

TOWN OF LECOMPTE

***ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022***



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December 30, 2022

Independent Auditors' Report

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

REPORT ON THE FINANCIAL STATEMENTS

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, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Lecompte, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town 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 audit opinions.

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.



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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

Town of Lecompte
December 30, 2022

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 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 December 30, 2022 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



December 30, 2022

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, 2022, 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 December 30, 2022.

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 did not identify any deficiencies in internal control that we consider to be material weaknesses.



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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 2022-001 and 2022-002.

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, 2022

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, 2022.

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, 2022

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:

	For the Year Ended June 30, 2022			For the Year Ended June 30, 2021
	Govern- mental Activities	Business- Type Activities	Total	
<u>Assets:</u>				
Current and Other Assets	\$ 744,134	\$ 228,299	\$ 972,433	\$ 622,030
Internal Balances	(304,819)	304,819	----	----
Capital Assets	2,607,611	3,274,947	5,882,558	5,268,430
Total Assets	3,046,926	3,808,065	6,854,991	5,890,460
Deferred Outflow of Resources	22,584	----	22,584	57,110
<u>Liabilities:</u>				
Current and Other Liabilities	185,465	12,266	197,731	118,346
Long-term Liabilities	228,090	703,466	931,556	975,808
Total Liabilities	413,555	715,732	1,129,287	1,094,154
Deferred Inflow of Resources	68,004	----	68,004	61,776
<u>Net Position:</u>				
Invested in Capital Assets (Net)	2,482,716	2,571,481	5,054,197	4,468,305
Restricted	144,554	520,852	665,406	530,953
Unrestricted	(39,319)	----	(39,319)	(207,618)
Total Net Position	\$2,587,951	\$ 3,092,333	\$ 5,680,284	\$ 4,791,640

As the presentation appearing above demonstrates, the majority of the Town's net position 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 is composed of restricted assets. These assets are unavailable for general expenses, as they must be used for their intended purposes. The Town's unrestricted fund balance has been eliminated due to the Town's participation in the retirement system.

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, 2022

	For the Year Ended June 30, 2022			For the Year Ended June 30, 2021
	Governmental Activities	Business-Type Activities	Total	
Revenues:				
Program Revenue:				
Charges for Services	\$ 958,295	\$ 203,265	\$ 1,161,560	\$ 494,205
Operating Grants and Contributions	229,514	----	229,514	7,183
Capital Grants and Contributions	----	----	----	----
General Revenue:				
Property Taxes	42,478	----	42,478	37,835
Sales Taxes	651,394	----	651,394	644,965
Franchise Fees	74,912	----	74,912	62,499
Occupational Licenses	103,013	----	103,013	77,856
Intergovernmental	----	----	----	554,532
Other	786	45	831	16,823
Total Revenue	2,060,392	203,310	2,263,702	1,895,898
Program Expenses:				
General Government	321,971	----	321,971	264,782
Sanitation	86,542	----	86,542	86,203
Public Safety	471,827	----	471,827	408,277
Public Works	200,577	----	200,577	146,153
Culture and Recreation	52,910	----	52,910	56,568
Utility Service	----	223,727	223,727	196,534
Other	2,699	14,805	17,504	18,698
Total Expenses	1,136,526	238,532	1,375,058	1,177,215
Increase in Net Position Before				
Transfers	923,866	(35,222)	888,644	718,683
Transfers	----	----	----	----
Changes in Net Position	923,866	(35,222)	888,644	718,683
Net Position Beginning	1,664,085	3,127,555	4,791,640	4,072,957
Net Position Ending	\$ 2,587,951	\$ 3,092,333	\$ 5,680,284	\$ 4,791,640

Governmental activities increased the Town's net position by \$923,866. The increase is mainly attributable to an increase in reimbursements from the Rapides Parish Police Jury for maintaining streets and roadways within the Town's corporate limits, and the receipt of funding from the American Rescue Plan Act.

Business-type activities decreased the Town's net position by \$35,222, due primarily to the recognition of depreciation.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Town of Lecompte

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

- The Town's governmental funds reported a combined fund balance of \$253,850 which represents an increase of \$280,556 in comparison to the previous balance. The increase is primarily due to an increase in reimbursements from the Rapides Parish Police Jury for maintaining streets and roadways.
- The Town's general fund, which is available for spending at the Town's discretion, reported a fund balance of \$156,194. The general fund balance increased by \$294,216.
- 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 purchase of new equipment for the police department, construction 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 and the Town's Sewer Revenue Bonds. In addition, the Town began an installment purchase agreement to obtain two vehicle for the police department.

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, 2022

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 488,506	\$ -	\$ 488,506
Receivables (net)	255,628	31,048	286,676
Restricted asset			
Cash	-	197,251	197,251
Internal balances	(304,819)	304,819	-
Capital assets			
Land	8,738	-	8,738
Construction in Process	204,882	-	204,882
Depreciable capital assets, net	2,393,991	3,274,947	5,668,938
Total assets	3,046,926	3,808,065	6,854,991
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension funding deferrals	22,584	-	22,584
<u>LIABILITIES</u>			
Accounts and other payables	185,465	12,266	197,731
Accrued interest	-	-	-
Long-term liabilities			
Net Pension Liability	87,343	-	87,343
Long-term Debt			
Compensated Absences	15,852	-	15,852
Due within one year	20,920	14,835	35,755
Due in more than one year	103,975	688,631	792,606
Total liabilities	413,555	715,732	1,129,287
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension funding deferrals	68,004	-	68,004
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	2,482,716	2,571,481	5,054,197
Restricted:			
Sewer System Operations	-	520,852	520,852
Other purposes	144,554	-	144,554
Unrestricted	(39,319)	-	(39,319)
Total net position	\$ 2,587,951	\$ 3,092,333	\$ 5,680,284

