

**TOWN OF MANSURA, LOUISIANA**

Financial Report

Year Ended June 30, 2020

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## 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, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **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.

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

### *Other 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 18, 2020 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 18, 2020

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**

TOWN OF MANSURA, LOUISIANA

Statement of Net Position

June 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,196,190	\$ 140,287	\$ 1,336,477
Interest bearing deposits	400,000	100,000	500,000
Receivables	63,225	16,131	79,356
Due from other governmental agencies	24,251	-	24,251
Restricted assets:			
Cash and cash equivalents	12,446	192,195	204,641
Capital assets:			
Non depreciable capital assets	90,491	25,657	116,148
Depreciable capital assets, net	<u>2,425,821</u>	<u>3,718,319</u>	<u>6,144,140</u>
Total assets	<u>4,212,424</u>	<u>4,192,589</u>	<u>8,405,013</u>
LIABILITIES			
Accounts and other payables	41,352	1,115	42,467
Due to other governmental agencies	1,347	-	1,347
Deposits	1,600	-	1,600
Long-term liabilities:			
Portion due within one year -			
Capital lease payable	5,960	-	5,960
Bonds payable	-	49,000	49,000
Portion due after one year -			
Capital lease payable	6,315	-	6,315
Bonds payable	<u>-</u>	<u>661,825</u>	<u>661,825</u>
Total liabilities	<u>56,574</u>	<u>711,940</u>	<u>768,514</u>
NET POSITION			
Net investment in capital assets	2,504,037	3,033,151	5,537,188
Restricted for:			
Debt service	-	192,195	192,195
Other purposes	12,512	-	12,512
Unrestricted	<u>1,639,301</u>	<u>255,303</u>	<u>1,894,604</u>
Total net position	<u>\$ 4,155,850</u>	<u>\$ 3,480,649</u>	<u>\$ 7,636,499</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, 2020

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	\$ 258,203	\$ -	\$ 8,186	\$ (250,017)	\$ -	\$ (250,017)
Public safety:						
Police	331,795	29,227	23,933	(278,635)	-	(278,635)
Fire	99,749	-	-	(99,749)	-	(99,749)
Recreation	75,583	7,125	-	(68,458)	-	(68,458)
Streets	314,423	-	-	(314,423)	-	(314,423)
Health and sanitation	711	-	-	(711)	-	(711)
Total governmental activities	1,080,464	36,352	32,119	(1,011,993)	-	(1,011,993)
Business-type activities:						
Sewer	273,977	189,583	-	-	(84,394)	(84,394)
Total	\$ 1,354,441	\$ 225,935	\$ 32,119	(1,011,993)	(84,394)	(1,096,387)
General revenues:						
Taxes -						
Property taxes, levied for general purposes				48,695	-	48,695
Sales and use taxes, levied for general purposes				507,938	-	507,938
Franchise taxes				98,929	-	98,929
Gain/(Loss) on sale of asset				630	-	630
Intergovernmental				120,009	-	120,009
Licenses and permits				110,480	-	110,480
Interest and investment earnings				14,285	1,618	15,903
Miscellaneous				21,773	-	21,773
Transfers				(7,490)	7,490	-
Total general revenues and transfers				915,249	9,108	924,357
Change in net position				(96,744)	(75,286)	(172,030)
Net position, beginning				4,252,594	3,555,935	7,808,529
Net position, ending				\$ 4,155,850	\$ 3,480,649	\$ 7,636,499

