

**TOWN OF LECOMPTE**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2023**



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September 8, 2023

Independent Auditors' Report

To the Honorable Mayor and Board of Aldermen  
Town of Lecompte, Louisiana

**REPORT ON THE FINANCIAL STATEMENTS**

**Qualified and Unmodified Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Lecompte, as of and for the year ended June 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.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
General Fund	Unmodified
One Cent Sales Tax Fund	Unmodified
Half-Cent Sales Tax Fund	Unmodified
Sewer System Fund	Unmodified
Aggregate Remaining Fund Information	Qualified

**Qualified Opinion on the Aggregate Remaining Fund Information**

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Town of Lecompte, as of June 30, 2023, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Unmodified Opinions on Governmental Activities, Business-Type Activities, General Fund, One Cent Sales Tax Fund, Half-Cent Sales Tax Fund, and Sewer System Fund**

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, the General Fund, the One Cent Sales Tax Fund, the Half-Cent Sales Tax Fund, and the Sewer System Fund of the Town of Lecompte, as of June 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.



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**Basis for Qualified and Unmodified 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 of Lecompte 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 qualified and unmodified opinions.

**Matter Giving Rise to the Qualified Opinion on the Aggregate Remaining Fund Information**

Aggregate remaining fund information includes a fund established to account for activity associated with a special event. Records maintained in connection with the event were not sufficient to support an opinion on the financial statements prepared for the fund. The effect on aggregate remaining fund information, including assets, liabilities, fund balances, revenues and expenditures has not been determined.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 fraud or error.

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 of Lecompte'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 Responsibilities for the Audit of the 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.
- 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.
- 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 of Lecompte's internal control. Accordingly, no such opinion is expressed.

- 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Lecompte'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 the information listed below to supplement the basic financial statements.

- Management's Discussion and Analysis
- Budgetary Comparison Information
- Schedule of Net Pension Liability Data
- Schedule of Employer Contributions

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Supplemental Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Lecompte's basic financial statements. The other supplemental information listed below is presented for purposes of additional analysis and are not a required part of the basic financial statements.

- Combining Balance Sheet – Non-Major Governmental Funds
- Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Non-Major Governmental Funds
- Schedule of Per Diem Paid to Board Members
- Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer
- Justice System Funding Schedule – Collecting/Disbursing Entity

The additional 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain

*Town of Lecompte*  
*September 8, 2023*

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additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information is fairly stated in all material respects in relation to the basic financial statements as a whole.

**OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARD**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2023 on our consideration of the Town of Lecompte'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 of Lecompte's internal control over financial reporting and compliance.



ROZIER, MCKAY & WILLIS  
Certified Public Accountants



September 8, 2023

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*

To the Honorable Mayor  
and the Board of Aldermen  
Town of Lecompte, Louisiana

We were engaged to audit, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lecompte, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Lecompte's basic financial statements, and have issued our report thereon dated September 8, 2023.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In connection with our engagement to audit the financial statements, we considered the Town of Lecompte's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Lecompte's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we identified one deficiency in internal control that we consider to be a material weakness (2023-003).



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**COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Town of Lecompte's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2023-001 and 2023-002.

**TOWN OF LECOMPTE'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 findings and questioned costs. The Town's response was not subjected 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**

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



ROZIER, MCKAY & WILLIS  
Certified Public Accountants



# **Town of Lecompte**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2023**

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This section of the Town of Lecompte's annual financial report presents our discussion and analysis of the Town's financial performance during the fiscal year ended June 30, 2023.

### **OVERVIEW OF FINANCIAL STATEMENTS**

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Town's financial position and results of operations from differing perspectives which are described as follows:

#### **Government –Wide Financial Statements**

The government-wide financial statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Town's assets (including infrastructure acquired after July 1, 1980) and all of the Town's liabilities (including long-term debt).

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including public safety, culture, recreation, public works and general administration are reported as governmental activities. The governmental activities are financed by taxes, license and permit fees, fines and forfeitures, and intergovernmental sources.
- **Business-Type Activities** – Expenses associated with providing utility and sanitation services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with these services are reported as business type activities.

#### **Fund Financial Statements**

Fund financial statements provide detailed information regarding the Town's most significant activities and are not intended to provide information for the Town as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Town has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental fund uses a modified accrual basis of accounting that provides a short-term view of the Town's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.
- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Town's utility services. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

# **Town of Lecompte**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2023**

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### **Financial Analysis of the Town as a Whole**

A comparative analysis of government-wide financial data is presented as follows:

#### **Net Position**

A condensed version of the government-wide Statement of Net Position is presented as follows.

	<b>For the Year Ended June 30, 2023</b>			<b>For the</b>
	<b>Govern- mental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>	<b>Year Ended June 30, 2022</b>
<b><u>Assets:</u></b>				
Current and Other Assets	\$ 646,840	\$ 210,555	\$ 857,395	\$ 972,433
Internal Balances	(259,028)	259,028	----	----
Capital Assets	2,785,827	3,235,302	6,021,129	5,882,558
Total Assets	3,173,639	3,704,885	6,878,524	6,854,991
<b>Deferred Outflow of Resources</b>	52,031	----	52,031	22,584
<b><u>Liabilities:</u></b>				
Current and Other Liabilities	27,669	12,541	40,210	197,731
Long-term Liabilities	263,520	688,631	952,151	931,556
Total Liabilities	291,189	701,172	992,361	1,129,287
<b>Deferred Inflow of Resources</b>	8,878	----	8,878	68,004
<b><u>Net Position:</u></b>				
Invested in Capital Assets (Net)	2,681,852	2,546,671	5,228,523	5,054,197
Restricted	142,694	457,042	599,736	665,406
Unrestricted	101,057	----	101,057	(39,319)
Total Net Position	\$2,925,603	\$ 3,003,713	\$ 5,929,316	\$ 5,680,284

As the presentation appearing above demonstrates, the majority of the Town's net position (88.18%) is invested in capital assets. Net position invested in capital assets consists of land, buildings, equipment, and infrastructure less any debt used to acquire the assets that remain outstanding. The Town uses these capital assets to provide services to its citizens; consequently, these amounts are not available for future spending.

A portion of the Town's remaining net position (10.11%) is composed of restricted assets. These assets are unavailable for general expenses, as they must be used for their intended purposes. The Town's remaining unrestricted fund balance (1.70%) is available for the general corporate purposes of the Town.

#### **Changes in Net Position**

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows:

# **Town of Lecompte**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2023**

	For the Year Ended June 30, 2023			For the Year Ended June 30, 2022
	Governmental Activities	Business-Type Activities	Total	
<b>Revenues:</b>				
Program Revenue:				
Charges for Services	\$ 547,407	\$ 205,915	\$ 753,322	\$ 1,161,560
Operating Grants and Contributions	237,084	----	237,084	229,514
Capital Grants and Contributions	----	----	----	----
General Revenue:				
Property Taxes	45,028	----	45,028	42,478
Sales Taxes	640,881	----	640,881	651,394
Franchise Fees	82,548	----	82,548	74,912
Occupational Licenses	95,460	----	95,460	103,013
Intergovernmental	----	----	----	----
Other	10,602	30	10,632	831
Total Revenue	1,659,010	205,945	1,864,955	2,263,702
<b>Program Expenses:</b>				
General Government	367,306	----	367,306	321,971
Sanitation	108,061	----	108,061	86,542
Public Safety	480,826	----	480,826	471,827
Public Works	268,996	----	268,996	200,577
Culture and Recreation	92,398	----	92,398	52,910
Utility Service	----	279,760	279,760	223,727
Other	3,771	14,805	18,576	17,504
Total Expenses	1,321,358	294,565	1,615,923	1,375,058
Increase in Net Position Before Transfers				
Transfers	337,652	(88,620)	249,032	888,644
Transfers	----	----	----	----
Changes in Net Position	337,652	(88,620)	249,032	888,644
Net Position Beginning	2,587,951	3,092,333	5,680,284	4,791,640
Net Position Ending	\$ 2,925,603	\$ 3,003,713	\$ 5,929,316	\$ 5,680,284

Governmental activities increased the Town's net position by \$337,652. The increase is mainly attributable to the receipt of funding from the American Rescue Plan Act.

Business-type activities decreased the Town's net position by \$88,620, due primarily to the recognition of depreciation and an increase in sewer operating expenses.

# **Town of LeCompte**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2023**

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### **FINANCIAL ANALYSIS OF THE TOWN'S FUNDS**

An analysis of significant matters affecting the Town's funds is presented as follows:

- The Town's governmental funds reported a combined fund balance of \$360,143 which represents an increase of \$106,294 in comparison to the previous balance. The increase is primarily due to receipt of the American Rescue Plan funding.
- The Town's general fund, which is available for spending at the Town's discretion, reported a fund balance of \$261,785. The general fund balance increased by \$105,591.
- Amounts reported for business-type activities in the Town's individual funds are identical to the business-type activities reported in the government-wide presentation.

### **GENERAL FUND BUDGET HIGHLIGHTS**

The Town's general fund and special revenue funds are required to adopt an annual budget and the budgets are amended as necessary. Some revisions to the original budgets were made to address revenues and related expenditures that were not anticipated when the original budget was prepared.

