

**TOWN OF ALBANY, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2021**

**Town of Albany**  
**Annual Financial Statements**  
**As of and for the Year Ended June 30, 2021**  
**With Supplemental Information Schedules**

**TABLE OF CONTENTS**

	<b>Statement</b>	<b>Page</b>
Independent Auditor’s Report .....		1
Required Supplemental Information (Part I):		
Management’s Discussion and Analysis.....		5
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position .....	A	13
Statement of Activities .....	B	14
Fund Financial Statements:		
Governmental Funds Financial Statements:		
Balance Sheet, Governmental Funds .....	C	16
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Financial Statement of Net Position .....	D	17
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	E	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	F	19
Proprietary Fund Financial Statements:		
Statement of Net Position.....	G	20
Statement of Revenues, Expenses and Changes in Net Position .....	H	21
Statement of Cash Flows.....	I	22
Notes to the Financial Statements .....		25

**Town of Albany**  
**Annual Financial Statements**  
**As of and for the Year Ended June 30, 2021**  
**With Supplemental Information Schedules**

**TABLE OF CONTENTS**

	<b>Schedule</b>	<b>Page</b>
Required Supplemental Information (Part II):		
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual General Fund - Detail .....	1	45
Other Supplemental Information:		
Proprietary Funds – Utility Fund:		
Combining Schedule of Revenues, Expenses and Changes in Net Position.....	2	50
Schedule of Revenues, Expenses and Changes in Net Position Budget (GAAP Basis) and Actual–Proprietary Fund Type–Water Utility System..	3	51
Schedule of Revenues, Expenses and Changes in Net Position Budget (GAAP Basis) and Actual–Proprietary Fund Type–Sewer Utility System .	4	52
Schedule of Water and Sewer Rates.....	5	53
Schedule of Number of Customers.....	6	54
Schedule of Insurance.....	7	55
Schedule of Compensation Paid to Board Members .....	8	56
Schedule of Compensation, Benefits, and Other Payments to Agency Head(s) .....	9	57
Schedule of Justice System Funding – Collecting / Disbursing Entity .....		58
Other Independent Auditor’s Reports and Findings and Recommendations		
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> .....		60
Schedule of Findings and Questioned Costs.....		62
Summary Schedule of Prior Year Audit Findings.....		63

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## Independent Auditor's Report

The Honorable Mayor Eileen Bates-McCarroll  
and Members of the Town Council  
Town of Albany, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Albany, Louisiana as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Albany, Louisiana'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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, and each major fund of the Town of Albany, Louisiana as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 – 11 and 45 – 48 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.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Albany, Louisiana's basic financial statements. The Combining Schedule of Revenues, Expenses, and Changes in Net Position; the Schedule of Revenues, Expenses, and Changes in Net Position Budget (GAAP Basis) and Actual – Proprietary Fund Type – Water Utility System; the Schedule of Revenues, Expenses, and Changes in Net Position Budget (GAAP Basis) and Actual – Proprietary Fund Type – Sewer Utility System; the Schedule of Water and Sewer Rates; the Schedule of Number of Customers; the Schedule of Insurance; the Schedule of Compensation Paid to Board Members; the Schedule of Compensation, Benefits, and Other Payments to Agency Head; and the Schedule of Justice System Funding – Collecting / Disbursing Entity are presented for purposes of additional analysis and are not a required part of the basic financial statements.

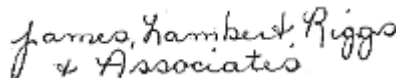
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Town of Albany, Louisiana

and Actual – Proprietary Fund Type – Sewer Utility System; the Schedule of Water and Sewer Rates; the Schedule of Number of Customers; the Schedule of Insurance; the Schedule of Compensation Paid to Board Members; the Schedule of Compensation, Benefits, and Other Payments to Agency Head; and the Schedule of Justice System Funding – Collecting / Disbursing Entity are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2020, on our consideration of the Town of Albany, 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 of Albany, Louisiana’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 Albany, Louisiana’s internal control over financial reporting and compliance.

Handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James, Lambert, Riggs and Associates, Inc.  
Hammond, Louisiana

December 13, 2021

Required Supplemental Information (Part I)  
Management's Discussion and Analysis

## Town of Albany, Louisiana

### Management's Discussion and Analysis As of and for the Year Ended June 30, 2021

#### Introduction

The Town of Albany (the Town) is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* (GASB 34), as amended. The amendment of GASB 34, including the adoption of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and applicable standards are more fully described in Footnote 1 – *Summary of Significant Accounting Policies*.

The Town's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Town's financial activity, (c) identify changes in the Town's financial position, (d) identify any significant variations from the Town's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Town's financial statements in this report.

#### Financial Highlights

- At June 30, 2021, the Town's assets exceeded its liabilities by \$7,928,313 (net position). Of this amount \$3,072,257 (unrestricted net position) may be used to meet the Town's ongoing obligations to its citizens.
- For the year ended June 30, 2021, the Town's total net position increased by \$755,943.
- At June 30, 2021, the Town's governmental funds reported a combined ending fund balance of \$325,535, an increase of \$61,213 for the year. Of this amount, approximately 95% or \$308,386 is available for spending at the Town's discretion (unassigned fund balances).
- At June 30, 2021, the Town's proprietary fund reported ending net position of \$5,963,652, an increase of \$546,146 for the year. Of this amount, approximately 46 percent or \$2,754,834 is available for spending at the Town's discretion (unrestricted net position).

#### Overview of the Annual Financial Report

The financial statement focus is on both the Town as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Town's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The MD&A is intended to serve as an introduction to the Town's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant



## **Town of Albany, Louisiana**

### **Management's Discussion and Analysis As of and for the Year Ended June 30, 2021**

extent on fees and charges for support are presented in separate columns along with a total column for the primary government. If the Town determines that presentation of a component unit (which are other governmental units for which the Town can exercise significant influences or for which the Primary Government financial statements would be misleading if component unit information is not presented) is necessary to allow the reader to determine the relationship of the component unit and primary government, the component unit information is presented in a separate column of the financial statements or in a separate footnote. For the current fiscal year, the Town of Albany has no component units.

The Statement of Net Position presents information on the Town's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities, both governmental and business-type, that are supported by the Town's general tax and other revenues. This is intended to summarize and simplify the reader's analysis of the cost of various governmental services and / or subsidy to various business-type activities.

In both of the government-wide financial statements, the Town's activities are divided into two types:

Governmental activities – Most of the Town's basic services are reported here, including general government, public safety, streets, and sanitation. These activities are financed primarily by property taxes, franchise taxes, sales taxes, and fines.

Business-type activities – The Town charges a fee to customers to help it cover all of the cost of the services provided. The Town's water and sewer utility systems are reported in this section.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Town uses two categories of funds to account for financial transactions: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental funds are used to account for most of the Town's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs.

## Town of Albany, Louisiana

### Management's Discussion and Analysis As of and for the Year Ended June 30, 2021

Proprietary funds account for water and sewer utility services provided by the Town to its customers. Proprietary funds statements provide the same type of information as the government-wide financial statements, but the fund presentation provides more detail.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Town's more immediate decisions on the current use of financial resources. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

#### Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Town's net position for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position in this report.

#### Net Position 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020 (Restated)	2021	2020 (Restated)
Assets:						
Current and Other Assets	\$ 409,914	\$ 322,109	\$ 3,144,251	\$ 2,514,086	\$ 3,554,165	\$ 2,836,195
Capital Assets	1,639,126	1,464,719	7,223,340	7,305,119	8,862,466	8,769,838
Total Assets	2,049,040	1,786,828	10,367,591	9,819,205	12,416,631	11,606,033
Liabilities:						
Long-Term Debt Outstanding	-	-	4,041,215	4,038,930	4,041,215	4,038,930
Other Liabilities	84,379	31,964	362,724	362,769	447,103	394,733
Total Liabilities	84,379	31,964	4,403,939	4,401,699	4,488,318	4,433,663
Net Position:						
Net Investment in Capital Assets	1,639,126	1,464,719	3,182,125	3,266,189	4,821,251	4,730,908
Restricted	8,112	6,139	26,693	644,385	34,805	650,524
Unrestricted	317,423	284,006	2,754,834	1,506,932	3,072,257	1,790,938
Total Net Position	\$ 1,964,661	\$ 1,754,864	\$ 5,963,652	\$ 5,417,506	\$ 7,928,313	\$ 7,172,370

Approximately 61% of the Town's net position reflects its investment in capital assets (land, buildings, equipment, infrastructure, and improvements) net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending.

## Town of Albany, Louisiana

### Management's Discussion and Analysis As of and for the Year Ended June 30, 2021

Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

Approximately .5% of the Town's net position represents resources that are subject to external restriction on how they may be used. The Town's restricted net position consists of cash reserves required by revenue bond agreements and cash for customer deposits net of corresponding liabilities. Approximately 38.5% of the Town's net position are unrestricted and may be used to meet the Town's ongoing obligations to its citizens.

At the end of the current fiscal year, the Town was able to report positive balances in all three categories of net position, both for the Town as a whole, as well as for separate governmental and business-type activities. The same held true for the prior fiscal year.

The Town's activities increased its total net position by \$755,943 with governmental activities increasing net position by \$209,797 and business-type activities increasing net position by \$546,146.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the Town's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities in this report.

