

**TOWN OF CHURCH POINT, LOUISIANA**

Financial Report

Year Ended September 30, 2023

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-4
 <b>BASIC FINANCIAL STATEMENTS</b>	
 <b>GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)</b>	
Statement of net position	7
Statement of activities	8
 <b>FUND FINANCIAL STATEMENTS (FFS)</b>	
Balance sheet - governmental funds	11
Reconciliation of the governmental funds balance sheet to the statement of net position	12
Statement of revenues, expenditures, and changes in fund balances - governmental funds	13
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	14
Statement of net position - proprietary fund	15
Statement of revenues, expenses, and changes in fund net position - proprietary fund	16
Statement of cash flows - proprietary fund	17-18
Notes to basic financial statements	19-35
 <b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Budgetary comparison schedules:	
General Fund	37
Sales Tax Fund	38
2012 Law Enforcement Sales Tax Fund	39
Notes to the required supplementary information	40
 <b>OTHER SUPPLEMENTARY INFORMATION</b>	
Statement of net position, with comparative totals for prior year	42
 Major Governmental Funds - Detailed budgetary comparison schedules compared to actual for prior year	
General Fund - Revenues	43
General Fund - Expenditures	44-45
Sales Tax Fund	46-47
2012 Law Enforcement Sales Tax Fund	48-49
Capital Projects Fund	50

(continued)

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Enterprise Fund -	
Comparative statement of net position - Utility Fund	51
Comparative departmental analysis of revenues and expenses and changes in net position - Utility Fund	52
Schedule of number of utility customers (unaudited)	53
Justice System Funding Schedule - Collecting/Disbursing Entity	54
 <b>INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS</b>	
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>	56-57
Schedule of Current and Prior Year Findings and Management Corrective Action Plan	58-59

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Ryan Meche, Mayor  
and Members of the Board of Aldermen  
Town of Church Point, Louisiana

### Report on the Audit of Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Church Point, Louisiana (Town), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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 as of September 30, 2023, 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.

#### Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management 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, and for 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 error or fraud.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility for the Audit of Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed. We evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements. We conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 37 through 39 be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and comparative statements and the Justice System Funding Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 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, these combined and comparative statements and the Justice System Funding Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the Town of Church Point's 2022 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the comparative detailed budget comparison schedules on pages 43 through 50 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2024, on our consideration of the Town of Church Point, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
February 15, 2024

## **BASIC FINANCIAL STATEMENTS**

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Net Position  
September 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 1,753,152	\$ 730,652	\$ 2,483,804
Receivables, net	86,124	194,036	280,160
Due from other governmental units	274,936	212,825	487,761
Inventory	-	50,361	50,361
Prepaid expenses	7,984	14,470	22,454
Total current assets	2,122,196	1,202,344	3,324,540
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	-	214,039	214,039
Capital assets -			
Land and construction in progress	770,396	587,325	1,357,721
Capital assets, net	3,422,100	5,729,743	9,151,843
Total noncurrent assets	4,192,496	6,531,107	10,723,603
Total assets	6,314,692	7,733,451	14,048,143
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and other payables	160,557	657,548	818,105
Unearned revenue	597,116	-	597,116
Customers' deposits	-	214,039	214,039
Total liabilities	757,673	871,587	1,629,260
<b>NET POSITION</b>			
Net investment in capital assets	4,192,496	6,317,068	10,509,564
Restricted for sales tax dedications	237,474	-	237,474
Unrestricted	1,127,049	544,796	1,671,845
Total net position	\$ 5,557,019	\$ 6,861,864	\$ 12,418,883

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Activities  
For the Year Ended September 30, 2023

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
<b>Governmental activities:</b>							
General government	\$ 788,008	\$ 242,442	\$ -	\$ -	\$ (545,566)	\$ -	\$ (545,566)
Public safety:							
Police	1,206,063	369,606	83,120	-	(753,337)	-	(753,337)
Public works	887,144	-	-	-	(887,144)	-	(887,144)
Community Center	99,066	-	-	-	(99,066)	-	(99,066)
Culture and recreation	244,119	-	-	-	(244,119)	-	(244,119)
Interest on long-term debt	-	-	-	-	-	-	-
Total governmental activities	<u>3,224,400</u>	<u>612,048</u>	<u>83,120</u>	<u>-</u>	<u>(2,529,232)</u>	<u>-</u>	<u>(2,529,232)</u>
<b>Business-type activities:</b>							
Water	958,733	794,277	-	795,771	-	631,315	631,315
Sewer	679,462	653,864	-	-	-	(25,598)	(25,598)
Total business-type activities	<u>1,638,195</u>	<u>1,448,141</u>	<u>-</u>	<u>795,771</u>	<u>-</u>	<u>605,717</u>	<u>605,717</u>
Total	<u>\$ 4,862,595</u>	<u>\$ 2,060,189</u>	<u>\$ 83,120</u>	<u>\$ 795,771</u>	<u>(2,529,232)</u>	<u>605,717</u>	<u>(1,923,515)</u>
<b>General revenues:</b>							
Taxes -							
Property taxes, levied for general purposes					130,406	-	130,406
Sales and use taxes, levied for general purposes					1,713,050	-	1,713,050
Franchise and other taxes					358,101	-	358,101
Grants and contributions not restricted to specific programs -							
State sources					54,821	-	54,821
Interest and investment earnings					-	6,287	6,287
Miscellaneous					373,026	-	373,026
Transfers					659,501	(659,501)	-
Total general revenues and transfers					<u>3,288,905</u>	<u>(653,214)</u>	<u>2,635,691</u>
Change in net position					759,673	(47,497)	712,176
Net position - October 1, 2022					<u>4,797,346</u>	<u>6,909,361</u>	<u>11,706,707</u>
Net position - September 30, 2023					<u>\$ 5,557,019</u>	<u>\$ 6,861,864</u>	<u>\$ 12,418,883</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR FUND DESCRIPTIONS**

### **General Fund**

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

### **Sales Tax Fund**

To account for the collection of a 1% sales and use tax and its subsequent disbursement in accordance with the sales tax dedication. The proceeds of the 1% sales tax approved on 01/10/67 are dedicated to construction, improving and maintaining streets, drainage, drainage canals, subsurface drains, fire department stations and funding into bonds.

### **2012 Law Enforcement Sales Tax Fund**

To account for the collection of a 1% sales and use tax and its subsequent disbursement in accordance with the sales tax dedication. The proceeds of the 1% sales tax approved on July 1, 2012 are dedicated to law enforcement expenses.

### **Capital Projects Fund**

To account for the receipt and subsequent disbursement of federal and state grant revenues and Town's matching funds to be utilized for various projects.

### **Enterprise Fund**

To account for the provision of water and sewerage services to residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

TOWN OF CHURCH POINT, LOUISIANA

Balance Sheet  
Governmental Funds  
September 30, 2023

	General	Sales Tax	2012 Law Enforcement Sales Tax	Capital Projects	Total
<b>ASSETS</b>					
Cash	\$ 752,108	\$ 60,341	\$ 38,903	\$ 974,039	\$ 1,825,391
Receivables:					
Taxes	86,124	-	-	-	86,124
Due from other governmental units	3,281	135,827	135,828	-	274,936
Prepaid expenses	6,487	-	1,497	-	7,984
Total assets	<u>\$ 848,000</u>	<u>\$ 196,168</u>	<u>\$ 176,228</u>	<u>\$ 974,039</u>	<u>\$ 2,194,435</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Overdraft	\$ -	\$ -	\$ 72,239	\$ -	\$ 72,239
Accounts payable	53,069	26,211	31,759	-	111,039
Accrued liabilities	46,302	-	3,216	-	49,518
Unearned revenue	24,866	-	-	572,250	597,116
Total liabilities	<u>124,237</u>	<u>26,211</u>	<u>107,214</u>	<u>572,250</u>	<u>829,912</u>
Fund balances:					
Nonspendable (prepaid expenses)	6,487	-	1,497	-	7,984
Restricted - sales tax dedications	-	169,957	67,517	-	237,474
Assigned - capital expenditures	-	-	-	401,789	401,789
Unassigned	717,276	-	-	-	717,276
Total fund balances	<u>723,763</u>	<u>169,957</u>	<u>69,014</u>	<u>401,789</u>	<u>1,364,523</u>
Total liabilities and fund balances	<u>\$ 848,000</u>	<u>\$ 196,168</u>	<u>\$ 176,228</u>	<u>\$ 974,039</u>	<u>\$ 2,194,435</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
September 30, 2023

