
Transfers to other funds	<u>(173,757)</u>
Net cash provided by noncapital financing activities	<u>38,241</u>
Cash flows from capital and related financing activities:	
Proceeds from capital lease	30,523
Principal paid on revenue bond maturities	(56,000)
Interest and fiscal charges paid	(15,383)
Acquisition of property, plant, and equipment	(194,808)
Capital contributions	<u>74,766</u>
Net cash used by capital and related financing activities	<u>(160,902)</u>
Cash flows from investing activities:	
Interest on investments	<u>402</u>
Net cash provided by investing activities	<u>402</u>
Net increase in cash and cash equivalents	475,286
Cash and cash equivalents, beginning of period	<u>276,268</u>
Cash and cash equivalents, end of period	<u>\$ 751,554</u>

(continued)

TOWN OF PORT BARRE, LOUISIANA

Statement of Cash Flows
 Proprietary Fund (Continued)
 For the Year Ended September 30, 2021

	<u>Enterprise Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating loss	\$ (120,023)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	225,745
Changes in current assets and liabilities:	
Accounts receivable	36,865
Due from other governmental units	112,110
Accounts payable	(53,578)
Other liabilities	6,047
Unearned revenue	<u>390,379</u>
Net cash provided by operating activities	<u>\$ 597,545</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:	
Cash and cash equivalents, beginning of period -	
Cash and interest-bearing deposits - unrestricted	\$ 45,533
Cash and interest-bearing deposits - restricted	<u>230,735</u>
Total cash and cash equivalents	<u>276,268</u>
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits - unrestricted	520,776
Cash and interest-bearing deposits - restricted	<u>230,778</u>
Total cash and cash equivalents	<u>751,554</u>
Net increase in cash and cash equivalents	<u>\$ 475,286</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 \$86,654 at September 30, 2021. 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, 2021.

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. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) laws through constitutional provisions or enabling legislation. For the year ended September 30, 2021, the Town reported \$988,314 of restricted net position, \$981,515 of which was restricted by enabling legislation.
- 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.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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.

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.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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, 2021, 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, 2021 for the proprietary fund and business-type activities was \$14,833.

Total interest incurred and expensed for the year ended September 30, 2021 for the governmental funds and the governmental activities was \$1,535.

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, 2021, taxes of 5.38 mills were levied on property with assessed valuations totaling \$13,406,600 and were dedicated for general corporate purposes. Total taxes levied were \$72,128. There were no taxes receivable at September 30, 2021.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(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 (2021 collections \$374,809) 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.

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 (2021 collections \$458,171) 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, 2021 , the Town had cash and interest-bearing deposits (book balances) totaling \$2,027,619 as follows:

Demand deposits	\$ 1,637,635
Time deposits	<u>389,984</u>
Total	<u>\$ 2,027,619</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.

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

Deposit balances (bank balances) at September 30, 2021 were secured as follows:

Bank balances	<u>\$ 1,952,382</u>
Federal deposit insurance	528,726
Pledged securities	<u>1,423,656</u>
Total	<u>\$ 1,952,382</u>

Deposits in the amount of \$1,423,656 were exposed to custodial credit risk. These deposits are either uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Town's name or uncollateralized. The Town does not have a policy for custodial credit risk.

(5) Receivables

Receivables at September 30, 2021 consist of the following:

	General Fund	Utility Fund	Total
Accounts	\$ -	\$ 116,107	<u>\$ 116,107</u>
Taxes:			
Franchise taxes	<u>31,180</u>	-	<u>31,180</u>
Total	<u>\$ 31,180</u>	<u>\$ 116,107</u>	<u>\$ 147,287</u>

(6) Due from Other Governmental Units

Due from other governmental units at September 30, 2021 consist of the following:

Fund financial statements:

Governmental funds -

Amount due from the State of Louisiana for beer taxes revenues earned during the fiscal year ending September 30, 2021 \$ 1,514

Amount due from the State of Louisiana for video poker revenues earned during the fiscal year ending September 30, 2021 2,251

Amount due from the St. Landry Parish Government for casino revenues earned during the fiscal year ending September 30, 2021 5,399

Total governmental funds \$ 9,164

Government-wide financial statements:

Total amount report in-

Governmental funds, from above \$ 9,164

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance 9/30/2020	Additions	Deletions	Balance 9/30/2021
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 86,425	\$ -	\$ -	\$ 86,425
Other capital assets:				
Buildings	2,330,134	21,840	-	2,351,974
Infrastructure	2,203,839	-	13,000	2,190,839
Equipment	783,578	12,130	13,600	782,108
Totals	5,403,976	33,970	26,600	5,411,346
Less accumulated depreciation:				
Buildings	1,419,715	58,059	-	1,477,774
Infrastructure	948,264	43,621	10,833	981,052
Equipment	577,020	63,845	13,600	627,265
Total accumulated depreciation	2,944,999	165,525	24,433	3,086,091
Governmental activities, capital assets, net	\$ 2,458,977	\$ (131,555)	\$ 2,167	\$ 2,325,255
Business-type activities:				
Capital assets not being depreciated:				
Land - sewer system	\$ 15,292	\$ -	\$ -	\$ 15,292
Construction in progress	1,159,286	87,296	1,246,582	-
Other capital assets:				
Gas system	600,822	-	-	600,822
Water system	2,518,522	-	-	2,518,522
Sewer system	4,474,334	1,261,439	-	5,735,773
Machinery and equipment	174,332	-	-	174,332
Totals	8,942,588	1,348,735	1,246,582	9,044,741
Less accumulated depreciation:				
Gas system	461,347	9,695	-	471,042
Water system	997,172	81,218	-	1,078,390
Sewer system	2,265,865	112,758	-	2,378,623
Machinery and equipment	89,814	22,074	-	111,888
Total accumulated depreciation	3,814,198	225,745	-	4,039,943
Business-type activities, capital assets, net	\$ 5,128,390	\$ 1,122,990	\$ 1,246,582	\$ 5,004,798