#### Changes in Net Position For the years ended June 30, 2021 and 2020

	Governmental		Business-Type		Total	
	2021	2020	2021	2020 (Restated)	2021	2020 (Restated)
Revenues:						
Program Revenues:						
Charges for Services	\$ 207,183	\$ 95,762	\$ 1,550,763	\$ 1,536,935	\$ 1,757,946	\$ 1,632,697
Operating Grants & Contributions	127,196	31,913	15,000	-	142,196	31,913
Capital Grants and Contributions	120,000	19,207	28,690	536,184	148,690	555,391
General Revenues	813,629	721,757	1,584	20,174	815,213	741,931
Total Revenues	<u>1,268,008</u>	<u>868,639</u>	<u>1,596,037</u>	<u>2,093,293</u>	<u>2,864,045</u>	<u>2,961,932</u>
Expenses:						
Governmental Activities	938,211	858,527	-	-	938,211	858,527
Business-Type Activities	-	-	1,169,891	998,053	1,169,891	998,053
Total Expenses	<u>938,211</u>	<u>858,527</u>	<u>1,169,891</u>	<u>998,053</u>	<u>2,108,102</u>	<u>1,856,580</u>
Change in Net Position Before Transfers and Contributions	329,797	10,112	426,146	1,095,240	755,943	1,105,352
Transfers (Out) In	(120,000)	-	120,000	-	-	-
Change in Net Position	<u>209,797</u>	<u>10,112</u>	<u>546,146</u>	<u>1,095,240</u>	<u>755,943</u>	<u>1,105,352</u>
Net Position, Beginning	1,754,864	1,744,752	5,417,506	4,233,166	7,172,370	5,977,918
Prior Period Adjustments (Note 19)	-	-	-	89,100	-	89,100
Adjusted Beginning Net Position	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,322,266</u>	<u>-</u>	<u>6,067,018</u>
Net Position, Ending	<u>\$ 1,964,661</u>	<u>\$ 1,754,864</u>	<u>\$ 5,963,652</u>	<u>\$ 5,417,506</u>	<u>\$ 7,928,313</u>	<u>\$ 7,172,370</u>

#### Governmental Activities

The Town's governmental net position increased by \$209,797 to \$1,964,661. Capital grants and contributions were \$120,000 to help pay for a new generator for the Town Hall. The Town operating grants and contributions

## Town of Albany, Louisiana

### Management's Discussion and Analysis As of and for the Year Ended June 30, 2021

increased by \$110,283 mostly due to receiving \$83,646 from the Cares Act. General revenues increased by \$73,282 due to \$50,000 from the Act 45 Miscellaneous State Aid.

#### **Business-Type Activities**

The Town's business-type net position increased by \$546,146 to \$5,963,652. The increase is approximately a 10 percent gain of ending net position. In comparison, the previous fiscal year had a 20 percent gain of ending net position.

#### **Fund Financial Analysis**

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

#### **Governmental Funds**

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the year.

At the end of the current year, the Town's governmental funds reported combined ending fund balances of \$325,535. Of the total balance, \$308,386 is unassigned and available for spending at the Town's discretion and \$8,112 is restricted for the J&N Park. This represents an increase of \$61,213, or approximately 23% of the prior year's ending fund balances.

The general fund is the chief operating fund of the Town.

#### **Proprietary Funds**

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

#### **General Fund Budgetary Highlights**

Significant variations between original and final budget amounts are as follows:

- The Town increased its original budget for Sales and Use Taxes by \$30,900 due to increased sales taxes throughout the year.
- The Town decreased its capital outlay budget for general and administration by \$165,108 which was to purchase a new generator. The Town received a grant to pay for 75% of the generator.

Significant variations from the general fund's final budget amounts and actual amounts are as follows:

- The Town budgeted \$53,000 for taxes on insurance premiums. The actual amounts was \$11,578 more than budgeted.

**Town of Albany, Louisiana**

**Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2021**

**Capital Assets and Debt Administration**

**Capital Assets**

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$4,821,251 (net of depreciation). The total increase in the Town's investment in capital assets for the current fiscal year was \$92,628 (net of depreciation).

Major capital asset events during the current year included the purchase of a new generator for \$160,000 which was funded by a capital grant of \$120,000. The Town also purchased two police vehicles for \$86,765.

Utility fund additions include meter changeouts of \$169,415 spent for the June 30, 2021 fiscal year.

The following table provides a summary of the Town's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 9 to the financial statements in this report.

Capital Assets	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 43,850	\$ 43,850	\$ 130,429	\$ 130,429	\$ 174,279	\$ 174,279
Construction in Progress	-	-	173,977	135,459	173,977	135,459
Buildings	1,088,090	1,088,090	108,518	83,712	1,196,608	1,171,802
Improvements	163,868	3,868	-	-	163,868	3,868
Vehicles and Equipment	549,460	466,612	318,648	316,159	868,108	782,771
Infrastructure - Sidewalks	322,153	322,153	-	-	322,153	322,153
Water Utility System	-	-	7,690,996	7,521,581	7,690,996	7,521,581
Sewer Utility System	-	-	4,470,403	4,440,523	4,470,403	4,440,523
Subtotal Capital Assets	2,167,421	1,924,573	12,892,971	12,627,863	15,060,392	14,552,436
Less: Accumulated Depreciation	(528,295)	(379,060)	(5,669,631)	(5,322,744)	(6,197,926)	(5,701,804)
<b>Capital Assets, Net</b>	<b>\$ 1,639,126</b>	<b>\$ 1,545,513</b>	<b>\$ 7,223,340</b>	<b>\$ 7,305,119</b>	<b>\$ 8,862,466</b>	<b>\$ 8,850,632</b>

## Town of Albany, Louisiana

### Management's Discussion and Analysis As of and for the Year Ended June 30, 2021

#### Long-Term Debt

At June 30, 2021, the Town had total debt outstanding of \$4,041,215. Of this total, \$150,000 is due within one year and \$3,891,215 is due within greater than one year. The following table provides a summary of the Town's outstanding debt at the end of the current year as compared to the prior year. For more detailed information, see Note 13 to the financial statements in this report.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Capital Leases	\$ -	\$ -	\$ -	\$ 11,098	\$ -	\$ 11,098
Revenue Bonds	-	-	4,041,215	4,027,832	4,041,215	4,027,832
Total Outstanding Debt	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,041,215</u>	<u>\$ 4,038,930</u>	<u>\$ 4,041,215</u>	<u>\$ 4,038,930</u>

#### Other Factors Affecting the Town

The Town of Albany's management approach is conservative. When possible, the Mayor and Council attempt to provide services for the Town based on existing revenues and to finance long-term projects only when absolutely necessary.

#### Contacting the Town's Financial Management

This financial report is designed to provide the Town's citizens, taxpayers, creditors, and investors with a general overview of the Town's finances and show the Town's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to the Town of Albany, Post Office Box 1000, Albany, Louisiana 70711, telephone (225) 567-1101.

**Basic Financial Statements**  
**Government-Wide Financial Statements**

**Town of Albany, Louisiana**

**Statement A**

**Statement of Net Position  
As of June 30, 2021**

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
<b>Assets</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 236,173	\$ 2,372,628	\$ 2,608,801
Receivables, Net:			
Intergovernmental	90,763	-	90,763
Accounts	76	221,045	221,121
Franchise Taxes	14,717	-	14,717
Insurance Premium Tax	22,331	-	22,331
Grants Receivable	-	336,423	336,423
Prepaid Insurance	9,037	1,574	10,611
Internal Balances	28,705	(28,705)	-
Inventory	-	49,280	49,280
Total Current Assets	<u>401,802</u>	<u>2,952,245</u>	<u>3,354,047</u>
Restricted Assets:			
Restricted Cash and Cash Equivalents	8,112	169,442	177,554
Total Restricted Assets	<u>8,112</u>	<u>169,442</u>	<u>177,554</u>
Capital Assets:			
Land	43,850	130,429	174,279
Construction in Progress	-	173,978	173,978
Capital Assets, Net	1,595,276	6,918,933	8,514,209
Total Capital Assets	<u>1,639,126</u>	<u>7,223,340</u>	<u>8,862,466</u>
Other Assets			
Bond Issue Insurance Costs	-	22,564	22,564
Total Other Assets	<u>-</u>	<u>22,564</u>	<u>22,564</u>
Total Assets	<u>2,049,040</u>	<u>10,367,591</u>	<u>12,416,631</u>
<b>Liabilities</b>			
Current Liabilities:			
Accounts Payable	63,606	24,571	88,177
Accrued Interest	-	15,409	15,409
Accrued Salaries	7,785	4,534	12,319
Accrued Vacation	9,514	8,562	18,076
Other Accrued Liabilities	3,474	2,308	5,782
Deferred Revenue	-	180,000	180,000
Customer Deposits	-	127,340	127,340
Bonds Payable	-	150,000	150,000
Total Current Liabilities	<u>84,379</u>	<u>512,724</u>	<u>597,103</u>
Long Term Liabilities:			
Bonds Payable	-	3,891,215	3,891,215
Total Long Term Liabilities	<u>-</u>	<u>3,891,215</u>	<u>3,891,215</u>
Total Liabilities	<u>84,379</u>	<u>4,403,939</u>	<u>4,488,318</u>
<b>Net Position</b>			
Net Investment in Capital Assets	1,639,126	3,182,125	4,821,251
Restricted for:			
Capital Projects and Debt Service	8,112	26,693	34,805
Unrestricted	317,423	2,754,834	3,072,257
Total Net Position	<u>\$ 1,964,661</u>	<u>\$ 5,963,652</u>	<u>\$ 7,928,313</u>

The accompanying notes are an integral part of this statement.



Town of Albany, Louisiana

Statement B

Statement of Activities  
For the Year Ended June 30, 2021

	Program Revenues				Net (Expenses) Revenues	Net (Expenses) Revenues and Changes of Primary Government		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions		Governmental Activities	Business- Type Activities	Total
<b>Governmental Activities</b>								
General Government	\$ 298,709	\$ -	\$ -	\$ 120,000	\$ (178,709)	\$ (178,709)	\$ -	\$ (178,709)
Public Safety	465,795	207,183	112,196	-	(146,416)	(146,416)	-	(146,416)
Public Works - Streets	155,190	-	-	-	(155,190)	(155,190)	-	(155,190)
Park	14,317	-	15,000	-	683	683	-	683
Court Cost	4,200	-	-	-	(4,200)	(4,200)	-	(4,200)
<b>Total Governmental Activities</b>	<u>\$ 938,211</u>	<u>\$ 207,183</u>	<u>\$ 127,196</u>	<u>\$ 120,000</u>	<u>\$ (483,832)</u>	<u>(483,832)</u>	<u>-</u>	<u>(483,832)</u>
<b>Business-type Activities</b>								
Water	\$ 888,371	\$ 1,384,048	\$ 15,000	\$ -	\$ 510,677	-	510,677	510,677
Sewer	281,520	166,715	-	28,690	(86,115)	-	(86,115)	(86,115)
<b>Total Business-type Activities</b>	<u>\$ 1,169,891</u>	<u>\$ 1,550,763</u>	<u>\$ 15,000</u>	<u>\$ 28,690</u>	<u>\$ 424,562</u>	<u>-</u>	<u>424,562</u>	<u>424,562</u>

General Revenues:

Taxes:			
Property Taxes	42,900	-	42,900
Sales Taxes	519,679	-	519,679
Franchise Taxes	58,635	-	58,635
Insurance Premium	61,578	-	61,578
Alcoholic Beverage Tax	4,916	-	4,916
Licenses and Permits	60,046	-	60,046
State Grants	50,000	-	50,000
Intergovernmental - FEMA	9,286	-	9,286
Interest Income	73	1,584	1,657
Miscellaneous	456	-	456
Sale of Fixed Asset	6,060	-	6,060
Transfers	(120,000)	120,000	-
Total General Revenues and Transfers	<u>693,629</u>	<u>121,584</u>	<u>815,213</u>

Change in Net Position

Change in Net Position	209,797	546,146	755,943
<b>Net Position - Beginning</b>	<u>1,754,864</u>	<u>5,177,885</u>	<u>6,932,749</u>
Prior Period Adjustment (Note 20)	-	239,621	239,621
<b>Total Adjusted Net Position, Beginning</b>	<u>1,754,864</u>	<u>5,417,506</u>	<u>7,172,370</u>
<b>Net Position - Ending</b>	<u>\$ 1,964,661</u>	<u>\$ 5,963,652</u>	<u>\$ 7,928,313</u>

The accompanying notes are an integral part of this statement.

