

TOWN OF MANSURA, LOUISIANA

Financial Report

Year Ended June 30, 2019

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of net position	6
Statement of activities	7
FUND FINANCIAL STATEMENTS	
Balance sheet - governmental funds	9
Reconciliation of the governmental funds balance sheet to the statement of net position	10
Statement of revenues, expenditures, and changes in fund balances- governmental funds	11
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	12
Statement of net position - proprietary fund	13
Statement of revenues, expenses, and changes in net position - proprietary fund	14
Statement of cash flows - proprietary fund	15-16
Notes to basic financial statements	17-33
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules:	
General Fund	35
Sales Tax 1988	36
Sales Tax 2002	37
Notes to the required supplementary information	38
OTHER FINANCIAL INFORMATION	
Nonmajor capital project funds -	
Combining balance sheet	40
Combining statement of revenues, expenditures, and changes in fund balance	41
General Fund - budgetary comparison schedule - expenditures	42-43
Sales Tax 1988 - budgetary comparison schedule - expenditures	44-45
Sales Tax 2002 - budgetary comparison schedule - expenditures	46-47
INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	49-50
Schedule of current and prior year audit findings and management's corrective action plan	51-55

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KCSRCPAS.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Kenneth Pickett, Sr., Mayor
and Members of the Board of Aldermen
Town of Mansura, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Mansura, Louisiana, (hereinafter, "the Town") as of and for the year ended June 30, 2019, 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 from 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 Town'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 Town'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 respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Mansura, Louisiana, as of June 30, 2019, 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 35 through 38 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 basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Mansura, Louisiana's basic financial statements. The other financial information on pages 40 through 47 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This information has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2019 on our consideration of the Town of Mansura, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Town's 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 of Mansura, Louisiana's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 17, 2019

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

TOWN OF MANSURA, LOUISIANA

Statement of Net Position
June 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,213,421	\$ 117,845	\$ 1,331,266
Interest bearing deposits	400,000	100,000	500,000
Receivables	71,764	15,427	87,191
Due (to) from other funds	701	(701)	-
Due from other governmental agencies	6,082	-	6,082
Restricted assets:			
Cash and cash equivalents	3,446	252,852	256,298
Capital assets:			
Non depreciable capital assets	93,667	25,657	119,324
Depreciable capital assets, net	<u>2,531,077</u>	<u>3,812,004</u>	<u>6,343,081</u>
Total assets	<u>4,320,158</u>	<u>4,323,084</u>	<u>8,643,242</u>
LIABILITIES			
Accounts and other payables	30,963	8,324	39,287
Due to other governmental agencies	17,101	-	17,101
Deposits	1,600	-	1,600
Long-term liabilities:			
Portion due within one year -			
Capital lease payable	5,625	-	5,625
Bonds payable	-	48,000	48,000
Portion due after one year -			
Capital lease payable	12,275	-	12,275
Bonds payable	<u>-</u>	<u>710,825</u>	<u>710,825</u>
Total liabilities	<u>67,564</u>	<u>767,149</u>	<u>834,713</u>
NET POSITION			
Net investment in capital assets	2,606,844	3,078,836	5,685,680
Restricted for:			
Debt service	-	252,852	252,852
Other purposes	3,512	-	3,512
Unrestricted	<u>1,642,238</u>	<u>224,247</u>	<u>1,866,485</u>
Total net position	<u>\$ 4,252,594</u>	<u>\$ 3,555,935</u>	<u>\$ 7,808,529</u>

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

TOWN OF MANSURA, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2019

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 261,898	\$ -	\$ -	\$ (261,898)	\$ -	\$ (261,898)
Public safety:						
Police	299,816	23,118	18,000	(258,698)	-	(258,698)
Fire	104,281	-	-	(104,281)	-	(104,281)
Recreation	47,909	18,000	-	(29,909)	-	(29,909)
Streets	324,533	-	-	(324,533)	-	(324,533)
Health and sanitation	711	-	-	(711)	-	(711)
Total governmental activities	1,039,148	41,118	18,000	(980,030)	-	(980,030)
Business-type activities:						
Sewer	242,959	186,379	-	-	(56,580)	(56,580)
Total	<u>\$ 1,282,107</u>	<u>\$ 227,497</u>	<u>\$ 18,000</u>	<u>(980,030)</u>	<u>(56,580)</u>	<u>(1,036,610)</u>
General revenues:						
Taxes -						
Property taxes, levied for general purposes				49,156	-	49,156
Sales and use taxes, levied for general purposes				598,742	-	598,742
Franchise taxes				98,201	-	98,201
Intergovernmental				101,955	-	101,955
Licenses and permits				120,489	-	120,489
Interest and investment earnings				11,248	2,648	13,896
Miscellaneous				4,552	-	4,552
Transfers				(30,800)	30,800	-
Total general revenues and transfers				953,543	33,448	986,991
Change in net position				(26,487)	(23,132)	(49,619)
Net position, beginning				4,279,081	3,579,067	7,858,148
Net position, ending				<u>\$ 4,252,594</u>	<u>\$ 3,555,935</u>	<u>\$ 7,808,529</u>

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

FUND FINANCIAL STATEMENTS

TOWN OF MANSURA, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2019

	General	Sales Tax 1988	Sales Tax 2002	Other Governmental Funds	Totals
Assets:					
Cash and cash equivalents	\$ 71,255	\$ 452,352	\$ 689,748	\$ 66	\$ 1,213,421
Interest bearing deposits	-	200,000	200,000	-	400,000
Cash - restricted	3,446	-	-	-	3,446
Receivables:					
Franchise fees	26,262	-	-	-	26,262
Taxes	-	22,751	22,751	-	45,502
Due from other funds	701	-	-	-	701
Due from other governmental agencies	6,082	-	-	-	6,082
Total assets	<u>\$ 107,746</u>	<u>\$ 675,103</u>	<u>\$ 912,499</u>	<u>\$ 66</u>	<u>\$ 1,695,414</u>
Liabilities:					
Accounts and other payables	\$ 16,311	\$ 5,774	\$ 8,878	\$ -	\$ 30,963
Deposits	1,600	-	-	-	1,600
Due to other governmental agencies	-	6,578	10,523	-	17,101
Total liabilities	<u>17,911</u>	<u>12,352</u>	<u>19,401</u>	<u>-</u>	<u>49,664</u>
Fund balances:					
Restricted for:					
Other purposes	3,446	-	-	66	3,512
Unassigned	86,389	662,751	893,098	-	1,642,238
Total fund balances	<u>89,835</u>	<u>662,751</u>	<u>893,098</u>	<u>66</u>	<u>1,645,750</u>
Total liabilities and fund balances	<u>\$ 107,746</u>	<u>\$ 675,103</u>	<u>\$ 912,499</u>	<u>\$ 66</u>	<u>\$ 1,695,414</u>