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 44,328
Public safety	54,469
Streets	46,510
Culture and recreation	<u>20,218</u>
Total depreciation expense	<u>\$ 165,525</u>

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

Gas	\$ 23,649
Water	81,219
Sewer	<u>120,877</u>
Total depreciation expense	<u>\$ 225,745</u>

(8) Restricted Assets - Proprietary Fund Type

Restricted assets consisted of the following at September 30, 2021:

Revenue bond and interest sinking account	\$ 9,611
Revenue bond contingency account	55,880
Customers' deposits	<u>165,287</u>
Total restricted assets	<u>\$ 230,778</u>

(9) Unearned Revenue

Unearned revenue of \$390,379 at September 30, 2021 consists of federal awards received under the American Rescue Plan Act (ARPA). The ARPA established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) on March 11, 2021, to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The Town is required to spend these funds in accordance with assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026. The Town expects to receive a second tranche payment under the ARPA.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Changes in Long-Term Debt

The following is a summary of long-term debt transactions of the Town for the year ended September 30, 2021:

	Governmental Activities	Business-type Activities	
	Capital Lease Payable	Revenue Bonds Payable	Capital Lease Payable
Long-term debt payable, September 30, 2020	\$ 46,629	\$ 169,000	\$ 257,300
Long-term debt issued	-	-	89,327
Long-term debt retired	(30,755)	(56,000)	(56,225)
Long-term debt payable, September 30, 2021	<u>\$ 15,874</u>	<u>\$ 113,000</u>	<u>\$ 290,402</u>

Long-term debt payable at September 30, 2021 is comprised of the following issues:

	Current Portion
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 \$45,250 (cost \$90,500 less accumulated depreciation of \$45,250).	<u>\$ 15,874</u> <u>\$ 15,874</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 \$348,441 (cost of \$452,330 less accumulated depreciation of \$103,889).	<u>\$290,402</u> <u>\$ 58,804</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>\$113,000</u> <u>\$ 58,000</u>

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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
2022	\$ 15,874	\$ 197	\$ 58,804	\$ 9,775	\$ 58,000	\$ 2,768
2023	-	-	60,783	7,796	55,000	1,346
2024	-	-	62,814	5,765	-	-
2025	-	-	64,944	3,635	-	-
2026	-	-	43,057	1,449	-	-
Total	<u>\$ 15,874</u>	<u>\$ 197</u>	<u>\$290,402</u>	<u>\$ 28,420</u>	<u>\$ 113,000</u>	<u>\$ 4,114</u>

The Town has \$80,673 of lease proceeds available to be drawn down at September 30, 2021.

(11) 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, 2021.

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(12) 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, 2021 was \$1,065,689. The Town's contribution during the year ended September 30, 2021 amounted to \$81,525.

(13) On-Behalf Payments of Salaries

During the year ended September 30, 2021, the State of Louisiana paid the Town's policemen \$71,816 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.

(14) Risk Management

The Town is exposed to risks of loss in the areas of 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.

(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, 2021, was as follows:

	Gas Department	Water Department	Sewerage Department	Total Enterprise Fund
Operating revenues	<u>\$219,671</u>	<u>\$550,679</u>	<u>\$ 277,945</u>	<u>\$1,048,295</u>
Operating expenses:				
Depreciation	23,649	81,219	120,877	225,745
Other	<u>235,410</u>	<u>420,651</u>	<u>286,512</u>	<u>942,573</u>
Total operating expenses	<u>259,059</u>	<u>501,870</u>	<u>407,389</u>	<u>1,168,318</u>
Operating income (loss)	<u>\$ (39,388)</u>	<u>\$ 48,809</u>	<u>\$ (129,444)</u>	<u>\$ (120,023)</u>

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) 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, 2021, the Town purchased natural gas from Cypress Gas Pipeline Company in the amount of \$59,879. At September 30, 2021, the Town owed \$3,701 for natural gas purchases for the month of September 30, 2021.

(17) Pending Litigation

At September 30, 2021, the Town of Port Barre is involved in a lawsuit claiming damages. In the opinion of the Town's legal counsel, the only exposure to the Town would be any costs in defense of the lawsuits with no liability to the Town in excess of insurance coverage.

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

A detail of compensation, benefits, and other payments paid to John Ardoin, Mayor, for the year ended September 30, 2021 follows:

Salary	\$ 24,000
Car allowance	12,000
Registration fees	250
Conference travel	371
Total	<u>\$ 36,621</u>

(19) Compensation of Town Officials

A detail of compensation paid to the Board of Aldermen for the year ended September 30, 2021 follows:

Aldermen:

Todd Abshire	\$ 5,000
Nelson Barron	4,400
Sammy Hardy	5,000
Polly Pickney	5,000
Donald Robin	5,000
Total	<u>\$ 24,400</u>

TOWN OF PORT BARRE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(20) Interfund Transactions

A. Interfund receivables and payables consisted of the following at September 30, 2021:

	Due From	Due To
Governmental Funds:		
General Fund	\$ -	\$ 95,981
1966 Sales Tax Special Revenue Fund	410,595	-
1996 Sales Tax Special Revenue Fund	-	384,471
Proprietary Fund:		
Enterprise Fund	69,857	-
Total	\$480,452	\$480,452

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

B. Transfers consisted of the following at September 30, 2021:

	Transfers In	Transfers Out
Governmental Funds:		
General Fund	\$173,757	\$ -
1966 Sales Tax Special Revenue Fund	300,000	190,000
1996 Sales Tax Special Revenue Fund	-	300,000
Proprietary Fund:		
Enterprise Fund	190,000	173,757
Total	\$663,757	\$663,757

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.