# Basic Financial Statements

## Fund Financial Statements

**Town of Albany, Louisiana**

**Statement C**

**Balance Sheet, Governmental Funds  
As of June 30, 2021**

	<b>General Fund</b>	<b>Total Governmental Funds</b>
<b>Assets</b>		
Cash and Equivalents	\$ 236,173	\$ 236,173
Receivables, Net:		
Franchise Taxes	14,717	14,717
Sales Taxes	89,517	89,517
Insurance Premium Tax	22,331	22,331
Other	1,322	1,322
Due From Other Funds	28,705	28,705
Prepaid Insurance	9,037	9,037
Restricted Cash	8,112	8,112
<b>Total Assets</b>	<b>\$ 409,914</b>	<b>\$ 409,914</b>
 <b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts Payable	\$ 63,606	\$ 63,606
Accrued Salaries	7,785	7,785
Accrued Vacation	9,514	9,514
Other Accrued Liabilities	3,474	3,474
<b>Total Liabilities</b>	<b>84,379</b>	<b>84,379</b>
 Fund Balance:		
Nonspendable, Prepaid Insurance	9,037	9,037
Restricted	8,112	8,112
Unassigned	308,386	308,386
<b>Total Fund Balance</b>	<b>325,535</b>	<b>325,535</b>
 Total Liabilities and Fund Balance	 <b>\$ 409,914</b>	 <b>\$ 409,914</b>

The accompanying notes are an integral part of this statement.

**Town of Albany, Louisiana**

**Statement D**

**Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Financial Statement of Net Position  
As of June 30, 2021**

<b>Fund Balances, Total Governmental Funds (Statement C)</b>	\$	325,535
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.

Governmental capital assets net of depreciation	1,639,126
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<b>Net Position of Governmental Activities (Statement A)</b>	\$	<u>1,964,661</u>
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The accompanying notes are an integral part of this statement.

**Town of Albany, Louisiana**

**Statement E**

**Statement of Revenues, Expenditures and  
Changes in Fund Balances  
For the Year Ended June 30, 2021**

	<b>General Fund</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>		
Taxes	\$ 682,792	\$ 682,792
Licenses and Permits	60,046	60,046
Intergovernmental	115,612	115,612
FEMA Reimbursements	35,109	35,109
Fines and Forfeitures	207,183	207,183
State Grants	50,000	50,000
Interest	73	73
Donations	16,500	16,500
Miscellaneous	456	456
<b>Total Revenues</b>	<b>1,167,771</b>	<b>1,167,771</b>
<b>Expenditures</b>		
General Government	262,819	262,819
Public Safety:		
Police	430,697	430,697
Fire	5,000	5,000
Mayor's Court	4,200	4,200
Public Works - Streets	124,395	124,395
Park Expenditures	12,909	12,909
Capital Outlays	272,598	272,598
<b>Total Expenditures</b>	<b>1,112,618</b>	<b>1,112,618</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>55,153</b>	<b>55,153</b>
<b>Other Financing Sources (Uses)</b>		
Transfers Out	(120,000)	(120,000)
Capital Grants	120,000	120,000
Sale of Fixed Assets	6,060	6,060
<b>Total Other Financing Sources (Uses)</b>	<b>6,060</b>	<b>6,060</b>
<b>Net Change in Fund Balance</b>	<b>61,213</b>	<b>61,213</b>
<b>Fund Balance, Beginning</b>	<b>264,322</b>	<b>264,322</b>
<b>Fund Balance, Ending</b>	<b>\$ 325,535</b>	<b>\$ 325,535</b>

The accompanying notes are an integral part of this statement.

**Town of Albany, Louisiana**

**Statement F**

**Reconciliation of the Statement Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2021**

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ 61,213
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. These differences consist of:

Capital Outlay	272,598
Depreciation Expense	(98,191)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Change in Uncollected Grant Receivable	(25,823)
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Repayment of capital lease principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

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<b>Change in Net Position of Governmental Activities, Statement B</b>	<b>\$ <u>209,797</u></b>
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The accompanying notes are an integral part of this statement.

**Town of Albany, Louisiana**

**Statement G**

**Statement of Net Position – Proprietary Funds  
As of June 30, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>Assets</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 2,317,685	\$ 54,943	\$ 2,372,628
Receivables, Net:			
Accounts	196,173	24,872	221,045
Grants Receivable	89,100	247,323	336,423
Prepaid Insurance	787	787	1,574
Inventory	49,280	-	49,280
Due from Sewer Fund	146,156	-	146,156
Total Current Assets	<u>2,799,181</u>	<u>327,925</u>	<u>3,127,106</u>
Restricted Assets:			
Restricted Cash and Cash Equivalents	165,544	3,898	169,442
Total Restricted Assets	<u>165,544</u>	<u>3,898</u>	<u>169,442</u>
Property, Plant, and Equipment			
Land	130,429	-	130,429
Construction in Progress	-	173,978	173,978
Property, Plant and Equipment, Net	5,009,857	1,909,076	6,918,933
Total Property, Plant, and Equipment	<u>5,140,286</u>	<u>2,083,054</u>	<u>7,223,340</u>
Other Assets			
Bond Issue Insurance Costs	20,388	2,176	22,564
Total Other Assets	<u>20,388</u>	<u>2,176</u>	<u>22,564</u>
<b>Total Assets</b>	<u>8,125,399</u>	<u>2,417,053</u>	<u>10,542,452</u>
<b>Liabilities</b>			
Current Liabilities (Payable From Current Assets):			
Accounts Payable	22,144	2,427	24,571
Accrued Salary	2,928	1,606	4,534
Accrued Vacation	4,943	3,619	8,562
Other Accrued Payables	2,308	-	2,308
Deferred Revenue	-	180,000	180,000
Due To General Fund	15,903	12,802	28,705
Due To Water Fund	-	146,156	146,156
Total Current Liabilities (Payable From Current Assets)	<u>48,226</u>	<u>346,610</u>	<u>394,836</u>
Current Liabilities (Payable From Restricted Assets):			
Customer Deposits	127,340	-	127,340
Accrued Interest	13,923	1,486	15,409
Revenue Bonds Payable	135,532	14,468	150,000
Total Current Liabilities (Payable From Restricted Assets)	<u>276,795</u>	<u>15,954</u>	<u>292,749</u>
Long Term Liabilities:			
Bonds Payable	3,515,907	375,308	3,891,215
Total Long Term Liabilities	<u>3,515,907</u>	<u>375,308</u>	<u>3,891,215</u>
<b>Total Liabilities</b>	<u>3,840,928</u>	<u>737,872</u>	<u>4,578,800</u>
<b>Net Position</b>			
Net Investment in Capital Assets	1,488,847	1,693,278	3,182,125
Restricted for:			
Debt Service	24,281	2,412	26,693
Unrestricted	2,771,343	(16,509)	2,754,834
<b>Total Net Position</b>	<u>\$ 4,284,471</u>	<u>\$ 1,679,181</u>	<u>\$ 5,963,652</u>

The accompanying notes are an integral part of this statement.

**Town of Albany, Louisiana**

**Statement H**

**Statement of Revenues, Expenses and  
Change of Net Position – Proprietary Funds  
For the Year Ended June 30, 2021**

	Bussiness-Type Activities-		
	Enterprise Funds		
	Water	Sewer	Total
<b>Operating Revenues</b>			
Water Sales	\$ 1,266,057	\$ -	\$ 1,266,057
Sewer Service Charges	-	160,515	160,515
Other	117,991	-	117,991
Grants	15,000	-	15,000
<b>Total Operating Revenues</b>	<u>1,399,048</u>	<u>160,515</u>	<u>1,559,563</u>
<b>Operating Expenses</b>			
Salaries and Wages	133,458	62,990	196,448
Amortization	404	43	447
Contract Service	13,591	-	13,591
Depreciation	222,123	124,764	346,887
DHH Fees	26,628	-	26,628
Insurance	12,262	1,914	14,176
Payroll Taxes	10,123	4,728	14,851
Postage	10,925	-	10,925
Professional Fees	40,914	5,663	46,577
Repairs and Maintenance	51,832	18,633	70,465
Retirement	2,498	-	2,498
Supplies	83,505	-	83,505
Training	1,180	-	1,180
Uniforms	4,149	-	4,149
Utilities	9,785	37,038	46,823
Vehicle Expenses	17,671	-	17,671
Workers Compensation	2,460	2,056	4,516
Other	1,230	-	1,230
<b>Total Operating Expenses</b>	<u>644,738</u>	<u>257,829</u>	<u>902,567</u>
<b>Operating Income (Loss)</b>	<u>754,310</u>	<u>(97,314)</u>	<u>656,996</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	1,531	53	1,584
Bond Issuance Costs	(127,038)	(13,561)	(140,599)
Bond Interest Expense	(116,130)	(10,130)	(126,260)
Capital Lease Interest Expense	(465)	-	(465)
Billing Fees	-	6,200	6,200
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(242,102)</u>	<u>(17,438)</u>	<u>(259,540)</u>
Income (Loss) Before Transfers & Capital Contributions	512,208	(114,752)	397,456
<b>Transfers and Capital Contributions</b>			
Capital Grants	-	28,690	28,690
Transfers In	120,000	-	120,000
<b>Change in Net Position</b>	<u>632,208</u>	<u>(86,062)</u>	<u>546,146</u>
<b>Net Position, Beginning</b>	3,563,163	1,614,722	5,177,885
Prior Period Adjustments (Note 20)	89,100	150,521	239,621
<b>Total Adjusted Net Position, Beginning</b>	<u>3,652,263</u>	<u>1,765,243</u>	<u>5,417,506</u>
<b>Total Net Position, Ending</b>	<u>\$ 4,284,471</u>	<u>\$ 1,679,181</u>	<u>\$ 5,963,652</u>

The accompanying notes are an integral part of this statement.