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

TOWN OF MANSURA, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balances for governmental funds	\$ 1,645,750
Capital assets, net	2,624,744
Long-term liabilities:	
Capital lease payable	<u>(17,900)</u>
Total net position of governmental activities at June 30, 2019	<u>\$ 4,252,594</u>

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

TOWN OF MANSURA, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Governmental Funds
 For the Year Ended June 30, 2019

	General	Sales Tax 1988	Sales Tax 2002	Other Governmental Funds	Totals
Revenues:					
Taxes	\$ 147,357	\$ 299,371	\$ 299,371	\$ -	\$ 746,099
Licenses and permits	120,489	-	-	-	120,489
Intergovernmental	119,955	-	-	-	119,955
Fines and forfeits	23,118	-	-	-	23,118
Charges for services	18,000	-	-	-	18,000
Miscellaneous	1,439	6,626	7,735	-	15,800
Total revenues	<u>430,358</u>	<u>305,997</u>	<u>307,106</u>	<u>-</u>	<u>1,043,461</u>
Expenditures:					
General government	152,996	42,242	51,593	-	246,831
Public safety:					
Police	232,366	28,387	23,540	-	284,293
Fire	18,018	25,395	36,548	-	79,961
Recreation	10,276	3,244	-	-	13,520
Streets	141,546	50,887	56,009	-	248,442
Capital outlay	-	5,665	64,019	-	69,684
Debt service	-	-	6,691	-	6,691
Total expenditures	<u>555,202</u>	<u>155,820</u>	<u>238,400</u>	<u>-</u>	<u>949,422</u>
Excess (deficiency) of revenues over expenditures	<u>(124,844)</u>	<u>150,177</u>	<u>68,706</u>	<u>-</u>	<u>94,039</u>
Other financing sources (uses):					
Transfers in	69,618	-	-	-	69,618
Transfers out	-	(69,618)	(30,800)	-	(100,418)
Total other financing sources (uses)	<u>69,618</u>	<u>(69,618)</u>	<u>(30,800)</u>	<u>-</u>	<u>(30,800)</u>
Net changes in fund balances	(55,226)	80,559	37,906	-	63,239
Fund balances, beginning	<u>145,061</u>	<u>582,192</u>	<u>855,192</u>	<u>66</u>	<u>1,582,511</u>
Fund balances, ending	<u>\$ 89,835</u>	<u>\$ 662,751</u>	<u>\$ 893,098</u>	<u>\$ 66</u>	<u>\$ 1,645,750</u>

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

TOWN OF MANSURA, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2019

Total net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$	63,239
Capital assets:			
Capital outlay	\$	69,684	
Depreciation expense		<u>(164,719)</u>	(95,035)
Long-term liabilities:			
Repayment of capital lease payable			<u>5,309</u>
Total change in net position per Statement of Activities		\$	<u>(26,487)</u>

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

TOWN OF MANSURA, LOUISIANA

Statement of Net Position
 Proprietary Fund - Enterprise Fund
 June 30, 2019

	<u>Sewer Utility</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 117,845
Interest bearing deposits	100,000
Accounts receivable	<u>15,427</u>
Total current assets	<u>233,272</u>
Noncurrent assets:	
Restricted assets -	
Cash and cash equivalents	252,852
Capital assets -	
Non depreciable capital assets	25,657
Depreciable capital assets, net	<u>3,812,004</u>
Total noncurrent assets	<u>4,090,513</u>
Total assets	<u>\$ 4,323,785</u>
LIABILITIES	
Current liabilities:	
Accounts and other payables	8,324
Due to other funds	701
Payable from restricted assets -	
Revenue bonds	<u>48,000</u>
Total current liabilities	57,025
Noncurrent liabilities:	
Revenue bonds payable	<u>710,825</u>
Total liabilities	<u>767,850</u>
NET POSITION	
Net investment in capital assets	3,078,836
Restricted for:	
Debt service	252,852
Unrestricted	<u>224,247</u>
Total net position	<u>\$ 3,555,935</u>

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

TOWN OF MANSURA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Net Position -
 Proprietary Fund - Enterprise Fund
 For the Year Ended June 30, 2019

	<u>Sewer Utility</u>
Operating revenues:	
Charges for services -	
Sewer fees	\$ 186,379
Operating expenses:	
Salaries and related benefits	17,997
General liability insurance	8,191
Dues and subscriptions	691
Maintenance and repairs	36,092
Supplies	10,115
EPA reports	7,792
Legal and professional	11,370
Utilities and telephone	29,325
Gas and oil	1,072
Depreciation expense	110,384
Miscellaneous	2,493
Total operating expenses	<u>235,522</u>
Operating loss	<u>(49,143)</u>
Nonoperating revenues (expenses):	
Interest income	2,648
Interest expense	<u>(7,437)</u>
Total nonoperating revenues (expenses)	<u>(4,789)</u>
Loss before transfers	<u>(53,932)</u>
Operating transfers:	
Transfers in	<u>30,800</u>
Change in net position	(23,132)
Net position, beginning	<u>3,579,067</u>
Net position, ending	<u>\$ 3,555,935</u>

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

TOWN OF MANSURA, LOUISIANA

Statement of Cash Flows
 Proprietary Fund - Enterprise Fund
 For the Year Ended June 30, 2019

	<u>Sewer Utility</u>
Cash flows from operating activities:	
Receipts from customers	\$ 189,890
Payments to suppliers	(102,158)
Payments to employees	<u>(17,997)</u>
Net cash provided by operating activities	<u>69,735</u>
Cash flows from noncapital financing activities:	
Cash received from other funds	<u>30,800</u>
Cash flows from capital and related financing activities:	
Principal paid on revenue bond	(48,000)
Interest and fiscal charges paid on revenue bonds	(7,437)
Acquisition of property, plant and equipment	<u>(65,179)</u>
Net cash used by capital and related financing activities	<u>(120,616)</u>
Cash flows from investing activities:	
Proceeds from interest bearing deposits	100,000
Purchase of interest-bearing deposits	(100,000)
Interest received on interest-bearing deposits	<u>2,648</u>
Net cash provided by investing activities	<u>2,648</u>
Net change in cash and cash equivalents	(17,433)
Cash and cash equivalents, beginning of period	<u>388,130</u>
Cash and cash equivalents, end of period	<u>\$ 370,697</u>

TOWN OF MANSURA, LOUISIANA

Statement of Cash Flows
 Proprietary Fund - Enterprise Fund
 For the Year Ended June 30, 2019

	<u>Sewer Utility</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (49,143)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	110,384
Changes in current assets and liabilities:	
Decrease in accounts receivable	3,511
Increase in amount due to other funds	701
Increase in accounts payable	<u>4,282</u>
Net cash provided by operating activities	<u>\$ 69,735</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 - unrestricted	\$ 211,923
Cash - restricted	<u>176,207</u>
Total cash and cash equivalents, beginning of period	<u>388,130</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	117,845
Cash - restricted	<u>252,852</u>
Total cash and cash equivalents, end of period	<u>370,697</u>
Net change	<u>\$ (17,433)</u>

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

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Mansura (“the Town”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. 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 Mansura was incorporated in 1860 under the provisions of the Lawrason Act. The Town operates under a Mayor-Board of Aldermen form of government and provides the following services: public safety (police protection), streets, sanitation, culture-recreation, public improvements, planning and zoning, and general administrative services.