(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, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 173,500	\$ 184,646	\$ 174,395	\$ (10,251)
Licenses and permits	114,400	116,199	122,299	6,100
Intergovernmental	101,750	117,750	133,494	15,744
Fines and forfeits	562,400	548,952	550,588	1,636
Miscellaneous	41,100	76,106	77,979	1,873
Total revenues	<u>993,150</u>	<u>1,043,653</u>	<u>1,058,755</u>	<u>15,102</u>
Expenditures:				
Current -				
General government	172,820	167,106	164,214	2,892
Public safety - police	851,900	837,161	867,670	(30,509)
Culture and recreation	139,397	120,621	126,260	(5,639)
Capital outlay	-	18,000	28,332	(10,332)
Debt service	28,266	32,142	32,290	(148)
Total expenditures	<u>1,192,383</u>	<u>1,175,030</u>	<u>1,218,766</u>	<u>(43,736)</u>
Deficiency of revenues over expenditures	(199,233)	(131,377)	(160,011)	(28,634)
Other financing sources:				
Transfers in	<u>200,000</u>	<u>200,000</u>	<u>173,757</u>	<u>(26,243)</u>
Net change in fund balance	767	68,623	13,746	(54,877)
Fund balance, beginning	<u>230,570</u>	<u>230,570</u>	<u>230,570</u>	<u>-</u>
Fund balance, ending	<u>\$ 231,337</u>	<u>\$ 299,193</u>	<u>\$ 244,316</u>	<u>\$ (54,877)</u>

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

Budgetary Comparison Schedule
For the Year Ended September 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$320,500	\$371,740	\$374,809	\$ 3,069
Miscellaneous	40	16	16	-
Total revenues	<u>320,540</u>	<u>371,756</u>	<u>374,825</u>	<u>3,069</u>
Expenditures:				
Current -				
General government:				
Professional fees	14,400	14,715	12,910	1,805
Miscellaneous	<u>3,270</u>	<u>3,282</u>	<u>3,299</u>	<u>(17)</u>
Total general government	<u>17,670</u>	<u>17,997</u>	<u>16,209</u>	<u>1,788</u>
Highways and streets:				
Salaries	170,500	121,458	129,647	(8,189)
Payroll taxes	12,500	9,291	9,674	(383)
Group insurance	38,500	32,829	33,535	(706)
Maintenance and materials	45,900	40,960	58,481	(17,521)
Street materials and supplies	20,000	42,636	13,261	29,375
Miscellaneous	<u>11,500</u>	<u>1,836</u>	<u>5,556</u>	<u>(3,720)</u>
Total highways and streets	<u>298,900</u>	<u>249,010</u>	<u>250,154</u>	<u>(1,144)</u>
Culture and recreation	<u>15,500</u>	<u>14,353</u>	<u>16,064</u>	<u>(1,711)</u>
Capital outlay -				
Street equipment	-	-	5,638	(5,638)
Total expenditures	<u>332,070</u>	<u>281,360</u>	<u>288,065</u>	<u>(6,705)</u>
Excess (deficiency) of revenues over expenditures	<u>(11,530)</u>	<u>90,396</u>	<u>86,760</u>	<u>(3,636)</u>
Other financing sources (uses):				
Transfers in	280,000	300,000	300,000	-
Transfers out	<u>(230,000)</u>	<u>(250,000)</u>	<u>(190,000)</u>	<u>60,000</u>
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>110,000</u>	<u>60,000</u>
Net change in fund balance	38,470	140,396	196,760	56,364
Fund balance, beginning	<u>279,012</u>	<u>279,012</u>	<u>279,012</u>	-
Fund balance, ending	<u>\$317,482</u>	<u>\$419,408</u>	<u>\$475,772</u>	<u>\$ 56,364</u>

TOWN OF PORT BARRE, LOUISIANA
 1996 Sales Tax Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended September 30, 2021

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Taxes	\$ 384,500	\$ 433,194	\$ 458,171	\$ 24,977
Intergovernmental	-	-	22,814	22,814
Miscellaneous	<u>20</u>	<u>12</u>	<u>13</u>	<u>1</u>
Total revenues	<u>384,520</u>	<u>433,206</u>	<u>480,998</u>	<u>47,792</u>
Expenditures:				
Current -				
General government:				
Professional fees	14,400	14,715	12,910	1,805
Miscellaneous	<u>3,930</u>	<u>4,012</u>	<u>4,107</u>	<u>(95)</u>
Total general government	18,330	18,727	17,017	1,710
Highways and streets:				
Electricity for lights	<u>35,500</u>	<u>34,689</u>	<u>35,610</u>	<u>(921)</u>
Total expenditures	<u>53,830</u>	<u>53,416</u>	<u>52,627</u>	<u>789</u>
Excess of revenues over expenditures	330,690	379,790	428,371	48,581
Other financing uses:				
Transfers out	<u>(280,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
Net change in fund balance	50,690	79,790	128,371	48,581
Fund balance, beginning	<u>377,372</u>	<u>377,372</u>	<u>377,372</u>	<u>-</u>
Fund balance, ending	<u>\$ 428,062</u>	<u>\$ 457,162</u>	<u>\$ 505,743</u>	<u>\$ 48,581</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, 2021, 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	837,161	867,670	(30,509)
Culture and recreation	120,621	126,260	(5,639)
Capital outlay	18,000	28,332	(10,332)
Debt service	32,142	32,290	(148)
1966 Sales Tax Special Revenue Fund:			
Highways and streets	249,010	250,154	(1,144)
Culture and recreation	14,353	16,064	(1,711)
Capital outlay	-	5,638	(5,638)
1996 Sales Tax Special Revenue Fund:			
Highways and streets	34,689	35,610	(921)