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

Town of Lecompte

STATEMENT OF ACTIVITIES **Year Ended June 30, 2022**

		Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Net (Expenses) Revenue
<u>Governmental Activities:</u>					
General Government	\$ 321,971	\$ -	\$ 214,514	\$ -	\$ (107,457)
Sanitation	86,542	55,070	-	-	(31,472)
Public Safety	471,827	302,021	15,000	-	(154,806)
Public Works	200,577	601,204	-	-	400,627
Culture & Recreation	52,910	-	-	-	(52,910)
Interest on Long-Term Debt	2,699	-	-	-	(2,699)
Total Governmental Activities	<u>1,136,526</u>	<u>958,295</u>	<u>229,514</u>	<u>-</u>	<u>51,283</u>
<u>Business-Type Activities:</u>					
Sewer Sytem	223,727	203,265	-	-	(20,462)
Interest On Long-Term Debt	14,805	-	-	-	(14,805)
Total Business-Type Activities	<u>238,532</u>	<u>203,265</u>	<u>-</u>	<u>-</u>	<u>(35,267)</u>
Total	<u>\$ 1,375,058</u>	<u>\$ 1,161,560</u>	<u>\$ 229,514</u>	<u>\$ -</u>	<u>\$ 16,016</u>

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

Town of Lecompte

STATEMENT OF ACTIVITIES (Continued) **Year Ended June 30, 2022**

	Governmental Activities	Business- Type Activities	Total
Net (Expense) Revenue (Continued)			
From Previous Page)	\$ 51,283	\$ (35,267)	\$ 16,016
<u>General Revenues:</u>			
Taxes:			
Ad Valorem	42,478	-	42,478
Sales	651,394	-	651,394
Licenses & Permits			
Franchise Fees	74,912	-	74,912
Occupational Licenses	103,013	-	103,013
Intergovernmental	-	-	-
Other	786	45	831
Special Items	-	-	-
Transfers	-	-	-
Total General Revenues, Special Items and Transfers	<u>872,583</u>	<u>45</u>	<u>872,628</u>
Change in Net Position	923,866	(35,222)	888,644
Net Position Beginning	<u>1,664,085</u>	<u>3,127,555</u>	<u>4,791,640</u>
Net Position Ending	<u>\$ 2,587,951</u>	<u>\$ 3,092,333</u>	<u>\$ 5,680,284</u>

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

Town of Leconte

Balance Sheet

Governmental Funds - June 30, 2022

	General Fund	One Cent Sales Tax	Half-Cent Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 379,815	\$ 41,155	\$ 60,003	\$ 7,533	\$ 488,506
Receivables (net)	229,079	17,700	8,849	-	255,628
Interfund Receivables	-	-	38,816	15,221	54,037
Total assets	\$ 608,894	\$ 58,855	\$ 107,668	\$ 22,754	\$ 798,171
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	175,392	1,698	589	7,786	185,465
Interfund Payables	277,308	24,421	-	57,127	358,856
Total liabilities	452,700	26,119	589	64,913	544,321
Fund Balance					
Restricted For:					
Other Special Purposes	-	32,736	107,079	4,739	144,554
Unassigned	156,194	-	-	(46,898)	109,296
Total Fund Balances	156,194	32,736	107,079	(42,159)	253,850
Total Liabilities and Fund Balance	\$ 608,894	\$ 58,855	\$ 107,668	\$ 22,754	\$ 798,171

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, 2022

Total Fund Balances - Governmental Funds	\$ 253,850
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	(228,090)
Deferred inflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	(68,004)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	2,607,611
Deferred outflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	<u>22,584</u>
Net Position of Governmental Activities	<u>\$ 2,587,951</u>

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

Town of Leconte

Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds - Year Ended June 30, 2022

	General	One Cent	Half Cent	Other	Total
	Fund	Sales Tax	Fund	Governmental	Governmental
				Funds	Funds
Revenues:					
Taxes:					
Ad Valorem	\$ 42,478	\$ -	\$ -	\$ -	\$ 42,478
Sales	335,064	210,897	105,433	-	651,394
Licenses & Permits:	-	-	-	-	-
Franchise Fees	74,912	-	-	-	74,912
Occupational Licenses	100,815	-	-	-	100,815
Intergovernmental	832,916	12,880	-	-	845,796
Sanitation	55,070	-	-	-	55,070
Fines and Forfeitures	289,141	-	-	-	289,141
Operating Grants	-	-	-	-	-
Other	200	11	-	575	786
Total Revenues	1,730,596	223,788	105,433	575	2,060,392
Expenditures:					
Current:					
General Government					
General and Administrative	305,888	-	-	-	305,888
Sanitation	-	86,542	-	-	86,542
Public Safety	377,792	80,849	-	-	458,641
Public Works	-	-	-	-	-
Street Maintenance	154,996	-	-	-	154,996
Recreation Department	-	-	45,306	-	45,306
Other Expenditures	-	-	-	389	389
Capital Expenditures	597,704	95,878	73,992	-	767,574
Debt Service	-	2,953	-	12,880	15,833
Total Expenditures	1,436,380	266,222	119,298	13,269	1,835,169
Excess (Deficiency) of Revenues Over Expenditures	294,216	(42,434)	(13,865)	(12,694)	225,223

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, 2022

	General Fund	One Cent Sales Tax	Half Cent Fund	Other Governmental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	294,216	(42,434)	(13,865)	(12,694)	225,223
<u>Other Financing Sources (Uses):</u>					
Proceeds From Long-Term Debt	-	55,333		-	55,333
Operating Transfers In	-	-		12,880	12,880
Operating Transfers Out	-	(12,880)	-	-	(12,880)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>294,216</u>	<u>19</u>	<u>(13,865)</u>	<u>186</u>	<u>280,556</u>
Fund Balance (Deficit) Beginning	<u>(138,022)</u>	<u>32,717</u>	<u>120,944</u>	<u>(42,345)</u>	<u>(26,706)</u>
Fund Balance (Deficit) - End of Year	<u>\$ 156,194</u>	<u>\$ 32,736</u>	<u>\$ 107,079</u>	<u>\$ (42,159)</u>	<u>\$ 253,850</u>

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

Town of Leconte

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

Year Ended June 30, 2022

Net change in fund balances of Governmental Funds	\$ 280,556
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	767,574
Depreciation	(113,801)
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.	(762)
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.	33,061
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	(55,333)
Principal Payment	<u>12,571</u>
Change in net position of governmental activities	<u>\$ 923,866</u>