### **CAPITAL ASSET ADMINISTRATION**

Capital Asset activity in the current year consisted of the completion of the West Sugar Street project, rehabilitation of LeCompte High School, and roadway improvements throughout the Town.

### **DEBT ADMINISTRATION**

The Town continued payments on the Town's Series 2010 bonds, Town's Sewer Revenue Bonds, and the Police vehicle installment purchase agreement.

### **FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS**

At the present time, no events or conditions have been identified that are expected to have a significant influence on future operations.

# **Town of Lecompte**

## **STATEMENT OF NET POSITION**

**June 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 560,540	\$ -	\$ 560,540
Receivables (net)	86,300	32,176	118,476
Restricted asset			
Cash	-	178,379	178,379
Internal balances	(259,028)	259,028	-
Capital assets			
Land	8,738	-	8,738
Construction in Process	-	-	-
Depreciable capital assets, net	<u>2,777,089</u>	<u>3,235,302</u>	<u>6,012,391</u>
<b>Total assets</b>	<u>3,173,639</u>	<u>3,704,885</u>	<u>6,878,524</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension funding deferrals	<u>52,031</u>	<u>-</u>	<u>52,031</u>
<b><u>LIABILITIES</u></b>			
Accounts and other payables	27,669	12,541	40,210
Accrued interest	-	-	-
Long-term liabilities			
Net Pension Liability	134,212	-	134,212
Long-term Debt			
Compensated Absences	25,333	-	25,333
Due within one year	21,592	15,154	36,746
Due in more than one year	<u>82,383</u>	<u>673,477</u>	<u>755,860</u>
<b>Total liabilities</b>	<u>291,189</u>	<u>701,172</u>	<u>992,361</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension funding deferrals	<u>8,878</u>	<u>-</u>	<u>8,878</u>
<b><u>NET POSITION</u></b>			
Invested in capital assets, net of related debt	2,681,852	2,546,671	5,228,523
Restricted.			
Sewer System Operations	-	457,042	457,042
Other purposes	142,694	-	142,694
Unrestricted	<u>101,057</u>	<u>-</u>	<u>101,057</u>
<b>Total net position</b>	<u>\$ 2,925,603</u>	<u>\$ 3,003,713</u>	<u>\$ 5,929,316</u>

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

# **Town of Lecompte**

## **STATEMENT OF ACTIVITIES** **Year Ended June 30, 2023**

		Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Net (Expenses) Revenue
<b><u>Governmental Activities:</u></b>					
General Government	\$ 367,306	\$ -	\$ 220,584	\$ -	\$ (146,722)
Sanitation	108,061	57,610	-	-	(50,451)
Public Safety	480,826	251,511	16,500	-	(212,815)
Public Works	268,996	238,286	-	-	(30,710)
Culture & Recreation	92,398	-	-	-	(92,398)
Interest on Long-Term Debt	3,771	-	-	-	(3,771)
Total Governmental Activities	<u>1,321,358</u>	<u>547,407</u>	<u>237,084</u>	<u>-</u>	<u>(536,867)</u>
<b><u>Business-Type Activities:</u></b>					
Sewer Sytem	279,760	205,915	-	-	(73,845)
Interest On Long-Term Debt	14,805	-	-	-	(14,805)
Total Business-Type Activities	<u>294,565</u>	<u>205,915</u>	<u>-</u>	<u>-</u>	<u>(88,650)</u>
Total	<u>\$ 1,615,923</u>	<u>\$ 753,322</u>	<u>\$ 237,084</u>	<u>\$ -</u>	<u>\$ (625,517)</u>

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

# **Town of Lecompte**

## **STATEMENT OF ACTIVITIES (Continued)** **Year Ended June 30, 2023**

	<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>Type</u> <u>Activities</u>	<u>Total</u>
Net (Expense) Revenue (Continued From Previous Page)	\$ (536,867)	\$ (88,650)	\$ (625,517)
<u>General Revenues:</u>			
Taxes:			
Ad Valorem	45,028	-	45,028
Sales	640,881	-	640,881
Licenses & Permits			
Franchise Fees	82,548	-	82,548
Occupational Licenses	95,460	-	95,460
Intergovernmental	-	-	-
Other	10,602	30	10,632
Special Items	-	-	-
Transfers	-	-	-
Total General Revenues, Special Items and Transfers	<u>874,519</u>	<u>30</u>	<u>874,549</u>
Change in Net Position	337,652	(88,620)	249,032
Net Position Beginning	<u>2,587,951</u>	<u>3,092,333</u>	<u>5,680,284</u>
Net Position Ending	<u>\$ 2,925,603</u>	<u>\$ 3,003,713</u>	<u>\$ 5,929,316</u>

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

# **Town of Lecompte**

## **Balance Sheet Governmental Funds - June 30, 2023**

	General Fund	One Cent Sales Tax	Half-Cent Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ 441,468	\$ 70,937	\$ 38,006	\$ 10,129	\$ 560,540
Receivables (net)	57,494	19,205	9,601	-	86,300
Interfund Receivables	-	-	25,285	15,221	40,506
<b>Total assets</b>	<b>\$ 498,962</b>	<b>\$ 90,142</b>	<b>\$ 72,892</b>	<b>\$ 25,350</b>	<b>\$ 687,346</b>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts Payable	17,764	1,594	525	7,786	27,669
Interfund Payables	219,413	22,993	-	57,128	299,534
<b>Total liabilities</b>	<b>237,177</b>	<b>24,587</b>	<b>525</b>	<b>64,914</b>	<b>327,203</b>
<b>Fund Balance</b>					
Restricted For					
Other Special Purposes	-	65,555	72,367	4,772	142,694
Unassigned	261,785	-	-	(44,336)	217,449
<b>Total Fund Balances</b>	<b>261,785</b>	<b>65,555</b>	<b>72,367</b>	<b>(39,564)</b>	<b>360,143</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 498,962</b>	<b>\$ 90,142</b>	<b>\$ 72,892</b>	<b>\$ 25,350</b>	<b>\$ 687,346</b>

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



# **Town of Lecompte**

## **Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position**

**Year Ended June 30, 2023**

---

Total Fund Balances - Governmental Funds	\$ 360,143
Amounts reported for governmental activities in the statement of net position are different because:	
Liabilities not due and payable in the current period are excluded from the Governmental Fund Balance Sheet	(263,520)
Deferred inflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	(8,878)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	2,785,827
Deferred outflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	<u>52,031</u>
Net Position of Governmental Activities	<u>\$ 2,925,603</u>

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

# **Town of Lecompte**

## **Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds - Year Ended June 30, 2023**

	General Fund	One Cent Sales Tax	Half Cent Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes					
Ad Valorem	\$ 45,028	\$ -	\$ -	\$ -	\$ 45,028
Sales	317,823	215,382	107,676	-	640,881
Licenses & Permits					
Franchise Fees	82,548	-	-	-	82,548
Occupational Licenses	93,401	-	-	-	93,401
Intergovernmental	464,548	12,880	-	-	477,428
Sanitation	57,610	-	-	-	57,610
Fines and Forfeitures	251,511	-	-	-	251,511
Other	6,574	65	-	3,962	10,601
<b>Total Revenues</b>	<u>1,319,043</u>	<u>228,327</u>	<u>107,676</u>	<u>3,962</u>	<u>1,659,008</u>
<b>Expenditures:</b>					
Current					
General Government					
General and Administrative	354,191	-	-	-	354,191
Sanitation	-	108,060	-	-	108,060
Public Safety	402,462	62,723	-	-	465,185
Public Works	-	-	-	-	-
Street Maintenance	196,697	-	-	-	196,697
Recreation Department	7,800	-	74,138	-	81,938
Other Expenditures	-	-	-	1,400	1,400
Capital Expenditures	252,302	-	68,250	-	320,552
Debt Service	-	11,811	-	12,880	24,691
<b>Total Expenditures</b>	<u>1,213,452</u>	<u>182,594</u>	<u>142,388</u>	<u>14,280</u>	<u>1,552,714</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	105,591	45,733	(34,712)	(10,318)	106,294

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

# **Town of Lecompte**

*Continued*

## **Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds - Year Ended June 30, 2023**

	General Fund	One Cent Sales Tax	Half Cent Fund	Other Governmental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	105,591	45,733	(34,712)	(10,318)	106,294
<b><u>Other Financing Sources (Uses):</u></b>					
Proceeds From Long-Term Debt	-	-	-	-	-
Operating Transfers In	-	-	-	12,914	12,914
Operating Transfers Out	-	(12,914)	-	-	(12,914)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>105,591</u>	<u>32,819</u>	<u>(34,712)</u>	<u>2,596</u>	<u>106,294</u>
<b>Fund Balance (Deficit) Beginning</b>	<u>156,194</u>	<u>32,736</u>	<u>107,079</u>	<u>(42,160)</u>	<u>253,849</u>
<b>Fund Balance (Deficit) - End of Year</b>	<u>\$ 261,785</u>	<u>\$ 65,555</u>	<u>\$ 72,367</u>	<u>\$ (39,564)</u>	<u>\$ 360,143</u>