This report includes all funds which 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 is determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Based on the foregoing criteria, the volunteer fire department, as a governmental organization, is not part of the Town and is thus excluded from the accompanying financial statements. This organization is staffed by volunteers and although the Town does provide some of its financing, no control is exercised over its operations. These financial statements include only expenditures incurred directly by the Town for fire protection and does not include operating expenditures paid with self-generated funds of the volunteer fire department.

B. Basis of Presentation

Government-Wide Financial Statements

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

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Town are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses, and transfers.

The various funds of the Town are classified into two categories: governmental and proprietary. The emphasis on the 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:

1. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding element total for all funds of that category or type; and
2. The same element that met the 10 percent criterion in 1 above is at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

The major funds of the Town 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

Special Revenue Funds are used to account for the proceeds of government grants or other specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects of the Town. The following are the Town's major Special Revenue Funds:

The 1988 Sales Tax Fund is used to account for the receipts and use of proceeds of one percent (1%) sales and use tax, which is dedicated to operating, maintaining and purchasing of supplies for streets, drainage, public safety and any other lawful corporate purpose.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

The 2002 Sales Tax Fund is used to account for the receipts and use of proceeds of a one percent (1%) sales and use tax, which is dedicated to operating, maintaining and purchasing of supplies for streets, drainage, public safety, sanitation and any other lawful corporate purpose.

Proprietary Funds –

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon the determination of net income, financial position, and cash flows. The Town's propriety fund type is an enterprise 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 Sewer Fund comprises the Town's Enterprise Fund.

C. Measurement Focus/Basis of Accounting

The measurement focus determines the accounting and financial reporting treatment applied to a fund. The governmental and business-type activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The fund financial statements use either the current financial resources measurement focus or the economic resources measurement focus as appropriate. Governmental funds use the current financial resources measurement focus. The measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income. The measurement focus of the proprietary fund types, the flow of economic resources, is based upon determination of net income, net position and cash flows.

The accrual basis of accounting is used throughout the government-wide statements; conversely, the financial statements of the governmental funds have been prepared in accordance with the modified accrual basis of accounting, whereby revenues are recognized when considered both measurable and available to finance expenditures of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. An exception to this is grants collected on a reimbursement basis. Those reimbursable grants are recognized as revenue when reimbursable expenditures are made. The Town considers reimbursement amounts received within one year as

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

available. The Town accrues intergovernmental revenue, ad valorem and sales tax revenue, franchise fees, charges for services, and investment income based upon this concept. Expenditures generally are recognized when the related fund liabilities are incurred and become payable in the current period. Proceeds of debt are reported as other financing sources, and principal and interest on long-term debt, as well as expenditure related to compensated absences and claims and judgments, are recorded as expenditures when paid.

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

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the Town and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The financial statements of the enterprise funds have been prepared in accordance with the accrual basis of accounting. Accordingly, revenues are recorded when earned, and expenses and related liabilities are recorded when incurred.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash, cash equivalents and interest-bearing deposits

For purposes of the statement of net position, cash and cash equivalents include all demand accounts and certificates of deposits of the Town. Under state law, the Town may invest in United States bonds, treasury notes, or certificates. Investments are stated at amortized cost.

For the purpose of the proprietary fund statement of cash flows, “cash and cash equivalents” include all demand deposits and savings accounts, and time deposits or short-term investments with an original maturity of three months or less.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

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. Business-type activities report customer's utility service receivables as their major receivables.

Uncollectible utility service receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 2019, an allowance for utility service receivables was considered unnecessary due to immateriality.

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 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 position.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2019, are recorded as prepaid items.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the general and proprietary fund that are legally restricted as to their use.

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 \$5,000 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 July 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets have been valued at historical cost.

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

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	10 - 40 years
Infrastructure	20 years
Furniture, fixtures and equipment	5 years
Vehicles	5 years
Sewer system and improvements	20 - 50 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 liabilities in the government-wide statements. The long-term debt consists of revenue bonds payable and capital leases.

Long-term debt for governmental funds is not reported as liabilities 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

The Town does not accumulate unpaid vacation. Sick pay may be accumulated however it is not payable upon resignation or termination. Therefore, there are no compensated absences payable at June 30, 2019.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

Equity Classifications

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

1. Net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and deferred inflows and outflows.
2. Restricted net position consists of net position with constraints placed on the use either by external groups, such as creditors, grantors, and contributors, laws or regulations of other governments; or law through constitutional provisions or enabling legislation. It is the Town's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.
3. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

1. Nonspendable includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requiring they maintain intact.
2. Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, contributors or amounts constrained due to constitutional provisions or enabling legislation or the laws or regulations of other governments.
3. Committed includes fund balance amounts that can be used only for specific purposes that are internally imposed by the Town through formal legislative action of the Board of Aldermen and does not lapse at year end. A committed fund balance constraint can only be established, modified or rescinded by passage of an Ordinance (Law) by the Board of Aldermen.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

4. Assigned includes fund balance amounts that are constrained by the Town's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive from the Board of Aldermen and approval of a Resolution by the Board of Aldermen.
5. Unassigned includes fund balance amounts which have not been classified within the above-mentioned categories.

It is the Town's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Town uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

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

E. Revenues, Expenditures, and Expenses

Revenues

The Town considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The Town generally defines the availability period for revenue recognition as received within sixty (60) days of year end. The Town's major revenue sources that meet this availability criterion are intergovernmental revenues, franchise fees, tax revenue, and charges for services.

There are two classifications of programmatic revenues for the Town, grant revenue and program revenue. Grant revenues are revenues from federal, state, and private grants. These revenues are recognized when all applicable eligibility requirements are met and are reported as intergovernmental revenues. Program revenues are derived directly from the program itself or from parties outside the Town's taxpayers or citizenry, as a whole. Programs revenues reduce the cost of the function to be financed from the Town's general revenues. The primary sources of program revenue are fees, fines, and charges paid by recipients of goods or services, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and earned income in connection with the operation of the Town's utility system.

Interest income is recorded as earned in the fund holding the interest-bearing asset.