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

Town of Lecompte

Statement of Net Position Proprietary Funds - June 30, 2022

	<u>Sewer System</u>
<u>ASSETS:</u>	
Current Assets:	
Receivables (net)	\$ 31,048
Interfund receivables	<u>304,819</u>
Total current assets	335,867
Restricted Assets:	
Cash and cash equivalents	197,251
Noncurrent Assets:	
Construction in process	-
Depreciable capital assets, net	<u>3,274,947</u>
Total assets	<u>3,808,065</u>
 <u>LIABILITIES:</u>	
Current Liabilities:	
Accounts and other payables	12,266
Current portion of long-term debt	14,835
Noncurrent Liabilities:	
Long-term debt	<u>688,631</u>
Total liabilities	<u>715,732</u>
 <u>NET POSITION:</u>	
Invested in capital assets, net of related debt	2,571,481
Restricted for Sewer Operations	<u>520,852</u>
Total net position	<u>\$ 3,092,333</u>

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, 2022

	Sewer System
<u>Operating Revenues:</u>	
Service Fees	\$ 203,265
Other Income	-
Total Operating Revenues	<u>203,265</u>
<u>Operating Expenses:</u>	
Legal and Professional	11,848
Outside Services	7,250
Repairs & Maintenance	102,391
Supplies & Chemicals	12,138
Utilities	50,455
Depreciation	39,645
Total Operating Expenses	<u>223,727</u>
Operating Income (Loss)	(20,462)
<u>Nonoperating Revenues (Expenses):</u>	
Interest Revenue	45
Interest Expense	<u>(14,805)</u>
Change in Net Position Before Contributions and Transfers	(35,222)
<u>Contributions and Transfers:</u>	
Operating Transfers In	<u>-</u>
Change in Net Position	(35,222)
Total Net Position Beginning	<u>3,127,555</u>
Total Net Position - Ending	<u>\$ 3,092,333</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, 2022

	<u>Sewer System</u>
<u>Cash flow from operating activities:</u>	
Cash received from customers	\$ 206,516
Cash payments to suppliers of goods and services	(179,036)
Cash payments to employees for services	-
Net cash provided (used) by operating activities	<u>27,480</u>
<u>Cash flows from non-capital financing activities:</u>	
Change in interfund balances	-
Transfers	-
Net cash provided (used) by non-capital financing activities	<u>-</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital expenditures	-
Principle paid on revenue bonds	(14,524)
Interest paid on debt instruments	(14,805)
Net cash provided (used) by capital and related financing activities	<u>(29,329)</u>
<u>Cash flows from investing activities:</u>	
Interest and other income	<u>45</u>
Net cash provided (used) by investing activities	<u>45</u>
Net increase (decrease) in cash	(1,804)
Beginning cash balance	<u>199,055</u>
Ending cash balance	197,251
Restricted cash and cash equivalents	<u>197,251</u>
Cash and cash equivalents	<u>\$ -</u>

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, 2022**

	<u>Sewer System</u>
<u>Reconciliation of operating income (loss)</u>	
<u>to net cash provided (used) by operating</u>	
<u>activities</u>	
Operating income (loss)	\$ (20,462)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	39,645
(Increase) decrease in accounts receivable	3,251
(Decrease) increase in accounts and other payables	<u>5,046</u>
Net cash provided (used) by operating activities	<u>\$ 27,480</u>

Supplemental disclosures of cash flow information:

During the year ended June 30, 2022 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, 2022

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 LECOMPTE

Notes to Financial Statements

June 30, 2022

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:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
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, 2022

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 LECOMPTE

Notes to Financial Statements

June 30, 2022

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, 2022 are summarized as follows:

	Governmental Activities	Business-Type Activities	Total
<u>Accounts Receivable</u>			
Charges for Services	\$ 8,897	\$ 31,048	\$ 39,945
Franchise Taxes	15,987	----	15,987
Other	21,320	----	21,320
<u>Total Accounts Receivable</u>	<u>46,204</u>	<u>31,048</u>	<u>77,252</u>
<u>Due From Other Governmental Units</u>			
Reimbursements	154,371	----	154,371
Sales Taxes and OLT	55,053	----	55,053
<u>Total Due From Other Governments</u>	<u>209,424</u>	<u>----</u>	<u>209,424</u>
Total Receivables	255,628	31,048	286,676
Allowance for Doubtful Accounts	----	----	----
<u>Receivables (Net)</u>	<u>\$ 255,628</u>	<u>\$ 31,048</u>	<u>\$ 286,676</u>

TOWN OF LECOMPTTE

Notes to Financial Statements

June 30, 2022

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 2022, cash and cash equivalents included the following amounts:

	Governmental Activities	Business-Type Activities	Total
Cash Deposited in Banks	\$ 488,306	\$ 197,251	\$ 685,557
Petty Cash	200	----	200
Total Cash	488,506	197,251	685,757
Restricted Cash	----	197,251	197,251
Cash and Cash Equivalents	\$ 488,506	\$ ----	\$ 488,506

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, 2022, the Town had \$ 685,757 in deposits (\$709,140 collected bank balance). These deposits are secured from risk by \$377,660 of federal deposit insurance and \$593,756 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:

	Governmental Activities	Business-Type Activities	Total
Certificates of Indebtedness	\$ 72,163	\$ ----	\$ 72,163
Installment Purchase Agreement	52,732	----	52,732
Revenue Bonds	----	703,466	703,466
Total Obligations	124,895	703,466	828,361
Due Within One Year	20,920	14,835	35,755
Due in More Than One Year	\$ 103,975	\$ 688,631	\$ 792,606

TOWN OF LECOMPTTE

Notes to Financial Statements

June 30, 2022

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental Activities</u>				
Certificates of Indebtedness	\$ 82,135	\$ ----	\$ 9,972	\$ 72,163
Installment Purchase Agreement	---	55,332	2,600	52,732
Total Governmental Activities	82,135	55,332	12,572	124,895
<u>Business-Type Activities</u>				
Revenue Bonds	717,990	----	14,524	703,466
Total Business-Type Activities	717,990	----	14,524	703,466
Total Long-term Debts	\$ 800,125	\$ 55,332	\$ 27,096	\$ 828,361

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, 2022 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.

\$ 72,163

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.

\$ 52,732

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, 2022 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.

