

TOWN OF CHURCH POINT, LOUISIANA

Financial Report

Year Ended September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

* A Professional Accounting Corporation

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

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Church Point, Louisiana (Town), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of Financial Statements

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

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

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and comparative statements and the Justice System Funding Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these combined and comparative statements and the Justice System Funding Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the Town of Church Point's 2023 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2025, on our consideration of the Town of Church Point, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
February 25, 2025

BASIC FINANCIAL STATEMENTS

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Net Position

September 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 660,683	\$ 805,953	\$ 1,466,636
Receivables, net	75,314	220,689	296,003
Due from other governmental units	288,531	714,206	1,002,737
Inventory	-	37,771	37,771
Prepaid expenses	3,989	7,235	11,224
Total current assets	<u>1,028,517</u>	<u>1,785,854</u>	<u>2,814,371</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	-	216,801	216,801
Capital assets -			
Land and construction in progress	597,901	1,197,728	1,795,629
Capital assets, net	<u>4,128,094</u>	<u>5,472,985</u>	<u>9,601,079</u>
Total noncurrent assets	<u>4,725,995</u>	<u>6,887,514</u>	<u>11,613,509</u>
Total assets	<u>5,754,512</u>	<u>8,673,368</u>	<u>14,427,880</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	194,016	371,205	565,221
Unearned revenue	22,876	497,331	520,207
Notes payable	50,218	-	50,218
Customers' deposits	<u>-</u>	<u>216,801</u>	<u>216,801</u>
Total liabilities	267,110	1,085,337	1,352,447
Noncurrent liabilities:			
Notes payable	<u>128,975</u>	<u>-</u>	<u>128,975</u>
Total liabilities	<u>396,085</u>	<u>1,085,337</u>	<u>1,481,422</u>
NET POSITION			
Net investment in capital assets	4,546,802	6,419,704	10,966,506
Restricted for sales tax dedications	276,235	-	276,235
Unrestricted	<u>535,390</u>	<u>1,168,327</u>	<u>1,703,717</u>
Total net position	<u>\$ 5,358,427</u>	<u>\$ 7,588,031</u>	<u>\$ 12,946,458</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Activities
For the Year Ended September 30, 2024

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 782,850	\$ 255,851	\$ -	\$ -	\$ (526,999)	\$ -	\$ (526,999)
Public safety:							
Police	1,243,106	367,895	92,787	-	(782,424)	-	(782,424)
Public works	961,125	-	344,694	-	(616,431)	-	(616,431)
Community Center	69,900	-	-	-	(69,900)	-	(69,900)
Culture and recreation	297,611	-	-	-	(297,611)	-	(297,611)
Interest on long-term debt	537	-	-	-	(537)	-	(537)
Total governmental activities	<u>3,355,129</u>	<u>623,746</u>	<u>437,481</u>	<u>-</u>	<u>(2,293,902)</u>	<u>-</u>	<u>(2,293,902)</u>
Business-type activities:							
Water	1,102,327	901,357	-	576,300	-	375,330	375,330
Sewer	805,819	807,483	-	-	-	1,664	1,664
Total business-type activities	<u>1,908,146</u>	<u>1,708,840</u>	<u>-</u>	<u>576,300</u>	<u>-</u>	<u>376,994</u>	<u>376,994</u>
Total	<u>\$ 5,263,275</u>	<u>\$ 2,332,586</u>	<u>\$ 437,481</u>	<u>\$ 576,300</u>	<u>(2,293,902)</u>	<u>376,994</u>	<u>(1,916,908)</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes					136,973	-	136,973
Sales and use taxes, levied for general purposes					1,704,894	-	1,704,894
Franchise and other taxes					340,914	-	340,914
Grants and contributions not restricted to specific programs -							
State sources					55,242	-	55,242
Interest and investment earnings					-	18,570	18,570
Gain (loss) on sale/disposal of capital assets					(6,962)	-	(6,962)
Miscellaneous					194,852	-	194,852
Transfers					(330,603)	330,603	-
Total general revenues and transfers					<u>2,095,310</u>	<u>349,173</u>	<u>2,444,483</u>
Change in net position					(198,592)	726,167	527,575
Net position - October 1, 2023					<u>5,557,019</u>	<u>6,861,864</u>	<u>12,418,883</u>
Net position - September 30, 2024					<u>\$ 5,358,427</u>	<u>\$ 7,588,031</u>	<u>\$ 12,946,458</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