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, 2020

	General	Sales Tax 1988	Sales Tax 2002	Other Governmental Funds	Totals
<b>Assets:</b>					
Cash and cash equivalents	\$ 61,033	\$ 414,942	\$ 720,149	\$ 66	\$ 1,196,190
Interest bearing deposits	-	200,000	200,000	-	400,000
Cash - restricted	12,446	-	-	-	12,446
<b>Receivables:</b>					
Franchise fees	19,163	-	-	-	19,163
Taxes	-	22,031	22,031	-	44,062
Due from other governmental agencies	24,251	-	-	-	24,251
<b>Total assets</b>	<b>\$ 116,893</b>	<b>\$ 636,973</b>	<b>\$ 942,180</b>	<b>\$ 66</b>	<b>\$ 1,696,112</b>
<b>Liabilities:</b>					
Accounts and other payables	\$ 40,630	\$ 392	\$ 330	\$ -	\$ 41,352
Deposits	1,600	-	-	-	1,600
Due to other governmental agencies	-	-	1,347	-	1,347
<b>Total liabilities</b>	<b>42,230</b>	<b>392</b>	<b>1,677</b>	<b>-</b>	<b>44,299</b>
<b>Fund balances:</b>					
<b>Restricted for:</b>					
Other purposes	12,446	-	-	66	12,512
Unassigned	62,217	636,581	940,503	-	1,639,301
<b>Total fund balances</b>	<b>74,663</b>	<b>636,581</b>	<b>940,503</b>	<b>66</b>	<b>1,651,813</b>
<b>Total liabilities and fund balances</b>	<b>\$ 116,893</b>	<b>\$ 636,973</b>	<b>\$ 942,180</b>	<b>\$ 66</b>	<b>\$ 1,696,112</b>

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, 2020

Total fund balances for governmental funds	\$ 1,651,813
Capital assets, net	2,516,312
Long-term liabilities:	
Capital lease payable	<u>(12,275)</u>
Total net position of governmental activities at June 30, 2020	<u>\$ 4,155,850</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, 2020

	General	Sales Tax 1988	Sales Tax 2002	Other Governmental Funds	Totals
<b>Revenues:</b>					
Taxes	\$ 147,624	\$ 253,969	\$ 253,969	\$ -	\$ 655,562
Licenses and permits	110,480	-	-	-	110,480
Intergovernmental	152,128	-	-	-	152,128
Fines and forfeits	29,227	-	-	-	29,227
Charges for services	7,125	-	-	-	7,125
Miscellaneous	21,915	6,754	7,389	-	36,058
Total revenues	<u>468,499</u>	<u>260,723</u>	<u>261,358</u>	<u>-</u>	<u>990,580</u>
<b>Expenditures:</b>					
General government	181,663	32,350	29,497	-	243,510
Public safety:					
Police	271,026	31,530	13,716	-	316,272
Fire	17,758	30,720	26,952	-	75,430
Recreation	38,491	2,704	-	-	41,195
Streets	140,927	38,467	47,112	-	226,506
Capital outlay	6,466	55,498	6,139	-	68,103
Debt service	-	-	6,811	-	6,811
Total expenditures	<u>656,331</u>	<u>191,269</u>	<u>130,227</u>	<u>-</u>	<u>977,827</u>
Excess (deficiency) of revenues over expenditures	<u>(187,832)</u>	<u>69,454</u>	<u>131,131</u>	<u>-</u>	<u>12,753</u>
<b>Other financing sources (uses):</b>					
Proceeds from sale of asset	800	-	-	-	800
Transfers in	171,860	-	-	-	171,860
Transfers out	-	(95,624)	(83,726)	-	(179,350)
Total other financing sources (uses)	<u>172,660</u>	<u>(95,624)</u>	<u>(83,726)</u>	<u>-</u>	<u>(6,690)</u>
Net changes in fund balances	(15,172)	(26,170)	47,405	-	6,063
Fund balances, beginning	<u>89,835</u>	<u>662,751</u>	<u>893,098</u>	<u>66</u>	<u>1,645,750</u>
Fund balances, ending	<u>\$ 74,663</u>	<u>\$ 636,581</u>	<u>\$ 940,503</u>	<u>\$ 66</u>	<u>\$1,651,813</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, 2020

Total net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$	6,063
Capital assets:			
Capital outlay	\$	55,346	
Depreciation expense		<u>(163,608)</u>	(108,262)
Transactions involving capital assets:			
Effect of disposition of asset			(170)
Long-term liabilities:			
Repayment of capital lease payable			<u>5,625</u>
Total change in net position per Statement of Activities		\$	<u>(96,744)</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, 2020

