

TOWN OF DELCAMBRE, LOUISIANA

Financial Report

Year Ended April 30, 2021

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-3
 BASIC FINANCIAL STATEMENTS	
 GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	6
Statement of activities	7
 FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	9
Reconciliation of the governmental funds balance sheet to the statement of net position	10
Statement of revenues, expenditures, and changes in fund balances - governmental funds	11
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	12
Statement of net position - proprietary funds	13
Statement of revenues, expenses, and changes in net position - proprietary funds	14
Statement of cash flows - proprietary funds	15-16
 Notes to basic financial statements	 17-32
 REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules:	
General Fund	34
Sales Tax Fund	35
Special Fund	36
Notes to budgetary comparison schedules	37
 OTHER SUPPLEMENTARY INFORMATION	
Nonmajor Governmental Funds -	
Nonmajor Special Revenue Funds -	
Combining balance sheet	40
Combining statement of revenues, expenditures, and changes in fund balance	41

(continued)

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Schedule of number of utility customers and rates	42
Comparative statement of net position - proprietary funds	43
Comparative departmental analysis of operating revenues and expenses - Utility Fund	44
Schedule of insurance in force	45
Schedule of compensation paid to Town Aldermen	46
Schedule of compensation, benefits, and other payments to agency head	47
Justice System Funding Schedule - Collecting/Disbursing Entity	48
 INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	50-51
Schedule of current and prior year audit findings and management's corrective action plan	52-53
Management Letter	54

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

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

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

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

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

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

WWW.KCSRCPAS.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Pam Blakely, Mayor,
and Members of the Board of Aldermen
Town of Delcambre, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Delcambre (Town), Louisiana, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, each major fund, and the aggregate remaining fund information of the Town, as of April 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 required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of compensation paid to board of aldermen, schedule of compensation, benefits, and other payments to agency head, and the justice system funding schedule – collecting/disbursing entity are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation paid to board of aldermen, schedule of compensation, benefits, and other payments to agency head, and the justice system funding schedule – collecting/disbursing entity are fairly stated in all material respects in relation to the financial statements taken as a whole.

The combining balance sheet, combining statement of revenues, expenditures, and changes in fund balance, schedule of number of utility customers and rates, comparative statement of net position – proprietary funds, comparative departmental analysis of operating revenues and expenses – utility fund, and schedule of

insurance in force have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2021, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
September 29, 2021

BASIC FINANCIAL STATEMENTS

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

TOWN OF DELCAMBRE, LOUISIANA

Statement of Net Position

April 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and interest-bearing deposits	\$ 741,616	\$ 447,360	\$ 1,188,976
Receivables, net	49,443	53,879	103,322
Due from other governmental units	-	157,398	157,398
Prepaid expenses	10,450	3,210	13,660
Restricted assets -			
Cash and interest-bearing deposits	-	104,789	104,789
Capital assets -			
Non-depreciable	467,819	5,218,886	5,686,705
Depreciable, net of accumulated depreciation	<u>1,261,362</u>	<u>3,425,044</u>	<u>4,686,406</u>
Total assets	<u>2,530,690</u>	<u>9,410,566</u>	<u>11,941,256</u>
LIABILITIES			
Accounts and other payables	49,148	67,675	116,823
Retainage payable	-	157,397	157,397
Compensated absences payable	3,054	2,982	6,036
Customers' deposits	-	104,789	104,789
Internal balances	(78,098)	78,098	-
Long-term liabilities -			
Portion due or payable within one year -			
Revenue bonds payable	5,106	29,787	34,893
Portion due or payable after one year -			
Revenue bonds payable	<u>49,467</u>	<u>1,954,247</u>	<u>2,003,714</u>
Total liabilities	<u>28,677</u>	<u>2,394,975</u>	<u>2,423,652</u>
NET POSITION			
Net investment in capital assets	1,674,608	6,502,499	8,177,107
Restricted for tax dedications	786,581	-	786,581
Unrestricted	<u>40,824</u>	<u>513,092</u>	<u>553,916</u>
Total net position	<u>\$ 2,502,013</u>	<u>\$ 7,015,591</u>	<u>\$ 9,517,604</u>

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

TOWN OF DELCAMBRE, LOUISIANA

Statement of Activities
For the Year Ended April 30, 2021

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 193,362	\$ 144,351	\$ 10,911	\$ -	\$ (38,100)	\$ -	\$ (38,100)
Public safety:							
Police	374,357	25,873	29,933	-	(318,551)	-	(318,551)
Fire	143,176	43,594	-	-	(99,582)	-	(99,582)
Public works	246,459	41,017	-	-	(205,442)	-	(205,442)
Total governmental activities	<u>957,354</u>	<u>254,835</u>	<u>40,844</u>	<u>-</u>	<u>(661,675)</u>	<u>-</u>	<u>(661,675)</u>
Business-type activities:							
Gas	200,848	164,900	-	-	-	(35,948)	(35,948)
Water	242,517	251,221	-	-	-	8,704	8,704
Sewer	302,910	220,461	-	25,598	-	(56,851)	(56,851)
Administrative	68,133	13,954	-	-	-	(54,179)	(54,179)
Interest and fiscal charges	48,992	-	-	-	-	(48,992)	(48,992)
Total business-type activities	<u>863,400</u>	<u>650,536</u>	<u>-</u>	<u>25,598</u>	<u>-</u>	<u>(187,266)</u>	<u>(187,266)</u>
Total	<u>\$ 1,820,754</u>	<u>\$ 905,371</u>	<u>\$ 40,844</u>	<u>\$ 25,598</u>	<u>(661,675)</u>	<u>(187,266)</u>	<u>(848,941)</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes					44,798	-	44,798
Sales and use taxes, levied for general purposes					303,877	-	303,877
Other taxes					35,611	-	35,611
Interest income					3,710	2,457	6,167
Miscellaneous					227,229	3,241	230,470
Transfers					65,000	(65,000)	-
Total general revenues and transfers					<u>680,225</u>	<u>(59,302)</u>	<u>620,923</u>
Change in net position					18,550	(246,568)	(228,018)
Net position - beginning					<u>2,483,463</u>	<u>7,262,159</u>	<u>9,745,622</u>
Net position - ending					<u>\$ 2,502,013</u>	<u>\$ 7,015,591</u>	<u>\$ 9,517,604</u>