Total fund balances for governmental funds at September 30, 2023		\$ 1,364,523
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 480,568	
Construction in progress	289,828	
Buildings, net of \$497,587 accumulated depreciation	1,329,180	
Infrastructure, net of \$1,914,274 accumulated depreciation	1,399,309	
Equipment, net of \$430,375 accumulated depreciation	518,130	
Vehicles, net of \$220,879 accumulated depreciation	<u>175,481</u>	<u>4,192,496</u>
Total net position of governmental activities at September 30, 2023		<u>\$ 5,557,019</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds  
Year Ended September 30, 2023

	General	Sales Tax	2012 Law Enforcement Sales Tax	Capital Projects	Total
<b>Revenues:</b>					
Taxes	\$ 465,912	\$ 856,528	\$ 856,522	\$ -	\$ 2,178,962
Licenses and permits	242,442	-	-	-	242,442
Intergovernmental revenues	77,416	-	83,120	-	160,536
Fines and forfeits	369,606	-	-	-	369,606
Miscellaneous	347,517	15,000	10,509	-	373,026
<b>Total revenues</b>	<u>1,502,893</u>	<u>871,528</u>	<u>950,151</u>	<u>-</u>	<u>3,324,572</u>
<b>Expenditures:</b>					
<b>Current -</b>					
General government	621,067	97,506	13,271	-	731,844
Public safety -					
Police	67,863	-	1,051,786	-	1,119,649
Public works	-	699,902	-	-	699,902
Community center	68,419	-	-	-	68,419
Culture and recreation	207,441	-	-	-	207,441
Capital outlay	247,958	46,792	116,127	-	410,877
<b>Total expenditures</b>	<u>1,212,748</u>	<u>844,200</u>	<u>1,181,184</u>	<u>-</u>	<u>3,238,132</u>
<b>Excess (deficiency)     of revenues over     expenditures</b>	<u>290,145</u>	<u>27,328</u>	<u>(231,033)</u>	<u>-</u>	<u>86,440</u>
<b>Other financing sources (uses):</b>					
Transfers in	123,022	122,000	256,406	400,359	901,787
Transfers out	(242,286)	-	-	-	(242,286)
<b>Total other financing     sources (uses)</b>	<u>(119,264)</u>	<u>122,000</u>	<u>256,406</u>	<u>400,359</u>	<u>659,501</u>
<b>Net changes in     fund balances</b>	170,881	149,328	25,373	400,359	745,941
Fund balances, beginning	<u>552,882</u>	<u>20,629</u>	<u>43,641</u>	<u>1,430</u>	<u>618,582</u>
Fund balances, ending	<u>\$ 723,763</u>	<u>\$ 169,957</u>	<u>\$ 69,014</u>	<u>\$ 401,789</u>	<u>\$ 1,364,523</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended September 30, 2023

Total net changes in fund balances for the year ended September 30, 2023 per statement of revenues, expenditures and changes in fund balances		\$ 745,941
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances	\$ 410,877	
Depreciation expense for the year ended September 30, 2023	(397,145)	
Loss on disposition of capital assets	<u>-</u>	<u>13,732</u>
Total changes in net position for the year ended September 30, 2023 per statement of activities		<u>\$ 759,673</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Net Position  
Proprietary Fund  
September 30, 2023

	Enterprise Fund
<b>ASSETS</b>	
Current assets:	
Cash	\$ 532,401
Interest-bearing deposits	198,251
Receivables -	
Accounts	135,006
Unbilled utility receivables	59,030
Due from other governmental funds	212,825
Inventory	50,361
Prepaid expenses	14,470
Total current assets	1,202,344
Noncurrent assets:	
Restricted assets -	
Cash	214,039
Capital assets -	
Land and construction in progress	587,325
Capital assets, net	5,729,743
Total noncurrent assets	6,531,107
Total assets	7,733,451
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	87,635
Contracts payable	563,920
Accrued liabilities	5,993
Payable from restricted assets -	
Customers' deposits	214,039
Total current liabilities	871,587
<b>NET POSITION</b>	
Net investment in capital assets	5,753,148
Unrestricted	1,108,716
Total net position	\$ 6,861,864

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position -  
 Proprietary Fund  
 Year Ended September 30, 2023

	<u>Enterprise Fund</u>
Operating revenues:	
Charges for services -	
Water sales	\$ 763,095
Sewer sales	634,524
Other	<u>50,522</u>
Total operating revenues	<u>1,448,141</u>
Operating expenses:	
Salaries	405,449
Payroll taxes	35,644
Group insurance	68,038
Pension	10,783
Utilities	101,146
Repairs and maintenance	278,362
Auto expense	22,108
Legal and professional	45,913
Insurance	93,654
Operating supplies	45,415
Office supplies and expense	19,923
Dump and disposal charges	399
Inspection and testing	13,861
Chemicals	144,016
Uniforms	1,531
Depreciation	343,376
Other	<u>8,577</u>
Total operating expenses	<u>1,638,195</u>
Operating loss	(190,054)
Nonoperating revenues (expenses):	
Interest income	<u>6,287</u>
Loss before contributions and transfers	(183,767)
Capital contributions	795,771
Transfers out	<u>(659,501)</u>
Change in net position	(47,497)
Net position, beginning	<u>6,909,361</u>
Net position, ending	<u>\$ 6,861,864</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Cash Flows  
Proprietary Fund  
Year Ended September 30, 2023

	<u>Enterprise Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 1,380,364
Payments to suppliers	(26,032)
Payments to employees	(520,663)
Other receipts	<u>50,522</u>
Net cash provided by operating activities	<u>884,191</u>
 Cash flows from noncapital financing activities:	
Cash paid to other funds	<u>(659,501)</u>
Net cash provided by noncapital financing activities	<u>(659,501)</u>
 Cash flows from capital and related financing activities:	
Capital grants received	794,693
Acquisition of property, plant and equipment	<u>(1,005,134)</u>
Net cash provided by capital and related financing activities	<u>(210,441)</u>
 Cash flows from investing activities:	
Proceeds of interest-bearing deposits with maturity in excess of ninety days	276,537
Purchase of interest-bearing deposits with maturity in excess of ninety days	(198,251)
Interest on investments	<u>6,287</u>
Net cash provided by investing activities	<u>84,573</u>
Net increase in cash and cash equivalents	98,822
 Cash and cash equivalents, beginning of period	<u>647,618</u>
 Cash and cash equivalents, end of period	<u>\$ 746,440</u>

(continued)

TOWN OF CHURCH POINT, LOUISIANA

Statement of Cash Flows (Continued)  
 Proprietary Fund  
 Year Ended September 30, 2023

	<u>Enterprise Fund</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (190,054)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	343,376
Changes in current assets and liabilities:	
Increase in accounts and unbilled services receivable	(24,115)
Increase in inventory	6,443
Decrease in due from other fund	136,119
Decrease in prepaid expenses	7,233
Increase in accounts payable	599,078
Increase in customer meter deposits	6,860
Decrease in accrued liabilities	(749)
Total adjustments	<u>1,074,245</u>
Net cash provided by operating activities	<u>\$ 884,191</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:	
Cash and cash equivalents, beginning of period -	
Cash and interest-bearing deposits - unrestricted	\$ 716,976
Cash and interest-bearing deposits - restricted	207,179
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(276,537)</u>
Total cash and cash equivalents	<u>647,618</u>
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits - unrestricted	730,652
Cash and interest-bearing deposits - restricted	214,039
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(198,251)</u>
Total cash and cash equivalents	<u>746,440</u>
Net increase in cash and cash equivalents	<u>\$ 98,822</u>

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

## TOWN OF CHURCH POINT, LOUISIANA

### Notes to the Basic Financial Statements

#### (1) Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Church Point (Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

##### A. Financial Reporting Entity

The Town of Church Point (Town) was incorporated June 1, 1899, under the provisions of the Lawrason Act. The Town operates under the Mayor-Board of Aldermen form of government.