Substantially all other revenues are recorded when received.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

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. Nonoperating revenues are funds primarily provided by investing activities, such as financial institution interest income, gains on disposal of assets and insurance recoveries on property loss. Operating expenses are those expenses related to the production of revenue. Nonoperating expenses are those expenses not directly related to the production of revenue and include items such as interest expense and losses on disposal of assets.

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 Funds - By Operating and Nonoperating

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

Interfund Transfers

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

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 2
Sewer revenue	Debt service

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

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

amounts of revenues and expenditures during the reporting period. These estimates include assessing the collectability of accounts receivable and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

(2) Dedication of Proceeds and Flow of Funds – Sales and Use Tax

The proceeds of a one percent sales and use tax levied by the Town in 1988, which is dedicated to operating, maintaining and purchasing of supplies for streets, drainage, public safety and any other lawful corporate purpose.

The proceeds of a one percent sales and use tax levied by the Town in 2002, which is dedicated to operating, maintaining and purchasing of supplies for streets, drainage, public safety, sanitation and any other lawful corporate purpose.

(3) 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 direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

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 or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The Town does not have a policy for custodial credit risk; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security 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.

Bank balances	<u>\$ 2,095,735</u>
Insurance	\$ 500,000
Uninsured and collateral held by the pledging bank not in the Town's name	<u>1,595,735</u>
Total	<u>\$ 2,095,735</u>

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

(4) Restricted Assets

Restricted assets consisted of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Restricted assets:		
Sidewalk Construction Account	\$ 2,630	\$ -
LGAP Grant Funds	816	-
Revenue Reserve Account	-	48,602
Sinking Fund Account	-	194,574
Depreciation Account	-	9,676
	<u>\$ 3,446</u>	<u>\$ 252,852</u>

(5) Capital Assets

Capital asset activity was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 90,491	\$ -	\$ -	\$ 90,491
Construction in progress	3,176	-	-	3,176
Other capital assets:				
Buildings and improvements	1,156,023	-	-	1,156,023
Infrastructure	2,708,087	69,684	-	2,777,771
Furniture, fixtures and equipment	316,533	-	-	316,533
Vehicles	163,989	-	20,974	143,015
Totals	<u>4,438,299</u>	<u>69,684</u>	<u>20,974</u>	<u>4,487,009</u>
Less accumulated depreciation:				
Buildings and improvements	339,612	44,783	-	384,395
Infrastructure	991,054	94,775	-	1,085,829
Furniture, fixtures and equipment	248,283	19,179	-	267,462
Vehicles	139,571	5,982	20,974	124,579
Total accumulated depreciation	<u>1,718,520</u>	<u>164,719</u>	<u>20,974</u>	<u>1,862,265</u>
Governmental activities, capital assets, net	<u>\$2,719,779</u>	<u>\$ (95,035)</u>	<u>\$ -</u>	<u>\$2,624,744</u>

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

Depreciation expense was charged to governmental activities as follows:

General government	\$ 15,067
Police	15,523
Recreation	34,389
Fire	24,320
Streets	74,709
Health and sanitation	<u>711</u>
Total depreciation expense	<u>\$ 164,719</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 25,657	\$ -	\$ -	\$ 25,657
Other capital assets:				
Sewer lines	1,125,580	34,965	-	1,160,545
Sewer system	4,126,988	30,214	-	4,157,202
Equipment and vehicles	<u>115,213</u>	<u>-</u>	<u>3,052</u>	<u>112,161</u>
Totals	<u>5,393,438</u>	<u>65,179</u>	<u>3,052</u>	<u>5,455,565</u>
Less accumulated depreciation:				
Sewer lines	133,071	25,914	-	158,985
Sewer system	1,276,594	80,189	-	1,356,783
Equipment and vehicles	<u>100,907</u>	<u>4,281</u>	<u>3,052</u>	<u>102,136</u>
Total accumulated depreciation	<u>1,510,572</u>	<u>110,384</u>	<u>3,052</u>	<u>1,617,904</u>
Business-type activities, capital assets, net	<u>\$ 3,882,866</u>	<u>\$ (45,205)</u>	<u>\$ -</u>	<u>\$ 3,837,661</u>

Depreciation expense charged to the sewer function was \$110,384.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

(6) Changes in Long-Term Debt

The following is a summary of debt transactions of the Town:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amount due in one year</u>
Governmental activities					
Capital lease	\$ 23,209	\$ -	\$ 5,309	\$ 17,900	\$ 5,625
Business-type activities					
Revenue bonds	\$ 806,825	\$ -	\$ 48,000	\$ 758,825	\$ 48,000

Governmental activities

Capital lease payable consisted of the following:

	<u>Original Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding Balance</u>
2017 Ford Interceptor	\$ 29,900	7/31/2021	6.00%	\$ 17,900

The capital lease is due as follows:

<u>Year ending June 30,</u>	<u>Principal payments</u>	<u>Interest payments</u>	<u>Total</u>
2020	5,625	1,065	6,690
2021	5,960	730	6,690
2022	6,315	374	6,689
Total	\$ 17,900	\$ 2,169	\$ 20,069

Leased equipment under capital lease is included in capital assets as follows

2017 Ford Interceptor	\$ 29,900
Less accumulated depreciation	<u>(11,462)</u>
	<u>\$ 18,438</u>

Depreciation expense on equipment under capital lease was \$5,980.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

Business-type activities

Revenue bonds payable at June 30, 2019 are comprised of the following individual issue:

\$1,010,000 Revenue bonds, Series 2012 (DEQ) dated August 6, 2013, due in annual serial installments of \$46,000 to \$55,000 through August 2033; interest at .95% consisting of .45% interest rate and .50% DHH administrative fee, secured by sewer fund revenues.

\$ 758,825

Annual debt service requirements of bonds outstanding are as follows:

Year ending June 30,	Principal payments	Interest payments	Total
2020	\$ 48,000	\$ 7,592	\$ 55,592
2021	49,000	7,136	56,136
2022	49,000	6,675	55,675
2023	50,000	6,209	56,209
2024	50,000	5,264	55,264
2025-2029	259,000	19,027	278,027
2030-2034	<u>253,825</u>	<u>6,472</u>	<u>260,297</u>
Total	<u>\$ 758,825</u>	<u>\$ 58,375</u>	<u>\$ 817,200</u>

(7) Flow of Funds; Restrictions on Use – Utilities Revenues

Under the terms of the \$1,010,000 Sewer Revenue Bonds Series 2012, obligations shall be secured by and payable from a pledge and dedication of the revenues of the sewerage system, after payment of the reasonable and necessary expenses of operating and maintaining the System. The proceeds of the Town's one percent sales and use tax authorized to be levied pursuant to an election held on April 16, 2002, shall be applied to pay the reasonable and necessary costs of operating and maintaining the System.