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

FUND FINANCIAL STATEMENTS (FFS)

TOWN OF DELCAMBRE, LOUISIANA

Balance Sheet
Governmental Funds
April 30, 2021

	<u>General</u>	<u>Sales Tax</u>	<u>Special</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS					
Cash	\$ 87,310	\$ 163,424	\$ 22,532	\$ 30,475	\$ 303,741
Interest-bearing deposits	-	337,141	100,734	-	437,875
Receivables:					
Sales tax	-	43,397	-	-	43,397
Other	3,186	2,860	-	-	6,046
Due from other funds	59,950	69,737	114,674	-	244,361
Prepaid expenses	9,999	451	-	-	10,450
Total assets	<u>\$ 160,445</u>	<u>\$ 617,010</u>	<u>\$ 237,940</u>	<u>\$ 30,475</u>	<u>\$ 1,045,870</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 21,254	\$ 14,297	\$ 2,439	\$ -	\$ 37,990
Accrued expenses	8,477	1,881	800	-	11,158
Due to other funds	87,287	72,622	6,354	-	166,263
Total liabilities	<u>117,018</u>	<u>88,800</u>	<u>9,593</u>	<u>-</u>	<u>215,411</u>
Fund balances:					
Nonspendable	9,999	451	-	-	10,450
Restricted	-	527,759	228,347	30,475	786,581
Unassigned	33,428	-	-	-	33,428
Total fund balances	<u>43,427</u>	<u>528,210</u>	<u>228,347</u>	<u>30,475</u>	<u>830,459</u>
 Total liabilities and fund balances	 <u>\$ 160,445</u>	 <u>\$ 617,010</u>	 <u>\$ 237,940</u>	 <u>\$ 30,475</u>	 <u>\$ 1,045,870</u>

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

TOWN OF DELCAMBRE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
April 30, 2021

Total fund balances for governmental funds	\$ 830,459
Capital assets, net	1,729,181
Long-term liabilities:	
Debt payable	(54,573)
Compensated absences	<u>(3,054)</u>
Net position of governmental activities	<u>\$ 2,502,013</u>

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

TOWN OF DELCAMBRE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Governmental Funds
 For the Year Ended April 30, 2021

	General	Sales Tax	Special	Other Governmental Funds	Total
Revenues:					
Taxes	\$ 44,798	\$ 303,877	\$ 35,611	\$ -	\$ 384,286
Licenses and permits	80,794	-	-	-	80,794
Intergovernmental	-	9,993	43,594	-	53,587
Charges for services	63,557	31,024	-	-	94,581
Fines and forfeiture	25,873	-	-	-	25,873
Interest	233	2,534	943	-	3,710
Other	<u>191,643</u>	<u>299</u>	<u>76,131</u>	<u>-</u>	<u>268,073</u>
Total revenues	<u>406,898</u>	<u>347,727</u>	<u>156,279</u>	<u>-</u>	<u>910,904</u>
Expenditures:					
Current -					
General government	134,456	24,950	-	-	159,406
Public safety	372,748	-	90,579	-	463,327
Public works	34,565	169,868	-	-	204,433
Capital outlays	5,468	6,267	62,019	-	73,754
Debt service	<u>8,625</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,625</u>
Total expenditures	<u>555,862</u>	<u>201,085</u>	<u>152,598</u>	<u>-</u>	<u>909,545</u>
(Deficiency) excess of revenues over expenditures	<u>(148,964)</u>	<u>146,642</u>	<u>3,681</u>	<u>-</u>	<u>1,359</u>
Other financing (sources) uses:					
Transfers in	154,549	-	-	-	154,549
Transfers out	<u>-</u>	<u>(85,000)</u>	<u>-</u>	<u>-</u>	<u>(85,000)</u>
Total other financing sources (uses)	<u>154,549</u>	<u>(85,000)</u>	<u>-</u>	<u>(4,549)</u>	<u>65,000</u>
Net change in fund balances	5,585	61,642	3,681	(4,549)	66,359
Fund balances, beginning	<u>37,842</u>	<u>466,568</u>	<u>224,666</u>	<u>35,024</u>	<u>764,100</u>
Fund balances, ending	<u>\$ 43,427</u>	<u>\$ 528,210</u>	<u>\$ 228,347</u>	<u>\$ 30,475</u>	<u>\$ 830,459</u>

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

TOWN OF DELCAMBRE, LOUISIANA

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

Net change in fund balances of governmental funds		\$ 66,359
Capital assets:		
Capital outlay	\$ 73,754	
Disposal of capital assets	(4,947)	
Depreciation expense	<u>(126,762)</u>	(57,955)
Principal payments on long term debt		4,893
Accrued interest		96
Accrued compensated absences		<u>5,157</u>
Change in net position of governmental activities		<u>\$ 18,550</u>

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

TOWN OF DELCAMBRE, LOUISIANA

Proprietary Fund
Statement of Net Position
April 30, 2021

ASSETS

Current assets:

Cash and interest bearing deposits	\$ 447,360
Accounts receivable, net of allowance	53,879
Due from other funds	74,364
Prepaid expenses	3,210
Due from other governmental units	<u>157,398</u>
Total current assets	<u>736,211</u>

Noncurrent assets:

Restricted assets -	
Cash	69,878
Interest-bearing deposits	34,911
Capital assets -	
Non-depreciable	5,218,886
Depreciable, net of accumulated depreciation	<u>3,425,044</u>
Total noncurrent assets	<u>8,748,719</u>
Total assets	<u>9,484,930</u>