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

# **Town of Lecompte**

## **Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities**

**Year Ended June 30, 2023**

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Net change in fund balances of Governmental Funds	\$ 106,294
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. The effect of capital expenditures, depreciation, and loss on disposals are presented as follows:	
Capital Expenditures	320,552
Depreciation	(142,336)
Loss on disposals	-
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds.	(9,483)
Governmental funds report pension expense based on contributions required for the current year; however, pension expense reported on the government wide basis is influenced by actuarial considerations	41,704
Issuance of Long-Term Debt provides financial resources to the governmental funds. While repayment of bond principal is an expenditure in the governmental funds. However, neither transaction has an effect on net position:	
Proceeds from Issuance of Long-Term Debt	-
Principal Payment	20,921
Change in net position of governmental activities	<u>\$ 337,652</u>

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

# **Town of Lecompte**

## **Statement of Net Position**

### **Proprietary Funds - June 30, 2023**

---

	<u>Sewer System</u>
<b><u>ASSETS:</u></b>	
Current Assets:	
Receivables (net)	\$ 32,176
Interfund receivables	<u>259,028</u>
Total current assets	291,204
Restricted Assets:	
Cash and cash equivalents	178,379
Noncurrent Assets	
Construction in process	-
Depreciable capital assets, net	<u>3,235,302</u>
<b>Total assets</b>	<b><u>3,704,885</u></b>
 <b><u>LIABILITIES:</u></b>	
Current Liabilities:	
Accounts and other payables	12,541
Current portion of long-term debt	15,154
Noncurrent Liabilities:	
Long-term debt	<u>673,477</u>
<b>Total liabilities</b>	<b><u>701,172</u></b>
 <b><u>NET POSITION:</u></b>	
Invested in capital assets, net of related debt	2,546,671
Restricted for Sewer Operations	<u>457,042</u>
<b>Total net position</b>	<b><u>\$ 3,003,713</u></b>

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

# **Town of Lecompte**

## **Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds - June 30, 2023**

---

	<u>Sewer System</u>
<b><u>Operating Revenues:</u></b>	
Service Fees	\$ 205,915
Other Income	-
<b>Total Operating Revenues</b>	<u>205,915</u>
<b><u>Operating Expenses:</u></b>	
Legal and Professional	11,880
Outside Services	-
Repairs & Maintenance	151,941
Supplies & Chemicals	2,431
Utilities	73,863
Depreciation	<u>39,645</u>
<b>Total Operating Expenses</b>	<u>279,760</u>
<b>Operating Income (Loss)</b>	(73,845)
<b><u>Nonoperating Revenues (Expenses):</u></b>	
Interest Revenue	30
Interest Expense	<u>(14,805)</u>
<b>Change in Net Position Before Contributions and Transfers</b>	(88,620)
<b><u>Contributions and Transfers:</u></b>	
Operating Transfers In	<u>-</u>
<b>Change in Net Position</b>	(88,620)
<b>Total Net Position Beginning</b>	<u>3,092,333</u>
<b>Total Net Position - Ending</b>	<u>\$ 3,003,713</u>

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

# **Town of Lecompte**

## **Statement of Cash Flows**

### **Proprietary Funds - Year Ended June 30, 2023**

---

	<u>Sewer System</u>
<b><u>Cash flow from operating activities:</u></b>	
Cash received from customers	\$ 204,787
Cash payments to suppliers of goods and services	(239,840)
Cash payments to employees for services	-
Net cash provided (used) by operating activities	<u>(35,053)</u>
<b><u>Cash flows from non-capital financing activities:</u></b>	
Change in interfund balances	45,791
Transfers	-
Net cash provided (used) by non-capital financing activities	<u>45,791</u>
<b><u>Cash flows from capital and related financing activities:</u></b>	
Capital expenditures	-
Principle paid on revenue bonds	(14,835)
Interest paid on debt instruments	(14,805)
Net cash provided (used) by capital and related financing activities	<u>(29,640)</u>
<b><u>Cash flows from investing activities:</u></b>	
Interest and other income	<u>30</u>
Net cash provided (used) by investing activities	<u>30</u>
<b>Net increase (decrease) in cash</b>	<b>(18,872)</b>
<b>Beginning cash balance</b>	<b><u>197,251</u></b>
<b>Ending cash balance</b>	<b>178,379</b>
<b>Restricted cash and cash equivalents</b>	<b><u>178,379</u></b>
<b>Cash and cash equivalents</b>	<b><u>\$ -</u></b>

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

# **Town of Lecompte**

## **Statement of Cash Flows (Continued)** **Proprietary Funds - Year Ended June 30, 2023**

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	<u>Sewer System</u>
<b><u>Reconciliation of operating income (loss)</u></b>	
<b><u>to net cash provided (used) by operating activities</u></b>	
Operating income (loss)	\$ (73,845)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	39,645
(Increase) decrease in accounts receivable	(1,128)
(Decrease) increase in accounts and other payables	<u>275</u>
Net cash provided (used) by operating activities	<u>\$ (35,053)</u>

**Supplemental disclosures of cash flow information:**

During the year ended June 30, 2023 there were no operating, financing, or investing activities that did not result in cash receipts.

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



# **TOWN OF LECOMPTE**

## **Notes to Financial Statements**

**June 30, 2023**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Lecompte was incorporated under the provisions of the Lawrason Act. The Town is governed by a Mayor and a Board of Alderman consisting of five (5) members. Services provided by the Town include police protection, fire protection, street maintenance, recreation and sanitation. The Town also operates a sewer system.

The accompanying policies conform to generally accepted accounting principles for governmental units.

### **Financial Reporting Entity**

As the municipal governing authority, for reporting purposes, the Town is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the Town), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards establish criteria for determining which component units should be considered part of the Town of Lecompte for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a) The ability of the Town to impose its will on that organization and/or
  - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town.
2. Organizations for which the Town does not appoint a voting majority but are fiscally dependent on the Town.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the criteria presented above, the Town has no component units.

### **Basic Financial Statements**

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises.

The government-wide and fund financial statements present the Town's financial position and results of operations from differing perspectives which are described as follows:

# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

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### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the Town as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service or business-type activity. Program revenues include charges for services, fines, court cost, contributions associated with a particular function and most grants.

### **Fund Financial Statements**

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and business-type (enterprise) funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Town's major funds are described as follows:

#### **Major Governmental Funds**

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

**One Cent Sales Tax Fund** – The One Cent Sales Tax is a special revenue fund designed to receive a portion of sales tax in order to fund the expenses of the fire department and pay for garbage disposal.

**Half-Cent Fund** – The Half-Cent Fund is a special revenue fund dedicated and used for improving, operating and maintaining the Lecompte Community Center (formerly the old Lecompte School).

#### **Major Business-Type Funds**

**Sewer Maintenance Fund** – The Sewer Maintenance Fund is used to account for the operation of the Town's sewer system, which is supported by user charges.

Business-Type funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with the funds ongoing operations. Principal operating revenues are charges to customers for sewer service and sanitation.

### **Basis of Accounting and Measurement Focus**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<b><u>Financial Statement Presentation</u></b>	<b><u>Basis of Accounting</u></b>	<b><u>Measurement Focus</u></b>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Proprietary Funds	Accrual Basis	Economic Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

# **TOWN OF LECOMPTE**

## **Notes to Financial Statements**

**June 30, 2023**

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Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims and judgments are recorded as expenses when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure of funds. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as an other-financing source and repayment of long-term debt is reported as an expenditure of funds.

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Restricted Assets**

Restricted assets represent resources that must be expended in a specific manner. Restrictions of this nature are imposed by various contractual obligations including grant agreements and bond covenants. Whenever restricted assets can be used to satisfy an obligation, the restricted assets are typically consumed before utilizing any unrestricted resources.

### **Budget Practices**

Budgets including any amendments are prepared in the manner prescribed by Louisiana revised statutes. Town budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles. Budgets are adopted annually for the general fund and each special revenue fund. The remaining funds are not required to adopt budgets.

### **Capital Assets**

Capital assets, which include property, equipment, and infrastructure, are reported as assets in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Town.

Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 3 to 50 years. Useful lives are selected depending on the expected durability of the particular asset.

### **Cash and Cash Equivalents**

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law. Furthermore, interest rate risk associated with certificates of deposits is typically mitigated by purchasing instruments that mature in one year or less.

# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

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### **Internal Activity**

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded.

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

### **Compensated Absences**

Full time and regular part-time employees earn vacation at rates that vary depending on length of service. Unused vacation that employees are allowed to carry forward is reported as a liability. The portion of the liability for compensated absences attributable to governmental funds and activities is typically liquidated by the general fund.

### **Fund Balance Classification**

Approval of the majority of the Board of Aldermen is required to approve the commitment of fund balances. In situations where it is permissible to spend restricted or committed resources, the Town typically depletes the available restricted or committed resources before consuming unrestricted resources.