OTHER SUPPLEMENTARY INFORMATION

TOWN OF PORT BARRE, LOUISIANA

Statement of Net Position

September 30, 2021

With Comparative Totals for September 30, 2020

	2021			2020 Totals
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 1,276,065	\$ 520,776	\$ 1,796,841	\$ 976,289
Receivables, net	31,180	116,107	147,287	182,754
Internal balances	(69,857)	69,857	-	-
Due from other governmental units	9,164	-	9,164	122,994
Total current assets	<u>1,246,552</u>	<u>706,740</u>	<u>1,953,292</u>	<u>1,282,037</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	230,778	230,778	230,735
Capital assets:				
Land and construction in progress	86,425	15,292	101,717	1,261,002
Other capital assets, net	<u>2,238,830</u>	<u>4,989,506</u>	<u>7,228,336</u>	<u>6,326,365</u>
Total noncurrent assets	<u>2,325,255</u>	<u>5,235,576</u>	<u>7,560,831</u>	<u>7,818,102</u>
Total assets	<u>3,571,807</u>	<u>5,942,316</u>	<u>9,514,123</u>	<u>9,100,139</u>
LIABILITIES				
Current liabilities:				
Accounts, salaries and other payables	20,721	32,486	53,207	94,628
Contract payable	-	-	-	45,373
Retainage payable	-	-	-	49,861
Customers' deposits	-	165,287	165,287	159,397
Unearned revenue	-	390,379	390,379	-
Capital leases payable	15,874	58,804	74,678	86,980
Bonds payable	-	58,000	58,000	56,000
Accrued interest	-	692	692	692
Total current liabilities	<u>36,595</u>	<u>705,648</u>	<u>742,243</u>	<u>492,931</u>
Noncurrent liabilities:				
Capital leases payable	-	231,598	231,598	216,949
Bonds payable	-	55,000	55,000	113,000
Total noncurrent liabilities	<u>-</u>	<u>286,598</u>	<u>286,598</u>	<u>329,949</u>
Total liabilities	<u>36,595</u>	<u>992,246</u>	<u>1,028,841</u>	<u>822,880</u>
NET POSITION				
Net investment in capital assets	2,309,381	4,659,396	6,968,777	7,170,438
Restricted for sales tax dedication	981,515	-	981,515	656,384
Restricted for debt service	-	6,799	6,799	14,646
Unrestricted	<u>244,316</u>	<u>283,875</u>	<u>528,191</u>	<u>435,791</u>
Total net position	<u>\$ 3,535,212</u>	<u>\$ 4,950,070</u>	<u>\$ 8,485,282</u>	<u>\$ 8,277,259</u>

TOWN OF PORT BARRE, LOUISIANA

Comparative Balance Sheet
General and Special Revenue Funds
September 30, 2021 and 2020

	General		1966 Sales Tax Special Revenue		1996 Sales Tax Special Revenue	
	2021	2020	2021	2020	2021	2020
ASSETS						
Cash and interest-bearing deposits	\$ 314,951	\$ 296,947	\$ 69,510	\$ 41,928	\$ 891,604	\$ 591,881
Receivables:						
Taxes, net	31,180	27,660	-	-	-	-
Other	-	2,122	-	-	-	-
Due from other funds	-	-	410,595	239,338	-	-
Due from other governmental units	9,164	10,884	-	-	-	-
Total assets	<u>\$ 355,295</u>	<u>\$ 337,613</u>	<u>\$ 480,105</u>	<u>\$ 281,266</u>	<u>\$ 891,604</u>	<u>\$ 591,881</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable, salaries and other payables	\$ 14,998	\$ 11,062	\$ 4,333	\$ 2,254	\$ 1,390	\$ 1,295
Due to other funds	95,981	95,981	-	-	384,471	213,214
Total liabilities	<u>110,979</u>	<u>107,043</u>	<u>4,333</u>	<u>2,254</u>	<u>385,861</u>	<u>214,509</u>
Fund balances:						
Restricted for sales tax dedications	-	-	475,772	279,012	505,743	377,372
Unassigned	244,316	230,570	-	-	-	-
Total fund balances	<u>244,316</u>	<u>230,570</u>	<u>475,772</u>	<u>279,012</u>	<u>505,743</u>	<u>377,372</u>
Total liabilities and fund balances	<u>\$ 355,295</u>	<u>\$ 337,613</u>	<u>\$ 480,105</u>	<u>\$ 281,266</u>	<u>\$ 891,604</u>	<u>\$ 591,881</u>

TOWN OF PORT BARRE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended September 30, 2021
With Comparative Actual Amounts for the Year Ended September 30, 2020

	2021				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final			
Taxes:					
Ad valorem	\$ 81,300	\$ 88,722	\$ 72,147	\$ (16,575)	\$ 81,271
Interest and penalties on taxes	3,500	846	1,531	685	5,132
Franchise -					
Electric and cable TV	88,700	95,078	100,717	5,639	87,011
Total taxes	<u>173,500</u>	<u>184,646</u>	<u>174,395</u>	<u>(10,251)</u>	<u>173,414</u>
Licenses and permits:					
Occupational licenses	103,900	105,485	108,812	3,327	104,269
Building permits	10,500	10,714	13,487	2,773	14,155
Total licenses and permits	<u>114,400</u>	<u>116,199</u>	<u>122,299</u>	<u>6,100</u>	<u>118,424</u>
Intergovernmental:					
State of Louisiana -					
Beer taxes	5,500	6,128	5,926	(202)	6,111
Video poker	14,100	14,485	13,343	(1,142)	12,523
Grass cutting	4,200	4,200	4,200	-	4,200
On-behalf payments	50,000	60,000	71,816	11,816	66,683
St. Landry Parish - casino revenue	26,000	30,493	35,270	4,777	25,755
St. Landry Parish Housing Authority	1,950	2,444	2,939	495	2,444
Total intergovernmental	<u>101,750</u>	<u>117,750</u>	<u>133,494</u>	<u>15,744</u>	<u>117,716</u>
Fines and forfeits	<u>562,400</u>	<u>548,952</u>	<u>550,588</u>	<u>1,636</u>	<u>561,139</u>
Miscellaneous:					
Rent	12,600	12,002	15,791	3,789	27,800
Parks	14,500	20,791	20,952	161	8,000
Library fees	2,600	2,807	2,920	113	2,638
Youth league	6,400	15,687	15,247	(440)	6,708
Sale of equipment	1,000	-	-	-	-
Insurance reimbursement	-	20,840	20,840	-	19,876
Interest	-	-	574	574	1,511
Other	4,000	3,979	1,655	(2,324)	7,580
Total miscellaneous	<u>41,100</u>	<u>76,106</u>	<u>77,979</u>	<u>1,873</u>	<u>74,113</u>
Total revenues	<u>\$ 993,150</u>	<u>\$ 1,043,653</u>	<u>\$ 1,058,755</u>	<u>\$ 15,102</u>	<u>\$ 1,044,806</u>