This report includes all funds that are controlled by or dependent on the Town executive and legislative branches (the Mayor and Board of Aldermen). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Based on the foregoing criteria, certain governmental organizations are not part of the Town and are thus excluded from the accompanying financial statements. These organizations are the Church Point Volunteer Fire Department and the Town of Church Point Housing Authority. The Town of Church Point Housing Authority was chartered by the Town and its Board of Directors is appointed by the Mayor and Board of Alderman. However, the Town's oversight responsibilities in the management of operations and financial accountability are remote.

##### B. Basis of Presentation

###### Government-Wide Financial Statements (GWFS)

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

## TOWN OF CHURCH POINT, LOUISIANA

### Notes to the Basic Financial Statements (Continued)

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.

#### Fund Financial Statements

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

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

- a. Total assets, deferred outflows of resources, liabilities, 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, deferred outflows of resources, liabilities, 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 -

##### General Fund

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Special Revenue Funds

Sales Tax Fund -

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

2012 Law Enforcement Sales Tax Fund -

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

Capital Projects Fund

The Capital Projects Funds is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund -

Enterprise Fund

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

C. Measurement Focus/Basis of Accounting

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

## TOWN OF CHURCH POINT, LOUISIANA

### Notes to the Basic Financial Statements (Continued)

#### 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.

#### 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.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

D. Assets, Liabilities, and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Town. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

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 amounts due for customers' utility receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectibles for customers' utility receivables was \$32,957 at September 30, 2023. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Inventories

Inventories in the proprietary fund are valued at cost, which approximates market using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when purchased rather than when consumed.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

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 fund financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Town maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to October 1, 2002, some 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. The range of estimated useful lives by type of asset is as follows:

Buildings	10-40 years
Equipment	3-20 years
Utility system and improvements	20-40 years
Infrastructure	20-40 years

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

Restricted Assets

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

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 debts to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debts consist primarily of financed purchase liability.

## TOWN OF CHURCH POINT, LOUISIANA

### Notes to the Basic Financial Statements (Continued)

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

#### Compensated Absences

Town employees are entitled to certain compensated absences based upon their length of service.

Vacation leave is earned at the rate of five days after one year of service, ten days after five years but less than ten years of service, and fifteen days after ten years of service. However, those employees with two years of service by February 2, 1999 were grandfathered in to receive ten days. Vacation leave earned does not accumulate from year to year.

Sick leave is earned at the rate of seven days for one to five years of employment and ten days for over five years of service. Sick leave earned does not accumulate from year to year. Sick leave is not payable for employees who resign, retire, or are dismissed from employment.

#### Equity Classifications

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

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Town's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. At September 30, 2023, the Town reported \$237,474 of restricted net position, all of which is restricted by enabling legislation.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two components and is available for general use by the Town.

## TOWN OF CHURCH POINT, LOUISIANA

### Notes to the Basic Financial Statements (Continued)

In the fund statements, governmental fund equity is classified as fund balance. As such, fund balances of the governmental funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Town’s Mayor and Board or Aldermen, which is the highest level of decision-making authority for the Town.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes determined by a formal decision of the Town’s Mayor and Board of Aldermen.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the 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 the Town has provided otherwise in his commitment or assignment actions.

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

#### E. Revenues, Expenditures, and Expenses

##### Operating Revenues and Expenses

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Expenditures/Expenses

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

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

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

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

Interfund Transfers

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

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 11
Water and sewer revenue	Utility operations

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.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(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 the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 2023, the Town had cash and interest-bearing deposits (book balances) as follows:

Demand deposits	\$2,249,949
Time deposits	<u>447,894</u>
Total	<u>\$2,697,843</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town's deposits may not be recovered. Under state law, these deposits, (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. These deposits are stated at cost, which approximates market. Deposit balances (bank balances) at September 30, 2023 were secured as follows:

Bank balances	<u>\$ 2,834,159</u>
Federal deposit insurance	\$ 468,157
Pledged securities	<u>2,366,002</u>
Total federal deposit insurance and pledged securities	<u>\$ 2,834,159</u>

Deposits in the amount of \$2,366,002 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Town's name. The Town does not have a policy for custodial credit risk.

(3) Ad Valorem Taxes

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

For the year ended September 30, 2023, taxes of 6.950 mills were levied on property with assessed valuations totaling \$18,749,410 and were dedicated to general corporate purposes. Total taxes levied were \$130,312. There were no taxes receivable at September 30, 2023.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(4) Receivables

Receivables at September 30, 2023 of \$280,160 consist of the following:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ -	\$ 135,006	\$ 135,006
Unbilled utility	-	59,030	59,030
Franchise tax	86,124	-	86,124
Totals	\$ 86,124	\$ 194,036	\$ 280,160

(5) Due from Other Governmental Units

Amounts due from other governmental units in the amount of \$487,761 at September 30, 2023 consisted of the following:

Fund financial statements:

Governmental Funds -

Acadia Parish School Board:

Sales and use taxes collected but not remitted \$ 271,655

State of Louisiana:

Video poker revenue 3,281

Total governmental funds \$ 274,936

Proprietary Fund:

Grant revenue - State of Louisiana 212,825

Total fund financial statements 487,761

Government-wide financial statements:

Total amount reported in -

Governmental Funds, from above 274,936

Proprietary Fund, from above 212,825

Total government-wide financial statements \$ 487,761

(6) Restricted Assets - Proprietary Fund Type

Restricted assets in the proprietary fund at September 30, 2023 consisted of amounts owed to customers for utility deposits in the amount of \$214,039.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(7) Capital Assets

Capital asset activity for the year ended September 30, 2023 was as follows:

	Balance 10/01/22	Additions	Deletions	Balance 09/30/23
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 480,568	\$ -	\$ -	\$ 480,568
Construction in progress	278,579	124,361	113,112	289,828
Other capital assets:				
Buildings	1,862,824	12,873	9,559	1,866,138
Infrastructure	3,252,065	207,355	120,081	3,339,339
Equipment, furniture and fixtures	927,287	139,975	67,930	999,332
Vehicles	440,556	39,425	31,838	448,143
Total capital assets	<u>7,241,879</u>	<u>523,989</u>	<u>342,520</u>	<u>7,423,348</u>
Less accumulated depreciation:				
Buildings	497,587	48,930	9,559	536,958
Infrastructure	1,914,274	145,837	120,081	1,940,030
Equipment, furniture and fixtures	430,375	118,757	67,930	481,202
Vehicles	220,879	83,621	31,838	272,662
Total accumulated depreciation	<u>3,063,115</u>	<u>397,145</u>	<u>229,408</u>	<u>3,230,852</u>
Governmental activities, capital assets, net	<u>\$ 4,178,764</u>	<u>\$ 126,844</u>	<u>\$ 113,112</u>	<u>\$ 4,192,496</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land - water system	\$ 100,000	\$ -	\$ -	\$ 100,000
Land - sewer system	450	-	-	450
Construction in progress	648,036	712,300	873,461	486,875
Other capital assets:				
Water system	5,462,520	34,744	3,766	5,493,498
Sewer system	6,823,225	873,461	-	7,696,686
Vehicles	94,501	-	-	94,501
Other equipment	788,917	4,300	11,314	781,903
Total capital assets	<u>13,917,649</u>	<u>1,624,805</u>	<u>888,541</u>	<u>14,653,913</u>
Less accumulated depreciation:				
Water system	3,536,979	132,414	11,754	3,657,639
Sewer system	4,161,746	160,141	-	4,321,887
Vehicles	60,393	14,354	-	74,747
Machinery and equipment	249,469	36,467	3,364	282,572
Total accumulated depreciation	<u>8,008,587</u>	<u>343,376</u>	<u>15,118</u>	<u>8,336,845</u>
Business-type activities, capital assets, net	<u>\$ 5,909,062</u>	<u>\$ 1,281,429</u>	<u>\$ 873,423</u>	<u>\$ 6,317,068</u>

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 56,164
Public safety	86,414
Public works	187,242
Community Center	30,647
Culture and recreation	<u>36,678</u>
Total depreciation expense	<u>\$ 397,145</u>

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

Water	\$ 146,767
Sewer	<u>196,609</u>
Total depreciation expense	<u>\$ 343,376</u>

(8) Accounts and Other Payables

The accounts and other payables in the amount of \$568,204 consisted of the following at September 30, 2023:

	Governmental Activities	Business-type Activities	Total
Accounts	\$111,039	\$651,555	\$762,594
Other liabilities	<u>49,518</u>	<u>5,993</u>	<u>55,511</u>
Totals	<u>\$160,557</u>	<u>\$657,548</u>	<u>\$818,105</u>

(9) On-Behalf Payments of Salaries

The State of Louisiana paid the Town's policemen \$83,120 of supplemental pay during the year ended September 30, 2023. Such payments are recorded as intergovernmental revenues and public safety expenditures in the Town's government-wide and fund financial statements.