Bond Sinking Fund

The Town is required to deposit into a Revenue Bond Sinking Fund each month, a sum equal to 1/12 of the principal, interest and administrative fee accruing on the Bonds.

Reserve Fund

The Reserve Fund is maintained solely for the purpose of paying the principal of and interest on the Bonds as to which would otherwise be default, by transferring a sum of at least 25% of the sum being paid monthly into the sinking fund until a sum equal to the Reserve Fund Requirement is on deposit.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

Revenue Bond Depreciation and Contingency Fund

The Contingency Fund is established to care for depreciation, extensions, additions, improvements and replacements necessary to operate the sewer system properly by transferring monthly, a sum of 5% of the amount to be paid into the Sinking Fund until such payments equal \$75,000.

(8) Compensation, Benefits and Other Payments to Mayor

A detail of compensation, benefits, and other payments made to Mayor Kenneth Pickett for the year ended June 30, 2019 as follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 36,000
Benefits - payroll taxes	2,754
Reimbursements	445
Travel	912
Total	<u>\$ 40,111</u>

(9) Compensation of Town Officials

A detail of compensation paid to the Board of Aldermen for the year ended June 30, 2019 follows:

<u>Elected Official</u>	<u>Term</u>	<u>Salary</u>	<u>Term Expiration</u>
Gaon Escude	4 years	\$ 2,400	December 31, 2022
Judy Bazert	4 years	2,400	December 31, 2022
Bruce Jackson	4 years	1,200	December 31, 2022
Roderick Perry	4 years	1,200	December 31, 2022
Shawn Wilson	4 years	1,200	December 31, 2022
Lucille Hayes	4 years	1,200	December 31, 2018
Judy James	4 years	1,200	December 31, 2018
Allison Ferguson	4 years	1,200	December 31, 2018
		<u>\$ 12,000</u>	

(10) On-Behalf Payments

The State of Louisiana paid the Town's policemen \$18,000 of supplemental pay during the year ended June 30, 2019. Such payments are recorded as intergovernmental revenues and public safety expenditures in the government-wide and General Fund financial statements.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

(11) Interfund Transactions

A. Interfund receivables and payables consisted of the following at June 30, 2019:

	<u>Receivable</u>	<u>Payable</u>
Governmental Funds:		
General Fund	\$ 701	\$ -
Enterprise funds:		
Sewer Utility Fund	-	701
Total	<u>\$ 701</u>	<u>\$ 701</u>

The amounts due to the General Fund from various other funds are for reimbursements owed for expenditures paid from those funds.

B. Transfers consisted of the following at June 30, 2019:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund	\$ 69,618	\$ -
Sales Tax 1988 Fund	-	69,618
Sales Tax 2002 Fund	-	30,800
Enterprise funds:		
Sewer Utility Fund	30,800	-
Total	<u>\$ 100,418</u>	<u>\$ 100,418</u>

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

(12) Litigation and Claims

At June 30, 2019, the Town was not involved in any lawsuits claiming damages that would not be adequately covered by liability insurance.

(13) Risk Management

The Town is exposed to various risk of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains commercial insurance coverage for each of these risks of loss. Management believes coverage is sufficient to preclude any significant uninsured losses to the Town. There have been no significant reductions in the insurance during the year, nor have settlements exceeded coverage for the past three years.

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

(14) New Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases. The statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after December 15, 2019. The effect of implementation on the Town's financial statements has not yet been determined.

**REQUIRED
SUPPLEMENTARY INFORMATION**

TOWN OF MANSURA, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Taxes	\$ 161,500	\$ 162,800	\$ 147,357	\$ (15,443)
Licenses and permits	79,500	104,000	120,489	16,489
Intergovernmental	82,800	93,800	119,955	26,155
Fines and forfeits	35,500	25,500	23,118	(2,382)
Chargers for services	20,000	12,000	18,000	6,000
Miscellaneous	<u>1,700</u>	<u>1,200</u>	<u>1,439</u>	<u>239</u>
Total revenues	<u>381,000</u>	<u>399,300</u>	<u>430,358</u>	<u>31,058</u>
Expenditures:				
General government	160,650	151,700	152,996	(1,296)
Public safety -				
Police	257,585	226,340	232,366	(6,026)
Fire	18,550	18,550	18,018	532
Recreation	18,000	17,800	10,276	7,524
Streets	116,955	122,300	141,546	(19,246)
Capital outlay	<u>-</u>	<u>19,000</u>	<u>-</u>	<u>19,000</u>
Total expenditures	<u>571,740</u>	<u>555,690</u>	<u>555,202</u>	<u>488</u>
Deficiency of revenues over expenditures	<u>(190,740)</u>	<u>(156,390)</u>	<u>(124,844)</u>	<u>31,546</u>
Other financing sources:				
Transfers in	<u>191,200</u>	<u>140,700</u>	<u>\$ 69,618</u>	<u>(71,082)</u>
Change in fund balance	460	(15,690)	(55,226)	(39,536)
Fund balance, beginning	<u>145,061</u>	<u>145,061</u>	<u>145,061</u>	<u>-</u>
Fund balance, ending	<u>\$ 145,521</u>	<u>\$ 129,371</u>	<u>\$ 89,835</u>	<u>\$ (39,536)</u>

TOWN OF MANSURA, LOUISIANA
Sales Tax 1988 Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Sales	\$ 277,500	\$ 277,500	\$ 299,371	\$ 21,871
Other	5,200	5,000	6,626	1,626
Total revenues	<u>282,700</u>	<u>282,500</u>	<u>305,997</u>	<u>23,497</u>
Expenditures:				
General government	32,000	39,425	42,242	(2,817)
Public safety -				
Police	41,625	34,925	28,387	6,538
Fire	41,625	40,630	25,395	15,235
Recreation	5,200	5,300	3,244	2,056
Streets	46,000	55,500	50,887	4,613
Capital outlay	-	-	5,665	(5,665)
Total expenditures	<u>166,450</u>	<u>175,780</u>	<u>155,820</u>	<u>19,960</u>
Excess of revenues over expenditures	<u>116,250</u>	<u>106,720</u>	<u>150,177</u>	<u>43,457</u>
Other financing sources (uses):				
Transfers out	<u>(116,250)</u>	<u>(101,700)</u>	<u>(69,618)</u>	<u>32,082</u>
Change in fund balance	-	5,020	80,559	75,539
Fund balances, beginning	<u>582,192</u>	<u>582,192</u>	<u>582,192</u>	<u>-</u>
Fund balances, ending	<u>\$ 582,192</u>	<u>\$ 587,212</u>	<u>\$ 662,751</u>	<u>\$ 75,539</u>