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

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

1967 Sales Tax Fund -

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

2012 Law Enforcement Sales Tax Fund -

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

Capital Projects Fund

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Capital Projects Fund -

To account for the improvements of various projects using proceeds from grant revenue and Town funds.

Enterprise Fund

Utility Fund -

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

TOWN OF CHURCH POINT, LOUISIANA

Balance Sheet
Governmental Funds
September 30, 2024

	General	1967 Sales Tax	2012 Law Enforcement Sales Tax	Capital Projects	Total
ASSETS					
Cash	\$ 599,920	\$ 35,387	\$ 76,051	\$ 1,404	\$ 712,762
Receivables:					
Taxes	75,314	-	-	-	75,314
Due from other governmental units	5,535	141,498	141,498	-	288,531
Prepaid expenses	3,241	-	748	-	3,989
Total assets	<u>\$ 684,010</u>	<u>\$ 176,885</u>	<u>\$ 218,297</u>	<u>\$ 1,404</u>	<u>\$ 1,080,596</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Overdraft	\$ -	\$ -	\$ 52,079	\$ -	\$ 52,079
Accounts payable	56,463	38,633	23,410	-	118,506
Accrued liabilities	56,619	-	4,077	-	60,696
Unearned revenue	22,876	-	-	-	22,876
Total liabilities	<u>135,958</u>	<u>38,633</u>	<u>79,566</u>	<u>-</u>	<u>254,157</u>
Fund balances:					
Nonspendable (prepaid expenses)	3,241	-	748	-	3,989
Restricted - sales tax dedications	-	138,252	137,983	-	276,235
Assigned - capital expenditures	-	-	-	1,404	1,404
Unassigned	544,811	-	-	-	544,811
Total fund balances	<u>548,052</u>	<u>138,252</u>	<u>138,731</u>	<u>1,404</u>	<u>826,439</u>
Total liabilities and fund balances	<u>\$ 684,010</u>	<u>\$ 176,885</u>	<u>\$ 218,297</u>	<u>\$ 1,404</u>	<u>\$ 1,080,596</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2024

Total fund balances for governmental funds at September 30, 2024		\$ 826,439
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 480,568	
Construction in progress	117,333	
Buildings, net of \$590,599 accumulated depreciation	1,428,053	
Infrastructure, net of \$2,104,063 accumulated depreciation	1,970,972	
Equipment, net of \$614,963 accumulated depreciation	448,708	
Vehicles, net of \$349,486 accumulated depreciation	<u>280,361</u>	4,725,995
Long-term liabilities at September 30, 2024:		
Capital lease payable		<u>(194,007)</u>
Total net position of governmental activities at September 30, 2024		<u>\$ 5,358,427</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds Year Ended September 30, 2024