	<u>Sewer Utility</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 140,287
Interest bearing deposits	100,000
Accounts receivable	<u>16,131</u>
Total current assets	<u>256,418</u>
Noncurrent assets:	
Restricted assets -	
Cash and cash equivalents	192,195
Capital assets -	
Non depreciable capital assets	25,657
Depreciable capital assets, net	<u>3,718,319</u>
Total noncurrent assets	<u>3,936,171</u>
Total assets	<u>\$ 4,192,589</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts and other payables	1,115
Payable from restricted assets -	
Revenue bonds	<u>49,000</u>
Total current liabilities	50,115
Noncurrent liabilities:	
Revenue bonds payable	<u>661,825</u>
Total liabilities	<u>711,940</u>
<b>NET POSITION</b>	
Net investment in capital assets	3,033,151
Restricted for:	
Debt service	192,195
Unrestricted	<u>255,303</u>
Total net position	<u>\$ 3,480,649</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, 2020

	<u>Sewer Utility</u>
Operating revenues:	
Charges for services -	
Sewer fees	\$ 189,583
Operating expenses:	
Salaries and related benefits	41,387
General liability insurance	9,541
Dues and subscriptions	591
Maintenance and repairs	40,266
Supplies	18,403
EPA reports	4,549
Legal and professional	6,155
Utilities and telephone	30,008
Gas and oil	3,612
Depreciation expense	110,239
Miscellaneous	2,245
Total operating expenses	<u>266,996</u>
Operating loss	<u>(77,413)</u>
Nonoperating revenues (expenses):	
Interest income	1,618
Interest expense	<u>(6,981)</u>
Total nonoperating revenues (expenses)	<u>(5,363)</u>
Loss before transfers	<u>(82,776)</u>
Operating transfers:	
Transfers in	<u>7,490</u>
Change in net position	(75,286)
Net position, beginning	<u>3,555,935</u>
Net position, ending	<u>\$ 3,480,649</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, 2020

	<u>Sewer Utility</u>
Cash flows from operating activities:	
Receipts from customers	\$ 188,879
Payments to suppliers	(122,579)
Payments to employees	(41,387)
Other receipts	<u>(701)</u>
Net cash provided by operating activities	<u>24,212</u>
Cash flows from noncapital financing activities:	
Cash received from other funds	<u>7,490</u>
Cash flows from capital and related financing activities:	
Principal paid on revenue bond	(48,000)
Interest and fiscal charges paid on revenue bonds	(6,981)
Acquisition of property, plant and equipment	<u>(16,554)</u>
Net cash used by capital and related financing activities	<u>(71,535)</u>
Cash flows from investing activities:	
Interest received on interest-bearing deposits	<u>1,618</u>
Net change in cash and cash equivalents	(38,215)
Cash and cash equivalents, beginning of period	<u>370,697</u>
Cash and cash equivalents, end of period	<u>\$ 332,482</u>

(continued)

TOWN OF MANSURA, LOUISIANA

Statement of Cash Flows  
 Proprietary Fund - Enterprise Fund  
 For the Year Ended June 30, 2020

	<u>Sewer Utility</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (77,413)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	110,239
Changes in current assets and liabilities:	
Increase in accounts receivable	(704)
Decrease in amount due to other funds	(701)
Decrease in accounts payable	<u>(7,209)</u>
Net cash provided by operating activities	<u>\$ 24,212</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	\$ 117,845
Cash - restricted	<u>252,852</u>
Total cash and cash equivalents, beginning of period	<u>370,697</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	140,287
Cash - restricted	<u>192,195</u>
Total cash and cash equivalents, end of period	<u>332,482</u>
Net change in cash and cash equivalents	<u>\$ (38,215)</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, and charges for services 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, 2020, 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, 2020, 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, 2020.