TOWN OF MANSURA, LOUISIANA
Sales Tax 2002 Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes -				
Sales	\$ 277,500	\$ 277,500	\$ 299,371	\$ 21,871
Other	5,200	5,200	7,735	2,535
Total revenues	<u>282,700</u>	<u>282,700</u>	<u>307,106</u>	<u>24,406</u>
Expenditures:				
General government	31,000	55,625	51,593	4,032
Public safety -				
Police	28,000	27,820	23,540	4,280
Fire	34,700	34,700	36,548	(1,848)
Streets	65,000	49,000	56,009	(7,009)
Culture and recreation	750	750	-	750
Capital outlay	-	64,100	64,019	81
Debt service	6,700	6,700	6,691	9
Total expenditures	<u>166,150</u>	<u>238,695</u>	<u>238,400</u>	<u>295</u>
Excess of revenues over expenditures	<u>116,550</u>	<u>44,005</u>	<u>68,706</u>	<u>24,701</u>
Other financing uses:				
Transfers out	<u>(112,125)</u>	<u>(85,050)</u>	<u>(30,800)</u>	<u>54,250</u>
Change in fund balance	4,425	(41,045)	37,906	78,951
Fund balances, beginning	<u>855,192</u>	<u>855,192</u>	<u>855,192</u>	<u>-</u>
Fund balances, ending	<u>\$ 859,617</u>	<u>\$ 814,147</u>	<u>\$ 893,098</u>	<u>\$ 78,951</u>

TOWN OF MANSURA, LOUISIANA

Notes to the Required Supplementary Information
For the Year Ended June 30, 2019

(1) Budget and Budgetary Accounting

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

1. The Mayor meets with the Alderman and Town Clerk to review the prior year revenue and expenditures as a basis for projecting the current fiscal year budget.
2. Anticipated changes from the prior year are taken into account and reflected in the projections.
3. Once adopted, the budget is made available for public inspection and a budget summary is published in the Town's designated official journal.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. Budgets are prepared for the General Fund and Special Revenue Funds utilizing generally accepted accounting principles. Budgeted amounts are as originally adopted or as amended by the Board of Alderman. Such amendments were not material in relation to the original appropriation.

OTHER FINANCIAL INFORMATION

TOWN OF MANSURA, LOUISIANA

Nonmajor Capital Projects Funds
 Combining Balance Sheet
 June 30, 2019

	<u>Recreation and Parks</u>	<u>LCDBG Fire Protection</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents	<u>\$ 5</u>	<u>\$ 61</u>	<u>\$ 66</u>
FUND BALANCES			
Restricted	<u>\$ 5</u>	<u>\$ 61</u>	<u>\$ 66</u>

TOWN OF MANSURA, LOUISIANA

Nonmajor Capital Projects Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2019

	<u>Recreation and Parks</u>	<u>LCDBG Fire Protection</u>	<u>Totals</u>
Revenues:			
Miscellaneous	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:			
General government	-	-	-
Recreation	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues over expenditures	-	-	-
Fund balances, beginning	<u>5</u>	<u>61</u>	<u>66</u>
Fund balances, ending	<u>\$ 5</u>	<u>\$ 61</u>	<u>\$ 66</u>

TOWN OF MANSURA, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General government -				
Administration:				
Salaries and per diem	\$ 101,000	\$ 101,000	\$ 99,801	\$ 1,199
Payroll taxes	8,700	14,600	8,106	6,494
Insurance	10,000	1,500	9,460	(7,960)
Office supplies and expenses	2,000	2,000	3,010	(1,010)
Legal and professional fees	15,500	13,000	12,000	1,000
Telephone and utilities	-	1,500	2,173	(673)
Travel and conventions	4,000	4,000	4,133	(133)
Repairs and maintenance	-	4,000	5,998	(1,998)
Advertising	2,000	2,000	2,162	(162)
Dues and subscriptions	250	700	939	(239)
Contract labor	100	300	312	(12)
Janitorial supplies	1,000	1,000	-	1,000
Magistrate	1,000	1,000	1,000	-
Miscellaneous	15,100	5,100	3,902	1,198
Total general government	<u>160,650</u>	<u>151,700</u>	<u>152,996</u>	<u>(1,296)</u>
Public safety -				
Police:				
Salaries	226,085	199,140	209,923	(10,783)
Payroll taxes	26,500	26,500	22,027	4,473
Prisoner feeding	5,000	-	-	-
Law enforcement & conviction	-	200	140	60
Miscellaneous	-	500	276	224
Total police	<u>257,585</u>	<u>226,340</u>	<u>232,366</u>	<u>(6,026)</u>
Fire:				
Salaries	17,150	17,150	16,708	442
Payroll taxes	1,400	1,400	1,310	90
Total fire	<u>18,550</u>	<u>18,550</u>	<u>18,018</u>	<u>532</u>

(continued)

TOWN OF MANSURA, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Recreation -				
Defosse House - Insurance	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Defosse House - Maintenance and repairs	500	500	180	320
Defosse House - Utilities	250	250	103	147
Pavillion - Materials and supplies	1,000	1,000	498	502
Pavillion - Repairs and maintenance	5,000	3,500	698	2,802
Pavillion - Bookings	1,200	2,500	2,260	240
Pavillion - Other	1,450	1,450	740	710
Pavillion - Utilities	6,500	4,500	3,341	1,159
Senior Center - Insurance	-	-	20	(20)
Senior Center - Utilities	-	-	361	(361)
Library - Utilities	-	-	3	(3)
Miscellaneous	1,100	3,100	2,072	1,028
Total recreation	<u>18,000</u>	<u>17,800</u>	<u>10,276</u>	<u>7,524</u>
Streets -				
Salaries	101,455	106,000	108,385	(2,385)
Payroll expenses	15,500	16,300	18,038	(1,738)
Legal and professional fees	-	-	2,543	(2,543)
Repairs and maintenance	-	-	12,580	(12,580)
Total streets	<u>116,955</u>	<u>122,300</u>	<u>141,546</u>	<u>(19,246)</u>
Capital outlay -				
General government	<u>-</u>	<u>19,000</u>	<u>-</u>	<u>19,000</u>
Total expenditures	<u>\$ 571,740</u>	<u>\$ 555,690</u>	<u>\$ 555,202</u>	<u>\$ 488</u>