TOWN OF PORT BARRE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended September 30, 2021
With Comparative Actual Amounts for the Year Ended September 30, 2020

	2021				
	Budget		Actual	Variance with	2020 Actual
	Original	Final		Final Budget Positive (Negative)	
Current:					
General government -					
Advertising	\$ 1,350	\$ 1,238	\$ 1,036	\$ 202	\$ 1,311
Dues and subscriptions	1,400	2,717	2,717	-	1,387
Insurance	5,200	6,096	5,920	176	4,847
Legal fees	1,200	1,517	-	1,517	15,774
Mayor's allowance	12,000	12,000	12,000	-	12,000
Miscellaneous	9,000	4,414	6,101	(1,687)	10,033
Payroll taxes	5,700	5,802	5,799	3	5,834
Professional fees	20,100	20,125	20,455	(330)	19,735
Computer consulting fees	14,400	11,651	5,321	6,330	19,562
Building permit inspection fees	8,500	7,220	9,187	(1,967)	8,816
Demolition expense	5,000	3,500	-	3,500	21,800
Salaries	77,700	77,748	79,853	(2,105)	77,721
Travel and meetings	1,800	3,250	3,413	(163)	1,891
Preparation of tax roll	2,670	1,554	1,554	-	2,669
Repairs and maintenance	1,600	2,553	4,594	(2,041)	2,085
Coroner's fees	3,000	3,675	3,375	300	7,025
Electricity	2,200	2,046	2,182	(136)	2,771
Bad debt expense	-	-	707	(707)	-
Total general government	<u>172,820</u>	<u>167,106</u>	<u>164,214</u>	<u>2,892</u>	<u>215,261</u>
Public safety - police -					
Feeding prisoners	450	209	457	(248)	1,660
Drug enforcement	500	1,000	1,000	-	-
Insurance	20,100	23,514	22,836	678	20,927
Group insurance	83,500	76,292	74,997	1,295	78,990
Miscellaneous	4,450	1,631	1,400	231	3,649
Police car expenditures	21,700	23,415	20,835	2,580	20,133
Salaries	585,000	562,170	594,930	(32,760)	581,888
Payroll taxes	45,500	44,500	44,980	(480)	46,079
Supplies	20,000	16,425	17,537	(1,112)	25,278
Repairs and maintenance	14,200	33,884	31,620	2,264	15,171
Uniforms	4,500	2,646	2,316	330	4,373
Training academy	1,500	2,025	2,425	(400)	2,140
Travel and meetings	1,100	504	-	504	1,073
Telephone	18,500	6,281	7,370	(1,089)	22,591
Electricity	6,600	5,609	4,612	997	7,183
Medical and drug testing	1,600	395	195	200	1,564
Janitorial	2,500	3,215	3,814	(599)	2,707
Fine remittance fees	20,200	33,446	36,346	(2,900)	10,367
Total public safety	<u>851,900</u>	<u>837,161</u>	<u>867,670</u>	<u>(30,509)</u>	<u>845,773</u>

(continued)

TOWN OF PORT BARRE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended September 30, 2021
With Comparative Actual Amounts for the Year Ended September 30, 2020

	2021		Actual	Variance with Final Budget Positive (Negative)	2020 Actual
	Budget				
	Original	Final			
Culture and recreation -					
Community Center -					
Salaries	35,003	32,669	33,200	(531)	34,747
Payroll taxes	2,661	2,499	2,482	17	2,658
Electricity	3,950	3,813	3,895	(82)	4,487
Repairs and maintenance	2,000	518	3,704	(3,186)	3,946
Library -					
Salaries	29,500	29,313	29,903	(590)	27,505
Payroll taxes	2,250	2,334	2,242	92	2,104
Telephone and electricity	6,000	5,219	5,717	(498)	6,720
Repairs and maintenance	1,000	691	566	125	2,270
Supplies and equipment	1,300	1,278	1,178	100	1,257
Parks and recreation -					
Salaries	28,080	23,112	23,727	(615)	28,080
Payroll taxes	2,150	1,768	1,768	-	2,148
Telephone and electricity	1,300	1,166	1,667	(501)	3,506
Repairs and maintenance	1,700	1,300	1,200	100	2,524
Contract labor	8,000	1,940	1,940	-	1,835
Youth league supplies	-	-	5,853	(5,853)	2,271
Miscellaneous	14,503	13,001	7,218	5,783	14,862
Total culture and recreation	<u>139,397</u>	<u>120,621</u>	<u>126,260</u>	<u>(5,639)</u>	<u>140,920</u>
Capital outlay	-	18,000	28,332	(10,332)	25,451
Debt service:					
Principal retirement	26,879	30,755	30,755	-	29,478
Interest and fiscal charges	1,387	1,387	1,535	(148)	4,234
Total debt service	<u>28,266</u>	<u>32,142</u>	<u>32,290</u>	<u>(148)</u>	<u>33,712</u>
Total expenditures	<u>\$ 1,192,383</u>	<u>\$ 1,175,030</u>	<u>\$ 1,218,766</u>	<u>\$ (43,736)</u>	<u>\$ 1,261,117</u>

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

Budgetary Comparison Schedule
For the Year Ended September 30, 2021
With Comparative Actual Amounts for the Year Ended September 30, 2020