**Town of Albany, Louisiana**

**Statement I**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2021**

	<b>Bussiness-Type Activities-</b>		
	<b>Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>Cash Flows From Operating Activities</b>			
Received From Customers	\$ 1,360,972	\$ 177,535	\$ 1,538,507
Received for Meter Deposit Fees	4,350	-	4,350
Operating Grants	15,000	-	15,000
Payments for Operations	(299,882)	(68,922)	(368,804)
Payments to Employees	(144,486)	(66,527)	(211,013)
Net Cash Provided (Used) by Operating Activities	<u>935,954</u>	<u>42,086</u>	<u>978,040</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Billing Fees	-	6,200	6,200
(Payments for) Received from Interfund Services	529,926	(410,138)	119,788
Net Cash Provided (Used) by Noncapital Financing Activities	<u>529,926</u>	<u>(403,938)</u>	<u>125,988</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Capital Grants Received	-	468,609	468,609
(Payments for) Capital Acquisitions	(188,017)	(253,321)	(441,338)
(Payments for) Bond Issuance Costs	(127,038)	(13,561)	(140,599)
Principal Proceeds from Long Term Debt	3,763,285	401,715	4,165,000
Principal (Repayments) Long Term Debt	(3,853,698)	(309,017)	(4,162,715)
Interest Payments for Long Term Debt	(112,757)	(9,294)	(122,051)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(518,225)</u>	<u>285,131</u>	<u>(233,094)</u>
<b>Cash Flows From Investing Activities</b>			
Receipt of Interest	1,531	53	1,584
Net Cash Provided (Used) by Investing Activities	<u>1,531</u>	<u>53</u>	<u>1,584</u>
<b>Net Cash Increase (Decrease) in Cash and Cash Equivalents</b>	949,186	(76,668)	872,518
<b>Cash and Cash Equivalents, Beginning of Year</b>	1,534,043	135,509	1,669,552
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 2,483,229</u>	<u>\$ 58,841</u>	<u>\$ 2,542,070</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net</b>			
Cash and Cash Equivalents, Unrestricted	\$ 2,317,685	\$ 54,943	\$ 2,372,628
Cash and Cash Equivalents, Restricted	165,544	3,898	169,442
Total Cash and Cash Equivalents	<u>\$ 2,483,229</u>	<u>\$ 58,841</u>	<u>\$ 2,542,070</u>

The accompanying notes are an integral part of this statement.

**Town of Albany, Louisiana**

**Statement I**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2021**

	<b>Bussiness-Type Activities-</b>		
	<b>Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided</b>			
Operating Income (Loss)	\$ 754,310	\$ (97,314)	\$ 656,996
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	222,123	124,764	346,887
(Increase) decrease in Accounts Receivable	(23,076)	17,020	(6,056)
(Increase) decrease in Prepaid Insurance	(20,457)	(2,246)	(22,703)
(Increase) decrease in Inventory	11,405	-	11,405
Increase (decrease) in Accounts Payable	(14,291)	(253)	(14,544)
Increase (decrease) in Accrued Payables	1,590	115	1,705
Increase (decrease) in Customer Deposits	4,350	-	4,350
Net Cash Provided by Operating Activities	\$ 935,954	\$ 42,086	\$ 978,040

(Concluded)

The accompanying notes are an integral part of this statement.

# Basic Financial Statements

## Notes to the Financial Statements

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

**Introduction**

The Town of Albany, Louisiana (formerly the Village of Albany) was incorporated October 7, 1953, under provision of the Lawrason Act (LSA-RS33:321). The Town operates under a Mayor / Board of Aldermen form of government. The Mayor and each of five councilmen are elected at large for four-year terms. The Mayor and Council are compensated each month; in addition, the Mayor receives a salary. The Town is located approximately 30 miles east of Baton Rouge, Louisiana, on LA Highway 43 (Montpelier Avenue) south of Interstate 12, with U.S. Highway 190 intersecting the northern part of the Town. The Town's total population was 1,088, as reported by the U.S. Census Bureau, Census 2010. The Town provides police protection, services to maintain and develop streets, drainage, and sanitation, general and administrative services, and utilities services for area residents. The Town provides services to 2,350 water customers and 522 sewer customers inside and outside of the Town limits. The Town employs fourteen full-time and one part-time employees in addition to the Mayor and Council.

**1. Summary of Significant Accounting Policies**

**A. Government-Wide and Fund Financial Statements**

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

Governmental Accounting Standards Board (GASB) Statement No. 61 established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provision of this statement, the Town of Albany is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement No. 61, fiscally independent means that the Town may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Since the Town of Albany has no component units, these financial statement include only information on the primary government.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – or State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Footnote K – Net Position and Fund Balance*. As required by GASB, the Town implemented GASB Statement No. 63 during the year ending June 30, 2013. The Town did not record any deferred outflows of resources or deferred inflows of resources at June 30, 2021.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

The Town has also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The application of this standard to long-term debt offerings of the Town is more fully described in *Footnote J – Long-Term Debt Offerings*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are presented as separate columns in the fund financial statements.

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Town reports the following major proprietary fund:

The *Enterprise Fund* accounts for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees, or (b) where the governing body has decided that periodic

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

determination of revenues earned, expenses incurred, and / or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule, if applicable, are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are user charges for the services provided by the enterprise funds. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

When restricted, committed, assigned, or unassigned fund balances are available for use, the Town considers amounts to have been spent first out of restricted funds, committed funds, then assigned funds, and finally unassigned funds as needed, unless the Town has provided otherwise in commitment or assignment actions.

### **C. Deposits and Investments**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Town's investment policy allow the Town to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool, and mutual funds consisting solely of government-backed securities.

Investments for the Town are reported at fair market value. The state investment pool, LAMP, operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

### **D. Receivables and Payables**

Activity between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Corporate Purposes	7.04 mills	7.04 mills	None

Sales and use taxes are levied at one percent for perpetuity. The proceeds of these sales and use taxes are dedicated to general corporate purposes.

**E. Unearned Revenues**

The Town reports unearned revenue on its government-wide and fund financial statements. Unearned revenues arise when potential revenue does not meet both “measurable” and “available” criteria for recognition in the current period (fund financial statements). Unearned revenues also arise when resources are unearned by the Town and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures (fund financial statements and government-wide financial statements). In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unearned revenue is removed from the applicable financial statement and revenue is recognized.

**F. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in / first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**G. Restricted Assets**

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets because their use is limited by applicable bond covenants.

**H. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), 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 cost 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 \$500 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.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Effective for the fiscal year 2021, the Town no longer capitalizes interest during the construction period on a prospective basis as per GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings & Improvements	5 - 40 Years
Vehicles and Equipment	5 - 15 Years
Infrastructure	20 - 40 Years
Water System	5 - 40 Years
Sewer System	10 - 40 Years

**I. Compensated Absences**

The Town has the following policy related to vacation and sick leave:

	<u>Years of Service</u>			
	<u>.5 - 2</u>	<u>2 - 10</u>	<u>10-20</u>	<u>Over 20</u>
Vacation Leave - Days Earned per Year	5	10	15	20

The Town employees may carry over 40 hours annually until the employee’s next anniversary date. The Mayor may approve additional carry over if job related circumstances prohibit an employee from using vacation leave. Unused vacation leave will be paid out upon termination.

Each employee earns sick leave for each month worked based on years of service. Sick leave is accumulated for a maximum of one thousand four hundred forty hours. Unused sick leave benefits will not be paid to employees while they are employed or upon termination of employment.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the governmental fund when leave is taken.

In accordance with GASB 16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave.

**J. Long-Term Debt Offerings**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are now expended in the period incurred under GASB 65.

The Town has implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and with the implementation of GASB 65, the recognition of bond-related costs, including the costs related to issuance and refunding of debt, are revised. This standard was intended to complement GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Bond issuance



**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

costs, whether or not withheld from the actual debt proceeds received, are now expended in the period incurred under GASB 65. The Town had \$140,599 bond related costs in the year ending June 30, 2021.

GASB Statement 23, as amended, establishes accounting and financial reporting for current refundings and advance refundings resulting in defeasance of debt. Refundings involve the issuance of new debt whose proceeds are used to repay previously issued (“old”) debt. The new debt proceeds may be used to repay the old debt immediately (a current refunding); or the new debt proceeds may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

For current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

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

**K. Net Position and Fund Balance**

GASB Statement No. 34, *Basic Financial Statements, Management’s Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position** – The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
- **Restricted Component of Net Position** – The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- **Unrestricted Component of Net Position** – The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

In the fund statements, governmental fund equity is classified as fund balance. The Town adopted GASB 54 for the year ended June 30, 2011. As such, fund balances of governmental funds are classified as follows:

- **Nonspendable.** These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted.** These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed.** These are amounts that can be used only for specific purposes determined by a formal vote of the Board, which is the highest level of decision making authority for the Town.
- **Assigned.** These are amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes based on the discretion of the Board.
- **Unassigned.** These are all other spendable amounts. This also includes expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed, or assigned to those purposes.

**L. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Town, which are either unusual in nature or infrequent in occurrence.

**M. Estimates**

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

**N. Reconciliations of Government-Wide and Fund Financial Statements**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

**2. Stewardship, Compliance and Accountability**

The Town uses the following budget practices:

1. The Town Clerk prepares a proposed budget and submits it to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving the increase in expenditures resulting from revenues exceeding amounts estimated require the approval of the Town Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the general and enterprise funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for enterprise funds are presented on the accrual basis of accounting. Other governmental funds are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

For the year ended June 30, 2021, actual revenues and other sources exceeded budgeted revenues and other sources. The Town's actual expenditures were less than budgeted expenditures and other uses.

**3. Cash and Cash Equivalents**

At June 30, 2021, the Town has cash and cash equivalents (book balances) as follows:

	<b>June 30, 2021</b>
Cash on Hand	\$ 25
Non-Interest Bearing Demand Deposits	63,063
Interest Bearing Demand Deposits	742,240
Louisiana Asset Management Pool (LAMP)	<u>1,981,027</u>
	<u>\$ 2,786,355</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk as it relates to cash deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. The Town does not have a formal policy for custodial risk. At June 30, 2021, the Town has \$2,786,355 in deposits. Collected bank balances, other than LAMP, consisted of \$784,155 in demand deposits. The demand deposits are secured by \$313,064 of federal deposit insurance. The remaining \$471,091 of deposits are exposed to custodial credit risk because while the amount is secured by pledged securities, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The Town records its LAMP deposits within cash and cash equivalents.