### **NOTE 2 - ACCOUNTS RECEIVABLE**

Accounts receivable for the year ended June 30, 2023 are summarized as follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<u>Accounts Receivable</u>			
Charges for Services	\$ 9,550	\$ 32,176	\$ 41,726
Franchise Taxes	13,609	----	13,609
Other	4,438	----	4,438
<u>Total Accounts Receivable</u>	<u>27,597</u>	<u>32,176</u>	<u>59,773</u>
<u>Due From Other Governmental Units</u>			
Reimbursements	----	----	----
Sales Taxes and OLT	58,703	----	58,703
<u>Total Due From Other Governments</u>	<u>58,703</u>	<u>----</u>	<u>58,703</u>
Total Receivables	86,300	32,176	118,476
Allowance for Doubtful Accounts	----	----	----
<u>Receivables (Net)</u>	<u>\$ 86,300</u>	<u>\$ 32,176</u>	<u>\$ 118,476</u>

# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

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### **NOTE 3 - CASH AND CASH EQUIVALENTS**

At June 30, 2023, cash and cash equivalents included the following amounts

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Cash Deposited in Banks	\$ 560,340	\$ 178,379	\$ 738,719
Petty Cash	200	----	200
Total Cash	560,540	178,379	738,919
Restricted Cash	----	178,379	178,379
Cash and Cash Equivalents	\$ 560,540	\$ ----	\$ 560,540

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

At June 30, 2023, the Town had \$ 738,719 in deposits (\$777,536 collected bank balance). These deposits are secured from risk by \$403,411 of federal deposit insurance and \$436,629 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Even though the pledged securities are considered uncollateralized, State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. Bank overdrafts are presented as current liabilities on the balance sheet.

### **NOTE 4 - LONG-TERM DEBT**

Debt attributable to the acquisition of the Town's utility system and the operation of the utility system is reported as an obligation of the Town's business-type enterprise funds. Remaining debts are reported as governmental activities. The Town's debts are summarized as follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Certificates of Indebtedness	\$ 61,812	\$ ----	\$ 61,812
Installment Purchase Agreement	42,163	----	42,163
Revenue Bonds	----	688,631	688,631
Total Obligations	103,975	688,631	792,606
Due Within One Year	21,592	15,154	36,746
Due in More Than One Year	\$ 82,383	\$ 673,477	\$ 755,860

# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
<b><u>Governmental Activities</u></b>				
Certificates of Indebtedness	\$ 72,163	\$ ----	\$ 10,351	\$ 61,812
Installment Purchase Agreement	52,733	----	10,570	42,163
Total Governmental Activities	124,896	----	20,921	103,975
<b><u>Business-Type Activities</u></b>				
Revenue Bonds	703,466	----	14,835	688,631
Total Business-Type Activities	703,466	----	14,835	688,631
Total Long-term Debts	\$ 828,362	\$ ----	\$ 35,756	\$ 792,606

### **Certificates of Indebtedness**

The Town has issued certificates which are secured by and payable from a pledge of the excess of annual revenues above statutory, necessary and usual charges incurred by the Town. Certificates of Indebtedness outstanding at June 30, 2023 are described as follows:

\$181,000 Certificates of Indebtedness, Series 2010 bearing interest at a rate of 3.75%. Principle is payable in monthly installments of \$1,073, with the final installment due December 21, 2030. \$ 61,812

### **Installment Purchase Agreements**

The Town has executed an installment purchase agreement to finance the acquisition of police vehicles. The terms of the agreement are described below:

\$55,332 Installment Purchase Agreement payable in 60 monthly installments of \$984, including interest based upon a rate of 2.59% with the final installment due March 1, 2027. \$ 42,163

### **Revenue Bonds**

The Town has issued revenue bonds that are secured by and payable solely from a pledge of funds generated by a specific revenue source. Revenue bonds outstanding at June 30, 2023 are described as follows:

\$784,000 Sewer Revenue Bonds Series 2013; payable over 40 years and bearing interest at a rate of 2.125%. The first payment, due August 11, 2016 was interest only, and thereafter the Town began paying monthly installments of interest and principal of \$2,470 with the final installment due August 11, 2055. \$ 688,631

# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

### **Maturity of Long-term Debt**

A schedule of maturities of long-term debt excluding compensated absences and capital leases is presented as follows:

<u>Year Ended June 30<sup>th</sup></u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal Installments</u>	<u>Interest</u>	<u>Principal Installments</u>	<u>Interest</u>
2024	21,592	3,099	15,154	14,486
2025	22,286	2,405	15,479	14,161
2026	23,004	1,687	15,811	13,829
2027	20,786	952	16,150	13,490
2028	12,481	398	16,497	13,143
2028 – 2032	3,826	28	69,604	48,956
2032 – 2037	---	---	95,743	52,457
2037 – 2042	---	---	106,466	41,734
2042 – 2047	---	---	118,390	29,810
2047 – 2055	---	---	219,337	19,509
<b>Total Governmental</b>	<b>\$ 103,975</b>	<b>\$ 8,569</b>	<b>\$ 688,631</b>	<b>\$ 261,575</b>

### **NOTE 5 – AD VALOREM TAXES**

The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Rapides Parish. For the year ended June 30, 2023, the Town has levied ad valorem taxes as follows:

<u>Description</u>	<u>Mills Levied</u>
Levied for general alimony as permitted by State Law. Revenue from taxes levied for general alimony is reported by the general fund.	7.29

Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from ad valorem taxes are recognized as revenue in the year billed.

### **NOTE 6 – CAPITAL ASSETS**

Changes in governmental and business-type capital assets are presented as follows:

<u>Governmental Activities</u>	<u>Beginning</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending</u>
Non Depreciable Capital Assets				
Land	\$ 8,738	\$ ---	\$ ---	\$ 8,738
Construction in Process	204,882	---	204,882	---
<b>Total Non Depreciable Capital Assets</b>	<b>213,620</b>	<b>---</b>	<b>204,882</b>	<b>8,738</b>

# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

Depreciable Capital Assets				
General Fixed Assets	2,877,708	----	----	2,877,708
Sanitation Assets	20,627	----	----	20,627
Recreation and Community Center	441,901	68,250	----	510,151
Fire	205,556	----	----	205,556
Streets and Highways	2,611,836	457,184	----	3,069,020
Police	412,331	----	----	412,331
Accumulated Depreciation	(4,175,968)	(142,336)	----	(4,318,304)
Total	<u>2,393,991</u>	<u>383,098</u>	----	<u>2,777,089</u>
 Total Governmental Activities	 <u>\$ 2,607,611</u>	 <u>\$ 383,098</u>	 <u>\$ 204,882</u>	 <u>\$ 2,785,827</u>
 <b><u>Business-Type Activities</u></b>				
Non Depreciable Capital Assets				
Sewer Construction in Process	\$ ----	\$ ----	\$ ----	\$ ----
Total Construction in Process	<u>----</u>	<u>----</u>	<u>----</u>	<u>----</u>
 Depreciable Capital Assets				
Sewer System	3,899,540	----	----	3,899,540
Accumulated Depreciation	(624,593)	(39,645)	----	(664,238)
Total	<u>3,274,947</u>	<u>(39,645)</u>	----	<u>3,235,302</u>
 Total Business-Type Activities	 <u>\$ 3,274,947</u>	 <u>\$ (39,645)</u>	 <u>\$ ----</u>	 <u>\$ 3,235,302</u>

Depreciation expense charged to various functions presented on the statement of activities is presented as follows

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General and Administrative	\$ 19,103	\$ ----	\$ 19,103
Police Department	24,801	----	24,801
Street Maintenance	87,972	----	87,901
Recreation Department	10,460	----	10,460
Sewer System	----	39,645	39,645
 Total Depreciation Expense	 <u>\$ 142,336</u>	 <u>\$ 39,645</u>	 <u>\$ 181,981</u>

### **NOTE 7 – ACCOUNTS AND OTHER PAYABLES**

Details related to amounts reported as accounts and other payables are provided as follows:



# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

	Governmental Activities				Total
	General Fund	One Cent Sales Tax Fund	Half-Cent	Non-Major Funds	
Payable to Vendors	\$ 14,104	\$ 1,594	\$ 525	\$ 7,786	\$ 24,009
Due to Other Entities	----	----	----	----	----
Payroll Taxes and Withholding	3,660	----	----	----	3,660
Total	<u>\$ 17,764</u>	<u>\$ 1,594</u>	<u>\$ 525</u>	<u>\$ 7,786</u>	<u>\$ 27,669</u>

The Sewer System Maintenance Fund had \$12,541 of payables to vendors as of the year ended June 30, 2023.

### **NOTE 8- RISK MANAGEMENT**

The Town is exposed to various risk of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town insures against these risks by participation in public entity risk pools that operate as common insurance programs and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

### **NOTE 9 - RESTRICTED RESOURCES**

The Town's net position is subject to restrictions described as follows:

- Bond covenants require the Town to establish bank accounts which serve as debt service and depreciation reserves. Funds may be disbursed from these accounts only under specific circumstances described by the bond covenants.
- Certain sales taxes proceeds are available only for certain expenditures.
- The Town's sewer revenue collections are restricted to the operation and maintenance of the Town's sewer system.

### **NOTE 10 – PENSION PLANS**

Substantially all of the Town's employees are members of statewide retirement systems. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. A summary of amounts reported in connection with participation in these plans is summarized as follows:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Municipal Employees' Retirement System	\$ 134,212	\$ 52,031	\$ 8,878
Total	134,212	52,031	8,878
Portion Applicable to Business Type Activities	---	---	---
Portion Applicable to Government Type Activities	<u>\$ 134,212</u>	<u>\$ 52,031</u>	<u>\$ 8,878</u>

Further information regarding each of the retirement systems presented above is furnished as follows:

# **TOWN OF LECOMPTE**

## **Notes to Financial Statements**

**June 30, 2023**

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### **Municipal Employees' Retirement System of Louisiana**

**Plan Description** -The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Town participating in the retirement system are members of Plan B. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

**Funding Policy** - Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by State law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the system were equal to the required contributions for the year.