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	\$ 2,055,009
Insurance	\$ 750,000
Uninsured and collateral held by the pledging bank not in the Town's name	1,305,009
Total	\$ 2,055,009

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	9,816	-
Revenue Reserve Account	-	30,000
Sinking Fund Account	-	87,195
Depreciation Account	-	75,000
	<u>\$ 12,446</u>	<u>\$ 192,195</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	3,176	-	1,159,199
Infrastructure	2,777,771	-	-	2,777,771
Furniture, fixtures and equipment	316,533	-	1,071	315,462
Vehicles	143,015	55,346	-	198,361
Totals	<u>4,487,009</u>	<u>58,522</u>	<u>4,247</u>	<u>4,541,284</u>
Less accumulated depreciation:				
Buildings and improvements	384,395	44,628	-	429,023
Infrastructure	1,085,829	87,098	-	1,172,927
Furniture, fixtures and equipment	267,462	17,600	901	284,161
Vehicles	124,579	14,282	-	138,861
Total accumulated depreciation	<u>1,862,265</u>	<u>163,608</u>	<u>901</u>	<u>2,024,972</u>
Governmental activities, capital assets, net	<u>\$ 2,624,744</u>	<u>(105,086)</u>	<u>3,346</u>	<u>\$ 2,516,312</u>

TOWN OF MANSURA, LOUISIANA

Notes to Basic Financial Statements

Depreciation expense was charged to governmental activities as follows:

General government	\$ 14,693
Police	15,523
Recreation	34,388
Fire	24,319
Streets	73,974
Health and sanitation	711
Total depreciation expense	<u>\$ 163,608</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	1,160,545	-	-	1,160,545
Sewer system	4,157,202	-	-	4,157,202
Equipment and vehicles	112,161	16,554	-	128,715
Totals	<u>5,455,565</u>	<u>16,554</u>	<u>-</u>	<u>5,472,119</u>
Less accumulated depreciation:				
Sewer lines	158,985	26,554	-	185,539
Sewer system	1,356,783	80,391	-	1,437,174
Equipment and vehicles	102,136	3,294	-	105,430
Total accumulated depreciation	<u>1,617,904</u>	<u>110,239</u>	<u>-</u>	<u>1,728,143</u>
Business-type activities, capital assets, net	<u>\$ 3,837,661</u>	<u>\$ (93,685)</u>	<u>\$ -</u>	<u>\$ 3,743,976</u>

Depreciation expense charged to the sewer function was \$110,239.

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	<u>\$ 17,900</u>	<u>\$ -</u>	<u>\$ 5,625</u>	<u>\$ 12,275</u>	<u>\$ 5,960</u>
Business-type activities					
Revenue bonds	<u>\$ 758,825</u>	<u>\$ -</u>	<u>\$ 48,000</u>	<u>\$ 710,825</u>	<u>\$ 49,000</u>
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	<u>\$ 29,900</u>	<u>7/31/2021</u>	<u>6.00%</u>	<u>\$ 12,275</u>

The capital lease is due as follows:

<u>Year ending June 30,</u>	<u>Principal payments</u>	<u>Interest payments</u>	<u>Total</u>
2021	\$ 5,960	\$ 730	\$ 6,690
2022	6,315	374	6,689
Total	<u>\$ 12,275</u>	<u>\$ 1,104</u>	<u>\$ 13,379</u>

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

2017 Ford Interceptor	\$ 29,900
Less accumulated depreciation	<u>(17,442)</u>
	<u>\$ 12,458</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, 2020 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.

\$ 710,825

Annual debt service requirements of bonds outstanding are as follows:

Year ending June 30,	Principal payments	Interest payments	Total
2021	\$ 49,000	\$ 6,520	\$ 55,520
2022	49,000	6,055	55,055
2023	50,000	5,584	55,584
2024	50,000	5,109	55,109
2025	51,000	4,630	55,630
2026-2030	261,000	15,786	276,786
2031-2034	200,825	3,658	204,483
Total	<u>\$710,825</u>	<u>\$ 47,342</u>	<u>\$758,167</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, 2020 as follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 36,000
Benefits - payroll taxes	2,754
Dues	100
Cell phone	496
Travel	437
Total	<u>\$ 39,787</u>

(9) Compensation of Town Officials

A detail of compensation paid to the Board of Aldermen for the year ended June 30, 2020 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	2,400	December 31, 2022
Roderick Perry	4 years	2,400	December 31, 2022
Shawn Wilson	4 years	2,400	December 31, 2022
		<u>\$ 12,000</u>	