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 320,500	\$ 371,740	\$ 374,809	\$ 3,069	\$ 367,364
Miscellaneous	40	16	16	-	41
Total revenues	<u>320,540</u>	<u>371,756</u>	<u>374,825</u>	<u>3,069</u>	<u>367,405</u>
Expenditures:					
Current -					
General government:					
Professional fees	14,400	14,715	12,910	1,805	14,570
Collection fees	3,270	3,282	3,299	(17)	3,178
Total general government	<u>17,670</u>	<u>17,997</u>	<u>16,209</u>	<u>1,788</u>	<u>17,748</u>
Highways and streets:					
Salaries	170,500	121,458	129,647	(8,189)	141,408
Maintenance and materials	45,900	40,960	58,481	(17,521)	85,049
Street materials and supplies	20,000	42,636	13,261	29,375	18,555
Group insurance	38,500	32,829	33,535	(706)	32,300
Payroll taxes	12,500	9,291	9,674	(383)	11,193
Miscellaneous	11,500	1,836	5,556	(3,720)	8,151
Total highways and streets	<u>298,900</u>	<u>249,010</u>	<u>250,154</u>	<u>(1,144)</u>	<u>296,656</u>
Culture and recreation	<u>15,500</u>	<u>14,353</u>	<u>16,064</u>	<u>(1,711)</u>	<u>14,086</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>5,638</u>	<u>(5,638)</u>	<u>10,400</u>
Total expenditures	<u>332,070</u>	<u>281,360</u>	<u>288,065</u>	<u>(6,705)</u>	<u>338,890</u>
Excess (deficiency) of revenues over expenditures	<u>(11,530)</u>	<u>90,396</u>	<u>86,760</u>	<u>(3,636)</u>	<u>28,515</u>
Other financing sources (uses):					
Transfers in	280,000	300,000	300,000	-	300,000
Transfers out	(230,000)	(250,000)	(190,000)	60,000	(160,000)
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>110,000</u>	<u>60,000</u>	<u>140,000</u>
Net change in fund balance	38,470	140,396	196,760	56,364	168,515
Fund balance, beginning	<u>279,012</u>	<u>279,012</u>	<u>279,012</u>	<u>-</u>	<u>110,497</u>
Fund balance, ending	<u>\$ 317,482</u>	<u>\$ 419,408</u>	<u>\$ 475,772</u>	<u>\$ 56,364</u>	<u>\$ 279,012</u>

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

Budgetary Comparison Schedule
For the Year Ended September 30, 2021
With Comparative Actual Amounts for the Year Ended September 30, 2020

	2021				
	Budget		Actual	Variance with	2020 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues:					
Taxes	\$ 384,500	\$ 433,194	\$ 458,171	\$ 24,977	\$ 448,901
Intergovernmental	-	-	22,814	22,814	-
Miscellaneous	<u>20</u>	<u>12</u>	<u>13</u>	<u>1</u>	<u>22</u>
Total revenues	<u>384,520</u>	<u>433,206</u>	<u>480,998</u>	<u>47,792</u>	<u>448,923</u>
Expenditures:					
Current -					
General government:					
Professional fees	14,400	14,715	12,910	1,805	14,570
Collection fees	<u>3,930</u>	<u>4,012</u>	<u>4,107</u>	<u>(95)</u>	<u>3,785</u>
Total general government	18,330	18,727	17,017	1,710	18,355
Highways and streets:					
Electricity for lights	<u>35,500</u>	<u>34,689</u>	<u>35,610</u>	<u>(921)</u>	<u>35,469</u>
Total expenditures	<u>53,830</u>	<u>53,416</u>	<u>52,627</u>	<u>789</u>	<u>53,824</u>
Excess of revenues over expenditures	330,690	379,790	428,371	48,581	395,099
Other financing uses:					
Transfers out	<u>(280,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>	<u>(300,000)</u>
Net change in fund balance	50,690	79,790	128,371	48,581	95,099
Fund balance, beginning	<u>377,372</u>	<u>377,372</u>	<u>377,372</u>	<u>-</u>	<u>282,273</u>
Fund balance, ending	<u>\$ 428,062</u>	<u>\$ 457,162</u>	<u>\$ 505,743</u>	<u>\$ 48,581</u>	<u>\$ 377,372</u>

TOWN OF PORT BARRE, LOUISIANA

Comparative Statement of Net Position
Enterprise Fund
Utility Fund
September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets:		
Cash	\$ 520,776	\$ 45,533
Receivables:		
Accounts receivable, net	116,107	152,972
Due from other funds	69,857	69,857
Due from other governmental units	<u>-</u>	<u>112,110</u>
Total current assets	<u>706,740</u>	<u>380,472</u>
Noncurrent assets:		
Restricted assets:		
Cash	92,111	92,469
Interest -bearing deposits, at cost	138,667	138,266
Capital assets:		
Land and construction in progress	15,292	1,174,577
Other capital assets, net	<u>4,989,506</u>	<u>3,953,813</u>
Total noncurrent assets	<u>5,235,576</u>	<u>5,359,125</u>
Total assets	<u>5,942,316</u>	<u>5,739,597</u>
LIABILITIES		
Current liabilities:		
Accounts and salaries payable	23,879	77,457
Contracts payable	-	45,373
Retainage payable	-	49,861
Other liabilities	8,607	2,560
Unearned revenue	390,379	-
Capital lease payable	58,804	56,225
Payable from restricted assets -		
Revenue bonds	58,000	56,000
Accrued interest	692	692
Customers' deposits	<u>165,287</u>	<u>159,397</u>
Total current liabilities	<u>705,648</u>	<u>447,565</u>
Noncurrent liabilities:		
Capital lease payable	231,598	201,075
Revenue bonds	<u>55,000</u>	<u>113,000</u>
Total noncurrent liabilities	<u>286,598</u>	<u>314,075</u>
Total liabilities	<u>992,246</u>	<u>761,640</u>
NET POSITION		
Net investment in capital assets	4,659,396	4,758,090
Restricted for debt service	6,799	14,646
Unrestricted	<u>283,875</u>	<u>205,221</u>
Total net position	<u>\$4,950,070</u>	<u>\$4,977,957</u>

TOWN OF PORT BARRE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Departmental Statement of Revenues and Expenses
For the Years Ended September 30, 2021 and 2020