LIABILITIES

Current liabilities:

Accounts payable	62,156
Compensated absences payable	2,982
Other payables	5,519
Revenue bonds payable	29,787
Retainage payable	157,397
Due to other funds	<u>152,462</u>
Total current liabilities	<u>410,303</u>

Noncurrent liabilities:

Revenue bonds payable	1,954,247
Customers' deposits	<u>104,789</u>
Total liabilities	<u>2,469,339</u>

NET POSITION

Net investment in capital assets	6,502,499
Unrestricted	<u>513,092</u>
Total net position	<u>\$ 7,015,591</u>

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

TOWN OF DECAMBRE, LOUISIANA

Proprietary Fund
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended April 30, 2021

Operating revenues:	
Charges for services	\$ 633,562
Miscellaneous	<u>16,974</u>
Total operating revenues	<u>650,536</u>
Operating expenses:	
Administrative expenses	68,133
Gas department expenses	154,462
Water department expenses	150,644
Sewerage department expenses	194,798
Depreciation	<u>246,371</u>
Total operating expenses	<u>814,408</u>
Operating loss	<u>(163,872)</u>
Nonoperating revenues (expenses):	
Grant revenues	25,598
Interest income	2,457
Other	3,241
Interest expense	<u>(48,992)</u>
Total nonoperating revenues (expenses)	<u>(17,696)</u>
Loss before transfers	(181,568)
Transfers out	<u>(65,000)</u>
Change in net position	(246,568)
Net position, beginning	<u>7,262,159</u>
Net position, ending	<u>\$7,015,591</u>

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

TOWN OF DELCAMBRE, LOUISIANA

Statement of Cash Flows
 Proprietary Fund
 For the Year Ended April 30, 2021

Cash flows from operating activities:	
Receipts from customers	\$ 640,857
Payments to suppliers	(427,588)
Payments to employees	(134,085)
Other receipts	<u>16,974</u>
Net cash provided by operating activities	<u>96,158</u>
Cash flows from noncapital financing activities:	
Payable from other funds	(14,437)
Other income	3,241
Transfers to other funds	<u>(65,000)</u>
Net cash used by noncapital financing activities	<u>(76,196)</u>
Cash flows from capital and related financing activities:	
Principal payment on bonds	(28,966)
Interest paid on bonds	(104,519)
Acquisition of property, plant and equipment	(158,586)
Grants and other contributions received	<u>253,344</u>
Net cash used by capital and related financing activities	<u>(38,727)</u>
Cash flows from investing activities:	
Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days	244,911
Purchase of investments and interest-bearing deposits with maturity in excess of ninety days	(244,911)
Interest on investments	<u>2,457</u>
Net cash provided by investing activities	<u>2,457</u>
Net change in cash and cash equivalents	(16,308)
Cash and cash equivalents, beginning of period	<u>323,546</u>
Cash and cash equivalents, end of period	<u>\$ 307,238</u>

(continued)

TOWN OF DELCAMBRE, LOUISIANA

Statement of Cash Flows (continued)

Proprietary Fund

Year Ended April 30, 2021

Cash flows from operating activities:	
Operating loss	\$ (163,872)
Adjustments to reconcile operating income to net cash provided by operating activities -	
Depreciation	246,371
(Increase) decrease in operating assets:	
Accounts receivable	3,370
Prepaid expenses	(1,783)
Increase (decrease) in operating liabilities:	
Accounts payable	7,304
Accrued compensated absences	870
Customer deposits	3,925
Other payables	<u>(27)</u>
Net cash provided by operating activities	<u>\$ 96,158</u>
Cash and cash equivalents, beginning of period -	<u>\$ 323,546</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits - unrestricted	447,360
Cash and interest-bearing deposits - restricted	69,878
Interest-bearing deposits - restricted	34,911
Less: Interest-bearing deposits with a maturity in excess of 90 days	<u>(244,911)</u>
Total cash and cash equivalents	<u>307,238</u>
Net change	<u>\$ (16,308)</u>

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

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Delcambre (Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsection of this note.

A. Financial Reporting Entity

The Town was originally formed as a Village on November 27, 1907. On June 13, 1946, by issuance of the Governor's proclamation and under the provisions of the Lawrson Act, the Village of Delcambre, Louisiana, became the Town of Delcambre, Louisiana. The Town operates under a Mayor-Board of Aldermen form of government. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town of Delcambre has no such component units.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Fund Financial Statements

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

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

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

The major funds of the Town are described below:

Governmental Funds -

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

The Sales Tax Fund accounts for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

The Special Fund accounts for the collection and disbursements of funds used for fire protection for the Town.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows.

Utility Fund

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Basis of Accounting

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

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

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

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Town's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Town's general revenues.

Allocation of indirect expenses

The Town reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. When not clearly identifiable with a function, interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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

Cash and interest-bearing deposits

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Town. For the purpose of the proprietary fund statement of cash flows, "cash and cash

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

Investments

Under state law the Town may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Town may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Interfund receivables and payables

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

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes. Business-type activities report customer’s utility service receivables as their major receivables.

Uncollectible ad valorem taxes or utility service receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The Town has estimated that trade accounts receivable that have been unpaid for more than 90 days are uncollectible, and this amount has been established as the allowance for uncollectibles, based upon prior experience. The allowance for uncollectibles for customers’ utility receivables was \$38,177.

Property taxes are levied on October 1 on property values assessed on that date. Notices of tax liability are mailed on or about November 1 of the same year and are due and payable at that time. All unpaid taxes levied become delinquent January 1 of the following year. Property tax revenues are recognized when levied to the extent that they result in current receivables. Current receivables include those property tax receivables expected to be collected within sixty days after year end.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the end of the Town’s fiscal year are recorded as prepaid items.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Town maintains a threshold level of \$1,500 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. Prior to January 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. Land and construction in progress are not depreciated. The range of estimated useful lives by type of asset is as follows:

Buildings	20-40 years
Improvements other than buildings	20-40 years
Autos and trucks	5-7 years
Other equipment	5-7 years
Gas system	20-40 years
Water system	10-40 years
Sewer system	20-40 years

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

Compensated Absences

All employees in the classified service shall receive one-half (1/2) day of sick leave for each calendar month of service up to a maximum of 21 days overall.