The Town, at June 30, 2021, also recorded deposits related to its debt service fund. The deposits totaled \$40,418 which are for the Series 2020 Water & Sewer Refunding Bonds. Under the terms of the agreement, the bank maintains control of the funds and disburses at the Town's request. All funds are fully collateralized by the Trust Department of the respective bank.

#### **4. Investments**

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Town or its agent in the Town's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Town's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Town's name

In accordance with GASB Codification Section I50.165, the investment in LAMP at June 30, 2021, is not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The investment in LAMP is stated at the value of the pool shares, which is the same as the fair value, and has been categorized as cash equivalents. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprised of the State Treasurer, representatives from various organizations of local government, the Government Finance Office Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

LAMP is subject to the regulator oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest risk, and foreign currency risk for all public entity investments.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 70. The following facts are relevant for investment pools:

1. Credit risk: LAMP is rated AAAM by Standard and Poor's
2. Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating / variable rate investments. The WAM for LAMP's total investments, as provided by LAMP, is 53 days as of June 30, 2021.
5. Foreign currency risk: Not applicable.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with SEC as an investment company. LAMP, Inc. issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by calling (800) 249-5267.

*Interest Rate Risk:* The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

## **5. Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends and the period aging and write-off of accounts receivable. Major receivables balances for the governmental activities include sales taxes, franchise taxes, occupational licenses, and fines. Business-type activities report utilities earnings as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise taxes, occupational licenses, fines, and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions, collectible but not available, are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded only if paid within 60 days since they would be considered both measurable and available. Proprietary fund revenues consist of all revenues earned at year-end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging and write-off of accounts receivable.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

The Governmental Fund receivables at June 30, 2021 consist of the following:

<b>Government Receivables</b>	<u><b>General Fund</b></u>	<u><b>Total</b></u>
Taxes:		
Public Utility Franchise	\$ 14,717	\$ 14,717
Insurance Premium Tax	22,331	22,331
Sales and Use	89,517	89,517
Intergovernmental:		
State of Louisiana, Beer Tax	1,246	1,246
Other Receivable	76	76
<b>Total Government Receivables</b>	<u><u>\$ 127,887</u></u>	<u><u>\$ 127,887</u></u>

The Enterprise Fund accounts receivable at June 30, 2021 consist of the following:

	<u><b>Year Ended June 30, 2021</b></u>
Accounts Receivable	
Current	\$ 132,544
31 - 60 Days	(2,446)
61 - 90 Days	1,743
Over 90 Days	<u>45,900</u>
Subtotal	177,741
Less Allowance for Bad Debt	<u>(20,000)</u>
Accounts Receivables, Net	<u>157,741</u>
Accrued Billings	62,601
NSF Receivable	<u>703</u>
Total Accounts Receivable	<u><u>\$ 221,045</u></u>

The Town currently has \$336,423 in Grants Receivable. The Town is expected to receive from FEMA \$126,272 for the repairs to the sewer pond completed in 2020, and \$89,100 for rental expense of the temporary town hall after the flood in 2016.

The Town is also constructing a lift station and sewer pipeline. The Town has a receivable of \$121,051 from the U.S. Department of Commerce Economic Development Administration for engineering fees as of June 30, 2021.

**6. Interfund Receivables / Payables**

Interfund receivables or payables in the fund financial statements were as follows as of June 30, 2021.

	<u><b>Due From Other Funds</b></u>	<u><b>Due To Other Funds</b></u>
General Fund	\$ 28,705	\$ -
Enterprise Fund	<u>-</u>	<u>28,705</u>
	<u><u>\$ 28,705</u></u>	<u><u>\$ 28,705</u></u>

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

These interfund balances were related to operating expenses for the enterprise fund paid out of the general fund. The Enterprise Fund has paid the balance owed to the General Fund.

**7. Interfund Transfers**

Transfer to and from other funds are as follows for the fiscal year:

	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$ -	\$ 120,000
Enterprise Fund	120,000	-
	\$ 120,000	\$ 120,000

In previous years, the Enterprise Fund made transfers to the General Fund to help pay for the new Town Hall. During the fiscal year, the General Fund received reimbursement from FEMA and transferred \$120,000 to the enterprise fund.

**8. Restricted Assets**

Restricted assets for the Enterprise Fund at June 30, 2021 were as follows:

	<b>June 30 2021</b>
Restricted Cash and Cash Equivalents	
Customer Deposits	\$ 129,023
Debt Service Fund	40,417
Debt Service Reserve	2
Total Restricted Assets	\$ 169,442

Cash equal to customer deposits is restricted for repayment of such deposits.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

**9. Capital Assets**

Capital assets and depreciation activity as of and for the year ended June 30, 2021 for governmental activities is as follows:

<b>Governmental Activities Capital Assets:</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital Assets Not Being Depreciated:				
Land	\$ 43,850	\$ -	\$ -	\$ 43,850
Total Capital Assets Not Being Depreciated	<u>43,850</u>	<u>-</u>	<u>-</u>	<u>43,850</u>
Capital Assets Being Depreciated:				
Buildings	1,088,090	-	-	1,088,090
Improvements	3,868	160,000	-	163,868
Vehicles and Equipment	466,612	112,598	(29,750)	549,460
Infrastructure - Sidewalks	<u>322,153</u>	<u>-</u>	<u>-</u>	<u>322,153</u>
Total Capital Assets Being Depreciated	<u>1,880,723</u>	<u>272,598</u>	<u>(29,750)</u>	<u>2,123,571</u>
Less Accumulated Depreciation for:				
Buildings	(23,613)	(27,964)	-	(51,577)
Improvements	(3,481)	(667)	-	(4,148)
Vehicles and Equipment	(203,304)	(53,452)	29,750	(227,006)
Infrastructure - Sidewalks	<u>(229,456)</u>	<u>(16,108)</u>	<u>-</u>	<u>(245,564)</u>
Total Accumulated Depreciation	<u>(459,854)</u>	<u>(98,191)</u>	<u>29,750</u>	<u>(528,295)</u>
Total Capital Assets Being Depreciated, Net	<u>1,420,869</u>	<u>174,407</u>	<u>-</u>	<u>1,595,276</u>
<b>Total Governmental Activities Capital Assets, Net</b>	<b>\$ <u>1,464,719</u></b>	<b>\$ <u>174,407</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>1,639,126</u></b>

Depreciation was charged to governmental functions as follows:

General Government	\$ 35,890
Park	1,408
Public Safety	30,097
Public Works	<u>30,796</u>
	<b>\$ <u>98,191</u></b>



**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

Capital assets and depreciation activity as of and for the year ended June 30, 2021 for business-type activities is as follows:

<b>Business - Type Activities Capital Assets:</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital Assets Not Being Depreciated:				
Land	\$ 130,429	\$ -	\$ -	\$ 130,429
Construction in Progress	135,459	63,325	(24,806)	173,978
<b>Total Capital Assets Not Being Depreciated</b>	<b>265,888</b>	<b>63,325</b>	<b>(24,806)</b>	<b>304,407</b>
Capital Assets Being Depreciated:				
Buildings and Improvements	83,712	24,806	-	108,518
Vehicles and Equipment	316,159	2,488	-	318,647
Water Utility System	7,521,581	169,415	-	7,690,996
Sewer Utility System	4,440,523	29,880	-	4,470,403
<b>Total Capital Assets Being Depreciated</b>	<b>12,361,975</b>	<b>226,589</b>	<b>-</b>	<b>12,588,564</b>
Less Accumulated Depreciation for:				
Buildings and Improvements	(54,021)	(3,531)	-	(57,552)
Vehicles and Equipment	(234,685)	(20,765)	-	(255,450)
Water Utility System	(2,568,733)	(209,975)	-	(2,778,708)
Sewer Utility System	(2,465,305)	(112,616)	-	(2,577,921)
<b>Total Accumulated Depreciation</b>	<b>(5,322,744)</b>	<b>(346,887)</b>	<b>-</b>	<b>(5,669,631)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>7,039,231</b>	<b>(120,298)</b>	<b>-</b>	<b>6,918,933</b>
<b>Total Business - Type Activities Capital Assets, Net</b>	<b>\$ 7,305,119</b>	<b>\$ (56,973)</b>	<b>\$ (24,806)</b>	<b>\$ 7,223,340</b>

Construction in progress consists of \$173,977 for engineering and attorney fees to construct a lift station and sewer pipeline. Expected completion is expected by December 2021. The Town will receive \$845,000 from the U.S Department of Commerce Economic Development Administration to be used for the construction of the lift station and sewer pipeline. Weyerhaeuser NR Company will be funding \$270,000, which will cover phase I and part of phase II of the project. The Town has received \$180,000 from Weyerhaeuser as of June 30, 2021. Since phase I did not begin until July 2021, the Town recorded the \$180,000 received as an unearned revenue liability in the financial statements.

**10. Accounts, Salaries, and Other Payables**

Short term payables at June 30, 2021 are as follows:

	<b>General Fund</b>	<b>Enterprise Fund</b>	<b>Total</b>
Accounts	\$ 63,606	\$ 24,571	\$ 88,177
Accrued Interest	-	15,409	15,409
Accrued Payroll Taxes	3,474	-	3,474
Other Accrued Payables	-	2,308	2,308
Accrued Vacation	9,514	8,562	18,076
Accrued Salaries	7,785	4,534	12,319
<b>Total</b>	<b>\$ 84,379</b>	<b>\$ 55,384</b>	<b>\$ 139,763</b>

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

**11. Operating Leases**

The Town has entered into an operating lease rental agreement for police radars in April 2020. The lease is for 36 months of \$277 paid monthly. The total amount of the lease paid for the fiscal year June 30, 2021 is \$3,324. The expected payments on the lease are as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2022	\$ 3,324
2023	3,047
	\$ 6,371

**12. Capital Leases**

The Town entered into a capital lease purchase agreement on August 21, 2018 with Ford Motor Credit Company for a 2018 Ford F-150 for \$31,188. The lease is for 36 months with a 6.65% interest rate. The Town made its final payment on May 10, 2021.