(10) Unearned Revenue

Unearned revenue of \$597,116 at September 30, 2023 consists of \$572,250 of federal awards received under the American Rescue Plan Act (ARPA) and \$24,866 of payment in lieu of taxes from the Town of Church Point Housing Authority. The ARPA established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) on March 11, 2021, to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The Town is required to spend these funds in accordance with assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(11) Dedication of Proceeds and Flow of Funds - Sales and Use Taxes

- A. Proceeds of a 1% sales and use tax approved January 10, 1967, (accounted for in the Sales Tax Fund - a special revenue fund) levied by the Town of Church Point (2023 collections \$856,528) are dedicated to the following purposes:

Constructing, acquiring, extending, improving and/or maintaining drainage facilities, streets, sidewalks and fire department stations and equipment, including fire engines, and purchasing and acquiring equipment and furnishings for the aforesaid public works, improvements and facilities, title to which shall be in the public name.

- B. Proceeds of a 1% sales and use tax approved May 16, 2012, (accounted for in the Law Enforcement Sales Tax Fund – a special revenue fund) levied by the Town of Church Point (2023 collections \$856,522) are dedicated to support law enforcement in the Town of Church Point.

All of the above sales taxes were issued in perpetuity.

(12) Retirement Commitment

All employees of the Town of Church Point are members of the Federal Social Security system. The Town and its employees contribute a percentage of each employee's salary to the system (7.65% contributed by the Town; 7.65% by the employee). Total covered wages for the year ended September 30, 2023 was \$1,719,748. The Town's contribution during the year ended September 30, 2023 amounted to \$140,196.

(13) Deferred Compensation Plan

As of July 1, 2003, the Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan is administered by the Variable Annuity Life Insurance Company (VALIC). The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Town contributes 6.25% - 8.00%. The Town's contribution to the plan for the period ended September 30, 2023 was \$60,084.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in a trust, custodial account or annuity contract by the Town described in IRC 457(g) for the exclusive benefit of the participants and their beneficiaries.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(14) Departmental Information for the Enterprise Fund

The Town of Church Point maintains one enterprise fund with two departments, which provide water and sewerage services. Departmental information for the year ended September 30, 2023 was as follows:

	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Total Enterprise Fund</u>
Charges for services and other revenues	\$ 794,277	\$ 653,864	\$ 1,448,141
Operating expenses -			
Depreciation	146,767	196,609	343,376
Other expenses	<u>811,966</u>	<u>482,853</u>	<u>1,294,819</u>
Total operating expenses	<u>958,733</u>	<u>679,462</u>	<u>1,638,195</u>
Operating income (loss)	<u>\$(164,456)</u>	<u>\$ (25,598)</u>	<u>\$ (190,054)</u>

(15) Risk Management

The Town is exposed to risks of loss in the areas of general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(16) Litigation and Claims

At September 30, 2023, the Town is a defendant in several lawsuits principally arising from the normal course of operations. The Town's legal counsel has reviewed the claims filed and has determined that the Town's liability net of insurance coverage is considered immaterial at September 30, 2023. As of September 30, 2023, no liability has been provided for suits filed or unasserted claims which may be filed.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(17) Interfund Transactions

Interfund transfers

Interfund transfers consisted of the following for the year ended September 30, 2023:

	Interfund Transfers In	Interfund Transfers Out
<b>Major Funds:</b>		
Governmental Funds -		
General Fund	\$ 123,022	\$ 242,286
Sales Tax Fund	122,000	-
2012 Law Enforcement Sales Tax Fund	256,406	-
Capital Projects Fund	400,359	-
Proprietary Fund -		
Utility Fund	-	659,501
Total	\$ 901,787	\$ 901,787

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

(18) Compensation of Town Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended September 30, 2023 is as follows:

Ryan Meche, Mayor	\$ 65,772
<b>Aldermen:</b>	
Gene Malbrough (Incoming)	5,360
Joy Daigle (Incoming)	5,360
Pat O'Pry	7,262
Dale Wimberly (Incoming)	5,360
Earl Comeaux	7,262
Christine Semien (Outgoing)	1,726
Chris Labas (Outgoing)	1,726
Nelson Kim Cormier (Outgoing)	1,726
	\$ 101,554

TOWN OF CHURCH POINT, LOUISIANA  
Notes to the Basic Financial Statements (Continued)

(19) Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to Ryan Meche, Mayor, follows:

Salary	\$ 65,772
Benefits - insurance	7,918
Retirement	3,981
Other	635
	<u>\$ 78,306</u>

(20) Subsequent Events

The Town has evaluated subsequent events through February 15, 2024, the date at which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

TOWN OF CHURCH POINT, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended September 30, 2023

	Budget		Actual	Variance -
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 460,000	\$ 469,705	\$ 465,912	\$ (3,793)
Licenses and permits	227,500	226,211	242,442	16,231
Intergovernmental revenues	77,500	73,958	77,416	3,458
Fines and forfeits	330,000	335,057	369,606	34,549
Miscellaneous	109,850	318,212	347,517	29,305
Total revenues	<u>1,204,850</u>	<u>1,423,143</u>	<u>1,502,893</u>	<u>79,750</u>
<b>Expenditures:</b>				
Current -				
General government	577,248	617,151	621,067	(3,916)
Public safety - police	98,100	69,401	67,863	1,538
Community center	33,750	68,147	68,419	(272)
Culture and recreation	160,762	161,977	207,441	(45,464)
Capital outlay	47,500	249,816	247,958	1,858
Total expenditures	<u>917,360</u>	<u>1,166,492</u>	<u>1,212,748</u>	<u>(46,256)</u>
Excess (deficiency) of revenues over expenditures	<u>287,490</u>	<u>256,651</u>	<u>290,145</u>	<u>33,494</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	123,022	123,022
Transfers out	(264,992)	(300,150)	(242,286)	57,864
Total other financing sources (uses)	<u>(264,992)</u>	<u>(300,150)</u>	<u>(119,264)</u>	<u>180,886</u>
Net change in fund balance	22,498	(43,499)	170,881	214,380
Fund balance, beginning	<u>552,882</u>	<u>552,882</u>	<u>552,882</u>	<u>-</u>
Fund balance, ending	<u>\$ 575,380</u>	<u>\$ 509,383</u>	<u>\$ 723,763</u>	<u>\$ 214,380</u>

See notes to the required supplementary information.

TOWN OF CHURCH POINT, LOUISIANA  
Sales Tax Fund

Budgetary Comparison Schedule  
For the Year Ended September 30, 2023

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes - sales taxes	\$ 800,000	\$ 844,686	\$ 856,528	\$ 11,842
Miscellaneous	750	15,150	15,000	(150)
<b>Total revenues</b>	<u>800,750</u>	<u>859,836</u>	<u>871,528</u>	<u>11,692</u>
<b>Expenditures:</b>				
Current -				
General government	93,020	93,055	97,506	(4,451)
Public works	715,714	710,857	699,902	10,955
Capital outlay	9,500	47,000	46,792	208
<b>Total expenditures</b>	<u>818,234</u>	<u>850,912</u>	<u>844,200</u>	<u>6,712</u>
Excess (deficiency) of revenues over expenditures	(17,484)	8,924	27,328	18,404
Transfers in	-	50,150	122,000	71,850
<b>Net change in fund balance</b>	(17,484)	59,074	149,328	90,254
Fund balance, beginning	<u>20,629</u>	<u>20,629</u>	<u>20,629</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,145</u>	<u>\$ 79,703</u>	<u>\$ 169,957</u>	<u>\$ 90,254</u>

See notes to the required supplementary information.