Vacation is earned by full-time employees based upon length of service ranging from 5 days to 20 days. One week of vacation time may be carried over from one anniversary year to the next. All accumulated sick leave shall be forfeited upon termination of employment.

For fund financial statements, earned vacation leave is reported as an expenditure and a current fund liability of the fund that will pay it. In the government-wide statements, amounts vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are recorded as a liability.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Restricted Assets

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

Long-term debt

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

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of revenue bonds payable.

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

Deferred Outflows of Resources and Deferred Inflows of Resources

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

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

Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Proprietary fund equity is classified the same as in the government-wide statements. In the fund financial statements, governmental fund equity is classified as fund balance.

Fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form (such as inventories and prepaid amounts) or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be spent only for specific purposes determined by a formal action of the government’s highest level of decision-making authority.

Assigned – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned – all other spendable amounts

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Fund balances are composed of the following:

	General Fund	Sales Tax Fund	Special Fund	Nonmajor Fund	Total Governmental Funds
Nonspendable:					
Prepaid items	\$ 9,999	\$ 451	\$ -	\$ -	\$ 10,450
Restricted:					
Fire protection	-	-	228,347	-	228,347
Public works and building operations and maintenance	-	527,759	-	-	527,759
Youth recreation	-	-	-	30,475	30,475
Unassigned:	<u>33,428</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,428</u>
Total fund balances	<u>\$ 43,427</u>	<u>\$ 528,210</u>	<u>\$ 228,347</u>	<u>\$ 30,475</u>	<u>\$ 830,459</u>

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

- Governmental Funds - By Character
- Proprietary Fund - By Operating and Nonoperating

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

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

Interfund Transfers

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

F. Revenue Restrictions

The Town has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue source includes a one percent sales and use tax levied by the Town which is dedicated to opening, constructing, paving, resurfacing and improving streets, sidewalks, bridges, drains, and drainage canals; constructing and purchasing street light facilities, fire and police department stations and equipment, garbage disposal and health and sanitation equipment and facilities, public buildings and recreational facilities and acquiring the necessary equipment and furnishings thereof; and paying for the costs of operating and maintaining public buildings, streets, bridges, drainage, lighting, facilities, and fire, police and health and sanitation departments.

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

G. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) are secured as follows:

Bank balances	<u>\$ 1,304,112</u>
The Town's deposits are secured as follows:	
Insured deposits	\$ 757,348
Uninsured and collateral held by the pledging bank, not in the Town's name	<u>546,764</u>
Total	<u>\$ 1,304,112</u>

(3) Aged Accounts Receivable

The aging of enterprise fund accounts receivable before allowance for doubtful accounts is as follows:

Current	\$ 45,382
Over 30 days	8,137
Over 60 days	360
Over 90 days	<u>38,177</u>
Total	<u>\$ 92,056</u>

(4) Restricted Assets - Proprietary Fund Type (Enterprise Utility Fund)

Restricted assets consisted of customer deposits of \$104,789.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

(5) Capital Assets

Capital asset activity was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 467,819	\$ -	\$ -	\$ 467,819
Other capital assets:				
Buildings	567,491	12,680	-	580,171
Improvements other than buildings	1,821,863	6,267	-	1,828,130
Autos and trucks	836,580	-	25,973	810,607
Other equipment	416,302	54,807	-	471,109
Totals	<u>4,110,055</u>	<u>73,754</u>	<u>25,973</u>	<u>4,157,836</u>
Less accumulated depreciation				
Buildings	370,590	17,114	-	387,704
Improvements other than buildings	819,486	51,424	-	870,910
Autos and trucks	750,415	47,357	21,026	776,746
Other equipment	382,427	10,868	-	393,295
Total accumulated depreciation	<u>2,322,918</u>	<u>126,763</u>	<u>21,026</u>	<u>2,428,655</u>
Governmental activities, capital assets, net	<u>\$ 1,787,137</u>	<u>\$ (53,009)</u>	<u>\$ 4,947</u>	<u>\$ 1,729,181</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,644,182	\$ -	\$ -	\$ 1,644,182
Construction in progress	3,549,105	25,599	-	3,574,704
Other capital assets:				
Gas system	1,945,692	-	-	1,945,692
Water system	3,316,344	-	-	3,316,344
Sewer system	3,306,407	-	-	3,306,407
Other equipment	128,957	-	-	128,957
Totals	<u>13,890,687</u>	<u>25,599</u>	<u>-</u>	<u>13,916,286</u>
Less accumulated depreciation				
Gas system	1,178,968	46,035	-	1,225,003
Water system	1,929,838	91,522	-	2,021,360
Sewer system	1,815,931	104,099	-	1,920,030
Other equipment	101,248	4,715	-	105,963
Total accumulated depreciation	<u>5,025,985</u>	<u>246,371</u>	<u>-</u>	<u>5,272,356</u>
Business-type activities, capital assets, net	<u>\$ 8,864,702</u>	<u>\$ (220,772)</u>	<u>\$ -</u>	<u>\$ 8,643,930</u>

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Depreciation expense was charged to governmental activities as follows:

General government	\$ 25,885
Public safety	54,806
Public works	<u>46,071</u>
Total depreciation expense	<u>\$ 126,762</u>

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

Gas	\$ 46,035
Water	91,522
Sewer	104,099
Other equipment	<u>4,715</u>
Total depreciation expense	<u>\$ 246,371</u>

(6) On-behalf Payments

The Town has recognized \$29,933 as a revenue and an expenditure for on-behalf salary payments made by the State of Louisiana.