\$ 703,466

TOWN OF LECOMPTTE

Notes to Financial Statements

June 30, 2022

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 30th</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal Installments</u>	<u>Interest</u>	<u>Principal Installments</u>	<u>Interest</u>
2023	\$ 20,921	\$ 3,770	\$ 14,835	\$ 14,805
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 – 2032	16,306	426	86,100	62,100
2033 – 2037	-	-	95,743	52,467
2038 – 2042	-	-	106,466	41,734
2043 – 2047	-	-	118,390	29,810
2048 – 2052	-	-	131,649	16,551
2053 – 2055	-	-	87,689	2,958
Total Governmental	\$ 124,895	\$ 12,339	\$ 703,466	\$ 276,391

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, 2022, 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
Total Non Depreciable Capital Assets	213,620	----	----	213,620

TOWN OF LECOMPTÉ

Notes to Financial Statements

June 30, 2022

Depreciable Capital Assets				
General Fixed Assets	2,877,708	767,574	----	3,645,282
Sanitation Assets	20,627	----	----	20,627
Recreation and Community Center	367,909	----	----	367,909
Fire	205,556	----	----	205,556
Streets and Highways	2,014,132	----	----	2,014,132
Police	316,453	----	----	316,453
Accumulated Depreciation	(4,062,167)	(113,801)	----	(4,175,968)
Total	<u>1,740,218</u>	<u>653,773</u>	----	<u>2,393,991</u>
Total Governmental Activities	<u>\$ 1,953,838</u>	<u>\$ 653,773</u>	<u>\$ ----</u>	<u>\$ 2,607,611</u>

Business-Type Activities

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	(584,948)	(39,645)	----	(624,593)
Total	<u>3,314,592</u>	<u>(39,645)</u>	----	<u>3,274,947</u>
Total Business-Type Activities	<u>\$ 3,314,592</u>	<u>\$ (39,645)</u>	<u>\$ ----</u>	<u>\$ 3,274,947</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	13,772	----	13,772
Street Maintenance	73,322	----	73,322
Recreation Department	7,604	----	7,604
Sewer System	----	39,645	39,645
Total Depreciation Expense	<u>\$ 113,801</u>	<u>\$ 39,645</u>	<u>\$ 153,446</u>

NOTE 7 – ACCOUNTS AND OTHER PAYABLES

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

TOWN OF LECOMPTE

Notes to Financial Statements

June 30, 2022

	Governmental Activities				
	General Fund	One Cent Sales Tax Fund	Half-Cent	Non-Major Funds	Total
Payable to Vendors	\$ 173,158	\$ 1,698	\$ 589	\$ 7,786	\$ 183,231
Due to Other Entities	----	----	----	----	----
Payroll Taxes and Withholding	2,234	----	----	----	2,234
Total	\$ 175,392	\$ 1,698	\$ 589	\$ 7,786	\$ 185,465

The Sewer System Maintenance Fund had \$12,266 of payables to vendors as of the year ended June 30, 2022.

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	\$ 87,343	\$ 22,584	\$ 53,759
Municipal Police Employees' Retirement System of Louisiana	----	----	14,245
Total	87,343	22,584	68,004
Portion Applicable to Business Type Activities	---	---	---
Portion Applicable to Government Type Activities	\$ 87,343	\$ 22,584	\$ 68,004

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

TOWN OF LECOMPTE

Notes to Financial Statements

June 30, 2022

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. 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	\$ 57,930,858
Town's Proportionate Share (Percentage)	0.15077%
Town's Proportionate Share (Amount)	<u>\$ 87,343</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, 2021 are provided as follows:

TOWN OF LECOMPTE

Notes to Financial Statements

June 30, 2022

Beginning Net Pension Liability		\$ 161,157
Employer Contributions		(18,077)
<u>Pension Expense</u>		
Proportionate Share of Plan Pension Expense	12,998	
Changes in Proportion	(2,720)	
Employee Contributions	<u>(3,768)</u>	6,510
Change in Deferred Outflows of Resources		(35,614)
Change in Deferred Inflows of Resources		<u>(26,633)</u>
Ending Net Pension Liability		<u>\$ 87,343</u>

There were no changes between June 30, 2022 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	\$ ----	\$ 3,604	\$ (3,604)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	----	23,605	(23,605)
Changes of Assumptions	3,535	----	3,535
Changes in Proportion	----	26,550	(26,550)
Employer Contributions Made After the Measurement Date	<u>19,049</u>	<u>----</u>	<u>19,049</u>
Total Deferrals	22,584	53,759	(31,175)
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>19,049</u>	<u>----</u>	<u>19,049</u>
Deferrals Subject to Amortization	<u>\$ 3,535</u>	<u>\$ 53,759</u>	<u>\$ (50,224)</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, 2022	\$ (23,536)
June 30, 2023	(12,270)
June 30, 2024	(6,122)
June 30, 2025	<u>(8,296)</u>
Total	<u>\$ (50,224)</u>

Valuation Date	June 30, 2021
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, 2022

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	<p>PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusting using their respective male and female MP2018</p> <p>PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.</p> <p>PubNS-2010(B) Disables retiree Table set equal to 120% for males and females with the full generational MP2018 scale.</p>
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, 2021 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	\$ 134,002	\$ 87,343	\$ 47,878

TOWN OF LECOMPTE

Notes to Financial Statements

June 30, 2022

Municipal Police Employees' Retirement System of Louisiana

Plan Description - All full-time police department employees engaged in law enforcement are eligible to participate in the System. Any member of the Plan who commenced participation in the Plan before January 1, 2013 is eligible for retirement provided he or she meets one of the following conditions:

- At any age and has 25 years of creditable service
- At age 50 and has 20 years of creditable service
- At age 55 and has 12 years of creditable service.

Retirees are entitled to a retirement benefit, payable monthly for life, equal to $3\frac{1}{3}$ percent of their final-average salary for each year of creditable service, not to exceed 100% of their final 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 previously and receive the benefit accrued to their date of termination.

Any member of the Plan who commenced participation in the Plan after January 1, 2013 is eligible for retirement based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for retirement provided he or she meets one of the following conditions:

- At any age and has 25 years of creditable service
- At age 55 and has 12 years of creditable service.

Under the Non-Hazardous Duty sub plan, a member is eligible for retirement provided he or she meets one of the following conditions:

- At any age and has 30 years of creditable service
- At age 55 and has 25 years of creditable service.
- At age 60 and has 10 years of creditable service.