(10) On-Behalf Payments

The State of Louisiana paid the Town's policemen \$23,933 of supplemental pay during the year ended June 30, 2020. 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

Transfers consisted of the following at June 30, 2020:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund	\$ 171,860	\$ -
Sales Tax 1988 Fund	-	95,624
Sales Tax 2002 Fund	-	83,726
Enterprise funds:		
Sewer Utility Fund	<u>7,490</u>	<u>-</u>
Total	<u>\$ 179,350</u>	<u>\$ 179,350</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, 2020, 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.

(15) 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 June 15, 2021. 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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>Revenues:</b>				
Taxes	\$ 161,500	\$ 164,500	\$ 147,624	\$ (16,876)
Licenses and permits	81,500	92,000	110,480	18,480
Intergovernmental	106,733	142,733	152,128	9,395
Fines and forfeits	25,500	25,500	29,227	3,727
Chargers for services	15,000	7,000	7,125	125
Miscellaneous	1,700	20,700	21,915	1,215
Total revenues	<u>391,933</u>	<u>452,433</u>	<u>468,499</u>	<u>16,066</u>
<b>Expenditures:</b>				
General government	150,800	191,600	181,663	9,937
Public safety -				
Police	256,433	255,633	271,026	(15,393)
Fire	18,550	18,550	17,758	792
Recreation	19,000	28,550	38,491	(9,941)
Streets	122,300	128,300	140,927	(12,627)
Capital outlay	10,000	17,500	6,466	11,034
Total expenditures	<u>577,083</u>	<u>640,133</u>	<u>656,331</u>	<u>(16,198)</u>
Deficiency of revenues over expenditures	<u>(185,150)</u>	<u>(187,700)</u>	<u>(187,832)</u>	<u>(132)</u>
<b>Other financing sources:</b>				
Proceeds from the sale of capital assets	-	-	800	800
Transfers in	159,300	159,300	171,860	12,560
Total other financing sources	<u>159,300</u>	<u>159,300</u>	<u>172,660</u>	<u>13,360</u>
Change in fund balance	(25,850)	(28,400)	(15,172)	13,228
Fund balance, beginning	<u>89,835</u>	<u>89,835</u>	<u>89,835</u>	<u>-</u>
Fund balance, ending	<u>\$ 63,985</u>	<u>\$ 61,435</u>	<u>\$ 74,663</u>	<u>\$ 13,228</u>

TOWN OF MANSURA, LOUISIANA  
Sales Tax 1988 Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Taxes -				
Sales	\$ 280,000	\$ 262,500	\$ 253,969	\$ (8,531)
Other	5,000	5,000	6,754	1,754
Total revenues	<u>285,000</u>	<u>267,500</u>	<u>260,723</u>	<u>(6,777)</u>
<b>Expenditures:</b>				
General government	42,300	31,300	32,350	(1,050)
Public safety -				
Police	35,825	36,775	31,530	5,245
Fire	40,950	39,375	30,720	8,655
Recreation	5,500	6,000	2,704	3,296
Streets	51,000	53,000	38,467	14,533
Capital outlay	60,000	60,000	55,498	4,502
Total expenditures	<u>235,575</u>	<u>226,450</u>	<u>191,269</u>	<u>35,181</u>
Excess of revenues over expenditures	<u>49,425</u>	<u>41,050</u>	<u>69,454</u>	<u>28,404</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>(105,000)</u>	<u>(85,000)</u>	<u>(95,624)</u>	<u>(10,624)</u>
Change in fund balance	(55,575)	(43,950)	(26,170)	17,780
Fund balances, beginning	<u>662,751</u>	<u>662,751</u>	<u>662,751</u>	<u>-</u>
Fund balances, ending	<u>\$ 607,176</u>	<u>\$ 618,801</u>	<u>\$ 636,581</u>	<u>\$ 17,780</u>