(7) Changes in Long-Term Debt

Long term liabilities at April 30, 2021 are comprised of the following individual issues:

Governmental activities –

Direct borrowing bonds payable:

Bonds payable to USDA Rural Development, dated May 18, 2005, original amount of \$110,000, bearing interest of 4.25%, maturing on May 18, 2030. \$ 54,573

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

Business-type activities –

Direct borrowing revenue bond payable:

\$1,722,000 Water revenue Bonds, Series 2020, issued May 16, 2019, due in monthly installments of \$6,010 over forty years through 2059; interest at 2.75% \$ 1,696,920

\$291,000 Water revenue Bonds, Series 2020, issued May 16, 2019, due in monthly installments of \$1,077 over forty years through 2059; interest at 3.125% \$ 287,114

The annual requirement to amortize all debt outstanding is as follows:

Year Ending April 30,	Governmental Activities		Business-type Activities		Total
	Principal payments	Interest payments	Principal payments	Interest payments	
2022	5,106	2,236	29,787	55,257	92,386
2023	5,327	2,016	30,632	54,412	92,387
2024	5,557	1,785	31,501	53,543	92,386
2025	5,799	1,545	32,394	52,650	92,388
2026	6,049	1,295	33,314	51,730	92,388
2027 to 2031	26,735	2,449	181,296	243,924	454,404
2032 to 2036	-	-	208,527	216,693	425,220
2037 to 2041	-	-	239,858	185,362	425,220
2042 to 2046	-	-	275,910	149,310	425,220
2047 to 2051	-	-	317,393	107,827	425,220
2052 to 2056	-	-	365,129	60,091	425,220
2057 to 2059	-	-	238,293	10,176	248,469
Totals	<u>\$ 54,573</u>	<u>\$ 11,326</u>	<u>\$ 1,984,034</u>	<u>\$ 1,240,975</u>	<u>\$ 3,290,908</u>

In the event that the above water revenue bonds are in default, the bonding agency has the right to compel the performance of all duties, including the fixing, charging, and collecting of rentals, fees or other charges for the use of the System. The Bond owner may also appoint an agent to take possession of the System to hold, operate, maintain, manage and control the System in the name of the bond owner. This agent shall collect and receive all fees, rentals, and other revenues, maintain and operate the System in a manner to compensate the bond issuer for the amount owed, until the bond is repaid in full. The other bonds contain no monetary default provisions.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

The following is a summary of changes in long-term debt of the Town:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable -					
USDA Rural Development					
Series 2005	<u>\$ 59,466</u>	<u>\$ -</u>	<u>\$ 4,893</u>	<u>\$ 54,573</u>	<u>\$ 5,106</u>
Business-type activities:					
Water Revenue Bonds					
Series 2020	<u>\$ 1,722,000</u>	<u>\$ -</u>	<u>\$ 25,080</u>	<u>\$ 1,696,920</u>	<u>\$ 25,778</u>
Water Revenue Bonds					
Series 2020	<u>\$ 291,000</u>	<u>\$ -</u>	<u>\$ 3,886</u>	<u>\$ 287,114</u>	<u>\$ 4,009</u>

(8) Commitments and Contingencies

Litigation

The Town is subject to various lawsuits and claims, many of which arise in the normal course of business. Although their outcome is not presently determinable, it is the opinion of legal counsel that resolution of these matters will not have a material effect on the financial condition of the Town.

(9) Risk Management

The Town is exposed to risks of loss in the areas of health care, general and auto liability, property hazards, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. The Town has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years.

TOWN OF DELCAMBRE, LOUISIANA

Notes to Basic Financial Statements

(10) Interfund Transactions

A. A summary of interfund receivables and payables follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental funds:		
General Fund	\$ 59,950	\$ 87,287
Sales Tax Special Revenue Fund	69,737	72,622
Special Fund	<u>114,674</u>	<u>6,354</u>
Total governmental funds	244,361	166,263
Proprietary fund:		
Enterprise Fund	<u>74,364</u>	<u>152,462</u>
Total	<u>\$ 318,725</u>	<u>\$ 318,725</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

B. Transfers consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds:		
General Fund	\$ 154,549	\$ -
State Revenue Sharing Fund	-	4,549
Sales Tax Special Revenue Fund	<u>-</u>	<u>85,000</u>
Total governmental funds	<u>154,549</u>	<u>89,549</u>
Proprietary fund:		
Enterprise Fund	<u>\$ -</u>	<u>\$ 65,000</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

TOWN OF DELCAMBRE, LOUISIANA
General Fund

Budgetary Comparison Schedule
Year Ended April 30, 2021

	Budget		Actual	Variance -
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 45,000	\$ 42,800	\$ 44,798	\$ 1,998
Licenses and permits	79,700	81,400	80,794	(606)
Charges for services	104,800	61,000	63,557	2,557
Fines and forfeitures	36,500	20,700	25,873	5,173
Interest	200	100	233	133
Other	176,800	184,700	191,643	6,943
Total revenues	<u>443,000</u>	<u>390,700</u>	<u>406,898</u>	<u>16,198</u>
Expenditures:				
Current -				
General government	106,400	121,550	134,456	(12,906)
Public safety	375,300	383,900	372,748	11,152
Public works	47,800	34,700	34,565	135
Capital outlays	1,000	11,100	5,468	5,632
Debt service	8,600	8,700	8,625	75
Total expenditures	<u>539,100</u>	<u>559,950</u>	<u>555,862</u>	<u>4,088</u>
Deficiency of revenues over expenditures	(96,100)	(169,250)	(148,964)	20,286
Other financing sources:				
Transfers in	<u>90,000</u>	<u>140,000</u>	<u>154,549</u>	<u>14,549</u>
Net change in fund balance	(6,100)	(29,250)	5,585	34,835
Fund balance, beginning	<u>37,842</u>	<u>37,842</u>	<u>37,842</u>	<u>-</u>
Fund balance, ending	<u>\$ 31,742</u>	<u>\$ 8,592</u>	<u>\$ 43,427</u>	<u>\$ 34,835</u>