Under either Sub Plan, a member is eligible for early retirement after he or she has been a member of the System with 20 years of creditable service, with an actuarially reduced benefit from age 55. Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are 3% and 2 $\frac{1}{2}$ %, respectively, of average final compensation (Average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary. The System also provides death and disability benefits for all members. Benefits are established or amended by state statute. As of June 30, 2022, the Town did not have any active participants in the plan, but is still reporting the amortization of deferred inflows associated with its past participation.

Funding Policy - Plan members are required by state statute to contribute a percent of their annual covered salary to the System. The percentage required for the measurement period ending June 30, 2021 is listed below:

Members hired prior to January 1, 2013 –	10.00%
Hazardous Duty Members hired after January 1, 2013-	10.00%
Non-Hazardous Duty Members hired after January 1, 2013 -	8.00%

The Town is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to

TOWN OF LECOMPTTE

Notes to Financial Statements

June 30, 2022

change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the plan were equal to the required contributions for each of the past three years.

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 available on the internet at www.mersla.com. 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 lampers.org. 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	\$ 533,054,667
Town's Proportionate Share (Percentage)	0.00%
Town's Proportionate Share (Amount)	<u>\$ ----</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, 2021 are provided as follows:

Beginning Net Pension Liability	\$ ----
Employer Contributions	----
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	(14,245)
Amortization	----
Employee Contributions	<u>----</u>
Change in Deferred Outflows of Resources	(14,245)
Change in Deferred Inflows of Resources	<u>14,245</u>
Ending Net Pension Liability	<u>\$ ----</u>

There were no changes between June 30, 2022 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	\$ ----	\$ ----	\$ ----
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	----	----	----
Changes of Assumptions	----	----	----
Changes in Proportion	----	14,245	(14,245)
Employer Contributions Made After the Measurement Date	<u>----</u>	<u>----</u>	<u>----</u>
Total Deferrals	----	14,245	(14,245)
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>----</u>	<u>----</u>	<u>----</u>
Deferrals Subject to Amortization	<u>\$ ----</u>	<u>\$ 14,245</u>	<u>\$ (14,245)</u>

TOWN OF LECOMPTE

Notes to Financial Statements

June 30, 2022

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, 2022	\$ (14,245)
June 30, 2023	----
June 30, 2024	----
June 30, 2025	----
Total	<u>\$ (14,245)</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

Valuation Date	June 30, 2021						
Actuarial Cost Method	Entry Age Normal Cost						
Investment Rate of Return	6.750% per annum						
Expected Remaining Service Lives	4 Years						
Inflation Rate	2.50% per annum						
Projected Salary Increases Including Inflation and Merit	<table><thead><tr><th><u>Years of Service</u></th><th><u>Salary Growth Rate</u></th></tr></thead><tbody><tr><td>1 - 2</td><td>12.30%</td></tr><tr><td>2 & Over</td><td>4.70%</td></tr></tbody></table>	<u>Years of Service</u>	<u>Salary Growth Rate</u>	1 - 2	12.30%	2 & Over	4.70%
<u>Years of Service</u>	<u>Salary Growth Rate</u>						
1 - 2	12.30%						
2 & Over	4.70%						

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Portfolio Real Rate of Return</u>
Equity	55.50%	3.47%
Fixed Income	30.50%	0.59%
Alternatives	14.00%	1.01%
Other	0.00%	0.00%
Totals	<u>100%</u>	<u>5.08%</u>
Inflation		<u>2.22%</u>
Expected Arithmetic Nominal Return		<u>7.30%</u>

The discount rate used to measure the total pension liability was 6.750%. 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

TOWN OF LECOMPTE

Notes to Financial Statements

June 30, 2022

on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for the period July 1, 2014 through June 30, 2019 and review of similar law enforcement mortality. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables

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 5.750% Discount Rate	Current Discount Rate 6.750%	1% Increase 7.750 % Discount
Net Pension Liability	\$ ----	\$ ----	\$ ----

NOTE 11 – CONTINGENCIES

Existing conditions that may have financial consequences are referred to as contingencies. Contingencies existing at June 30, 2022 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, 2022, 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.

<u>Fund</u>	<u>Deficit</u>
Park Fund	7,161
Pie Festival Fund	2,621
Millage	23,638
Street Improvement	13,478

NOTE 13 – INTERNAL BALANCES

Details related to internal balances are presented as follows:

TOWN OF LECOMPTE

Notes to Financial Statements

June 30, 2022

Governmental Activities	Receivable (Payable)	Purpose
General	\$ (277,308)	The Town routinely lends money between funds to cover necessary expenses. This results in interfund receivables and payables.
1% Dedicated Sales Tax	(24,421)	
Half-Cent	38,816	
Non-major Governmental Funds	(41,906)	
	\$ (304,819)	

Business-Type Activities	Receivable (Payable)	Purpose
Sewer System	\$ 304,819	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 the following operating transfers:

Fund	Transfers In	Transfers Out
General Fund	\$ ----	\$ ----
Sewer Maintenance	----	----
Sewer Construction	----	----
Public Equipment Sinking Fund	12,880	----
Red River Grant	----	----
Park Fund	----	----
One Cent Fund	----	12,880
Totals	\$ 12,880	\$ 12,880

NOTE 15 – ON BEHALF PAYMENTS

The State of Louisiana provides supplemental pay for public safety employees that met certain requirements. Amounts reported as revenue and expenditures in connection with State Supplemental Pay are \$15,000.

Town of Lecompte

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Taxes:				
Ad Valorem	\$ 37,000	\$ 55,000	\$ 42,478	\$ (12,522)
Sales	325,000	325,000	335,064	10,064
Licenses & Permits:				
Franchise Fees	65,000	90,000	74,912	(15,088)
Occupational Licenses	16,500	34,500	100,815	66,315
Other	-	-	-	-
Intergovernmental	24,500	324,500	832,916	508,416
Sanitation	62,000	60,000	55,070	(4,930)
Fines and Forfeitures	135,000	225,000	289,141	64,141
Other	28,500	32,000	200	(31,800)
Total revenues	693,500	1,146,000	1,730,596	584,596
<u>General Government:</u>				
General Government	251,700	490,200	305,888	184,312
Police Department/Public Safety	312,380	350,200	377,792	(27,592)
Street Maintenance	116,820	142,600	154,996	(12,396)
Recreation Department	12,600	6,500	-	6,500
Other Expenditures	-	-	-	-
Capital Expenditures	-	-	597,704	(597,704)
Debt Service	-	-	-	-
Total expenditures	693,500	989,500	1,436,380	(446,880)