**Financial Summary** - The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand-alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at [mersla.com](http://mersla.com). The plans net pension liability was determined at June 30, 2021 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability	\$ 87,798,349
Town's Proportionate Share (Percentage)	0.15286%
Town's Proportionate Share (Amount)	<u>\$ 134,212</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2022 are provided as follows:

# **TOWN OF LECOMPTÉ**

## **Notes to Financial Statements**

**June 30, 2023**

Beginning Net Pension Liability		\$ 87,343
Employer Contributions		(19,093)
<u>Pension Expense</u>		
Proportionate Share of Plan Pension Expense	20,779	
Changes in Proportion	(18,865)	
Employee Contributions	<u>(4,442)</u>	(2,528)
Change in Deferred Outflows of Resources		23,609
Change in Deferred Inflows of Resources		<u>44,881</u>
Ending Net Pension Liability		<u>\$ 134,212</u>

There were no changes between June 30, 2023 and the Plan's measurement date that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences Between Expected and Actual Experience	\$ ----	\$ 1,707	\$ (1,707)
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	24,682	----	24,682
Changes of Assumptions	1,435	----	1,435
Changes in Proportion	1,027	7,171	(6,144)
Employer Contributions Made After the Measurement Date	<u>24,887</u>	<u>----</u>	<u>24,887</u>
Total Deferrals	52,031	8,878	43,153
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>24,887</u>	<u>----</u>	<u>24,887</u>
Deferrals Subject to Amortization	<u>\$ 27,144</u>	<u>\$ 8,878</u>	<u>\$ 18,266</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending</u>	
June 30, 2023	\$ (800)
June 30, 2024	5,334
June 30, 2025	2,661
June 30, 2026	<u>11,071</u>
Total	<u>\$ (18,266)</u>

Valuation Date June 30, 2022

Actuarial Cost Method Entry Age Normal

Actuarial Assumptions:

Investment Rate of Return 6.85%, net of pension plan investment expense, including inflation

# **TOWN OF LECOMPTTE**

## **Notes to Financial Statements**

**June 30, 2023**

Projected Salary Increases	
- 1 to 4 years of service	6.4% - Plan A and 7.4% - Plan B
- More than 4 years of service	4.5% - Plan A and 4.9% - Plan B
Mortality Rates	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusting using their respective male and female MP2018 PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales. PubNS-2010(B) Disables retiree Table set equal to 120% for males and females with the full generational MP2018 scale.
Expected Remaining Service Lives	3 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public Equity	53.00%	2.31%
Public Fixed Income	38.00%	1.65%
Alternatives	9.00%	0.39%
Totals	100%	4.35%
Inflation		2.60%
Expected Arithmetic Nominal Return		6.95%

The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	1% Decrease 5.85%	Current Discount	1% Increase 7.85%
	Discount Rate	Rate 6.85%	Discount
Net Pension Liability	\$ 182,955	\$ 134,212	\$ 92,985

# **TOWN OF LECOMPTE**

## **Notes to Financial Statements**

**June 30, 2023**

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### **NOTE 11 – CONTINGENCIES**

Existing conditions that may have financial consequences are referred to as contingencies. Contingencies existing at June 30, 2023 are described as follows

#### **Litigation**

Like most governmental units with extensive and diverse operations, the Town is occasionally named as a defendant in litigation. Based on consultation with the Town Attorney, the ultimate outcome of litigation that is pending or anticipated cannot be estimated at the present time.

#### **Grant Compliance**

The Town receives state and federal assistance through various grant programs. Management is confident that all significant grant conditions have been met, however, grantor agencies routinely review grant activity and could request reimbursement if a dispute occurs regarding compliance with grant conditions.

### **NOTE 12: FUND DEFICIT**

As of June 30, 2023, the funds listed below had deficit balances. It is management's policy to cover shortfalls in non-major funds with monies from the Town's General Fund.

<b><u>Fund</u></b>	<b><u>Deficit</u></b>
Park Fund	7,971
Millage	23,638
Street Improvement	13,478

### **NOTE 13 – INTERNAL BALANCES**

Details related to internal balances are presented as follows:

<b><u>Governmental Activities</u></b>	<b><u>Receivable (Payable)</u></b>	<b><u>Purpose</u></b>
General	\$ (219,413)	The Town routinely lends money between funds to cover necessary expenses. This results in interfund receivables and payables.
1% Dedicated Sales Tax	(22,993)	
Half-Cent	25,285	
Non-major Governmental Funds	(41,907)	
	<u>\$ (259,028)</u>	

<b><u>Business-Type Activities</u></b>	<b><u>Receivable (Payable)</u></b>	<b><u>Purpose</u></b>
Sewer System	\$ 259,028	The Town routinely lends money between funds to cover necessary expenses. This results in interfund receivables and payables.

### **NOTE 14 - TRANSFERS**

During the current year, The Town of Lecompte made transfers of \$12,914 from the One Cent Sales Tax Fund to the Public Equipment Sinking Fund.

# **Town of Lecompte**

## **General Fund**

### **Statement of Revenues, Expenditures and Changes in Fund Balances**

**Budget and Actual - Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b><u>Revenues:</u></b>				
Taxes				
Ad Valorem	\$ 55,000	\$ 55,000	\$ 45,028	\$ (9,972)
Sales	325,000	325,000	317,823	(7,177)
Licenses & Permits:				
Franchise Fees	90,000	90,000	82,548	(7,452)
Occupational Licenses	9,500	9,500	93,401	83,901
Other	25,000	25,000	-	(25,000)
Intergovernmental	216,500	216,500	464,548	248,048
Sanitation	60,000	60,000	57,610	(2,390)
Fines and Forfeitures	275,000	275,000	251,511	(23,489)
Other	49,000	49,000	6,574	(42,426)
<b>Total revenues</b>	<b>1,105,000</b>	<b>1,105,000</b>	<b>1,319,043</b>	<b>214,043</b>
<b><u>General Government:</u></b>				
General Government	314,428	334,428	354,191	(19,763)
Police Department/Public Safety	337,235	337,325	402,462	(65,137)
Street Maintenance	206,043	206,043	196,697	9,346
Recreation Department	25,000	25,000	7,800	17,200
Other Expenditures	-	-	-	-
Capital Expenditures	-	-	252,302	(252,302)
Debt Service	-	-	-	-
<b>Total expenditures</b>	<b>882,706</b>	<b>902,796</b>	<b>1,213,452</b>	<b>(310,656)</b>

# **Town of Lecompte**

## General Fund

### Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)

Budget and Actual - Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Excess (Deficiency) of</b>				
<b>Revenues Over Expenditures</b>	222,294	202,204	105,591	(96,613)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Financing	-	-	-	-
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Payment of Interfund Liability	-	-	-	-
<b>Excess (Deficiency) of</b>				
<b>Revenues and Other Sources</b>				
<b>Over Expenditures and Other</b>				
<b>Uses</b>	222,294	202,204	105,591	(96,613)
<b>Fund Balance (Deficit) -</b>				
<b>Beginning of Year</b>	<u>3,478</u>	<u>3,478</u>	<u>156,194</u>	<u>152,716</u>
<b>Fund Balance (Deficit) -</b>				
<b>End of Year</b>	<u>\$ 225,772</u>	<u>\$ 205,682</u>	<u>\$ 261,785</u>	<u>\$ 56,103</u>

# **Town of Lecompte**

## **One Cent Sales Tax Fund**

### **Statement of Revenues, Expenditures and Changes in Fund Balances**

**Budget and Actual - Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b><u>Revenues:</u></b>				
Sales Taxes	\$ 190,000	\$ 190,000	\$ 215,382	\$ 25,382
Intergovernmental Other	-	-	12,945	12,945
<b>Total revenues</b>	<u>190,000</u>	<u>190,000</u>	<u>228,327</u>	<u>38,327</u>
<b><u>General Government:</u></b>				
Sanitation	95,000	95,000	108,060	(13,060)
Public Safety	71,000	86,000	62,723	23,277
Other Expenses	1,200	1,200	11,811	(10,611)
Capital Expenditures	5,500	5,500	-	5,500
<b>Total expenditures</b>	<u>172,700</u>	<u>187,700</u>	<u>182,594</u>	<u>5,106</u>
<b>Excess (Deficiency) of</b>				
<b>Revenues Over Expenditures</b>	17,300	2,300	45,733	43,433
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds from Long-Term Debt	-	-	-	-
Operating Transfers (Net)	-	-	(12,914)	(12,914)
<b>Excess (Deficiency) of</b>				
<b>Revenues and Other Sources Over Expenditures and Other Uses</b>	17,300	2,300	32,819	30,519
<b>Fund Balance (Deficit) -</b>				
<b>Beginning of Year</b>	<u>45,747</u>	<u>45,747</u>	<u>32,736</u>	<u>(13,011)</u>
<b>Fund Balance (Deficit) -</b>				
<b>End of Year</b>	<u>\$ 63,047</u>	<u>\$ 48,047</u>	<u>\$ 65,555</u>	<u>\$ 17,508</u>