TOWN OF MANSURA, LOUISIANA  
Sales Tax 2002 Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes -				
Sales	\$ 280,000	\$ 262,500	\$ 253,969	\$ (8,531)
Other	5,200	5,200	7,389	2,189
Total revenues	<u>285,200</u>	<u>267,700</u>	<u>261,358</u>	<u>(6,342)</u>
Expenditures:				
General government	62,500	30,250	29,497	753
Public safety -				
Police	30,300	26,120	13,716	12,404
Fire	34,125	32,820	26,952	5,868
Streets	42,000	52,000	47,112	4,888
Culture and recreation	750	-	-	-
Capital outlay	5,000	7,000	6,139	861
Debt service	6,700	6,700	6,811	(111)
Total expenditures	<u>181,375</u>	<u>154,890</u>	<u>130,227</u>	<u>24,663</u>
Excess of revenues over expenditures	<u>103,825</u>	<u>112,810</u>	<u>131,131</u>	<u>18,321</u>
Other financing uses:				
Transfers out	<u>(100,710)</u>	<u>(124,625)</u>	<u>(83,726)</u>	<u>40,899</u>
Change in fund balance	3,115	(11,815)	47,405	59,220
Fund balances, beginning	<u>893,098</u>	<u>893,098</u>	<u>893,098</u>	<u>-</u>
Fund balances, ending	<u>\$ 896,213</u>	<u>\$ 881,283</u>	<u>\$ 940,503</u>	<u>\$ 59,220</u>

TOWN OF MANSURA, LOUISIANA

Notes to the Required Supplementary Information  
For the Year Ended June 30, 2020

(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.

(2) Excess of Expenditures over Appropriations

The General Fund incurred expenditures in excess of appropriations.

**OTHER FINANCIAL INFORMATION**



TOWN OF MANSURA, LOUISIANA

Nonmajor Capital Projects Funds  
 Combining Balance Sheet  
 June 30, 2020

	<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, 2020

	<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><u>\$ 5</u></u>	<u><u>\$ 61</u></u>	<u><u>\$ 66</u></u>

TOWN OF MANSURA, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General government -				
Administration:				
Salaries and per diem	\$ 101,000	\$ 101,000	\$ 97,103	\$ 3,897
Payroll taxes	16,500	16,500	8,309	8,191
Insurance	1,500	17,000	6,481	10,519
Office supplies and expenses	3,000	3,500	3,592	(92)
Legal and professional fees	13,000	27,000	32,120	(5,120)
Telephone and utilities	1,500	7,500	12,270	(4,770)
Travel and conventions	4,000	2,500	2,122	378
Repairs and maintenance	1,000	3,000	5,192	(2,192)
Advertising	2,000	2,000	1,671	329
Dues and subscriptions	700	700	692	8
Contract labor	300	300	360	(60)
Janitorial supplies	-	5,000	5,295	(295)
Magistrate	1,200	1,200	-	1,200
Miscellaneous	5,100	4,400	6,456	(2,056)
Total general government	<u>150,800</u>	<u>191,600</u>	<u>181,663</u>	<u>9,937</u>
Public safety -				
Police:				
Salaries	229,433	226,433	230,007	(3,574)
Payroll taxes	26,300	23,000	23,532	(532)
Liability Insurance	-	6,000	6,500	(500)
Law enforcement & conviction	200	200	135	65
Miscellaneous	500	-	10,852	(10,852)
Total police	<u>256,433</u>	<u>255,633</u>	<u>271,026</u>	<u>(15,393)</u>
Fire:				
Salaries	17,150	17,150	16,448	702
Payroll taxes	1,400	1,400	1,310	90
Total fire	<u>18,550</u>	<u>18,550</u>	<u>17,758</u>	<u>792</u>

(continued)