TOWN OF CHURCH POINT, LOUISIANA  
2012 Law Enforcement Sales Tax Fund

Budgetary Comparison Schedule  
For the Year Ended September 30, 2023

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes - sales taxes	\$ 800,000	\$ 844,686	\$ 856,522	\$ 11,836
Intergovernmental revenue				
State of Louisiana -				
On-behalf payments	72,000	72,000	83,120	11,120
Miscellaneous				
Other	10,000	7,792	10,509	2,717
Total revenues	<u>882,000</u>	<u>924,478</u>	<u>950,151</u>	<u>25,673</u>
<b>Expenditures:</b>				
Current -				
General government	14,500	13,500	13,271	229
Public safety - police	967,849	1,053,873	1,051,786	2,087
Capital outlay	35,000	119,704	116,127	3,577
Total expenditures	<u>1,017,349</u>	<u>1,187,077</u>	<u>1,181,184</u>	<u>5,893</u>
Deficiency of revenues over expenditures	<u>(135,349)</u>	<u>(262,599)</u>	<u>(231,033)</u>	<u>31,566</u>
<b>Other financing sources:</b>				
Transfers in	150,000	250,000	256,406	6,406
Total other financing sources	<u>150,000</u>	<u>250,000</u>	<u>256,406</u>	<u>6,406</u>
Net change in fund balance	14,651	(12,599)	25,373	37,972
Fund balance, beginning	<u>43,641</u>	<u>43,641</u>	<u>43,641</u>	<u>-</u>
Fund balance, ending	<u>\$ 58,292</u>	<u>\$ 31,042</u>	<u>\$ 69,014</u>	<u>\$ 37,972</u>

See notes to the required supplementary information.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

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

1. Prior to September 30, the Town Clerk submits to the Mayor and Board of Aldermen a proposed operating budget for the fiscal year commencing the following October 1.
2. A summary of the proposed budget is published, and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted and as finally amended by the Board of Aldermen.

(2) Excess of Expenditures Over Appropriations

For the year ended September 30, 2023, the following funds had actual expenditures over appropriations, at the functional level, as follows:

Fund and Function	Budget	Actual	Excess
<b>General Fund:</b>			
General government	\$ 617,151	\$ 621,067	\$ (3,916)
Community center	68,147	68,419	(272)
Culture and recreation	161,977	207,441	(45,464)
<b>Sales Tax Fund:</b>			
General government	93,055	97,506	(4,451)

**OTHER SUPPLEMENTARY INFORMATION**

TOWN OF CHURCH POINT, LOUISIANA

Statement of Net Position

September 30, 2023

With Comparative Totals for September 30, 2022

	2023			2022 Totals
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$1,753,152	\$ 730,652	\$ 2,483,804	\$ 1,442,740
Receivables, net	86,124	194,036	280,160	323,388
Due from other governmental units	274,936	212,825	487,761	426,335
Inventory	-	50,361	50,361	56,804
Prepaid expenses	7,984	14,470	22,454	33,680
Total current assets	<u>2,122,196</u>	<u>1,202,344</u>	<u>3,324,540</u>	<u>2,282,947</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	214,039	214,039	207,179
Capital assets:				
Land and construction in progress	770,396	587,325	1,357,721	1,507,633
Capital assets, net	<u>3,422,100</u>	<u>5,729,743</u>	<u>9,151,843</u>	<u>8,580,193</u>
Total noncurrent assets	<u>4,192,496</u>	<u>6,531,107</u>	<u>10,723,603</u>	<u>10,295,005</u>
Total assets	<u>6,314,692</u>	<u>7,733,451</u>	<u>14,048,143</u>	<u>12,577,952</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and other payables	160,557	657,548	818,105	568,206
Unearned revenue	597,116	-	597,116	95,860
Customers' deposits	-	214,039	214,039	207,179
Total current liabilities	<u>757,673</u>	<u>871,587</u>	<u>1,629,260</u>	<u>871,245</u>
<b>NET POSITION</b>				
Net investment in capital assets	4,192,496	6,317,068	10,509,564	9,834,074
Restricted for sales tax dedications	237,474	-	237,474	62,022
Unrestricted	<u>1,127,049</u>	<u>544,796</u>	<u>1,671,845</u>	<u>1,810,611</u>
Total net position	<u>\$ 5,557,019</u>	<u>\$ 6,861,864</u>	<u>\$ 12,418,883</u>	<u>\$ 11,706,707</u>

TOWN OF CHURCH POINT, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Revenues  
For the Year Ended September 30, 2023  
With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023				2022 Actual
	Budget		Actual	Variance - Positive (Negative)	
	Original	Final			
<b>Revenues:</b>					
Taxes -					
Ad valorem	\$ 125,000	\$ 131,506	\$ 130,406	\$ (1,100)	\$ 126,519
Franchise	335,000	338,199	335,506	(2,693)	359,790
Total taxes	<u>460,000</u>	<u>469,705</u>	<u>465,912</u>	<u>(3,793)</u>	<u>486,309</u>
Licenses and permits -					
Occupational licenses	225,000	223,761	239,942	16,181	233,945
Permits	2,500	2,450	2,500	50	2,650
Total licenses and permits	<u>227,500</u>	<u>226,211</u>	<u>242,442</u>	<u>16,231</u>	<u>236,595</u>
Intergovernmental revenues -					
State of Louisiana:					
Housing Authority payment	24,000	23,095	22,595	(500)	21,903
Video poker commissions	45,000	42,885	43,238	353	42,327
Other	-	-	-	-	10,800
Total intergovernmental revenues	<u>77,500</u>	<u>73,958</u>	<u>77,416</u>	<u>3,458</u>	<u>81,627</u>
Charges for services -					
Utility collection	-	-	-	-	577
Fines and forfeits	<u>330,000</u>	<u>335,057</u>	<u>369,606</u>	<u>34,549</u>	<u>381,618</u>
Miscellaneous -					
Rent income	-	10,000	36,985	26,985	54,982
Other revenues	109,850	308,212	310,532	2,320	186,204
Total miscellaneous	<u>109,850</u>	<u>318,212</u>	<u>347,517</u>	<u>29,305</u>	<u>241,186</u>
<b>Total revenues</b>	<b><u>\$ 1,204,850</u></b>	<b><u>\$ 1,423,143</u></b>	<b><u>\$ 1,502,893</u></b>	<b><u>\$ 79,750</u></b>	<b><u>\$ 1,427,912</u></b>

TOWN OF CHURCH POINT, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended September 30, 2023

With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023			Variance - Positive (Negative)	2022 Actual
	Budget		Actual		
	Original	Final			
<b>Current -</b>					
<b>General government:</b>					
Salaries	\$ 184,811	\$ 186,569	\$ 186,193	\$ 376	\$ 179,677
Court salaries	56,710	58,907	58,611	296	59,201
Payroll taxes	18,350	21,335	21,952	(617)	18,370
Group insurance	21,000	15,840	15,445	395	10,756
Pension	16,427	13,636	11,299	2,337	15,213
General insurance	46,000	64,252	65,895	(1,643)	53,047
Workers' compensation	9,400	9,381	10,297	(916)	7,567
Legal and professional	95,500	102,690	102,893	(203)	81,671
Office expense and supplies	42,000	49,356	49,164	192	66,789
Advertising and promotion	10,000	11,411	11,273	138	13,181
Conventions and seminars	-	-	171	(171)	-
Repairs and maintenance	15,000	18,367	18,671	(304)	28,723
Utilities and telephone	35,500	35,534	37,158	(1,624)	38,352
Preparation of tax rolls	4,000	5,806	5,606	200	3,748
Miscellaneous	13,250	13,059	12,885	174	15,495
Presbytere expense	8,000	9,737	12,533	(2,796)	7,664
Total general government	<u>577,248</u>	<u>617,151</u>	<u>621,067</u>	<u>(3,916)</u>	<u>600,504</u>
<b>Public safety:</b>					
<b>Police department -</b>					
Transportation	-	-	-	-	166
Telephone and utilities	-	-	-	-	662
Conventions and seminars	33,000	-	-	-	32,046
Uniforms and Supplies	-	1,000	1,854	(854)	4,050
Crime lab fees	48,000	49,996	48,715	1,281	42,457
Court fees paid to other agencies	17,100	18,405	17,294	1,111	15,756
Total public safety	<u>98,100</u>	<u>69,401</u>	<u>67,863</u>	<u>1,538</u>	<u>95,137</u>
<b>Community Center:</b>					
Office expense and supplies	6,250	6,302	6,997	(695)	9,129
General insurance	5,500	10,633	8,949	1,684	10,714
Repairs and maintenance	3,000	27,741	29,373	(1,632)	11,214
Telephone and utilities	10,000	9,821	9,850	(29)	11,293
Miscellaneous	9,000	13,650	13,250	400	6,050
Total Community Center	<u>33,750</u>	<u>68,147</u>	<u>68,419</u>	<u>(272)</u>	<u>48,400</u>