**13. Long-Term Obligations**

The following is a summary of long-term obligation transactions for the year ended June 30, 2021:

<b>Description</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Water Revenue Bonds 91-02	\$ 230,756	\$ -	\$ (230,756)	\$ -
Sewer Revenue Bonds 92-03	254,979	-	(254,979)	-
Sewer Revenue Bonds 92-05	42,099	-	(42,099)	-
Water Revenue Bonds 91-07	157,889	-	(157,889)	-
Water Revenue Bonds Series 2010	3,342,109	-	(3,342,109)	-
Water and Sewer Revenue Refunding				
Bonds, Series 2020	-	4,165,000	(80,000)	4,085,000
Total Bonds	4,027,832	4,165,000	(4,107,832)	4,085,000
Less: Unamortized Discount	-	44,654	(869)	43,785
Total Long-Term Debt	\$ 4,027,832	\$ 4,120,346	\$ (4,106,963)	\$ 4,041,215

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

Bonds Payable as of June 30, 2021 are as follows:

	<b>Bonds Payable End of Year</b>	<b>Due Within One Year</b>
Water and Sewer Revenue Refunding Bonds \$4,165,000		
Series 2020 Refunding bonds sold to private lender, Dated 11/14/2020		
due in semi- annual installments of principal and interest averaging \$191,190		
through 05/01/2050 interest at ranges from 2.00 to 2.64%	\$ 4,085,000	\$ 150,000
	<u>\$ 4,085,000</u>	<u>\$ 150,000</u>

On November 24, 2020 the Town issued Water and Sewer Revenue Refunding Bonds, Series 2020 in the amount of \$4,165,000. The Series 2020 bonds were issued for the purposes of currently refunding the Town's (a) \$575,000 Water Revenue Bonds, Series 1988; (b) \$455,000 Sewer Revenue Bonds, Series 1993; (c) \$191,000 Water Revenue Bond, Series 2006; and (d) \$3,706,000 Water Revenue Bonds, Series 2010. The Series 2020 Refunding Bonds were used to repay the old debt immediately (a current refunding). The Series 2020 refunding bonds were issued at a discount of \$44,653. Bond issuance costs are recorded at \$140,599.

The annual requirements to amortize all bonded debt outstanding at June 30, 2021, including interest payments of \$1,459,519 are as follows:

<b>Year Ending June 30</b>	<b>Water and Sewer Refunding Bonds</b>	<b>Total</b>
<b>June 30</b>	<b>\$ 4,165,000</b>	<b>\$ \$</b>
2022	\$ 242,456	\$ \$ 242,456
2023	239,456	239,456
2024	241,456	241,456
2025	238,356	238,356
2026	240,256	240,256
2027 to 2031	1,084,413	1,084,413
2032 to 2036	907,725	907,725
2037 to 2041	855,394	855,394
2042 to 2046	849,844	849,844
2047 to 2050	645,163	645,163
	<u>\$ 5,544,519</u>	<u>\$ \$ 5,544,519</u>

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

The following shows the net present value benefits and cash savings for the Water and Sewer Refunding Bonds, Series 2020:

**PV Analysis Summary (Gross to Gross)**

Gross PV Debt Service Savings	\$ 756,181
Release of Reserve Funds	599,747
Transfer from Funds on Deposit	(640,318)
Net Present Value Benefit	<u>\$ 715,610</u>
Net PV Benefit/ \$3,977,470 Refunded Principal	17.992%

**14. Flow of Funds, Restrictions on Use – Utilities Revenues**

The Issuer covenants to fix, establish, maintain and collect, so long as any principal and interest is unpaid on the Bonds, such rates, fees, rents or other charges for the services and facilities of the Combined Utility Enterprise System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide Combined Utility Enterprise Fund Net Revenues in each Fiscal Year sufficient to (i) make payments and deposits required by this Bond Ordinance for the payment of the principal and interest on the Bonds and any Additional Parity Obligations issued hereafter; (ii) equal one hundred twenty percent (120%) of the required deposits to the debt service funds established for the security and payment of the Bonds and any Additional Parity Obligations; (iii) make all other payments required by this Bond Ordinance; and (iv) pay all other obligations or indebtedness payable out of the Combined Utility Enterprise Fund Net Revenues for such Fiscal Year. The Issuer further covenants that such rates, fees, rents, or other charges shall not at any time be reduced so as to be insufficient to provide adequate revenues for such purposes.

There is hereby established to be maintained with the Paying Agent, a separately identifiable fund or account, designated the "*Series 2020 Water and Sewer Revenue Refunding Bond Debt Service Fund*" (the "*Debt Service Fund*"). On or before the twentieth (20th) day of each month, or, if such day is not a Business Day, the next succeeding Business Day, commencing on December 20, 2020, the Issuer shall transfer or cause to be transferred to the Debt Service Fund, one-fifth (1/5) of the amount required to pay principal and interest payable on the Bonds on May 1, 2021 and commencing May 20, 2021, the Issuer shall transfer or cause to be transferred to the Debt Service Fund one-sixth (1/6) of the amount required to pay interest payable on the Bonds on the next Interest Payment Date and one-twelfth (1/12) of the amount required to pay principal payable on the Bonds on the next Principal Payment Date.

In lieu of funding a Debt Service Reserve Fund, the Town has purchased a Reserve Fund Alternate Investment in the form of a Municipal Debt Service Reserve Insurance Policy issued by the Bond Issuer.

**15. Pension Plans**

The Town of Albany participates in a Simple IRA Retirement Plan administered by Edward Jones. The plan covers employees who are reasonably expected to earn five thousand dollars in compensation for the calendar year. The Town will contribute a matching contribution of three percent for each employee’s annual income. Retirement expense for the year ended June 30, 2021 was \$5,658.

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

**16. Restricted, Committed, and Assigned Fund Balances/ Restricted Net Position**

At June 30, 2021, the proprietary fund had restricted net position of \$26,693, representing the Town’s funds restricted by revenue bond debt covenants and contracts with customers for meter deposits, net of the related liability.

**17. Risk Management**

The Town is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Town purchases commercial insurance policies and bonds for claims related to the aforementioned risks. The Town’s payment of the insurance policy deductible is the only liability associated with these policies and bonds. There has been no significant decrease in insurance coverage from the prior year, and the amount of settlements has not exceeded the insurance coverage for the past three fiscal years.

**18. Contingent Liabilities**

At June 30, 2021, the Town was not involved in any outstanding litigation or claims requiring adjustment or disclosure.

**19. On-Behalf Payments for Fringe Benefits and Salaries**

For the fiscal year ended June 30, 2021, the State of Louisiana made on behalf payments in the form of supplemental pay to the Town’s policemen. In accordance with GASB 24, the Town recorded \$27,050 of on-behalf payments as revenue and as an expenditure in the General Fund.

**20. Prior Period Adjustments**

At June 30, 2021, the Town had prior period adjustments related to the recording of grants receivable. The Town is due reimbursement from FEMA of \$181,461 for repairs to the sewer pond completed in June 2020 and for rental expense for the temporary town hall used after the flood of 2016.

The Town also has a prior period adjustment of \$58,160 for a grant receivable from the U.S Department of Commerce Economic Development Administration. The grant is for engineering fees for the new sewer wastewater project.

<b>Business Type Activities</b>	<b>2021</b>
Net Position, Beginning	\$ 5,177,885
Grant Receivable for Fema - Sewer Pond	92,361
Grant Receivable for Fema - Rent Reimbursement	89,100
Grant Receivable from EDA - Liftstation	58,160
Total Adjusted Net Position, Beginning	\$ 5,417,506

**Town of Albany, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2021**

**21. Subsequent Events**

Subsequent events have been evaluated by management through December 13, 2021, the date the financial statements were available for issuance. The following events were noted that require recording or disclosure in the financial statements for the fiscal year ending June 30, 2021.

On August 23, 2021, the Town received a payment of \$214,329.45 representing the first of two payments as a result of the American Rescue Plan Act of 2021.

On August 29, 2021, Hurricane Ida hit south Louisiana. The Town paid out approximately \$150,000 for emergency call out pay, generator rental, and repairs to water well pumps. The Town is expecting to be reimbursed for these costs from FEMA.

## Required Supplemental Information (Part II)

**Town of Albany, Louisiana**

**Schedule 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual  
General Fund  
For the Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable</u>
<b>Revenues</b>				
Taxes:				
Sales and Use Taxes	\$ 484,800	\$ 515,700	\$ 519,679	\$ 3,979
Ad Valorem Tax	36,500	36,500	42,900	6,400
Public Utility Franchise Taxes	53,000	53,000	58,635	5,635
Taxes on Insurance Premiums	50,000	50,000	61,578	11,578
Licenses, Permits and Fees:				
Business Licenses	48,000	53,000	60,046	7,046
Intergovernmental:				
FEMA Reimbursements	-	35,100	35,109	9
Cares Act Grant	-	83,600	83,646	46
Louisiana Beer Tax Distribution	4,000	4,000	4,916	916
Police Revenue:				
Fines and Forfeitures	88,800	168,000	207,183	39,183
State Supplemental Pay	24,000	22,800	27,050	4,250
Donations	-	500	1,500	1,000
State Grants				
Law Enforcement Grants	4,000	-	-	-
Other State Grants	115,125	210,000	170,000	(40,000)
Other Revenues				
Park Donations	2,500	15,000	15,000	-
Interest	400	100	73	(27)
Miscellaneous	5,000	-	456	456
<b>Total Revenues</b>	<u>916,125</u>	<u>1,247,300</u>	<u>1,287,771</u>	<u>40,471</u>

(Continued)

See auditor's report.



**Town of Albany, Louisiana**

**Schedule 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual  
General Fund  
For the Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts GAAP Basis</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
<b>Expenditures</b>				
General Government				
Advertising & Printing	\$ 700	\$ -	\$ -	-
Assessor	500	500	528	(28)
Beautification	15,000	12,500	13,310	(810)
Building & Ground Maintenance	7,000	9,400	2,507	6,893
Building Inspector	-	-	400	(400)
Capital Outlays, Building	163,500	205,100	165,108	39,992
Capital Outlays, Other	2,500	4,300	-	4,300
Conferences	5,000	2,000	207	1,793
Coroner's Fees	400	500	600	(100)
Dues, Subscriptions, Meetings	2,100	3,500	4,567	(1,067)
Election Expense	-	2,600	2,613	(13)
Insurance	11,700	12,800	17,995	(5,195)
Internet	1,400	1,600	1,579	21
Janitorial Salary & Supplies	6,100	6,000	6,000	-
Kitchen Supplies	1,700	2,600	2,560	40
Legal	3,000	2,000	-	2,000
Miscellaneous Expense	1,900	5,000	293	4,707
Office Expenditures	10,000	23,100	22,756	344
Official Journal	2,900	4,100	3,489	611
Payroll Tax Expense	9,100	10,700	10,796	(96)
Permit Fees	2,500	2,500	-	2,500
Professional Services	36,800	36,800	32,713	4,087
Retirement	1,600	1,400	1,323	77
Salaries, Clerical	67,200	62,600	63,536	(936)
Salaries, Mayor & Alderman	63,500	63,500	63,500	-
Telephone	1,400	1,200	1,018	182
Training	4,300	-	138	(138)
Uniforms	900	1,500	1,145	355
Unemployment	1,300	1,200	1,205	(5)
Utilities	6,500	7,200	7,628	(428)
Worker's Compensation	400	500	413	87
Total General Government	430,900	486,700	427,927	58,773

(Continued)

See auditor's report.