# **Town of Lecompte**

## Half-Cent Fund

### Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Sales Taxes	\$ 95,000	\$ 105,000	\$ 107,676	\$ 2,676
Intergovernmental Other	-	-	-	-
<b>Total revenues</b>	<u>95,000</u>	<u>105,000</u>	<u>107,676</u>	<u>2,676</u>
<b>General Government:</b>				
Recreation Department	73,500	85,900	74,138	11,762
Capital Expenditures	<u>75,000</u>	<u>127,294</u>	<u>68,250</u>	<u>59,044</u>
<b>Total expenditures</b>	<u>148,500</u>	<u>213,194</u>	<u>142,388</u>	<u>70,806</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(53,500)	(108,194)	(34,712)	73,482
<b>Other Financing Sources (Uses):</b>				
Payment of Interfund Liability	-	-	-	-
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	(53,500)	(108,194)	(34,712)	73,482
<b>Fund Balance (Deficit) - Beginning of Year</b>	<u>108,194</u>	<u>108,194</u>	<u>107,079</u>	<u>1,115</u>
<b>Fund Balance (Deficit) - End of Year</b>	<u>\$ 54,694</u>	<u>\$ -</u>	<u>\$ 72,367</u>	<u>\$ 74,597</u>

# **Town of Lecompte**

## **Schedule of Net Pension Liability Data Cost Sharing Retirement Systems**

Retirement System / Measurement Date	Share of Collective		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans
	Net Pension Liability				Fiduciary Net
	Percent	Amount			Position as a Percentage of Total Pension Liability
<b>Municipal Employees' Retirement System</b>					
June 30, 2014	0.22622%	99,470	144,091	69.0%	76.9%
June 30, 2015	0.21866%	153,752	156,926	98.0%	68.7%
June 30, 2016	0.28399%	235,405	208,653	112.8%	63.3%
June 30, 2017	0.27221%	235,521	202,600	116.2%	63.5%
June 30, 2018	0.15537%	131,415	115,819	113.5%	65.6%
June 30, 2019	0.22551%	197,277	172,392	114.4%	66.1%
June 30, 2020	0.17783%	161,157	125,903	128.0%	66.3%
June 30, 2021	0.15077%	87,343	115,866	75.4%	79.1%
June 30, 2022	0.15286%	134,212	122,895	109.2%	69.6%
<b>Municipal Police Employees' Retirement System</b>					
June 30, 2014	0.00000%	-	-	0.0%	N/A
June 30, 2015	0.01211%	94,760	32,381	292.6%	70.7%
June 30, 2016	0.02208%	206,952	61,915	334.3%	66.0%
June 30, 2017	0.01041%	90,858	31,090	292.2%	70.1%
June 30, 2018	0.00722%	61,055	21,333	286.2%	71.9%
June 30, 2019	0.00000%	-	-	0.0%	N/A
June 30, 2020	0.00000%	-	-	0.0%	N/A
June 30, 2021	0.00000%	-	-	0.0%	N/A
June 30, 2022	0.00000%	-	-	0.0%	N/A

**Notes to Schedule:**

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

# **Town of Lecompte**

## **Schedule of Employer Contributions Cost Sharing Retirement Systems**

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
<b>Municipal Employees' Retirement System</b>					
June 30, 2015	14,912	14,908	4	156,926	9.50%
June 30, 2016	19,822	19,822	-	208,653	9.50%
June 30, 2017	22,225	22,286	(61)	202,600	11.00%
June 30, 2018	15,256	15,346	(90)	115,819	13.25%
June 30, 2019	24,135	24,129	6	172,392	14.00%
June 30, 2020	19,294	19,515	(221)	125,903	15.50%
June 30, 2021	17,960	17,960	-	115,866	15.50%
June 30, 2022	19,649	19,049	-	122,895	15.50%
<b>Municipal Police Employees' Retirement System</b>					
June 30, 2015	10,192	10,200	(8)	32,381	31.50%
June 30, 2016	18,246	18,265	(19)	61,915	29.50%
June 30, 2017	9,864	9,871	(7)	31,090	31.75%
June 30, 2018	6,554	6,560	(6)	21,333	30.75%
June 30, 2019	-	-	-	-	-
June 30, 2020	-	-	-	-	-
June 30, 2021	-	-	-	-	-
June 30, 2022	-	-	-	-	-

Notes to Schedule:

At the present time management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

# **Town of Lecompte**

## **Combining Balance Sheet Non Major Governmental Funds June 30, 2023**

	Public Equipment Sinking & Reserve	Park	Pie Festival	Millage	Street Improvement	LCDBG	Total Non Major Funds
<b>Assets</b>							
Cash and Cash Equivalents	\$ 5,806	\$ 248	\$ 3,795	\$ -	\$ 280	\$ -	\$ 10,129
Receivables (net)	-	-	-	-	-	-	-
Interfund Receivables	-	-	-	6,300	1,110	7,811	15,221
<b>Total assets</b>	<b>\$ 5,806</b>	<b>\$ 248</b>	<b>\$ 3,795</b>	<b>\$ 6,300</b>	<b>\$ 1,390</b>	<b>\$ 7,811</b>	<b>\$ 25,350</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ 51	\$ -	\$ -	\$ 7,735	7,786
Interfund Payables	1,110	8,219	2,993	29,938	14,868	-	57,128
<b>Total liabilities</b>	<b>1,110</b>	<b>8,219</b>	<b>3,044</b>	<b>29,938</b>	<b>14,868</b>	<b>7,735</b>	<b>64,914</b>
<b>Fund Balance</b>							
Restricted For:							
Other Special Purposes	4,696	-	-	-	-	76	4,772
Unassigned	-	(7,971)	751	(23,638)	(13,478)	-	(44,336)
<b>Total Fund Balances</b>	<b>4,696</b>	<b>(7,971)</b>	<b>751</b>	<b>(23,638)</b>	<b>(13,478)</b>	<b>76</b>	<b>(39,564)</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 5,806</b>	<b>\$ 248</b>	<b>\$ 3,795</b>	<b>\$ 6,300</b>	<b>\$ 1,390</b>	<b>\$ 7,811</b>	<b>\$ 25,350</b>

# **Town of Lecompte**

## **Combining Statement of Revenues, Expenditures and Changes in Fund Balance Non Major Governmental Funds - Year Ended June 30, 2023**

	Public Equipment Sinking & Reserve	Park	Pie Festival	Millage	Street Improvement	LCDBG	Total Non Major Funds
<b>Revenues:</b>							
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Other	-	340	3,622	-	-	-	3,962
<b>Total Revenues</b>	<u>-</u>	<u>340</u>	<u>3,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,962</u>
<b>Expenditures:</b>							
Current:							
Recreation Beautification	-	-	-	-	-	-	-
Capital Expenditures	-	-	-	-	-	-	-
Other	-	1,150	250	-	-	-	1,400
Debt Service	12,880	-	-	-	-	-	12,880
<b>Total Expenditures</b>	<u>12,880</u>	<u>1,150</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,280</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(12,880)	(810)	3,372	-	-	-	(10,318)
<b>Other Financing Sources (Uses):</b>							
Operating Transfers In/Out	12,914	-	-	-	-	-	12,914
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	34	(810)	3,372	-	-	-	2,596
<b>Fund Balance (Deficit)</b>							
Beginning of Year	4,662	(7,161)	(2,621)	(23,638)	(13,478)	76	(42,160)
End of Year	<u>\$ 4,696</u>	<u>\$ (7,971)</u>	<u>\$ 751</u>	<u>\$ (23,638)</u>	<u>\$ (13,478)</u>	<u>\$ 76</u>	<u>\$ (39,564)</u>

# **Town of Lecompte**

## **Schedule of Compensation Paid to Board Members**

**For the year ended June 30, 2023**

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Alex Baker III	\$	3,000
Michael Busch		3,900
Albert Butler		3,900
Sherry Butler		3,000
George L. Clark		6,900
Lonnell Clark		3,000
Michael Henton		3,900
Craig Phillips		7,200
Herman Williams		8,100
Ashton Washington Jr.		6,900
Total Compensation	\$	<u>49,800</u>

# **Town of Lecompte**

## **Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the year ended June 30, 2023**

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### **Agency Head**

	<b>Craig Phillips</b>	<b>Herman Williams</b>
<b>Purpose:</b>		
Compensation	\$ 7,200	8,100
<b>Benefits:</b>		
Payroll Taxes	772	806
Reimbursements	-	
Retirement	-	973

# **Town of Lecompte**

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

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	First Six Month Period Ended December 31, 2022	Second Six Month Period Ended June 30, 2023
<b>Beginning Balance of Amounts Collected</b>	\$ -	\$ -
<b>Add: Collections</b>		
Criminal Court Costs/Fees	141,335	110,176
Subtotal Collections	<u>141,335</u>	<u>110,176</u>
<b>Less: Disbursements to Governments &amp; Nonprofits</b>		
9th JDC Public Defender Office	6,937	9,006
CMIS Collections	743	963
Crime Stoppers of Cenla	1,458	1,914
DHH- TH/SCI T.F.	1,470	1,850
Louisiana Commission On Law Enforcement	4,219	7,798
Louisiana Judicial College	368	482
North Louisiana Criminalistics Laboratory	15,670	19,400
<b>Less: Amounts Retained by the Town of Lecompte</b>		
Self Disbursed Court Cost	110,470	68,763
Subtotal Disbursements / Retainage	<u>141,335</u>	<u>110,176</u>
<b>Ending Balance of Amounts Collected but not Disbursed</b>	<u>\$ -</u>	<u>\$ -</u>



# **Town of Lecompte**

## **Summary of Findings June 30, 2023**

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### **PART I - SUMMARY OF AUDITOR'S RESULTS:**

- The Independent Auditor's Report on the financial statements for the Town of Lecompte as of June 30, 2023 and for the year then ended reported the following opinions:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
General Fund	Unmodified
One Cent Sales Tax Fund	Unmodified
Half-Cent Sales Tax Fund	Unmodified
Sewer System Fund	Unmodified
Aggregate Remaining Fund Information	Qualified

- Two instances of noncompliance material to the financial statements of the Town of Lecompte were reported during the audit as listed below. (2023-001, 2023-002)
- One material weakness was reported during the audit as listed below (2023-003).