(continued)

TOWN OF CHURCH POINT, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended September 30, 2023  
With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023				2022 Actual
	Budget		Actual	Variance - Positive (Negative)	
	Original	Final			
<b>Culture and recreation:</b>					
Salaries	52,048	54,083	55,565	(1,482)	47,480
Payroll taxes	4,164	4,195	4,413	(218)	3,758
Automobile expense	8,000	4,246	3,978	268	8,037
Tournament fees	5,000	8,549	7,049	1,500	-
Softball services	21,000	24,750	22,250	2,500	15,500
Supplies	30,000	17,710	31,098	(13,388)	50,245
Repairs and maintenance	20,000	18,329	47,558	(29,229)	53,089
Telephone and utilities	10,550	16,089	16,481	(392)	11,916
Uniforms	-	-	555	(555)	731
Insurance	9,000	11,926	13,193	(1,267)	13,390
Miscellaneous	1,000	2,100	5,301	(3,201)	4,020
<b>Total culture and recreation</b>	<u>160,762</u>	<u>161,977</u>	<u>207,441</u>	<u>(45,464)</u>	<u>208,166</u>
<b>Capital outlay -</b>					
<b>General government:</b>					
Buildings and improvements	-	7,000	6,851	149	70,242
Vehicles and equipment	-	20,150	23,441	(3,291)	62,365
<b>Culture and recreation:</b>					
Land	-	-	-	-	93,548
Park equipment	2,500	-	-	-	69,624
Park improvements	45,000	222,666	217,666	5,000	191,037
<b>Total capital outlay</b>	<u>47,500</u>	<u>249,816</u>	<u>247,958</u>	<u>1,858</u>	<u>486,816</u>
<b>Total expenditures</b>	<u>\$ 917,360</u>	<u>\$ 1,166,492</u>	<u>\$ 1,212,748</u>	<u>\$ (46,256)</u>	<u>\$ 1,439,023</u>

TOWN OF CHURCH POINT, LOUISIANA  
Sales Tax Fund

Budgetary Comparison Schedule  
For the Year Ended September 30, 2023  
With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023				
	Budget		Actual	Variance - Positive (Negative)	2022 Actual
	Original	Final			
<b>Revenues:</b>					
Taxes - sales taxes	\$ 800,000	\$ 844,686	\$ 856,528	\$ 11,842	\$ 799,722
Miscellaneous -					
Interest	250	-	-	-	-
Other	500	15,150	15,000	(150)	10,021
Total miscellaneous	750	15,150	15,000	(150)	10,021
Total revenues	800,750	859,836	871,528	11,692	809,743
<b>Expenditures:</b>					
<b>Current -</b>					
<b>General government:</b>					
Salaries	59,093	56,341	58,957	(2,616)	55,482
Pension	4,200	4,195	4,110	85	4,010
Legal and professional	10,500	15,490	16,715	(1,225)	11,295
Collection expense	14,500	13,500	13,274	226	13,088
Total general government	93,020	93,055	97,506	(4,451)	88,072
<b>Public works:</b>					
Salaries	320,102	319,889	320,189	(300)	295,766
Payroll taxes	25,608	23,763	24,683	(920)	22,805
Group insurance	58,500	55,794	49,577	6,217	54,336
Pension	12,804	11,931	11,112	819	11,528
Workers compensation	40,000	34,060	32,999	1,061	31,136
Legal and professional	1,000	1,718	1,618	100	1,000
Gravel, shell and supplies	25,000	18,551	16,130	2,421	19,098
Repairs and maintenance	50,000	38,774	37,945	829	56,889
Transportation	36,000	44,075	45,206	(1,131)	46,747
Telephone and utilities	12,700	15,392	16,394	(1,002)	11,275
Insurance	18,500	25,864	23,748	2,116	22,466
Miscellaneous	40,500	41,612	41,901	(289)	39,953
Street lighting	75,000	79,434	78,400	1,034	79,003
Total public works	715,714	710,857	699,902	10,955	692,002

(continued)

TOWN OF CHURCH POINT, LOUISIANA  
Sales Tax Fund

Budgetary Comparison Schedule (Continued)  
For the Year Ended September 30, 2023  
With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023		Actual	Variance - Positive (Negative)	2022 Actual
	Budget				
	Original	Final			
Capital outlay -					
Public works:					
Vehicle	-	17,000	17,100	(100)	46,970
Equipment	9,500	-	-	-	-
Buildings and improvements	-	30,000	29,692	308	39,940
Total capital outlay	<u>9,500</u>	<u>47,000</u>	<u>46,792</u>	<u>208</u>	<u>86,910</u>
Debt service -					
Principal retirement	-	-	-	-	28,417
Interest and fiscal charges	-	-	-	-	2,362
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,779</u>
Total expenditures	<u>818,234</u>	<u>850,912</u>	<u>844,200</u>	<u>6,712</u>	<u>897,763</u>
Deficiency of revenues over expenditures	<u>(17,484)</u>	<u>8,924</u>	<u>27,328</u>	<u>18,404</u>	<u>(88,020)</u>
Other financing sources:					
Transfers in	<u>-</u>	<u>50,150</u>	<u>122,000</u>	<u>71,850</u>	<u>65,000</u>
Total other financing sources	<u>-</u>	<u>50,150</u>	<u>122,000</u>	<u>71,850</u>	<u>65,000</u>
Net change in fund balance	(17,484)	59,074	149,328	90,254	(23,020)
Fund balance, beginning	<u>20,629</u>	<u>20,629</u>	<u>20,629</u>	<u>-</u>	<u>43,649</u>
Fund balance, ending	<u>\$ 3,145</u>	<u>\$ 79,703</u>	<u>\$ 169,957</u>	<u>\$ 90,254</u>	<u>\$ 20,629</u>

TOWN OF CHURCH POINT, LOUISIANA  
2012 Law Enforcement Sales Tax Fund

Budgetary Comparison Schedule  
For the Year Ended September 30, 2023  
With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023			Variance - Positive (Negative)	2022 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes - sales taxes	\$ 800,000	\$ 844,686	\$ 856,522	\$ 11,836	\$ 799,702
Intergovernmental revenue - State of Louisiana - On-behalf payments	72,000	72,000	83,120	11,120	70,716
Miscellaneous - Donated Assets	-	-	-	-	14,973
Other	10,000	7,792	10,509	2,717	75,484
<b>Total revenues</b>	<b>882,000</b>	<b>924,478</b>	<b>950,151</b>	<b>25,673</b>	<b>960,875</b>
<b>Expenditures:</b>					
<b>Current-</b>					
Collection expense	14,500	13,500	13,271	229	13,087
<b>Public safety - police:</b>					
Salaries	571,479	551,552	551,665	(113)	544,427
Salaries-On behalf payments	-	82,000	83,120	(1,120)	70,716
Payroll taxes	45,718	47,435	49,054	(1,619)	47,313
Group insurance	70,000	71,172	66,953	4,219	71,517
Pension	20,002	23,148	22,779	369	16,629
Workers compensation	41,000	41,816	42,825	(1,009)	41,682
Transportation	80,500	84,169	83,764	405	102,000
Supplies	14,500	23,441	24,963	(1,522)	23,620
Telephone and utilities	19,300	18,549	20,258	(1,709)	19,643
Legal and professional	19,000	16,240	16,715	(475)	11,290
Insurance	58,000	59,471	59,376	95	50,031
Repairs and maintenance	5,000	9,820	10,465	(645)	7,546
Training and seminars	3,000	4,290	4,358	(68)	5,416
Meals for prisoners	3,000	3,010	2,902	108	2,185
Uniforms	5,000	5,690	5,237	453	11,553
Miscellaneous	12,350	12,070	7,352	4,718	9,215
<b>Total public safety</b>	<b>967,849</b>	<b>1,053,873</b>	<b>1,051,786</b>	<b>2,087</b>	<b>1,034,783</b>

(continued)