	Totals		Gas	
	2021	2020	2021	2020
Operating revenues:				
Charges for services -				
User charges	\$ 1,021,404	\$ 1,058,578	\$ 213,534	\$ 213,521
Connection charges	3,542	4,896	300	300
Miscellaneous	<u>23,349</u>	<u>18,471</u>	<u>5,837</u>	<u>4,618</u>
Total operating revenues	<u>1,048,295</u>	<u>1,081,945</u>	<u>219,671</u>	<u>218,439</u>
Operating expenses:				
Professional fees	17,745	19,030	-	-
Engineering fees	2,719	4,675	2,719	-
Depreciation	225,745	206,715	23,649	22,503
Electricity	63,962	58,766	-	-
Natural gas purchased	59,879	38,985	59,879	38,985
Insurance	146,514	113,303	29,486	27,021
Group insurance	33,760	24,161	8,440	6,074
Office supplies and expense	26,149	30,410	-	-
Operative maintenance and supplies	158,788	185,034	10,706	11,221
Payroll taxes	14,454	12,072	4,770	4,259
Salaries	196,685	157,224	64,906	52,738
Truck expenses	20,221	14,762	-	-
Water and sewer chemicals	126,361	108,536	-	-
Telephone	26,882	36,465	-	-
Bad debts expense (recoveries)	9,048	(8,261)	4,705	(2,478)
Uniforms	12,033	6,034	-	-
Miscellaneous	27,373	37,112	16,334	18,353
Allocation of general and administrative expenses	-	-	<u>33,465</u>	<u>30,552</u>
Total operating expenses	<u>1,168,318</u>	<u>1,045,023</u>	<u>259,059</u>	<u>209,228</u>
Operating income (loss)	<u>(120,023)</u>	<u>36,922</u>	<u>\$ (39,388)</u>	<u>\$ 9,211</u>
Nonoperating revenues (expenses):				
State grant revenue	16,108	16,876		
Interest income	402	775		
Interest expense	(14,833)	(17,425)		
Paying agent fees/debt issuance costs	(550)	(550)		
Total nonoperating revenues (expenses)	<u>1,127</u>	<u>(324)</u>		
Income before capital contributions and transfers	<u>(118,896)</u>	<u>36,598</u>		
Capital contributions	<u>74,766</u>	<u>978,552</u>		
Transfers:				
Transfers in	190,000	160,000		
Transfers out	(173,757)	(255,774)		
Total transfers	<u>16,243</u>	<u>(95,774)</u>		
Change in net position	<u>(27,887)</u>	<u>919,376</u>		
Net position, beginning	<u>4,977,957</u>	<u>4,058,581</u>		
Net position, ending	<u>\$ 4,950,070</u>	<u>\$ 4,977,957</u>		

Water		Sewerage		General and Administrative	
2021	2020	2021	2020	2021	2020
\$ 535,996	\$ 565,624	\$ 271,874	\$ 279,433	\$ -	\$ -
3,242	3,696	-	900	-	-
11,441	9,051	6,071	4,802	-	-
<u>550,679</u>	<u>578,371</u>	<u>277,945</u>	<u>285,135</u>	-	-
-	-	-	-	17,745	19,030
-	-	-	4,675	-	-
81,219	81,514	120,877	102,698	-	-
33,165	30,082	28,615	25,913	2,182	2,771
-	-	-	-	-	-
46,333	42,460	35,102	32,167	35,593	11,655
16,880	12,013	8,440	6,074	-	-
-	-	-	-	26,149	30,410
59,145	100,914	85,964	69,258	2,973	3,641
6,070	4,873	3,614	2,940	-	-
82,608	65,180	49,171	39,306	-	-
-	-	-	-	20,221	14,762
103,079	102,816	23,282	5,720	-	-
4,902	3,091	6,023	4,398	15,957	28,976
1,900	(3,718)	2,443	(2,065)	-	-
-	-	-	-	12,033	6,034
977	5,488	9,054	8,342	1,008	4,929
<u>65,592</u>	<u>59,882</u>	<u>34,804</u>	<u>31,774</u>	<u>(133,861)</u>	<u>(122,208)</u>
<u>501,870</u>	<u>504,595</u>	<u>407,389</u>	<u>331,200</u>	-	-
<u>\$ 48,809</u>	<u>\$ 73,776</u>	<u>\$ (129,444)</u>	<u>\$ (46,065)</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, 2021

Assets:	\$ <u> -</u>
Liabilities:	<u> -</u>
Net Position	\$ <u> -</u>

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, 2021

Revenues:	
LCDBG program	\$ 74,766
Expenses:	
Construction	<u>74,766</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, 2021 and 2020

Records maintained by the Town indicated the following number of customers were being served during the month of September, 2021 and 2020:

<u>Department</u>	<u>2021</u>	<u>2020</u>
Gas (metered)	421	426
Water (metered)	1,307	1,312
Sewerage	911	911

TOWN OF PORT BARRE
Justice System Funding Schedule - Collecting/Disbursing Entity
Year Ended September 30, 2021

	First Six Month Period Ended 3/30/2021	Second Six Month Period Ended 9/30/2021
Beginning Balance of Amounts Collected	\$ 14,523	\$ 999
Add: Collections -		
Criminal Court Costs/Fees	20,247	16,731
Criminal Fines - Other	234,600	275,211
Service/Collection Fees	<u>12,451</u>	<u>10,957</u>
Subtotal Collections	<u>267,298</u>	<u>302,899</u>
Less: Disbursements to Governments and Nonprofits -		
Crime Stoppers of St. Landry Parish Parish, Criminal Fees	4,532	2,614
LA Dept of Health & Hospitals THI/SCI- Criminal Fees	10,630	6,525
Louisiana Commission on Law Enforcement - Criminal Fees	4,100	2,562
Louisiana Supreme Court- Criminal Fees	985	653
Louisiana State Treasurer CMIS- Criminal Fees	-	4,377
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting to Others Based on Percentage	12,451	10,957
Amounts "Self-Disbursed" to Collecting Agency -		
Criminal Fines Other	<u>248,124</u>	<u>276,210</u>
Subtotal Disbursements/Retainage	<u>280,822</u>	<u>303,898</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 999</u>	<u>\$ -</u>

INTERNAL CONTROL, COMPLIANCE

AND

OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022

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

The Honorable 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, 2021, 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 8, 2022.