TOWN OF MANSURA, LOUISIANA
Sales Tax 1988 Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
General government -				
Administration:				
Insurance	\$ -	\$ -	\$ 3,524	\$ (3,524)
Office supplies and expenses	1,000	1,100	996	104
Legal and professional fees	10,000	13,000	12,490	510
Telephone and utilities	16,500	16,000	17,169	(1,169)
Travel and conventions	-	200	330	(130)
Collection fees	4,000	6,625	4,397	2,228
Repairs and maintenance	-	500	363	137
Janitorial supplies	-	1,500	1,906	(406)
Miscellaneous	500	500	1,067	(567)
Total general government	<u>32,000</u>	<u>39,425</u>	<u>42,242</u>	<u>(2,817)</u>
Public safety -				
Police:				
Insurance	2,200	-	200	(200)
Office supplies and expenses	-	-	282	(282)
Telephone and utilities	2,600	1,500	1,314	186
Travel and conventions	2,500	1,000	1,082	(82)
Fuel	18,000	16,000	13,831	2,169
Supplies	3,325	2,725	2,798	(73)
Automobile expense	8,000	8,000	5,574	2,426
Miscellaneous	5,000	5,700	3,306	2,394
Total police	<u>41,625</u>	<u>34,925</u>	<u>28,387</u>	<u>6,538</u>
Fire:				
Sales tax proceeds to volunteer fire dept	<u>41,625</u>	<u>40,630</u>	<u>25,395</u>	<u>15,235</u>

(continued)

TOWN OF MANSURA, LOUISIANA
Sales Tax 1988 Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Recreation -				
Senior Center - insurance	\$ 400	\$ 400	\$ -	\$ 400
Senior Center - utilities	4,600	4,600	2,921	1,679
Senior Center - miscellaneous	200	200	120	80
Library - Repairs and maintenance	-	-	170	(170)
Library - Utilities and telephone	-	100	33	67
Total recreation	<u>5,200</u>	<u>5,300</u>	<u>3,244</u>	<u>2,056</u>
Streets -				
Fuel	10,000	10,000	7,627	2,373
Auto repairs and maintenance	-	1,000	-	1,000
Equipment repairs and maintenance	-	4,500	3,414	1,086
Repairs and maintenance	-	6,000	584	5,416
Supplies	5,000	5,000	7,488	(2,488)
Telephone and utilities	29,000	27,000	31,774	(4,774)
Miscellaneous	2,000	2,000	-	2,000
Total streets	<u>46,000</u>	<u>55,500</u>	<u>50,887</u>	<u>4,613</u>
Capital outlay:				
Streets	-	-	5,665	(5,665)
Total expenditures	<u>\$ 166,450</u>	<u>\$ 175,780</u>	<u>\$ 155,820</u>	<u>\$ 19,960</u>

TOWN OF MANSURA, LOUISIANA
Sales Tax 2002 Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
General government -				
Administration:				
General liability insurance	\$ -	\$ 22,500	\$ 21,326	\$ 1,174
Office supplies and expenses	3,500	4,000	6,837	(2,837)
Telephone and utilities	-	-	668	(668)
Legal and professional fees	8,500	10,000	9,500	500
Travel and conventions	3,500	3,500	1,404	2,096
Contract labor	1,000	500	165	335
Collection fees	4,000	6,625	4,397	2,228
Dues and subscriptions	3,500	3,500	4,991	(1,491)
Repairs and maintenance	5,000	2,500	1,290	1,210
CLECO building expenses	500	-	-	-
Miscellaneous	1,500	2,500	1,015	1,485
Total general government	<u>31,000</u>	<u>55,625</u>	<u>51,593</u>	<u>4,032</u>
Public safety -				
Police:				
General liability insurance	12,800	15,270	11,279	3,991
Office supplies and expenses	3,000	3,000	2,895	105
Telephone and utilities	5,500	4,500	4,633	(133)
Dues and subscriptions	800	800	225	575
Repairs and maintenance	4,300	2,750	3,001	(251)
Uniforms	1,600	1,500	1,507	(7)
Total police	<u>28,000</u>	<u>27,820</u>	<u>23,540</u>	<u>4,280</u>
Fire:				
Sales tax proceeds to volunteer fire dept	<u>34,700</u>	<u>34,700</u>	<u>36,548</u>	<u>(1,848)</u>

TOWN OF MANSURA, LOUISIANA
Sales Tax 2002 Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Recreation -				
Pavillion-insurance	750	750	-	750
Streets -				
General liability insurance	11,000	12,500	9,609	2,891
Contract labor	1,000	500	-	500
Feeding prisoners	5,000	4,000	3,884	116
Waste management	4,500	4,500	4,386	114
Fuel	2,500	2,000	4,834	(2,834)
Auto repairs and maintenance	7,500	4,000	8,073	(4,073)
Equipment repairs and maintenance	15,000	10,000	12,816	(2,816)
Supplies	500	3,000	7,537	(4,537)
Uniforms	3,000	3,500	4,870	(1,370)
Telephone and utilities	15,000	5,000	-	5,000
Total streets	<u>65,000</u>	<u>49,000</u>	<u>56,009</u>	<u>(7,009)</u>
Capital outlay -				
Streets	-	64,100	64,019	81
Debt service	6,700	6,700	6,691	9
Total expenditures	<u>\$ 166,150</u>	<u>\$ 238,695</u>	<u>\$ 238,400</u>	<u>\$ 295</u>

INTERNAL CONTROL, COMPLIANCE

AND

OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

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

WWW.KCSRCPAS.COM

The Honorable Kenneth Pickett, Sr., Mayor
and Members of the Board of Aldermen
Town of Mansura, 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, each major fund and the aggregate remaining fund information of the Town of Mansura, Louisiana ("the Town") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated December 17, 2019.

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 of the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 were not identified. However, as described in the accompanying schedule of current and prior year audit findings and corrective action plan, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2019-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as items 2019-002 and 2019-003 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Mansura's financial statements are free from 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 statements 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of current prior year audit findings and management corrective action plan as item 2019-004.

Town of Mansura, 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 Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 17, 2019

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

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

A. Internal Control Over Financial Reporting

2019-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 2014

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

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

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

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

RECOMMENDATION: Management should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: We evaluated the cost vs. benefit of fully segregating accounting functions and determined that it would not be cost effective to fully segregate these functions. We evaluated our processes, and to the extent practicable with our current staffing level, have reassigned duties and functions and have created compensating controls. While this may not be sufficient to eliminate this finding, we feel that we have taken appropriate steps to reduce the financial statement risk caused by inadequate segregation of accounting functions.

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

2019-002 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: 2014

CONDITION: The Town does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

CRITERIA: AU-C §265.A37 identifies the following as a deficiency in the design of (internal) controls:

“... in an entity that prepares financial statements in accordance with generally accepted accounting principles, the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.”

CAUSE: The cause of the condition is the result of a failure to design or implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Financial statements and related supporting transactions may reflect a 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 CORRECTIVE ACTION PLAN: We evaluated the cost vs. benefit of establishing enhanced controls over financial reporting and determined that it would not be cost effective to enhance these controls. Currently, our financial staff receive annual training related to their job duties. Additionally, we carefully review the financial statements, related notes and all proposed journal entries. All questions are adequately answered by our Auditors to allow us to appropriately supervise these functions. We feel that we have taken appropriate steps to reduce the financial statement risk cause by this finding.