TOWN OF CHURCH POINT, LOUISIANA  
2012 Law Enforcement Sales Tax Fund

Budgetary Comparison Schedule (Continued)  
For the Year Ended September 30, 2023  
With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023			Variance - Positive (Negative)	2022 Actual
	Budget		Actual		
	Original	Final			
Capital outlay - cars	-	-			
Capital outlay - equipment	<u>35,000</u>	<u>119,704</u>	<u>116,127</u>	<u>3,577</u>	<u>77,342</u>
Debt service -					
Principal retirement	-	-	-	-	28,079
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,881</u>
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,960</u>
 Total expenditures	 <u>1,017,349</u>	 <u>1,187,077</u>	 <u>1,181,184</u>	 <u>5,893</u>	 <u>1,155,172</u>
 Deficiency of revenues over expenditures	 <u>(135,349)</u>	 <u>(262,599)</u>	 <u>(231,033)</u>	 <u>31,566</u>	 <u>(194,297)</u>
 Proceeds from sale of assets	 -	 -	 -	 -	 8,335
Transfers in	<u>150,000</u>	<u>250,000</u>	<u>256,406</u>	<u>6,406</u>	<u>180,245</u>
Total other financing sources	<u>150,000</u>	<u>250,000</u>	<u>256,406</u>	<u>6,406</u>	<u>188,580</u>
 Net change in fund balance	 14,651	 (12,599)	 25,373	 37,972	 (5,717)
 Fund balance, beginning	 <u>43,641</u>	 <u>43,641</u>	 <u>43,641</u>	 <u>-</u>	 <u>49,358</u>
 Fund balance, ending	 <u>\$ 58,292</u>	 <u>\$ 31,042</u>	 <u>\$ 69,014</u>	 <u>\$ 37,972</u>	 <u>\$ 43,641</u>

TOWN OF CHURCH POINT, LOUISIANA  
Capital Projects Fund

Budgetary Comparison Schedule  
Budget (GAAP Basis) and Actual  
For the Year Ended September 30, 2023  
With Comparative Actual Amounts for the Year Ended September 30, 2022

	2023			2022 Actual
	Original and Final Budget	Actual	Variance - Positive (Negative)	
<b>Revenues:</b>				
Intergovernmental -				
Federal grants	\$ -	\$ -	\$ -	\$ 210,930
<b>Expenditures:</b>				
Current-				
General government:				
Engineering fees	-	-	-	55,455
Capital outlay-				
Street improvements project:				
Construction costs	-	-	-	155,475
Total expenditures	-	-	-	210,930
Excess of revenues over expenditures	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in	-	400,359	400,359	-
Total other financing sources (uses)	-	400,359	400,359	-
Net change in fund balance	-	400,359	400,359	-
Fund balance, beginning	1,430	1,430	-	1,430
Fund balance, ending	\$ 1,430	\$ 401,789	\$ 400,359	\$ 1,430

TOWN OF CHURCH POINT, LOUISIANA

Comparative Statement of Net Position  
Enterprise Fund  
September 30, 2023 and 2022

		Utility Fund	
		2023	2022
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash	\$	532,401	440,439
Interest-bearing deposits		198,251	276,537
Receivables -			
Accounts		135,006	114,942
Unbilled utility receivables		59,030	54,979
Due from other funds		-	136,119
Due from other governmental units		212,825	211,747
Inventory		50,361	56,804
Prepaid expenses		14,470	21,703
Total current assets		<u>1,202,344</u>	<u>1,313,270</u>
<b>Noncurrent assets:</b>			
Restricted assets -			
Cash		214,039	207,179
Capital assets -			
Land and construction in progress		587,325	748,486
Capital assets, net		<u>5,729,743</u>	<u>5,160,576</u>
Total noncurrent assets		<u>6,531,107</u>	<u>6,116,241</u>
Total assets		<u>7,733,451</u>	<u>7,429,511</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable		87,635	52,477
Contracts payable		563,920	196,125
Retainage payable		-	57,627
Accrued liabilities		5,993	6,742
Payable from restricted assets -			
Customers' deposits		214,039	207,179
Total current liabilities		<u>871,587</u>	<u>520,150</u>
<b>NET POSITION</b>			
Net investment in capital assets		5,753,148	5,655,310
Unrestricted		<u>1,108,716</u>	<u>1,254,051</u>
Total net position		<u>\$ 6,861,864</u>	<u>\$ 6,909,361</u>

TOWN OF CHURCH POINT, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Departmental Analysis of Revenues and Expenses and Change in Net Position  
Years Ended September 30, 2023 and 2022

	Totals		Water		Sewer	
	2023	2022	2023	2022	2023	2022
<b>Operating revenues:</b>						
Charges for services	\$ 1,397,619	\$ 1,279,919	\$ 763,095	\$ 706,553	\$ 634,524	\$ 573,366
Other	50,522	52,308	31,182	33,268	19,340	19,040
Total operating revenues	<u>1,448,141</u>	<u>1,332,227</u>	<u>794,277</u>	<u>739,821</u>	<u>653,864</u>	<u>592,406</u>
<b>Operating expenses:</b>						
Salaries	405,449	425,355	231,801	248,753	173,648	176,602
Payroll taxes	35,644	32,830	20,015	19,255	15,629	13,575
Group insurance	68,038	70,329	36,143	38,159	31,895	32,170
Pension	10,783	13,358	4,700	5,816	6,083	7,542
Utilities and telephone	101,146	102,337	55,082	53,489	46,064	48,848
Repairs and maintenance	278,362	187,925	183,291	122,654	95,071	65,271
Auto expense	22,108	22,573	12,102	12,605	10,006	9,968
Legal and professional	45,913	26,590	18,698	11,295	27,215	15,295
Insurance	93,654	54,477	56,594	38,632	37,060	15,845
Office supplies and expense	19,923	15,804	17,253	15,032	2,670	772
Dump and disposal charges	399	2,776	-	-	399	2,776
Inspection and testing	13,861	12,055	3,537	2,484	10,324	9,571
Engineering fees	-	73,531	-	22,186	-	51,345
Chemicals	144,016	103,456	144,016	103,456	-	-
Uniforms	1,531	6,414	1,434	4,259	97	2,155
Depreciation	343,376	320,638	146,767	135,310	196,609	185,328
Other	8,577	15,031	6,535	13,429	2,042	1,602
Total operating expenses	<u>1,638,195</u>	<u>1,508,958</u>	<u>958,733</u>	<u>856,740</u>	<u>679,462</u>	<u>652,218</u>
Operating income (loss)	<u>(190,054)</u>	<u>(176,731)</u>	<u>\$ (164,456)</u>	<u>\$ (116,919)</u>	<u>\$ (25,598)</u>	<u>\$ (59,812)</u>
<b>Non-operating revenues (expenses):</b>						
Interest income	6,287	2,252				
Gain on sale of assets	-	1,792				
Total non-operating revenues (expenses)	<u>6,287</u>	<u>4,044</u>				
Income (loss) before contributions and transfers	(183,767)	(172,687)				
Capital contributions	795,771	1,019,859				
Transfers out	(659,501)	(95,665)				
Change in net position	(47,497)	751,507				
Net position, beginning	<u>6,909,361</u>	<u>6,157,854</u>				
Net position, ending	<u>\$ 6,861,864</u>	<u>\$ 6,909,361</u>				

TOWN OF CHURCH POINT, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
September 30, 2023 and 2022

Records maintained by the City indicated the following number of customers were being serviced during the months of September 30, 2023 and 2022:

<u>Department</u>	<u>2023</u>	<u>2022</u>
Water	1,770	1,773
Sewer	1,699	1,701

TOWN OF CHURCH POINT, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
 As Required by Act 87 of the 2020 Regular Legislative Session  
 For the Year Ended September 30, 2023

Cash Basis Presentation	First Six Month Period Ended <u>3/31/2023</u>	Second Six Month Period Ended <u>9/30/2023</u>
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 9,093	\$ 10,555
Add: Collections -		
Bond Fees	1,645	1,602
Criminal Court Costs/Fees	36,652	29,059
Criminal Fines - Other	<u>162,479</u>	<u>134,725</u>
Subtotal Collections	<u>200,776</u>	<u>165,386</u>
Less: Disbursements to Governments and Nonprofits -		
Lafayette Crime Stoppers - Criminal Court Costs/Fees	1,520	1,444
Acadiana Criminalistics Lab - Criminal Court Costs/Fees	27,676	24,904
Louisiana Commission on Law Enforcement - Criminal Court Costs/Fees	2,036	1,783
Louisiana State Treasurer CMIS - Criminal Court Costs/Fees	2,355	2,238
Louisiana Supreme Court - Criminal Court Costs/Fees	1,655	1,540
Louisiana Department of Health- Criminal Court Costs/Fees	1,200	820
Louisiana Association of Chief of Police - Criminal Court Costs/Fees	393	361
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	<u>162,479</u>	<u>134,725</u>
Subtotal Disbursements/Retainage	<u>199,314</u>	<u>167,815</u>
Ending Balance of Amounts Collected but not not Disbursed/Retained (i.e. cash on hand)	<u>\$ 10,555</u>	<u>\$ 8,126</u>

**INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER MATTERS**

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

The Honorable Ryan Meche, Mayor  
and Members of the Board of Aldermen  
Town of Church Point, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Church Point, Louisiana (the Town) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated February 15, 2024.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2023-001 and 2023-002 that we consider to be material weaknesses.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 that are required to be reported under *Government Auditing Standards*.