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 2021-001 through 2021-007 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 instances 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 8, 2022

TOWN OF PORT BARRE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2021

Part I. Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

2021-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

Condition

Due to the small number of employees, 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.

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 Correction 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.

2021-002 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.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2021

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 Correction Action Plan

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

2021-003 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: 2021

Condition

Management and staff lack the expertise and/or experience in the selection and application of generally accepted accounting principles, as applicable to governmental entities in the financial statement preparation process.

Criteria

The Town's internal control over financial reporting includes those policies and procedures that pertain to its ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statement, inclining the ability of its management and staff to detect potential misstatements that may exist in the financial statements and related disclosures.

Cause

The cause of the condition is reliance on the external auditors as part of internal control process.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2021

Effect

Financial statements and related supporting transactions may reflect a material departure from generally accepted accounting principles.

Recommendation

Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

Management's Correction Action Plan

The Town has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that it is in the best interests of the Town to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

2021-004 Inadequate Controls over Adjusting Journal Entries

Fiscal year finding initially occurred: 2021

Condition

The Town posted adjusting journal entries to the accounting software without proper supporting documentation and approval.

Criteria

The Town should have control policies and procedures in place to properly support adjusting journal entries made.

Cause

Due to inadequate control policies and procedures, adjusting journal entries made during the fiscal year did not have proper supporting documentation.

Effect

Management was unable to provide proper supporting documentation for adjusting journal entries made during the year to multiple general ledger accounts including cash. Failure to establish controls procedures and review all adjustments made could result in accounts being adjusted in error and/or fraud.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2021

Recommendation

The town should establish policies and procedures to ensure proper supporting documentation is maintained.

Management's Correction Action Plan

The Town will establish policies and procedures over adjusting journal entries and ensure that appropriate supporting documentation is being maintained and reviewed.

2021-005 Inadequate Controls over Bank Reconciliations

Fiscal year finding initially occurred: 2021

Condition

The Town did not properly reconcile all bank accounts throughout the fiscal year. There was an unrecorded deposit as of September 30, 2021.

Criteria

The Town should have a control policy in place that allows for the proper and timely reconciliation of all bank accounts.

Cause

A process was in place for the reconciliation, review, and approval of bank accounts. However, there were manual amounts inputted into the bank reconciliations allowing activity to not be recorded into the accounting system.

Effect

Failure to properly reconcile bank accounts and review such reconciliations could result in errors and/or fraud by not recording account activity accurately.

Recommendation

The Town should ensure internal control policies and procedures over bank reconciliations are being properly implemented. Manual entries should not be used to reconcile bank accounts to the general ledger.

Management's Correction Action Plan

Management will review policies and procedures over bank reconciliations to ensure bank accounts get properly reconciled to the general ledger.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2021

2021-006 Inadequate Controls over Traffic Ticket Processing

Fiscal year finding initially occurred: 2021

Condition

The Town had a traffic ticket with an incorrect fine amount entered into the traffic ticket software. As a result, appropriate action was never taken on the traffic ticket. Access to the traffic ticket software is not properly restricted to appropriate personnel.

Criteria

The Town should have control policies and procedures in place to ensure all fine amounts are entered into the traffic ticket software and all traffic tickets have appropriate action taken.

Cause

The Town does not have adequate control policies and procedures in place to ensure all tickets are accurately recorded and appropriate action is taken.

Effect

Failure to monitor traffic ticket fines, action, and system access could result in accounts being undercharged or overcharged and could lead to errors and/or fraud.

Recommendation

The Town should establish internal controls over traffic tickets and restrict traffic ticket software access.

Management's Correction Action Plan

Management contacted their traffic ticket software providers to restrict software to only essential users. Management will begin performing a monthly review of all tickets fines and action taken to ensure propriety.

2021-007 Inadequate Controls over Utility Collections and Customer Deposits

Fiscal year finding initially occurred: 2020

Condition

The Town did not have adequate controls in place to ensure the deposits recorded in the utility fund accounts agreed to the collections deposited in the bank.

TOWN OF PORT BARRE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2021

Criteria

The Town should have a control policy according to which the collections and deposits are properly reconciled.

Cause

Inadequate control policies and procedures over the daily reconciliation of utility collections and customer deposits.

Effect

The Town had discrepancies in the cash amounts collected for service payments and held for customers for utility service deposits. Town staff discovered a discrepancy during February 2021 between utility collections and bank deposits. Town management conducted an internal investigation and identified a mistake made by a utility clerk. The utility clerk made full restitution of the error which occurred.

Recommendation

The Town should review their policies and procedures to ensure the collections and deposits for the utility fund are properly reconciled daily. The collections should be reconciled to the bank deposit and any discrepancies should be addressed timely.

Management's Correction Action Plan

The Town has implemented new procedures to prevent such issues again. All collections received are entered into the accounting system and cash drawers are balanced at the end of the business day. Utility staff will prepare the deposit the same day and sign off on the deposit stating the deposit is accurate and balances to the accounting system collection report. Another town staff member will recount the deposit and sign off on its accuracy. Any issues found will be brought to management's attention and investigated timely. This should allow for timely detection of future errors.

B. Compliance

There were no compliance findings reported for the year ended September 30, 2021.

Part II. Prior Year Findings

A. Internal Control Over Financial Reporting

2020-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

TOWN OF PORT BARRE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2021

Condition

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

Recommendation

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

Current Status: Unresolved. See finding 2021-001.

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.

Recommendation

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

Current Status: Unresolved. See finding 2021-002.

B. Compliance

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

Fiscal year finding initially occurred: 2020

Condition

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

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.

Current Status: Unresolved. See finding 2021-007.