Town of Lecompte

General Fund

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

Budget and Actual - Year Ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Excess (Deficiency) of				
Revenues Over Expenditures	-	156,500	294,216	137,716
<u>Other Financing Sources (Uses):</u>				
Proceeds from Financing	-	-	-	-
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	(15,000)	-	15,000
Payment of Interfund Liability	-	-	-	-
Excess (Deficiency) of				
Revenues and Other Sources				
Over Expenditures and Other				
Uses	-	141,500	294,216	152,716
Fund Balance (Deficit) -				
Beginning of Year	-	(138,022)	(138,022)	-
Fund Balance (Deficit) -				
End of Year	\$ -	\$ 3,478	\$ 156,194	\$ 152,716

Town of Lecompte

One Cent Sales Tax Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Sales Taxes	\$ 190,000	\$ 190,000	\$ 210,897	\$ 20,897
Intergovernmental/Other	-	-	12,891	12,891
Total revenues	<u>190,000</u>	<u>190,000</u>	<u>223,788</u>	<u>33,788</u>
<u>General Government:</u>				
Sanitation	95,000	95,000	86,542	8,458
Public Safety	86,730	56,200	80,849	(24,649)
Other Expenses	15,270	15,270	2,953	12,317
Capital Expenditures	70,820	76,320	95,878	(19,558)
Total expenditures	<u>267,820</u>	<u>242,790</u>	<u>266,222</u>	<u>(23,432)</u>
Excess (Deficiency) of				
Revenues Over Expenditures	(77,820)	(52,790)	(42,434)	10,356
<u>Other Financing Sources (Uses):</u>				
Proceeds from Long-Term Debt	70,820	70,820	55,333	(15,487)
Operating Transfers (Net)	-	(5,000)	(12,880)	(7,880)
Excess (Deficiency) of				
Revenues and Other Sources				
Over Expenditures and Other				
Uses	(7,000)	13,030	19	(13,011)
Fund Balance (Deficit) -				
Beginning of Year	<u>32,717</u>	<u>32,717</u>	<u>32,717</u>	<u>-</u>
Fund Balance (Deficit) -				
End of Year	<u>\$ 25,717</u>	<u>\$ 45,747</u>	<u>\$ 32,736</u>	<u>\$ (13,011)</u>

Town of Lecompte

Half-Cent Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Sales Taxes	\$ 95,000	\$ 95,000	\$ 105,433	\$ 10,433
Intergovernmental/Other	-	-	-	-
Total revenues	<u>95,000</u>	<u>95,000</u>	<u>105,433</u>	<u>10,433</u>
<u>General Government:</u>				
Recreation Department	43,750	42,750	45,306	(2,556)
Capital Expenditures	<u>128,287</u>	<u>65,000</u>	<u>73,992</u>	<u>(8,992)</u>
Total expenditures	<u>172,037</u>	<u>107,750</u>	<u>119,298</u>	<u>(11,548)</u>
Excess (Deficiency) of Revenues Over Expenditures	(77,037)	(12,750)	(13,865)	(1,115)
<u>Other Financing Sources (Uses):</u>				
Payment of Interfund Liability	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(77,037)	(12,750)	(13,865)	(1,115)
Fund Balance (Deficit) - Beginning of Year	<u>120,944</u>	<u>120,944</u>	<u>120,944</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 43,907</u>	<u>\$ 108,194</u>	<u>\$ 107,079</u>	<u>\$ (1,115)</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	Pension Plans
	Net Pension Liability			Liability as a	Fiduciary Net
	Percent	Amount		Percentage of	Position as a
			Covered Payroll	Total Pension	Liability
Municipal Employees' Retirement System					
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%
Municipal Police Employees' Retirement System					
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

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
Municipal Employees' Retirement System					
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%
Municipal Police Employees' Retirement System					
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	-	-	-	-	-

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, 2022

	Public Equipment Sinking & Reserve	Park	Pic Festival	Millage	Street Improvement	LCDBG	Total Non Major Funds
Assets							
Cash and Cash Equivalents	\$ 5,772	\$ 1,058	\$ 423	\$ -	\$ 280	\$ -	\$ 7,533
Receivables (net)	-	-	-	-	-	-	-
Interfund Receivables	-	-	-	6,300	1,110	7,811	15,221
Total assets	\$ 5,772	\$ 1,058	\$ 423	\$ 6,300	\$ 1,390	\$ 7,811	\$ 22,754
Liabilities and Fund Balance							
Liabilities							
Accounts payable	\$ -	\$ -	\$ 51	\$ -	\$ -	\$ 7,735	7,786
Interfund Payables	1,109	8,219	2,993	29,938	14,868	-	57,127
Total liabilities	1,109	8,219	3,044	29,938	14,868	7,735	64,913
Fund Balance							
Restricted For:							
Other Special Purposes	4,663	-	-	-	-	76	4,739
Unassigned	-	(7,161)	(2,621)	(23,638)	(13,478)	-	(46,898)
Total Fund Balances	4,663	(7,161)	(2,621)	(23,638)	(13,478)	76	(42,159)
Total Liabilities and Fund Balance	\$ 5,772	\$ 1,058	\$ 423	\$ 6,300	\$ 1,390	\$ 7,811	\$ 22,754

Town of Lecompte

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Non Major Governmental Funds - Year Ended June 30, 2022

	Public Equipment Sinking & Reserve	Park	Pie Festival	Millage	Street Improvement	LCDBG	Total Non Major Funds
<u>Revenues:</u>							
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Other	-	575	-	-	-	-	575
Total Revenues	<u>-</u>	<u>575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>575</u>
<u>Expenditures:</u>							
Current:							
Recreation/Beautification	-	-	-	-	-	-	-
Capital Expenditures	-	-	-	-	-	-	-
Other	-	389	-	-	-	-	389
Debt Service	12,880	-	-	-	-	-	12,880
Total Expenditures	<u>12,880</u>	<u>389</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,269</u>
Excess (Deficiency) of Revenues Over Expenditures	(12,880)	186	-	-	-	-	(12,694)
<u>Other Financing Sources (Uses):</u>							
Operating Transfers In/Out	12,880	-	-	-	-	-	12,880
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	186	-	-	-	-	186
Fund Balance (Deficit)							
Beginning of Year	4,663	(7,347)	(2,621)	(23,638)	(13,478)	76	(42,345)
End of Year	<u>\$ 4,663</u>	<u>\$ (7,161)</u>	<u>\$ (2,621)</u>	<u>\$ (23,638)</u>	<u>\$ (13,478)</u>	<u>\$ 76</u>	<u>\$ (42,159)</u>