2019-003 Tickets/Citations Collections

Fiscal year finding initially occurred: 2019

CONDITION: The Town of Mansura failed to maintain adequate subsidiary ledgers for tickets issued, outstanding and amounts due.

CRITERIA: Internal control best practices for local governments issued by the Louisiana Legislative Auditor's Office.

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

CAUSE: The cause of the condition is failure to implement proper internal controls regarding fines collected and proper oversight of tickets uncollected/balances owed.

EFFECT: Failure to account for all ticket and citation collections increases the risk that errors and/or irregularities including fraud may occur and not be prevented or detected timely. In addition, the Town could potentially be in violation of state laws regarding the collections of ticket.

RECOMMENDATION: We recommend that the Town implement internal controls to ensure that all tickets and citations are accounted for and daily and monthly reconciliations of fines collected and outstanding are performed. Additionally, the Town and the Chief of Police should work together to develop and implement a formal process that will require a planned, periodic assessment of ticket/citation data and fines collected to identify problems and resolve them in a timely manner.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Town will work with the police chief to ensure that all tickets are properly accounted for and collections are properly recorded for all tickets/citations in accordance with state law.

B. Compliance

2019-004 Bond Compliance

Fiscal year finding initially occurred: 2018

CONDITION: The Town did not make all of the payments to their Sinking Fund and Depreciation and Contingency Funds timely.

CRITERIA: Compliance requirements related to their Sewer Revenue Bonds.

CAUSE: The Town did not effectively monitor the monthly payments to ensure they were being made timely.

EFFECT: The Town was not in compliance with their debt covenants.

RECOMMENDATION: The Town should monitor the payments to ensure that they are being remitted timely.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Mayor will monitor the monthly transfers more closely to ensure that they are being remitted timely.

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2018-001 Inadequate Segregation of Functions

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

RECOMMENDATION: Management should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

CURRENT STATUS: Unresolved. See item 2019-001.

2018-002 Application of Generally Accepted Accounting Principles (GAAP)

CONDITION: The Town of Mansura does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

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.

CURRENT STATUS: Unresolved. See item 2019-002.

B. Compliance

2018-003 Budget Adoption

CONDITION: The Town did not comply with all the provisions of the Local Government Budget Act when adopting their budget.

RECOMMENDATION: The Town should ensure compliance with all provisions of the Local Government Budget Act by advertising in the Town's official journal the availability of the budget for public inspection and prepare the proper budget adoption instrument.

CURRENT STATUS: Resolved.

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

2018-004 Budget Compliance

Fiscal year finding initially occurred: 2017

CONDITION: A budget variance in excess of 5% occurred in the General Fund.

RECOMMENDATION: The Town should periodically compare actual activity to budgeted amounts and adopt budgetary amendments as necessary to cause compliance with state statute.

CURRENT STATUS: Resolved.

2018-005 Property Tax

CONDITION: The Town has delinquent property taxes which have not been advertised for sale.

RECOMMENDATION: The Town should take steps to ensure all delinquent property taxes are collected.

CURRENT STATUS: Resolved.

2018-006 Bond Compliance

CONDITION: The Town did not make all of the payments to their Sinking Fund and Depreciation and Contingency Funds as required by their debt agreements.

RECOMMENDATION: The Town should monitor the payments to ensure that they are being made in a timely manner.

CURRENT STATUS: Not resolved. See item 2019-004.

TOWN OF MANSURA
Mansura, Louisiana

Agreed-Upon Procedures Report

Fiscal Period July 1, 2018 through June 30, 2019

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Alderman of the
Town of Mansura, Louisiana, and the
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Town of Mansura (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity, including** (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Board or Finance Committee

- 2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) We observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- b) For those entities reporting on the governmental accounting model, we observed that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- c) For governmental entities, we obtained the prior year audit report and observed the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

- 4. Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtained supporting documentation for each of the 10 deposits and:
- a) Observed that receipts are sequentially pre-numbered.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.
 - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Traced the actual deposit per the bank statement to the general ledger.

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

8. Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observed that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:
- a) Observed that the disbursement matched the related original invoice/billing statement.
 - b) Observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

11. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.
12. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
- a) Observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed that it is supported by

(1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

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

14. Obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtained management’s representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
- a) Observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observed that the original contract terms provided for such an amendment.

- d) Randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

- 16. Obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtained attendance records and leave documentation for the pay period, and:
 - a) Observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18. Obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulate leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
- 19. Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained ethics documentation from management, and:
 - a. Observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

- b. Observed that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

- 21. Obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all bonds/notes on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.
- 22. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants.

Other

- 23. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
- 24. Observed that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings:

In accordance with the Statewide Agreed-Upon Procedures, certain categories may be excluded from testing. Therefore, the following categories were not tested this year: Travel and Travel-Related Expense Reimbursements, Contracts, Debt Service, and Other.

No exceptions were found as a result of applying procedures listed above except:

Written Policies:

The Town of Mansura does not have written policies and procedures addressing how vendors are added to the Town's vendor lists.

The Town of Mansura does not have written policies and procedures addressing receipts.

The Town of Mansura does not have written policies and procedures addressing payroll processing.

The Town of Mansura does not have written policies and procedures addressing the requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

The Town of Mansura does not have written policies and procedures addressing disaster recover/business continuity.

Board:

Minutes did not reference or include monthly budget-to-actual comparisons on the general fund, major special revenue funds, and the major propriety fund of the Town.

Bank Reconciliations:

There was no documentation available reflecting that the Town of Mansura has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Collections:

Employees of the Town of Mansura responsible for collecting cash are responsible for preparing/making bank deposits.

Employees of the Town of Mansura responsible for collecting cash are responsible for posting collection entries to the general ledger.

Non-Payroll Disbursements:

The Town of Mansura does not have at least two employees involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Town of Mansura disbursement documentation did not include evidence of segregation of duties.

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

The Town of Mansura could not provide evidence of the monthly debit card statement being reviewed and approved, in writing, by someone other than the authorized card holder.

For 9 out of 9 debit transactions selected for testing, the Town of Mansura could not provide an original itemized receipt that identifies precisely what was purchased.

For 2 out of 2 credit transactions selected for testing, the Town of Mansura did not have written documentation of the business/public purpose of the transactions.

Payroll and Personnel:

The Town of Mansura does not have written employee contracts for employee files.

Ethics:

2 out of 5 Town of Mansura employees did not complete one hour of ethics training during the fiscal period.

There was no documentation available to demonstrate that each employee attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Management's Response:

Management of the Town of Mansura concurs with the exceptions and are working to address the deficiencies identified.

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

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 17, 2019