TOWN OF DELCAMBRE, LOUISIANA
Sales Tax Fund

Budgetary Comparison Schedule
Year Ended April 30, 2021

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 265,200	\$ 271,100	\$ 303,877	\$ 32,777
Intergovernmental	7,300	10,400	9,993	(407)
Charges for services	-	33,600	31,024	(2,576)
Interest	4,600	4,100	2,534	(1,566)
Other	1,200	7,300	299	(7,001)
Total revenues	<u>278,300</u>	<u>326,500</u>	<u>347,727</u>	<u>21,227</u>
Expenditures:				
Current -				
General government	32,700	37,200	24,950	12,250
Public works	197,000	253,550	169,868	83,682
Capital outlay	2,500	-	6,267	(6,267)
Total expenditures	<u>232,200</u>	<u>290,750</u>	<u>201,085</u>	<u>89,665</u>
Excess of revenues over expenditures	46,100	35,750	146,642	110,892
Other financing uses:				
Transfers out	<u>(40,000)</u>	<u>(35,000)</u>	<u>(85,000)</u>	<u>(50,000)</u>
Net change in fund balance	6,100	750	61,642	60,892
Fund balance, beginning	<u>466,568</u>	<u>466,568</u>	<u>466,568</u>	<u>-</u>
Fund balance, ending	<u>\$ 472,668</u>	<u>\$ 467,318</u>	<u>\$ 528,210</u>	<u>\$ 60,892</u>

TOWN OF DELCAMBRE, LOUISIANA
Special Fund

Budgetary Comparison Schedule
Year Ended April 30, 2021

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 36,400	\$ 37,400	\$ 35,611	\$ (1,789)
Intergovernmental	47,800	44,900	43,594	(1,306)
Interest	1,900	1,400	943	(457)
Other	<u>-</u>	<u>75,500</u>	<u>76,131</u>	<u>631</u>
Total revenue	<u>86,100</u>	<u>159,200</u>	<u>156,279</u>	<u>(2,921)</u>
Expenditures:				
Current -				
Public safety	86,400	98,550	90,579	7,971
Capital outlay	<u>9,500</u>	<u>60,000</u>	<u>62,019</u>	<u>(2,019)</u>
Total expenditures	<u>95,900</u>	<u>158,550</u>	<u>152,598</u>	<u>5,952</u>
Excess (deficiency) of revenues over over expenditures	<u>(9,800)</u>	<u>650</u>	<u>3,681</u>	<u>3,031</u>
Fund balance, beginning	<u>224,666</u>	<u>224,666</u>	<u>224,666</u>	<u>-</u>
Fund balance, ending	<u>\$ 214,866</u>	<u>\$ 225,316</u>	<u>\$ 228,347</u>	<u>\$ 3,031</u>

TOWN OF DELCAMBRE, LOUISIANA

Notes to Budgetary Comparison Schedules

(1) Budgets and Budgetary Accounting

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

1. The Town Clerk prepares a proposed operating budget for the fiscal year and submits it to the Mayor and Board of Aldermen not 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.
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 a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Board of Aldermen.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR SPECIAL REVENUE FUND

To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

State Revenue Sharing Fund -

To account for the collection and disbursement of the Town's State Revenue Sharing monies.

Delcambre Youth Fund

To account for the collection and disbursement of the Town's share of proceeds from the youth recreation hotel/motel sales tax.

TOWN OF DELCAMBRE, LOUISIANA
Nonmajor Special Revenue Fund

Combining Balance Sheet
April 30, 2021

	<u>State Revenue Sharing Fund</u>	<u>Delcambre Youth Fund</u>	<u>Total</u>
ASSETS			
Cash	<u>\$ -</u>	<u>\$ 30,475</u>	<u>\$ 30,475</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Due to other funds	\$ -	\$ -	\$ -
Fund balance:			
Restricted	<u>-</u>	<u>30,475</u>	<u>30,475</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 30,475</u>	<u>\$ 30,475</u>

TOWN OF DELCAMBRE, LOUISIANA
Nonmajor Special Revenue Fund

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Year Ended April 30, 2021

	<u>State Revenue Sharing Fund</u>	<u>Delcambre Youth Fund</u>	<u>Total</u>
Revenues			
Interest	\$ -	\$ -	\$ -
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):			
Transfers out	<u>(4,549)</u>	<u>-</u>	<u>(4,549)</u>
Deficiency of revenues and other sources over expenditures and other uses	<u>(4,549)</u>	<u>-</u>	<u>(4,549)</u>
Fund balance, beginning	<u>4,549</u>	<u>30,475</u>	<u>35,024</u>
Fund balance, ending	<u><u>\$ -</u></u>	<u><u>\$ 30,475</u></u>	<u><u>\$ 30,475</u></u>

TOWN OF DELCAMBRE, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers and Rates

April 30, 2021 and 2020

Records maintained by the Town indicated the following number of customers were being serviced during the month of April 30, 2021 and 2020:

<u>Department</u>	<u>2021</u>	<u>2020</u>
Gas (metered)	332	334
Water	845	854
Sewerage	780	794

The monthly water rates of the Town are as follows:

Residential:

\$22.50 per month for the first 3,000 gallons or less, then
\$5.00 per 1,000 gallons or part thereof for all over 3,000 gallons.

Commercial

\$25.00 per month for the first 3,000 gallons or less, then
\$5.20 per 1,000 gallons or part thereof for all over 3,000 gallons.