**Town of Albany, Louisiana**

**Schedule 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual  
General Fund  
For the Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable (Unfavorable)</u>
<b>Public Safety</b>				
Auto Fuel	\$ 24,000	\$ 22,200	\$ 24,578	\$ (2,378)
Auto Repairs	13,400	22,300	19,725	2,575
Capital Outlays	82,500	107,400	107,490	(90)
Conferences	4,000	-	-	-
Insurance	21,600	26,000	28,019	(2,019)
Other Police Expense	1,100	4,400	3,268	1,132
Payroll Taxes	19,000	20,700	21,509	(809)
Post Officer Training	3,500	2,700	1,550	1,150
Retirement	4,350	3,100	3,160	(60)
Salaries, Police Department	231,400	231,500	240,991	(9,491)
Salaries, Overtime	9,850	14,700	12,955	1,745
Salaries, Supplemental Pay	24,000	21,300	27,050	(5,750)
Salaries, Grant Overtime	5,000	-	1,225	(1,225)
Supplies	2,800	5,800	5,447	353
Telephone & Utilities	8,100	8,000	8,172	(172)
Training	200	-	-	-
Uniforms	6,300	7,800	6,151	1,649
Law Enforcement	8,600	8,900	10,911	(2,011)
Lease Payments	2,640	3,300	3,325	(25)
Witness Fees	600	300	350	(50)
Workers Compensation	14,500	15,300	12,311	2,989
Total Police Department	<u>487,440</u>	<u>525,700</u>	<u>538,187</u>	<u>(12,487)</u>
<b>Mayor's Court</b>				
Court Magistrate	3,600	2,700	3,000	(300)
Salary, Court Clerk	1,200	1,100	1,200	(100)
Total Mayor's Court	<u>4,800</u>	<u>3,800</u>	<u>4,200</u>	<u>(400)</u>
<b>Streets, Drainage, &amp; Sanitation</b>				
Animal Control	100	-	-	-
Capital Outlays	-	2,900	-	2,900
Dump Truck, Streets	800	800	-	800
Equipment Repairs	2,500	3,000	680	2,320
Insurance	5,350	12,000	15,962	(3,962)
Materials & Supplies	2,500	9,600	9,738	(138)
Other Expenses, Streets	600	700	215	485
Payroll Taxes	4,800	4,500	4,703	(203)
Retirement	1,000	1,000	1,008	(8)
Salaries	63,100	63,100	62,020	1,080
Sanitation, Collection Expenses	3,600	800	1,208	(408)
Street & Drainage Improvements	10,000	6,500	4,900	1,600
Street Lights	21,400	23,500	23,961	(461)
Workers Compensation	2,500	-	-	-
Total Streets and Parks	<u>118,250</u>	<u>128,400</u>	<u>124,395</u>	<u>4,005</u>

(Continued)

See auditor's report.

**Town of Albany, Louisiana**

**Schedule 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual  
General Fund  
For the Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable (Unfavorable)</u>
<b>Other</b>				
Fire Protection	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
J&N Park Other Expenses	12,000	6,400	12,909	(6,509)
Total Other	<u>17,000</u>	<u>11,400</u>	<u>17,909</u>	<u>(6,509)</u>
Total Expenditures	<u>1,058,390</u>	<u>1,156,000</u>	<u>1,112,618</u>	<u>43,382</u>
Excess Revenues (Expenditures)	(142,265)	91,300	175,153	83,853
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(120,000)	(120,000)	-
Transfers In	142,265	-	-	-
Sale of Fixed Assets	-	6,100	6,060	40
Total Other Financing Sources (Uses)	<u>142,265</u>	<u>(113,900)</u>	<u>(113,940)</u>	<u>40</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>(22,600)</u>	<u>61,213</u>	<u>83,813</u>
<b>Fund Balance, Beginning</b>	<u>231,560</u>	<u>264,322</u>	<u>264,322</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 231,560</u>	<u>\$ 241,722</u>	<u>\$ 325,535</u>	<u>\$ 83,813</u>

(Concluded)

See auditor's report.

## Other Supplemental Information

**Town of Albany, Louisiana**

**Schedule 2**

**Combining Schedule of Revenues, Expenses and Changes in Net Position  
Proprietary Fund Type, Utility Departments  
For the Year Ended June 30, 2021**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>Operating Revenues</b>			
Water Sales	\$ 1,266,057	\$ -	\$ 1,266,057
Sewer Service Charges	-	160,515	160,515
Other	117,991	-	117,991
Grants	15,000	-	15,000
<b>Total Operating Revenues</b>	<u>1,399,048</u>	<u>160,515</u>	<u>1,559,563</u>
<b>Operating Expenses</b>			
Salaries and Wages	133,458	62,990	196,448
Amortization	404	43	447
Contract Service	13,591	-	13,591
Depreciation	222,123	124,764	346,887
DHH Fees	26,628	-	26,628
Insurance	12,262	1,914	14,176
Payroll Taxes	10,123	4,728	14,851
Postage	10,925	-	10,925
Professional Fees	40,914	5,663	46,577
Repairs and Maintenance	51,832	18,633	70,465
Retirement	2,498	-	2,498
Supplies	83,505	-	83,505
Training	1,180	-	1,180
Uniforms	4,149	-	4,149
Utilities	9,785	37,038	46,823
Vehicle Expenses	17,671	-	17,671
Workers Compensation	2,460	2,056	4,516
Other	1,230	-	1,230
<b>Total Operating Expenses</b>	<u>644,738</u>	<u>257,829</u>	<u>902,567</u>
<b>Operating Income (Loss)</b>	<u>754,310</u>	<u>(97,314)</u>	<u>656,996</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	1,531	53	1,584
Bond Issuance Costs	(127,038)	(13,561)	(140,599)
Bond Interest Expense	(116,130)	(10,130)	(126,260)
Capital Lease Interest Expense	(465)	-	(465)
Billing Fees	-	6,200	6,200
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(242,102)</u>	<u>(17,438)</u>	<u>(259,540)</u>
Income (Loss) Before Contributions and Transfers	<u>512,208</u>	<u>(114,752)</u>	<u>397,456</u>
<b>Transfers and Capital Contributions</b>			
Capital Grants	-	28,690	28,690
Transfers In	120,000	-	120,000
<b>Change in Net Position</b>	<u>\$ 632,208</u>	<u>\$ (86,062)</u>	<u>\$ 546,146</u>
<b>Total Net Position, Beginning</b>			5,177,885
Prior Period Adjustments (Note 20)			239,621
<b>Total Adjusted Net Position, Beginning</b>			<u>5,417,506</u>
<b>Total Net Position, Ending</b>			<u>\$ 5,963,652</u>

See auditor's report.

Town of Albany, Louisiana

Schedule 3

Schedule of Revenues, Expenses, and Changes in Net Position  
Budget (GAAP Basis) and Actual, Proprietary Fund Type, Water Utility System  
For the Year Ended June 30, 2021

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Operating Revenues</b>			
Water Sales	\$ 1,259,700	\$ 1,266,057	\$ 6,357
Other	120,100	117,991	(2,109)
Grants	-	15,000	15,000
<b>Total Operating Revenues</b>	<u>1,379,800</u>	<u>1,399,048</u>	<u>19,248</u>
<b>Operating Expenses</b>			
Salaries and Wages	126,600	133,458	(6,858)
Amortization	-	404	(404)
Bad Debt	800	-	800
Contract Service	16,700	13,591	3,109
Depreciation	247,000	222,123	24,877
DHH Fees	26,400	26,628	(228)
Insurance	12,700	12,262	438
Payroll Taxes	9,700	10,123	(423)
Postage	10,900	10,925	(25)
Professional Fees	44,300	40,914	3,386
Repairs and Maintenance	30,500	51,832	(21,332)
Retirement	2,600	2,498	102
Supplies	71,700	83,505	(11,805)
Training	400	1,180	(780)
Uniforms	3,900	4,149	(249)
Utilities	10,600	9,785	815
Vehicle Expenses	15,900	17,671	(1,771)
Workers Compensation	4,900	2,460	2,440
Other	930	1,230	(300)
<b>Total Operating Expenses</b>	<u>636,530</u>	<u>644,738</u>	<u>(8,208)</u>
<b>Operating Income (Loss)</b>	<u>743,270</u>	<u>754,310</u>	<u>11,040</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	1,700	1,531	(169)
Bond Issuance Costs	(88,500)	(127,038)	(38,538)
Bond Interest Expense	(113,900)	(116,130)	(2,230)
Capital Lease Interest Expense	-	(465)	(465)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(200,700)</u>	<u>(242,102)</u>	<u>(41,402)</u>
Income (Loss) Before Contributions and Transfers	542,570	512,208	(30,362)
<b>Transfers In</b>	<u>120,000</u>	<u>120,000</u>	<u>-</u>
<b>Change in Net Position</b>	<u>\$ 662,570</u>	<u>\$ 632,208</u>	<u>\$ 23,800</u>

See auditor's report.