TOWN OF MANSURA, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Recreation -				
Defosse House - Insurance	\$ 1,000	\$ -	\$ -	\$ -
Defosse House - Maintenance and repairs	1,000	8,200	7,555	645
Defosse House - Utilities	250	250	105	145
Pavillion - Materials and supplies	1,000	3,500	3,472	28
Pavillion - Repairs and maintenance	3,500	7,000	6,888	112
Pavillion - Insurance	-	-	8,067	(8,067)
Pavillion - Other	1,450	700	460	240
Pavillion - Utilities	6,500	4,500	3,815	685
Senior Center - Insurance	-	-	4,350	(4,350)
Senior Center - Utilities	-	1,100	1,244	(144)
Library - Utilities	-	-	9	(9)
Miscellaneous	3,100	3,300	2,526	774
Total recreation	<u>19,000</u>	<u>28,550</u>	<u>38,491</u>	<u>(9,941)</u>
Streets -				
Salaries	106,000	112,000	114,971	(2,971)
Payroll expenses	16,300	16,300	22,095	(5,795)
Repairs and maintenance	-	-	927	(927)
Miscellaneous	-	-	2,934	(2,934)
Total streets	<u>122,300</u>	<u>128,300</u>	<u>140,927</u>	<u>(12,627)</u>
Capital outlay -				
General government	<u>10,000</u>	<u>17,500</u>	<u>6,466</u>	<u>11,034</u>
Total expenditures	<u>\$ 577,083</u>	<u>\$ 640,133</u>	<u>\$ 656,331</u>	<u>\$ (16,198)</u>

TOWN OF MANSURA, LOUISIANA  
Sales Tax 1988 Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
General government -				
Administration:				
Insurance	\$ -	\$ -	\$ 7,460	\$ (7,460)
Office supplies and expenses	1,000	1,000	828	172
Legal and professional fees	15,000	7,500	4,500	3,000
Telephone and utilities	16,000	14,000	12,939	1,061
Travel and conventions	200	200	-	200
Collection fees	7,000	6,000	4,875	1,125
Repairs and maintenance	500	1,000	724	276
Janitorial supplies	1,500	500	250	250
Miscellaneous	1,100	1,100	774	326
Total general government	<u>42,300</u>	<u>31,300</u>	<u>32,350</u>	<u>(1,050)</u>
Public safety -				
Police:				
Insurance	-	5,100	2,163	2,937
Office supplies and expenses	-	750	553	197
Telephone and utilities	2,000	2,000	1,314	686
Travel and conventions	2,000	500	157	343
Fuel	16,000	14,000	12,830	1,170
Supplies	2,725	2,725	2,387	338
Automobile expense	8,000	9,500	9,243	257
Miscellaneous	5,100	2,200	2,883	(683)
Total police	<u>35,825</u>	<u>36,775</u>	<u>31,530</u>	<u>5,245</u>
Fire:				
Sales tax proceeds to volunteer fire dept	<u>40,950</u>	<u>39,375</u>	<u>30,720</u>	<u>8,655</u>

(continued)

TOWN OF MANSURA, LOUISIANA  
Sales Tax 1988 Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Recreation -				
Senior Center - insurance	\$ 400	\$ 400	\$ -	\$ 400
Senior Center - utilities	4,600	4,600	1,978	2,622
Senior Center - miscellaneous	200	200	100	100
Library - Repairs and maintenance	-	500	260	240
Library - Utilities and telephone	300	300	366	(66)
Total recreation	<u>5,500</u>	<u>6,000</u>	<u>2,704</u>	<u>3,296</u>
Streets -				
Insurance	-	16,000	9,088	6,912
Fuel	10,000	5,000	2,703	2,297
Equipment repairs and maintenance	4,500	1,500	544	956
Repairs and maintenance	1,000	1,000	77	923
Supplies	4,500	7,500	7,182	318
Telephone and utilities	31,000	22,000	18,873	3,127
Total streets	<u>51,000</u>	<u>53,000</u>	<u>38,467</u>	<u>14,533</u>
Capital outlay:				
Streets	<u>60,000</u>	<u>60,000</u>	<u>55,498</u>	<u>4,502</u>
Total expenditures	<u>\$ 235,575</u>	<u>\$ 226,450</u>	<u>\$ 191,269</u>	<u>\$ 35,181</u>