The monthly sewer rates of the Town are as follows:

Residential:	\$22.50
Commercial	\$25.27 - \$211.91

TOWN OF DELCAMBRE, LOUISIANA

Proprietary Fund
 Comparative Statement of Net Position
 April 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets:		
Cash and interest bearing deposits	\$ 447,360	\$ 467,593
Accounts receivable, net of allowance	53,879	57,249
Due from other funds	74,364	73,122
Prepaid expenses	3,210	1,427
Due from other governmental agencies	<u>157,398</u>	<u>385,144</u>
Total current assets	<u>736,211</u>	<u>984,535</u>
Noncurrent assets:		
Restricted assets -		
Cash	69,878	65,953
Interest-bearing deposits	34,911	34,911
Capital assets -		
Non-depreciable	5,218,886	5,193,287
Depreciable, net of accumulated depreciation	<u>3,425,044</u>	<u>3,671,415</u>
Total noncurrent assets	<u>8,748,719</u>	<u>8,965,566</u>
Total assets	<u>9,484,930</u>	<u>9,950,101</u>
LIABILITIES		
Current liabilities:		
Accounts payable	62,156	54,852
Compensated absences payable	2,982	2,112
Other payables	5,519	5,546
Revenue bonds payable	29,787	26,520
Accrued interest payable	-	55,527
Contract payable	-	134,267
Retainage payable	157,397	156,117
Due to other funds	<u>152,462</u>	<u>165,657</u>
Total current liabilities	<u>410,303</u>	<u>600,598</u>
Noncurrent liabilities:		
Water revenue bonds payable	1,954,247	1,986,480
Customers' deposits	<u>104,789</u>	<u>100,864</u>
Total noncurrent liabilities	<u>2,059,036</u>	<u>2,087,344</u>
Total liabilities	<u>2,469,339</u>	<u>2,687,942</u>
NET POSITION		
Net investment in capital assets	6,502,499	6,505,791
Unrestricted	<u>513,092</u>	<u>756,368</u>
Total net position	<u>\$7,015,591</u>	<u>\$7,262,159</u>

TOWN OF DELCAMBRE, LOUISIANA
Proprietary Fund
Utility Fund

Comparative Departmental Analysis of Operating Revenues and Expenses
Years Ended April 30, 2021 and 2020

	Administrative		Gas		Water		Sewer		Totals	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating revenues:										
Charges for services	\$ -	\$ -	\$ 163,905	\$ 135,215	\$ 249,196	\$ 252,493	\$ 220,461	\$ 223,935	\$ 633,562	\$ 611,643
Other revenues	13,954	15,447	995	794	2,025	2,852	-	135	16,974	19,228
Total operating revenues	<u>13,954</u>	<u>15,447</u>	<u>164,900</u>	<u>136,009</u>	<u>251,221</u>	<u>255,345</u>	<u>220,461</u>	<u>224,070</u>	<u>650,536</u>	<u>630,871</u>
Operating expenses:										
Salaries	50,986	33,581	27,881	38,914	28,084	39,334	28,004	39,139	134,955	150,968
Fuel purchased	-	-	34,474	25,539	-	-	-	-	34,474	25,539
Insurance	100	100	11,151	17,371	23,619	24,124	8,790	11,506	43,660	53,101
Insurance - employees	1,551	386	10,352	18,812	10,739	18,931	9,613	18,861	32,255	56,990
Materials and supplies	-	-	15,206	14,215	14,385	19,231	13,803	15,250	43,394	48,696
Depreciation	-	-	46,386	48,182	91,873	92,032	108,112	106,787	246,371	247,001
Repairs and maintenance	-	-	6,468	-	23,324	29,561	71,638	61,797	101,430	91,358
Professional fees	6,455	3,062	31,025	25,590	21,949	23,662	17,965	12,499	77,394	64,813
Utilities	-	-	-	-	24,874	31,636	39,882	35,403	64,756	67,039
Payroll taxes	3,573	2,520	2,096	4,670	2,180	1,841	2,178	1,839	10,027	10,870
Bad debt expense	3,066	-	-	-	-	-	-	-	3,066	-
Miscellaneous	2,402	10,903	15,809	3,765	1,490	3,647	2,925	3,288	22,626	21,603
Total operating expenses	<u>68,133</u>	<u>50,552</u>	<u>200,848</u>	<u>197,058</u>	<u>242,517</u>	<u>283,999</u>	<u>302,910</u>	<u>306,369</u>	<u>814,408</u>	<u>837,978</u>
Net operating income/(loss)	<u>\$ (54,179)</u>	<u>\$ (35,105)</u>	<u>\$ (35,948)</u>	<u>\$ (61,049)</u>	<u>\$ 8,704</u>	<u>\$ (28,654)</u>	<u>\$ (82,449)</u>	<u>\$ (82,299)</u>	<u>\$ (163,872)</u>	<u>\$ (207,107)</u>

TOWN OF DELCAMBRE, LOUISIANA

Schedule of Insurance in Force

Year Ended April 30, 2021

Insurer	Assets Covered	Risks Covered	Limits of Coverage (in Dollars)	Expiration Date
Louisiana Municipal Risk Management Association	Automobiles	Bodily injury, Property damage	500,000	5/1/2021
	Police operations	General liability	500,000	5/1/2021
	Errors and omissions	General liability	500,000	5/1/2021
	General liability	Bodily injury, Property damage	500,000	5/1/2021
Wright National Flood	Town Hall:			
	Building	Flood damage	250,000	2/18/2022
	Contents	Flood damage	100,000	2/18/2022
Thompson Smith & Leach	Property	General liability	Various	6/1/2021
	Equipment	General liability	Various	6/1/2021
	Crime	General liability	250,000	7/20/2021
CNA Insurance	Mayor	Dishonesty Bond	10,000	9/21/2022
	Other officials	Dishonesty Bond	5,000	9/21/2022
	Police Clerk	Dishonesty Bond	10,000	9/21/2022
	Bookkeeper	Dishonesty Bond	10,000	9/21/2022
	Tax Collector	Dishonesty Bond	10,000	9/21/2022
	City Clerk	Dishonesty Bond	10,000	9/21/2022