Town of Lecompte

Schedule of Compensation Paid to Board Members For the year ended June 30, 2022

Alex Baker III	\$	6,000
Patrick Baker		4,000
Sherry Butler		2,000
George L Clark		6,000
Lonnell Clark		6,000
Craig Phillips		14,400
Ashton Washington Jr.		6,000
Total Compensation	\$	<u>44,400</u>

Town of Lecompte

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the year ended June 30, 2022

Agency Head

Craig Phillips

Purpose:

Compensation

\$ 14,400

Benefits:

Payroll Taxes

1,380

Reimbursements

-

Retirement

-

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, 2022

	First Six Month Period Ended December 31, 2021	Second Six Month Period Ended June 30, 2022
Beginning Balance of Amounts Collected	\$ -	\$ -
Add: Collections		
Criminal Court Costs/Fees	134,024	155,117
Subtotal Collections	<u>134,024</u>	<u>155,117</u>
Less: Disbursements to Governments & Nonprofits		
9th JDC Public Defender Office	3,310	7,604
CMIS Collections	355	789
Crime Stoppers of Cenla	706	1,574
DHH- TH/SCI T.F.	845	1,570
Louisiana Commission On Law Enforcement	1,873	4,569
Louisiana Judicial College	178	395
North Louisiana Criminalistics Laboratory	-	65,050
Less: Amounts Retained by the Town of Lecompte		
Self Disbursed Court Cost	<u>126,757</u>	<u>73,566</u>
Subtotal Disbursements / Retainage	<u>134,024</u>	<u>155,117</u>
Ending Balance of Amounts Collected but not Disbursed	<u>\$ -</u>	<u>\$ -</u>

Town of Lecompte

Summary of Findings

June 30, 2022

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, 2022 and for the year then ended reported an unmodified opinion.
- Two acts of noncompliance material to the financial statements of the Town of Lecompte were reported during the audit as listed below.

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

Finding 2022-001: Technical Budget Violation

- *Criteria:* The Town's expenditures and other uses must be within 5% of the Town's adopted budget to comply with Louisiana Revised Statutes.
- *Condition:* In the current year, unfavorable variances exceeded 5%.
- *Cause:* The Town incurred a significant number of expenditures related to capital projects in the current year. A significant portion of the expenditures were accrued at year end, as the work had been completed but not paid. This accrual caused the unfavorable variance.
- *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 2022-002: Traffic Ticket Administration

- *Criteria:* The Town should maintain proper controls over ticket books to ensure that all tickets are written in sequential order and any voided tickets are accounted for properly.
- *Condition:* 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.
- *Cause:* Ticket books are not properly safeguarded and accounted for with limited distribution. In addition, sufficient oversight is not maintained over the Town's traffic ticket administration.
- *Effect:* By not properly maintaining ticket sequences, the Town could lose tickets before they are properly adjudicated. In addition, tickets could fail to be processed if they are not safeguarded and input into the computerized system in an organized fashion.
- *Recommendation:* We recommend that one ticket book be signed out by the officers in order to properly account for all tickets and ticket books. In addition, we recommend additional oversight over the current traffic ticket administration, to insure it is operating as intended.

TOWN OF LECOMPTE

Management's Corrective Action

June 30, 2022

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
<u>FINDINGS</u>	<u>RESPONSE</u>
<p><u>FINDING 2022-001: TECHNICAL BUDGET VIOLATION</u> 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><u>FINDING 2022-002: TRAFFIC TICKET ADMIN</u> 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><u>2022-001: TECHNICAL BUDGET VIOLATION</u> 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><u>2022-002: TRAFFIC TICKET ADMIN</u> We will maintain appropriate safeguards over the physical inventory of traffic tickets in the future. In addition, we will provide additional training for our Traffic Clerk, and commit to oversight to ensure tickets are processed in an appropriate manner.</p>
SECTION II MANAGEMENT LETTER	
<u>FINDINGS</u>	<u>RESPONSE</u>
<p>No Findings of this nature.</p>	<p>No response necessary.</p>

Town of Lecompte
Summary of Prior Year Findings
June 30, 2022

SECTION I	
INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
<u>FINDINGS</u>	<u>RESPONSE</u>
<p><u>FINDING 2021-001: DEBT COVENANTS</u> Prior to accepting a loan from the USDA, the Town agreed to make monthly transfers of \$2,034 into an account dedicated to the replacement of short-lived assets, until a certain amount was set aside. The Town did not make all required payments in the current year.</p>	<p><u>RESOLVED</u> The Town made all required transfers in the current year.</p>
<p><u>FINDING 2021-002: NON-PAYMENT OF PAYROLL TAXES AND RETIREMENT</u> Federal law requires employers to remit payment for employment taxes, as well as federal taxes withheld from the payroll checks of employees. The Town did not make all required payments. In addition, the Town participates in a cost-sharing retirement system. All required payments were made to the retirement system, but not all forms were filed when due.</p>	<p><u>RESOLVED</u> The Town paid all required payroll taxes, and filed all required payroll tax forms in the current year.</p>
<p><u>FINDING 2021-003: TECHNICAL BUDGET VIOLATION</u> 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><u>NOT RESOLVED: SEE FINDING 2022-001</u></p>
<p><u>FINDING 2021-004: NON-REMITTANCE OF CERTAIN COSTS COLLECTED ON BEHALF OF OTHER ENTITIES</u> LA Revised Statutes require the Town to remit certain fees, fines, and court costs to various agencies whenever fines are collected by the Town. The Town did not remit all required amounts collected on behalf of these various agencies.</p>	<p><u>RESOLVED</u> The Town has remitted all required fees, fines, and court costs to all required agencies.</p>
SECTION II	
MANAGEMENT LETTER	
<u>FINDINGS</u>	<u>RESPONSE</u>
<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, 2021 through June 30, 2022. 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
December 30, 2022