**Town of Albany, Louisiana**

**Schedule 4**

**Schedule of Revenues, Expenses, and Changes in Net Position  
Budget (GAAP Basis) and Actual, Proprietary Fund Type, Sewer Utility System  
For the Year Ended June 30, 2021**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Operating Revenues</b>			
Sewer Charges	\$ 158,400	\$ 160,515	\$ 2,115
<b>Total Operating Revenues</b>	158,400	160,515	2,115
<b>Operating Expenses</b>			
Salaries and Wages	59,700	62,990	(3,290)
Amortization	-	43	(43)
Bad Debt	800	-	800
Depreciation	133,900	124,764	9,136
Insurance	1,900	1,914	(14)
Payroll Taxes	4,600	4,728	(128)
Professional Fees	5,900	5,663	237
Repairs and Maintenance	16,300	18,633	(2,333)
Supplies	1,400	-	1,400
Utilities	37,100	37,038	62
Workers Compensation	4,000	2,056	1,944
Other	1,400	-	1,400
<b>Total Operating Expenses</b>	267,000	257,829	9,171
<b>Operating Income (Loss)</b>	(108,600)	(97,314)	11,286
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	100	53	(47)
Billing Fees	6,300	6,200	(100)
Bond Issuance Costs	-	(13,561)	(13,561)
Bond Interest Expense	(13,500)	(10,130)	3,370
<b>Total Nonoperating Revenues (Expenses)</b>	(7,100)	(17,438)	(10,338)
Income (Loss) Before Contributions and Transfers	(115,700)	(114,752)	948
<b>Capital Contributions</b>	180,000	28,690	(151,310)
<b>Change in Net Position</b>	\$ 64,300	\$ (86,062)	\$ (150,362)

See auditor's report.

**Town of Albany, Louisiana**

**Schedule 5**

**Schedule of Water and Sewer Rates – Proprietary Fund Type  
For the Year Ended June 30, 2021**

<b>Water</b>	
<b>Residential Rates - Inside City Limits</b>	<b>Commercial Rates - Inside City Limits</b>
\$ 27.68 - First 2,500 Gallons	\$ 50.68 - First 10,000 Gallons
1.50 - Per 1,000 Gallons of Water over 2,500 Gallons	1.50 - Per 1,000 Gallons of Water over 10,000 Gallons
<b>Residential Rates - Outside City Limits</b>	<b>Commercial Rates - Outside City Limits</b>
\$ 35.68 - First 2,500 Gallons	\$ 58.68 - First 10,000 Gallons
2.50 - Per 1,000 Gallons of Water over 2,500 Gallons	2.50 - Per 1,000 Gallons of Water over 10,000 Gallons
<b>Sewer</b>	
<b>Residential Rates</b>	<b>Commercial Rates</b>
\$ 23.75 - Flat fee plus \$1.00 per thousand Gallons	\$ 33.75 - Flat fee plus \$1.05 per thousand Gallons

See auditor's report.



**Town of Albany, Louisiana**

**Schedule 6**

**Schedule of Number of Customers – Proprietary Fund Type  
For the Year Ended June 30, 2021**

	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Water	2,248	102	2,350
Sewer	468	54	522
Total	<u>2,716</u>	<u>156</u>	<u>2,872</u>

See auditor's report.

Town of Albany, Louisiana

Schedule 7

Schedule of Insurance  
For the Year Ended June 30, 2021

Insurance Company / Policy Number	Coverage	Amount	Period	
			1/15/2021 to	1/15/2022
Risk Management, Inc. 1004-2019-17015	Commercial General Liability			
	Premises Operations	\$ 500,000	Per Occurrence	
	Products- Completed Operations Aggregate Limit	500,000		
	Fire Legal Liability	50,000	Per Occurrence	
	Medical Expense Limit (any one person)	Excluded		
	Per Person	1,000		
	Per Accident	10,000		
	Law Enforcement Liability:			
	Personal Injury and Property Damage	500,000		
	Deductible	1,000		
	Errors and Omissions			
	Errors and Omissions	500,000		
	Deductible	1,000		
	Business Auto:			
	Bodily Injury and Property Damage	500,000		
EMC Insurance Company Policy #5A9-87-05--21	Commercial Property:			
	Business Personal Property	3,134,379		
	Electronic Data Processing Equipment	50,000		
	Electronic Data Processing Data & Media	50,000		
	Business Income and Extra Expense	100,000		
	Additional Coverages			
	Debris Removal-additional amount at each described premises	5,000		
	Employee Tools	5,000		
	Pollution Cleanup and Removal-	25,000		
	Rental Reimbursement Limit	5,000		
	Spare Parts and Fuel	5,000		
	Contractor's Equipment - Leased or Rented	25,000		
	Commercial Inland Marine Coverage			
	Items Listed in Policy	282,075		
	Government Crime Coverage			
	Employee Theft-Per Loss Coverage	50,000		
	Forgery or Alteration	25,000		
	Inside the Premises-Theft of Money and Securities	20,000		
	Outside the Premises	10,000		
Selective Insurance FLD 2545022	Flood Insurance - Town Hall			
	Building Coverage	500,000	6/13/2021 to	6/13/2022
	Contents Coverage	100,000		
FLD 2559781	Flood Insurance - Maintenance Building			
	Building Coverage	100,000	6/12/2021 to	6/12/2022
	Contents Coverage	100,000		
Risk Management, Inc. WC-153	Workers' Compensation	Statutory Limits	1/1/2021 to	1/1/2022
CNA Surety Bond 01507681	Fidelity Bond	5,000	10/15/2020 to	10/15/2021
CNA Surety Bond 18143978	Fidelity Bond	200,000	2/13/2021 to	2/13/2022
CAN Surety Bond 01628690	Fidelity Bond	7,220	4/15/2021 to	4/15/2022

See auditor's report.

**Town of Albany, Louisiana**

**Schedule 8**

**Schedule of Compensation Paid to Board Members  
For the Year Ended June 30, 2021**

<u>Name</u>	<u>Address/Phone Number</u>	<u>Compensation Received</u>
Eileen Bates McCarroll, Mayor	Post Office Box 1 Albany, LA 70711 225-939-7967	\$ 33,500
Kim Stewart, Councilwoman	Post Office Box 1346 Albany, LA 70711 (985) 320-0801	6,000
Ronnie Gregoire, Councilman	Post Office Box 243 Albany, LA 70711 (985) 507-3176	6,000
Jerry Glascock, Councilman	Post Office Box 1183 Albany, LA 70711 (985) 969-4945	6,000
Lloyd Martin, Councilman	Post Office Box 146 Albany, LA 70711 (225) 567-2093	6,000
Gerald Stilley, Councilman	Post Office Box 363 Albany, LA 70711 (225) 567-9723	6,000
		<u>\$ 63,500</u>

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No 54 of the 1979 Session of the Louisiana Legislature. All terms expire 12/31/22.

See auditor's report.

Town of Albany, Louisiana

Schedule 9

Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended June 30, 2021

Agency Head Name: Eileen Bates McCarroll, Mayor

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 32,000
Car Allowance	1,500
Retirement	1,005
Reimbursements	127
<b>Total</b>	<b>\$ 34,632</b>

See auditor's report.

**Town of Albany, Louisiana**

**Schedule 10**

**Schedule of Justice System Funding – Collecting / Disbursing Entity  
For the Year Ended June 30, 2021**

	<b>First Six Month Period Ended <u>12/31/2020</u></b>	<b>Second Six Month Period Ended <u>6/30/2021</u></b>
<b>Cash Basis Presentation</b>		
<b>Beginning Balance of Amounts Collected (I.e. cash on hand)</b>	\$ 343	0
<b>Add: Collections</b>		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest earnings on Collected Balances	-	-
Other (do not include collections that fit into more specific categories above)	65,900	141,284
<b>Subtotal Collections</b>	<u>65,900</u>	<u>141,284</u>
<b>Less: Disbursements to Governments &amp; Nonprofits:</b>		
State Treasury Disability Affairs	-	-
Treasury State of Louisiana CMIS	296	505
DHH Traumatic Head & Spinal Cord Injury Trust	760	1,260
Judicial Administration, Supreme Court of LA	149	452
21st JDC Public Defender Office	-	-
Louisiana Commission on Law Enforcement	654	1,375
Florida Parishes Juvenile Justice Commission	1,480	2,897
<b>Less: Amount Retained by Collecting Agency</b>		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency - Other	62,805	133,400
<b>Less: Disbursements to Individual /3rd Party Collection or Processing Agencies</b>		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individual (additional detail is not required)	-	-
Other Disbursements to Individual (additional detail is not required)	-	-
Payments to 3rd Party Collection/Processing Agencies	99	-
<b>Subtotal Disbursements/Retainage</b>	<u>66,243</u>	<u>139,889</u>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)</b>	<u>\$ -</u>	<u>\$ 1,395</u>

Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained.

See auditor's report.

## Other Independent Auditor's Reports and Findings and Recommendations

Dennis E. James, CPA  
Lyle E. Lambert, CPA  
Paul M. Riggs, Jr., CPA  
J. Bryan Ehricht, CPA

Megan E. Lynch, CPA  
B. Jacob Steib, CPA  
Brody A. Howes, CPA  
Lauren Kimble Smith, CPA  
Christie J. Barado  
Connor J. Collura  
Sharon B. Bravata  
Krystal L. Waddell  
Debbie G. Faust, EA  
Laci L. Brignac



**JAMES  
LAMBERT RIGGS  
& ASSOCIATES, INC.**  
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Member of  
American Institute of CPAs  
Society of Louisiana CPAs

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 Mayor Eileen Bates-McCarroll  
and Members of the Town Council  
Town of Albany, Louisiana

We have audited, 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, the financial statements of the governmental activities, the business-type activities, and each major fund, of the Town of Albany as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Town of Albany's basic financial statements, and have issued our report thereon dated December 13, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Albany's internal control over financial reporting (internal control) as a basis for designing 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 of Albany's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Albany's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or 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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

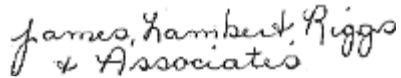
As part of obtaining reasonable assurance about whether the Town of Albany's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and

Town of Albany, Louisiana

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*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James, Lambert, Riggs and Associates, Inc.  
Hammond, Louisiana

December 13, 2021



**Town of Albany, Louisiana**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2021**

We have audited the basic financial statements of the Town of Albany, Louisiana as of and for the year ended June 30, 2021, and have issued our report thereon dated December 13, 2021. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Uniform Guidance.

Section I – Summary of Auditor’s Reports

1. Report on Internal Control and Compliance Material to the Financial Statements

Type of Opinion Issued	<input checked="" type="checkbox"/>	Unmodified	<input type="checkbox"/>	Modified
	<input type="checkbox"/>	Disclaimer	<input type="checkbox"/>	Adverse
Internal Control:				
Material Weakness	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Significant Deficiencies	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Compliance:				
Compliance Material to the Financial Statements	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

2. Management Letter

Was a management letter issued?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
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Section II – Financial Statement Findings

**Internal Control over Financial Reporting**

None

**Compliance and Other Matters**

None

**Town of Albany, Louisiana**

**Summary Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2021**

**Internal Control over Financial Reporting**

None

**Compliance and Other Matters**

None