TOWN OF DELCAMBRE, LOUISIANA
Schedule of Compensation

Town Aldermen
Year Ended April 30, 2021

Timmy Derise	107 N. Railroad, Delcambre, LA 70528	January 2017 - December 2020	\$ 920
Donald Martin	107 N. Railroad, Delcambre, LA 70528	January 2017 - December 2020	792
Madison Saunier	107 N. Railroad, Delcambre, LA 70528	January 2017 - December 2020	792
Bryan Glatter	107 N. Railroad, Delcambre, LA 70528	January 2021 - December 2024	-
Sarah Trahan	107 N. Railroad, Delcambre, LA 70528	January 2021 - December 2024	1,188
Steve Broussard	107 N. Railroad, Delcambre, LA 70528	January 2021 - December 2024	396
Garrett Frederick	107 N. Railroad, Delcambre, LA 70528	January 2021 - December 2024	396
Christopher Esponge	107 N. Railroad, Delcambre, LA 70528	January 2021 - December 2024	396
			<u>\$4,880</u>

TOWN OF DELCAMBRE, LOUISIANA
Schedule of Compensation, Benefits, and Other Payments to Agency Head

Year Ended April 30, 2021

Agency Head: Pam Blakely, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 3,300
Reimbursements	152
Other - cell phone	<u>600</u>
 Total	 <u>\$ 4,052</u>

TOWN OF DELCAMBRE, LOUISIANA
Justice System Funding Schedule

Collecting/Disbursing Entity
Year Ended April 30, 2021

	First Six Month Period Ended 10/31/2020	Second Six Month Period Ended 4/30/2021
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	-	-
Add: Collections		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	16,289	25,241
Criminal Fines - Contempt	-	-
Criminal Fines - Other	10,560	15,434
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party services)	-	-
Interest Earnings on Collected Balances	-	-
Other	140	490
Subtotal Collections	26,989	41,165
Less: Disbursements To Governments & Nonprofits:		
<i>Indigent Fund</i>	818	1,178
<i>Louisiana Law Enforcement</i>	218	314
<i>SNAP Shelter</i>	-	-
<i>CMIS</i>	108	157
<i>Acadiana Crime Lab</i>	3,240	4,710
<i>Head and Trauma</i>	220	290
<i>Crime Stoppers</i>	-	31
Less: Amounts Retained by Collecting Agency		
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	-	-
Town of Delcambre - Fines	10,560	14,147
Town of Delcambre - Court Costs	11,686	16,952
Town of Delcambre - Jail Fund	-	320
Town of Delcambre - Accident Report	140	140
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals	-	-
Other Disbursements to Individuals	-	-
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	26,989	38,238
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	-	2,927
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	-	-
Total Waivers During the Fiscal Period	-	-

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

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

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

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

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

WWW.KCSRCPAS.COM

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 Pam Blakely, Mayor
and members of the Board of Aldermen
Town of Delcambre, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Delcambre (Town), as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated September 29, 2021.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2021-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

Town of Delcambre's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
September 29, 2021

TOWN OF DELCAMBRE, LOUISIANA

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

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

A. Internal Control Over Financial Reporting

2021-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The Town of Delcambre did not have adequate segregation of functions within the cash receipts processing, primarily in the Police Department.

CRITERIA: Committee of Sponsoring Organizations (COSO) *Internal Control – Integrated Framework* and the Louisiana Legislative Auditor's *Governmental Auditing Guide*

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

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

RECOMMENDATION: The Town should evaluate the cost benefit of hiring the additional staff necessary to achieve complete segregation of accounting functions. If the Town determines that it is not cost effective to hire additional staff, it should adopt and implement procedures which create a system of compensating controls to mitigate the risks.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Town of Delcambre concurs with the audit finding. Due to the size of staffing, the achievement of adequate segregation of duties is desirable, but is cost prohibitive. All efforts are given to segregate duties where feasible. In an effort to establish more sound internal controls, with the Board of Alderman's approval, the Town purchased the ticket collection module of the CSDC software and has begun implementation in the current year. The Board of Aldermen, along with the Town's CPA, monitor activity and balances in all fund accounts.

B. Compliance

None reported.

TOWN OF DELCAMBRE, LOUISIANA

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

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2020-001 Inadequate Segregation of Accounting Functions

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

RECOMMENDATION: The Town should evaluate the cost benefit of hiring the additional staff necessary to achieve complete segregation of accounting functions. If the Town determines that it is not cost effective to hire additional staff, it should adopt and implement procedures which create a system of checks and balances using current employees and board members who are not part of the accounting function.

CURRENT STATUS: Unresolved. See item 2021-001.

2020-002 Utility Fund Operations

Fiscal year finding initially occurred: 2011

CONDITION: The Town's Utility Fund incurred an operating deficit during the year.

RECOMMENDATION: The Town should take the necessary steps to generate a profit for its utility services. This could include raising utility rates and cutting operating expenditures.

CURRENT STATUS: Partially resolved.

B. Compliance

2020-003 Budget noncompliance

Fiscal year finding initially occurred: 2020

CONDITION: Several of the Town's funds incurred negative budget variances in excess of 5%.

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

CURRENT STATUS: Resolved.

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

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

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

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

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

WWW.KCSRCPAS.COM

MANAGEMENT LETTER

The Honorable Pam Blakely, Mayor
and members of the Board of Aldermen
Town of Delcambre, Louisiana

During our audit of the basic financial statements of the Town of Delcambre for the year ended April 30, 2021, we noted the following area in which the efficiency and effectiveness of the operations of the Town could be improved.

The Utility System of the Town experienced an operating loss of \$163,872 inclusive of depreciation expense. Management should monitor the current billing rates charged and expenses incurred by the Utility System in order to generate a profit.

We would like to express our appreciation to you and your staff for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance, please feel free to contact us.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
September 29, 2021