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Post Office Box 12178
Alexandria, Louisiana 71315

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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"> • Budgeting • Purchasing • Disbursements • Receipts • Payroll/Personnel • Contracting • Credit Cards • Travel and expense reimbursements • Ethics • Debt Service • Disaster Recovery / Business Continuity • Sexual Harassment 	<p>The Town does not have any written policies and procedures</p> <ul style="list-style-type: none"> • Budgeting • Purchasing • Disbursements • Receipts • Contracting • Credit Cards • Ethics • Debt Service • Disaster Recovery / Business Continuity <p>The Town's written policies and procedures did not address all of the required elements of the following functions:</p> <ul style="list-style-type: none"> • Payroll/Personnel • Travel and expense reimbursements 	<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><i>No findings or criticisms were reported.</i></p> <p><i>The Town Clerk will start providing Budget-to-Actual comparison during the current year.</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
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.	The General Fund did have a negative unrestricted fund balance reported on the previous audit report. While discussion took place on improving the Town's financial position, there was no formal plan introduced to eliminate the negative unrestricted fund balance in the general fund.	<i>In the current year, we will adopt a formal plan to eliminate the Town's negative unrestricted fund balance.</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Bank Reconciliations		
Agreed-Upon Procedure	Results	Managements' Response
<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>There is evidence that a member of management reviewed each bank reconciliation.</p> <p>Reconciling items outstanding for more than 12 months was limited to 6 items with a total value of \$779.13. No documentation was available indicating that research was performed.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>We did not research items outstanding 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)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<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><i>No findings or criticisms were reported.</i></p> <p><i>Due to the size of our workforce and limitations imposed by our facilities, occasional sharing in necessary.</i></p>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<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.</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.</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.</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</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)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<p>selecting the deposit dates for testing, such as 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)

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
<p>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).</p>	All disbursements are processed at Town Hall.	<i>No findings or criticisms were reported.</i>
<p>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:</p> <p>a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.</p> <p>b) At least two employees are involved in processing and approving payments to vendors.</p> <p>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.</p>	<p>At least two employees are involved in initiating a purchase request, approving a purchase and placing an order.</p> <p>Checks require dual signatures.</p> <p>The Town Clerk has signatory authority on the checks. The Town Clerk is involved in adding/modifying vendor files.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>The absence of restrictions is mitigated by checks requiring dual signatures. This allows another member of the administration staff to review disbursements to vendor.</i></p>

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>	Different employees sign and mail payments.	<i>No findings or criticisms were reported.</i>
<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>	Disbursements selected were supported by documentation.	<i>No findings or criticisms were reported.</i>
<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>	Evidence of segregation of duties was present.	<i>No findings or criticisms were reported.</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
<p>11 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>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><i>No findings or criticisms were reported.</i></p>
<p>12 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>There was no written evidence that the credit card statements were reviewed and approve by someone other than the card holder.</p> <p>No finance charges or late fees were assessed.</p>	<p><i>In the future, we will have each statement reviewed by an official other than the cardholder.</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)

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
13 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 5 items selected. <ul style="list-style-type: none">• Supporting documentation was not available for 1 transaction.• Business purpose was apparent.• 1 of the items selected involved meals, but did not included documentation of the individuals participating in meals.	<i>In the future, all itemized receipts and documentation of individuals participating in meals will be provided for transactions.</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
<p>14 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 (www.gsa.gov).</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>Appropriate per diem rates have been utilized.</p> <p>N/A – Actual cost was not utilized.</p> <p>Business purposes were adequately documented.</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)

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.	There was no documentation of approval by someone other than the recipient was properly documented.	<i>In the future, we will provide written documentation of reviewal and approval of travel and expense reimbursements.</i>

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

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
<p>15 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>Based on Management's representations there was no contracts renewed in the current year.</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</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>

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Statewide Agreed-Upon Procedures

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

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
16 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 a selection has been performed.	<i>No findings or criticisms were reported.</i>
17 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.	<i>No findings or criticisms were reported.</i>
b. Observe that supervisors approved the attendance and leave of the selected employees/officials.	Approval was documented.	<i>No findings or criticisms were reported.</i>
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.	<i>No findings or criticisms were reported.</i>
d. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.	Documentation for rates of pay were provided.	<i>No findings or criticisms were reported.</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
18 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 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.	Termination payments were determined to be consistent with leave records and established rates of pay.	<i>No findings or criticisms were reported.</i>
19 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.	<i>No findings or criticisms were reported.</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Ethics		
Agreed-Upon Procedure	Results	Managements' Response
20 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and: a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period. 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.	Evidence of ethic training was present for 4 of the 5 employees selected. Signature verification was not available for any of the 5 employees.	<i>In the future, we will make sure that documentation is provided for all employees.</i> <i>We believe that all employees are familiar with ethic polices but we will review files to ensure that signature verification is provided by every member of the staff.</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Debt Service		
Agreed-Upon Procedure	Results	Managements' Response
21 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.	Not Applicable: No new debt was issued.	<i>Not Applicable</i>
22 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.	Not Applicable: Applicable covenants do not include reserve requirements.	<i>Not Applicable</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Fraud Notice		
Agreed-Upon Procedure	Results	Managements' Response
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 were reported.</i>
24 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 necessary postings were present physically.	<i>No findings or criticisms were reported.</i>

Town of Lecompte

Statewide Agreed-Upon Procedures

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

Information Technology Disaster Recovery /Business Continuity		
Agreed-Upon Procedure	Results	Managements' Response
<p>25 Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."</p> <p>a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.</p> <p>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.</p> <p>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.</p>	<p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</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)

Sexual Harassment		
Agreed-Upon Procedure	Results	Managements' Response
26 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.	Documentation that each employee selected completed the required training.	<i>No findings or criticisms were reported.</i>
27 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).	No documentation demonstrates that the policy has been communicated to employees.	<i>In the future, we will demonstrate that the sexual harassment policy is communicated to employees.</i>
28 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: a. Number and percentage of public servants in the agency who have completed the training requirements; b. Number of sexual harassment complaints received by the agency; c. Number of complaints which resulted in a finding that sexual harassment occurred; d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and e. Amount of time it took to resolve each complaint.	A report was produced with the required content and the report was dated January 30, 2022.	<i>No findings or criticisms were reported.</i>