### **PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:**

#### **Finding 2023-001: Technical Budget Violation**

- *Criteria:* The Louisiana Government Budget Act requires the Town's expenditures and other uses to be within 5% of the Town's adopted budget.
- *Condition:* In the current year, actual expenditures exceeded budgeted expenditures by greater than 5%.
- *Cause:* The Town incurred expenditures related to a street project, which were paid for by the Rapides Parish Police Jury's Road District 3A fund, which reimbursed the project. Failure to include Road District 3A funds in the budget resulted in unfavorable variances
- *Effect:* The Town was not in compliance with the Louisiana Government Budget Act.
- *Recommendation:* The Town of Lecompte should implement policies and procedures to ensure that the budget is amended whenever variances exceed amounts allowed by the Louisiana Government Budget Act.

#### **Finding 2023-002: Debt Covenants**

- *Criteria:* Upon issuing its Sewer Revenue Bonds (Series 2013), the Town pledged to maintain sufficient rates to fund all necessary costs, including debt service

# **TOWN OF LECOMPTE**

## **Summary of Findings**

**June 30, 2023**

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- *Condition:* In the current year, the Town did not charge a sufficient rate to provide for the necessary operation and maintenance of the System, as well as pay the principal and interest of its Sewer Revenue Bonds.
- *Cause:* The Town's costs to operate and maintain the Sewer System have risen, without the Town increasing sewer usage rates.
- *Effect:* The Town was not in compliance with its Sewer Revenue Bond Debt Covenants.
- *Recommendation:* The Town of LeCompte should perform a utility rate study and adjust its Sewer rates accordingly.

### **Finding 2023-003: Pie Festival Activities**

- *Criteria:* Implementing effective internal controls is an essential component of protecting the Town's resources and maintaining accurate records.
- *Condition:* Practices associated with processing Pie Festival transactions were not sufficient to safeguard resources or ensure integrity of financial records produced in connection with the event.
- *Cause:* Activities conducted by volunteers were not subject to the oversight provided by the Town's centralized internal control structure.
- *Effect:* Receipts and disbursements occur outside of management's control. The absence of control results in an unacceptable risk that resources could be misused.
- *Recommendation:* We recommend that the Town of LeCompte divest of the operations of the Pie Festival, and allow an established nonprofit to undertake these activities without the Town's continued involvement.

**Town of Lecompte**  
**Management's Corrective Action**  
**June 30, 2023**

<b>SECTION I</b>	
<b>INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
<b><u>FINDINGS</u></b>	<b><u>RESPONSE</u></b>
<p><b><u>FINDING 2023-001: TECHNICAL BUDGET VIOLATION</u></b>            In the current year, the expenditures in the General Fund were greater than budgeted amounts by more than 5%, which is a violation of the Louisiana Budget Law.</p> <p><b><u>FINDING 2023-002: DEBT COVENANTS</u></b>            In the current year, the Town did not charge a sufficient rate to provide for the necessary operation and maintenance of the System, as well as pay the principal and interest of its Sewer Revenue Bonds.</p> <p><b><u>FINDING 2023-003: PIE FESTIVAL ACTIVITIES</u></b>            The operations of the Town's Pie Festival Committee occur in remote locations, and are not subjected to the centralized accounting policies and procedures that apply to the Town's typical financial activities.</p>	<p><b><u>2023-001: TECHNICAL BUDGET VIOLATION</u></b>            We have examined our budgeting process, and have taken corrective action so that we can better predict our revenues and expenditures in future years.</p> <p><b><u>FINDING 2023-002: DEBT COVENANTS</u></b>            We will have a sewer rate study performed, and will adopt sufficient rates to pay administering, operating, and maintenance expenses, to pay the principal and interest of the Bonds, and fully fund all sinking fund payments.</p> <p><b><u>FINDING 2023-003: PIE FESTIVAL ACTIVITIES</u></b>            We are actively working on divesting of the Pie Festival activities in the near future.</p>
<b>SECTION II</b>	
<b>MANAGEMENT LETTER</b>	
<p><b><u>FINDINGS</u></b>            No Findings of this nature.</p>	<p><b><u>RESPONSE</u></b>            No response necessary.</p>

**Town of Lecompte**  
**Summary of Prior Year Findings**  
**June 30, 2023**

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<b><u>SECTION I</u></b>	
<b>INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.</b>	
<b><u>FINDINGS</u></b>	<b><u>RESPONSE</u></b>
<p><b><u>FINDING 2022-001: TECHNICAL BUDGET VIOLATION</u></b>            In the current year, the expenditures in the General Fund were more than budgeted amounts by more than 5%, which is a violation of the Louisiana Budget Law.</p> <p><b><u>FINDING 2022-002: TRAFFIC TICKET ADMIN</u></b>            The Town did not maintain appropriate safeguards over the physical inventory of traffic tickets. In addition, various issues were noted with the retention of traffic tickets for processing, and their input within the Town’s computerized system.</p>	<p><b><u>NOT RESOLVED: SEE FINDING 2023-001</u></b></p> <p><b><u>RESOLVED</u></b>            The Town has performed and maintained proper safeguards over physical inventory of traffic tickets and their input into the Town’s computerized system.</p>
<b><u>SECTION II</u></b>	
<b>MANAGEMENT LETTER</b>	
<b><u>FINDINGS</u></b>	<b><u>RESPONSE</u></b>
<p>No Findings of this nature.</p>	<p>No response necessary</p>

**APPENDIX A**  
**Statewide Agreed-Upon Procedures**



Independent Accountant's Report  
On Applying Agreed-Upon Procedures

To the Town of LeCompte and  
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Town of LeCompte (the Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The entity 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 described above. 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.

We were engaged 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 of the entity 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.

Rozier, McKay & Willis  
Certified Public Accountants  
Alexandria, Louisiana  
September 8, 2023



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**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Written Policies and Procedures		
Agreed-Upon Procedure	Results	Managements' Response
<p>1 Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories.</p> <ul style="list-style-type: none"> <li>• Budgeting</li> <li>• Purchasing</li> <li>• Disbursements</li> <li>• Receipts</li> <li>• Payroll/Personnel</li> <li>• Contracting</li> <li>• Credit Cards</li> <li>• Travel and expense reimbursements</li> <li>• Ethics</li> <li>• Debt Service</li> <li>• Disaster Recovery / Business Continuity</li> <li>• Sexual Harassment</li> </ul>	<p>The Town does not have any written policies and procedures covering the following areas:</p> <ul style="list-style-type: none"> <li>• Budgeting</li> <li>• Purchasing</li> <li>• Disbursements</li> <li>• Receipts</li> <li>• Contracting</li> <li>• Credit Cards</li> <li>• Ethics</li> <li>• Debt Service</li> <li>• Disaster Recovery / Business Continuity</li> </ul> <p>The Town has written policies and procedures for the following areas that contained all required elements:</p> <ul style="list-style-type: none"> <li>• Payroll</li> <li>• Travel and Expense Reimbursements</li> <li>• Sexual Harassment</li> </ul>	<p><i>The Town will examine their written procedures and the Legislative Auditor's "Best Practices" and develop written policies for the specified functions.</i></p>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>2 Obtain and inspect 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:</p> <p>a) Observe 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.</p> <p>b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. <i>Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.</i></p>	<p>Meetings were held with the necessary frequency.</p> <p>Budget-to-Actual comparisons are not included as part of the Boards monthly report every month.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>The Town Clerk will begin providing Budget-to-Actual comparisons during our monthly meetings.</i></b></p>



**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Board (or Finance Committee)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.</p> <p>d) Observe whether 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.</p>	<p>The General Fund did not have a negative unrestricted fund balance reported on the previous audit report.</p> <p>There was no evidence that the board/finance committee received written updates of the progress of resolving the audit findings.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>In the future, we will make sure that we keep the board/finance committee updated on the progress of resolving audit findings.</i></p>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Bank Reconciliations</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>3 Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:</p> <p>a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);</p> <p>b) Bank reconciliations include 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</p> <p>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.</p>	<p>There is evidence of the bank reconciliations being prepared within 2 months of the related statement closing date.</p> <p>Not all bank reconciliations included evidence that a member of management reviewed each bank reconciliation.</p> <p>Reconciling items outstanding more than 12 months were limited to 7 items totaling \$1202.13. No documentation was available indicating research was performed.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>In the future, we will ensure that management documents review of all bank reconciliations.</i></p> <p><i>We did not research outstanding checks because of the minimal nature of the transactions in question. We will continually examine the cost-benefit of such research in the future.</i></p>

# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections (excluding EFTs)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>4 Obtain a listing of <u>deposit sites</u> for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).</p> <p>5 For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:</p> <p>a) Employees that are responsible for cash collections do not share cash drawers/registers.</p>	<p>All collections are processed by one centralized bookkeeping operation at Town Hall and all testing will be performed at this central location.</p> <p>The facility includes a single cash drawer and computer terminal.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>Due to the size of our workforce and limitations imposed by our facilities, occasional sharing is necessary. It is our determination that the cost of taking corrective action exceeds the benefits of correction.</i></b></p>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections (excluding EFTs)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>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.</p>	<p>The employee responsible for collecting cash is responsible for preparing and making bank deposits. The administrative staff consists of a few employees. As a result, opportunities for segregation are limited.</p>	<p><i>Due to the size of our workforce and limitations imposed by our facilities, further segregation is not considered practical. It is our determination that the cost of taking corrective action exceeds the benefits of correction.</i></p>
<p>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.</p>	<p>The employee responsible for collecting cash is also responsible for posting collection entries to the general ledger. The administrative staff consists of a few employees. As a result, opportunities for segregation are limited.</p>	<p><i>Due to the size of our workforce and limitations imposed by our facilities, further segregation is not considered practical. It is our determination that the cost of taking corrective action exceeds the benefits of correction.</i></p>
<p>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.</p>	<p>The employee responsible for reconciling cash collections to the general ledger is also responsible for collecting cash. The administrative staff consists of a few people. As a result, opportunities for segregation are limited.</p>	<p><i>Due to the size of our workforce and limitations imposed by our facilities, further segregation is not considered practical. It is our determination that the cost of taking corrective action exceeds the benefits of correction.</i></p>
<p>6 Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.</p>	<p>The administrative staff is covered by an insurance policy that protects against theft.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>7 Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select 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</p>	<p>Two deposits dates were selected at random.</p>	<p><i>No findings or criticisms were reported.</i></p>

# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections (excluding EFTs)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:</p> <p>a. Observe that receipts are sequentially pre-numbered.</p> <p>b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.</p> <p>c. Trace the deposit slip total to the actual deposit per the bank statement.</p> <p>d. Observe 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).</p> <p>e. Trace the actual deposit per the bank statement to the general ledger.</p>	<p>The Town keeps sequentially numbered receipts.</p> <p>Information appearing on deposit slips is fully supported by documentation.</p> <p>Deposit slips matched bank statements.</p> <p>Deposits were remitted within a single business day.</p> <p>Deposits appearing on the bank statement agree with the general ledger.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
8 Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).	All disbursements are processed at Town Hall.	<b><i>No findings or criticisms were reported.</i></b>
9 For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain 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 observe 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.	At least two employees are involved in initiating a purchase request, approving a purchase and placing an order.  Checks require dual signatures.  The Town Clerk has signatory authority on the checks, and is responsible to adding or modifying vendor files. However, the Mayor periodically reviews changes to the vendor files as a compensating control.	<b><i>No findings or criticisms were reported.</i></b>  <b><i>No findings or criticisms were reported.</i></b>  <b><i>No findings or criticisms were reported.</i></b>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
<p>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.</p>	<p>Different employees sign and mail payments.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>10 For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:</p>		
<p>a. Observe that the disbursement matched the related original invoice/billing statement.</p>	<p>Disbursements selected were supported by documentation.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.</p>	<p>Evidence of segregation of duties was present.</p>	<p><i>No findings or criticisms were reported.</i></p>

# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
11 Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.	Evidence of approval was available.	<i>No findings or criticisms were reported.</i>



**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>12 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.</p> <p>13 Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:</p> <p>a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.</p> <p>b. Observe that finance charges and late fees were not assessed on the selected statements.</p>	<p>Management provided a listing of all active cards and card members, as well as the names of the person who maintains possession of the cards.</p> <p>There was no evidence that the credit card statements were reviewed and approved by someone other than the card holder.</p> <p>No finance charges or late fees were assessed.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>We will begin to have a council member who is not a card holder begin to review our credit card transactions.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
14 Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe 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 each of the 8 items selected. <ul style="list-style-type: none"><li>• Supporting documentation was not available for 1 transaction.</li><li>• 1 of the selected charges involved meals but did not include documentation of the individuals participating in the meal.</li></ul>	<i>In the future, all itemized receipts will be retained, and we will document the names of individuals participating in meals.</i>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Travel and Expense Reimbursement</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>15 Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain 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:</p> <p>a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (<a href="http://www.gsa.gov">www.gsa.gov</a>).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).</p> <p>d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.</p>	<p>Appropriate per diem rates have been utilized.</p> <p>Actual costs that have been utilized are supported by documentation.</p> <p>Business purposes were adequately documented.</p> <p>There was no documentation of review or approval by an individual other than the person receiving the reimbursement.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>In the future, we will provide written documentation of reviewal and approval of travel and expense reimbursements.</i></p>

# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Contracts</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>16 Obtain 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. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:</p> <p>a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.</p> <p>b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).</p> <p>c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.</p> <p>d. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.</p>	<p>Management provided a completed list of contracts that were initiated or renewed during the fiscal year.</p> <p>Contracts were either bid in accordance with the Public Bid Law, or were not required to be bid.</p> <p>Evidence of approval was available.</p> <p>None of the selected contracts were amended.</p> <p>The payments agreed to the selected contracts terms and conditions.</p>	<p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p> <p><b><i>No findings or criticisms were reported.</i></b></p>

# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
17 Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.	The list was provided and five employees were selected.	<b><i>No findings or criticisms were reported.</i></b>
18 Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:		
a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).	Attendance was properly documented.	<b><i>No findings or criticisms were reported.</i></b>
b. Observe that supervisors approved the attendance and leave of the selected employees/officials.	Approval was documented.	<b><i>No findings or criticisms were reported.</i></b>
c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.	Leave taken was properly reported in the accounting records.	<b><i>No findings or criticisms were reported.</i></b>
19 Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination	Termination payments were determined to be consistent with leave records and established rates of pay.	<b><i>No findings or criticisms were reported.</i></b>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.  20 Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.	Management has asserted that all relevant payments have been made.	<b><i>No findings or criticisms were reported.</i></b>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Ethics		
Agreed-Upon Procedure	Results	Managements' Response
<p>21 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:</p> <p>a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.</p> <p>b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.</p> <p>22 Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.</p>	<p>Two of the five selected employees did not have documentation showing completion of ethics training</p> <p>The entity has not adopted a formal, written ethics policy.</p> <p>There was no appointed ethics designee.</p>	<p><i>In the future, we will ensure all employees have proper documentation of training certificates.</i></p> <p><i>We will examine our current procedures and the Legislative Auditor's "Best Practices" and develop a written ethics policy.</i></p> <p><i>In the future, we will appoint an ethics designee.</i></p>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Debt Service</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
23 Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.	No new debt was issued during the year.	<i>No findings or criticism noted.</i>
25 Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.	Applicable covenants do not include reserve requirements.	<i>No findings or criticisms noted.</i>



# **Town of LeCompte**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Fraud Notice</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
23 Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.	No misappropriations were reported.	<i>No findings or criticisms noted.</i>
26 Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.	The entity posted the notice at Town Hall.	<i>No findings or criticisms noted.</i>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Information Technology Disaster Recovery /Business Continuity</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
27 Perform the following procedures, <b>verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."</b>	We performed the procedure and discussed the results with management.	<b><i>No findings or criticisms noted.</i></b>
a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe 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.	We performed the procedure and discussed the results with management.	<b><i>No findings or criticisms noted.</i></b>
b. Obtain and inspect 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 observe evidence that the test/verification was successfully performed within the past 3 months.	We performed the procedure and discussed the results with management.	<b><i>No findings or criticisms noted.</i></b>
c. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe 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.	We performed the procedure and discussed the results with management.	<b><i>No findings or criticisms noted.</i></b>
28 Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in	We performed the procedure and discussed the results with management.	<b><i>No findings or criticisms noted.</i></b>

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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Information Technology Disaster Recovery /Business Continuity		
Agreed-Upon Procedure	Results	Managements' Response
procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.		

**Town of LeCompte**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Sexual Harassment		
Agreed-Upon Procedure	Results	Managements' Response
<p>29 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.</p>	<p>Of the five employees selected, documentation of completion could not be provided for two employees.</p>	<p><i>In the future, management will have proper certification documentation for employees.</i></p>
<p>30 Observe 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).</p>	<p>The Town's sexual harassment policy was posted at Town Hall.</p>	<p><i>No findings or criticisms noted.</i></p>
<p>31 Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:</p> <ul style="list-style-type: none"> <li>a. Number and percentage of public servants in the agency who have completed the training requirements;</li> <li>b. Number of sexual harassment complaints received by the agency;</li> <li>c. Number of complaints which resulted in a finding that sexual harassment occurred;</li> <li>d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and</li> <li>e. Amount of time it took to resolve each complaint.</li> </ul>	<p>A report was produced with the required content and dated January 31, 2023.</p>	<p><i>No findings or criticisms noted.</i></p>