## **The Town of Church Point, Louisiana's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Town's response to the findings identified in our audit and described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The Town's response was not subject to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **Purpose of this Report**

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
February 15, 2024

TOWN OF CHURCH POINT, LOUISIANA

Summary Schedule of Current and Prior Year Findings  
and Management's Corrective Action Plan

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

A. Internal Control Findings –

**2023-001 Inadequate Segregation of Accounting Functions**

Fiscal year finding initially occurred: Unknown

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

CRITERIA: The Town should have a control policy according to which no person should be given responsibility for more than one related function.

CAUSE: Due to the size of the Town, there are a small number of available employees.

EFFECT: The Town has employees that are performing more than one related function.

RECOMMENDATION: The Town should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT'S CORRECTION ACTION PLAN: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

**2023-002 Inadequate Controls Over Financial Statement Preparation**

Fiscal year finding initially occurred: 2021

CONDITION: The Town does not have a staff person who has the qualifications and training necessary to apply generally accepted accounting principles (GAAP) in recording the Town's financial transactions or preparing its financial statements, including the related notes.

CRITERIA: The Town should be able to record financial transactions and prepare financial statements in accordance with GAAP.

CAUSE: The Town does not personnel with the qualifications needed to perform this function.

EFFECT: The Town financial transactions and financial statements may not be prepared in accordance with GAAP.

RECOMMENDATION: The Town should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

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

B. Compliance Findings:

There were no compliance findings reported for the year ended September 30, 2023.

TOWN OF CHURCH POINT, LOUISIANA

Summary Schedule of Current and Prior Year Findings  
and Management's Corrective Action Plan

Part II. Prior Year Findings

Internal Control Findings -

**2022-001** Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

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

RECOMMENDATION: The Town should establish and monitor mitigating controls over functions that are not completely segregated.

CURRENT STATUS: Unresolved. See finding 2023-001.

**2022-002:** Inadequate Controls Over Financial Statement Preparation

Fiscal Year finding initially occurred: 2021

CONDITION: The Town does not have a staff person who has the qualifications and training necessary to apply generally accepted accounting principles (GAAP) in recording the Town's financial transactions or preparing its financial statements, including the related notes.

RECOMMENDATION: The Town should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

CURRENT STATUS: Unresolved. See Finding 2023-002

**TOWN OF CHURCH POINT**  
Church Point, Louisiana

**Agreed-Upon Procedures Report**

Year Ended September 30, 2023

# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Ryan Meche, Mayor  
and Members of the Board of Aldermen  
Town of Church Point, Louisiana  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2022 through September 30, 2023. The Town of Church Point, Louisiana's management is responsible for those C/C areas identified in the SAUPs.

The Town has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period October 1, 2022 through September 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

1. We obtained and inspected the Town's written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the Town's operations:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving.
  - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, Purchase Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

***Board or Finance Committee***

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2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
  - c) Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.
  - d) Observed the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

### ***Bank Reconciliations***

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

### ***Collections (excluding electronic fund transfers)***

---

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed the bond or insurance policy for theft was enforced during the fiscal period.

7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* We obtained supporting documentation for each of the 10 deposits and:
  - a) Observed that receipts are sequentially pre-numbered.
  - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Traced the deposit slip total to the actual deposit per the bank statement.
  - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - e) Traced the actual deposit per the bank statement to the general ledger.

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

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8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. We randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and we observed that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
  - e) Only employees/ officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
10. For each location selected under #8 above, we obtained the Town's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and we obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, we obtained supporting documentation for each transaction and:
  - a) We observed whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) We observed that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9, as applicable.

11. Using the Town's main operating account and the month selected in "Bank Reconciliations" procedure #3, we randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was:
  - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
  - b) Approved by the required number of authorized signers per the entity's policy.

***Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)***

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12. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
13. Using the listing prepared by management, we randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, we randomly selected one monthly bank statement), we obtained supporting documentation, and:
  - a) We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - b) We observed that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, we observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

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15. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected 5 reimbursements, we obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
  - a) If reimbursed using a per diem, we observed the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1g).

- d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

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- 16. We obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* We obtained management's representation that the listing is complete. We randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) We observed that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g., change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
  - d) We randomly selected one payment from the fiscal period for each of the 5 contracts, we obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

### ***Payroll and Personnel***

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- 17. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees/officials, we obtained related paid salaries and personnel files, and we agreed paid salaries to authorized salaries/pay rates in the personnel files.
- 18. We randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #17 above, we obtained attendance records and leave documentation for the pay period, and:
  - a) We observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) We observed that supervisors approved the attendance and leave of the selected employees/officials.
  - c) We observed that any leave accrued or taken during the pay period is reflected in the Town's cumulative leave records.
  - d) We observed the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- 19. We obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. We randomly selected two employees/officials, we obtained related documentation of the hours and pay rates used in management's termination payment calculations and the Town's policy on termination payments. We agreed the hours to the employee or officials' cumulate leave records, agreed the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agreed the termination payment to entity policy.
- 20. We obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### ***Ethics***

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21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
  - a) We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - b) We observed whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. We inquired and/or observed whether the agency has appointed an ethics designee as required by R.S. 42:1170.

### ***Debt Service***

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23. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

### ***Fraud Notice***

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25. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that the Town reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Town is domiciled as required by R.S. 24:523.

***The Town represented that there were no misappropriations of public funds and/or assets during the fiscal year.***

26. Observed that the Town has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

### ***Information Technology Disaster Recovery/Business Continuity***

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27. We performed the following procedures, verbally discussed the results with management, and reported "We performed the procedure and discussed the results with management."
  - a) We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observed evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - b) We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.

- c) We obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. We randomly selected 5 computers and observed while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

28. We randomly selected 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 and observed evidence that the selected terminated employees have been removed or disabled from the network.

### ***Prevention of Sexual Harassment***

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29. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained sexual harassment training documentation from management, and observed the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

30. We observed the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

31. We obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

### ***Exceptions:***

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

#### **Written Policies and Procedures**

1. The entity does not have written policies and procedures for Receipts, Information Technology Disaster Recovery/ Business Continuity, and the Prevention of Sexual Harassment. In addition, the Town's policies and procedures do not address the following: (a) Purchasing- how vendors are added to the vendor list; (b) Payroll/Personnel- approval process for employees rate of pay or approval and maintenance of pay rate schedules; (c) Credit Cards- required approvers of statements; (d) Ethics- actions to be taken if an ethics violation takes place, a system to monitor possible ethics violations, and the requirement that documentation s maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

## **Board**

2. The minutes did not mention written updates being received and resolved according to management's corrective action plan for the prior year audit finding of inadequate controls over financial statement preparation.

## **Bank Reconciliations**

3. There was no evidence of management review nor evidence of researching outstanding items greater than twelve months on the Town's bank reconciliations.

## **Credit Cards**

4. Credit card statements were not reviewed and approved, in writing, by someone other than the authorized card holder, and one transaction was not supported by an original itemized receipt.

## **The Prevention of Sexual Harassment**

5. The Town does not have its sexual harassment policy and complaint procedure posted on its website.

## **Management's Response:**

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The management of the Town of Church Point concurs with the exceptions and is working to address the deficiencies identified.

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent from the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
February 15, 2024