TOWN OF MANSURA, LOUISIANA  
Sales Tax 2002 Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
General government -				
Administration:				
General liability insurance	\$ 25,000	\$ -	\$ 5,451	\$ (5,451)
Office supplies and expenses	4,500	7,000	6,089	911
Telephone and utilities	500	1,000	9	991
Legal and professional fees	12,000	9,000	8,900	100
Travel and conventions	3,500	1,000	793	207
Contract labor	1,000	1,000	270	730
Collection fees	7,000	6,000	4,229	1,771
Dues and subscriptions	3,000	3,000	2,183	817
Repairs and maintenance	2,500	1,500	1,356	144
CLECO building expenses	2,500	-	-	-
Miscellaneous	1,000	750	217	533
Total general government	<u>62,500</u>	<u>30,250</u>	<u>29,497</u>	<u>753</u>
Public safety -				
Police:				
General liability insurance	16,000	15,000	3,267	11,733
Office supplies and expenses	3,000	2,000	2,505	(505)
Telephone and utilities	5,000	4,700	4,662	38
Dues and subscriptions	800	500	225	275
Repairs and maintenance	4,000	2,500	2,445	55
Uniforms	1,500	1,420	612	808
Total police	<u>30,300</u>	<u>26,120</u>	<u>13,716</u>	<u>12,404</u>
Fire:				
Sales tax proceeds to volunteer fire dept	<u>34,125</u>	<u>32,820</u>	<u>26,952</u>	<u>5,868</u>

(continued)

TOWN OF MANSURA, LOUISIANA  
Sales Tax 2002 Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Recreation -				
Pavillion-insurance	750	-	-	-
Streets -				
General liability insurance	12,500	12,500	5,310	7,190
Contract labor	1,000	-	-	-
Feeding prisoners	1,000	-	-	-
Waste management	4,500	4,500	4,669	(169)
Fuel	2,500	7,500	6,338	1,162
Auto repairs and maintenance	2,000	7,500	8,705	(1,205)
Equipment repairs and maintenance	15,000	5,000	7,181	(2,181)
Supplies	500	4,000	4,069	(69)
Uniforms	3,000	5,000	5,480	(480)
Telephone and utilities	-	6,000	5,360	640
Total streets	<u>42,000</u>	<u>52,000</u>	<u>47,112</u>	<u>4,888</u>
Capital outlay -				
Streets	<u>5,000</u>	<u>7,000</u>	<u>6,139</u>	<u>861</u>
Debt service	<u>6,700</u>	<u>6,700</u>	<u>6,811</u>	<u>(111)</u>
Total expenditures	<u>\$ 181,375</u>	<u>\$ 154,890</u>	<u>\$ 130,227</u>	<u>\$ 24,663</u>



**INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable 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, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated December 18, 2020.

### 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) as a basis for designing 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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that 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 2020-001 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 2020-002 and 2020-003 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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 18, 2020

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended June 30, 2020

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

A. Internal Control Over Financial Reporting

2020-001 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: The Town concurs with the audit finding. Due to the size of staffing, the achievement of adequate segregation of duties is desirable, but cost prohibitive. All efforts are made to segregate duties where feasible. In an effort to establish more sound controls the Board Aldermen monitors activity and balances in all fund accounts.

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended June 30, 2020

2020-002 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: 2014

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

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

CAUSE: The cause of the condition results from a reliance on the external auditor as part of the internal control process.

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 internal controls over financial statement preparation and determined that it would not be cost effective to enhance these controls. Currently our financial staff receive training related to their job duties and we carefully review the financial statements, related notes, and proposed adjustments. All questions are adequately addressed by our auditors which allows us to appropriately supervise these functions. We feel the appropriate steps have been taken to reduce the financial statement risk related to this finding.

2020-003 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 and failed to obtain prior authorization from the Town's Magistrate for reduction of tickets 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, 2020

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.

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. 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

There are no compliance findings to be reported.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2019-001 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 2020-001.

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

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

TOWN OF MANSURA, LOUISIANA

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended June 30, 2020

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 2020-002.

2019-003 Tickets/Citations Collections

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

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.

CURRENT STATUS: Unresolved. See item 2020-003.

B. Compliance

2019-004 Bond Compliance

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

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

CURRENT STATUS: Resolved.