	General	1967 Sales Tax	2012 Law Enforcement Sales Tax	Capital Projects	Total
Revenues:					
Taxes	\$ 453,021	\$ 852,299	\$ 852,595	\$ -	\$ 2,157,915
Licenses and permits	255,851	-	-	-	255,851
Intergovernmental revenues	80,108	344,694	92,787	-	517,589
Fines and forfeits	367,895	-	-	-	367,895
Miscellaneous	172,746	450	21,656	-	194,852
Total revenues	<u>1,329,621</u>	<u>1,197,443</u>	<u>967,038</u>	<u>-</u>	<u>3,494,102</u>
Expenditures:					
Current -					
General government	600,335	107,106	15,971	-	723,412
Public safety -					
Police	65,737	-	1,086,043	-	1,151,780
Public works	-	769,213	-	-	769,213
Community center	38,542	-	-	-	38,542
Culture and recreation	239,402	-	-	-	239,402
Capital outlay	229,610	492,106	201,648	49,340	972,704
Debt service	-	29,825	-	-	29,825
Total expenditures	<u>1,173,626</u>	<u>1,398,250</u>	<u>1,303,662</u>	<u>49,340</u>	<u>3,924,878</u>
Excess (deficiency) of revenues over expenditures	<u>155,995</u>	<u>(200,807)</u>	<u>(336,624)</u>	<u>(49,340)</u>	<u>(430,776)</u>
Other financing sources (uses):					
Proceeds from Capital lease	-	44,102	179,193	-	223,295
Transfers in	20,443	125,000	227,148	-	372,591
Transfers out	(352,149)	-	-	(351,045)	(703,194)
Total other financing sources (uses)	<u>(331,706)</u>	<u>169,102</u>	<u>406,341</u>	<u>(351,045)</u>	<u>(107,308)</u>
Net changes in fund balances	(175,711)	(31,705)	69,717	(400,385)	(538,084)
Fund balances, beginning	<u>723,763</u>	<u>169,957</u>	<u>69,014</u>	<u>401,789</u>	<u>1,364,523</u>
Fund balances, ending	<u>\$ 548,052</u>	<u>\$ 138,252</u>	<u>\$ 138,731</u>	<u>\$ 1,404</u>	<u>\$ 826,439</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended September 30, 2024

Total net changes in fund balances for the year ended September 30, 2024 per statement of revenues, expenditures and changes in fund balances	\$ (538,084)
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The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances	\$ 972,704	
Depreciation expense for the year ended September 30, 2024	(432,243)	
Loss on disposition of capital assets	(6,962)	533,499

Loan proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal on debt is recorded as expenditures in the governmental funds but reduce liability in the statement of net position.

Proceeds from capital leases	(223,296)	
Principal paid on financed purchase liability	29,289	(194,007)

Total changes in net position for the year ended September 30, 2024 per statement of activities	<u>\$ (198,592)</u>
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The accompanying notes are an integral part of the basic financial statements.

TOWN OF CHURCH POINT, LOUISIANA

Statement of Net Position

Proprietary Fund

September 30, 2024

	<u>Enterprise Fund</u>
ASSETS	
Current assets:	
Cash	\$ 599,488
Interest-bearing deposits	206,465
Receivables -	
Accounts	152,333
Unbilled utility receivables	68,356
Due from other governmental funds	714,206
Inventory	37,771
Prepaid expenses	7,235
Total current assets	<u>1,785,854</u>
Noncurrent assets:	
Restricted assets -	
Cash	216,801
Capital assets -	
Land and construction in progress	1,197,728
Capital assets, net	5,472,985
Total noncurrent assets	<u>6,887,514</u>
Total assets	<u>8,673,368</u>
LIABILITIES	
Current liabilities:	
Accounts payable	114,474
Accrued liabilities	5,722
Contracts payable	197,479
Retainage payable	53,530
Unearned revenue	497,331
Payable from restricted assets -	
Customers' deposits	216,801
Total current liabilities	<u>1,085,337</u>
NET POSITION	
Net investment in capital assets	6,419,704
Unrestricted	1,168,327
Total net position	<u>\$ 7,588,031</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund Year Ended September 30, 2024

	<u>Enterprise Fund</u>
Operating revenues:	
Charges for services -	
Water sales	\$ 862,239
Sewer sales	779,751
Other	<u>66,850</u>
Total operating revenues	<u>1,708,840</u>
Operating expenses:	
Salaries	450,981
Payroll taxes	34,533
Group insurance	70,650
Pension	5,562
Utilities	101,336
Repairs and maintenance	450,333
Auto expense	23,587
Legal and professional	32,960
Insurance	143,601
Operating supplies	38,218
Office supplies and expense	22,130
Dump and disposal charges	4,895
Inspection and testing	12,355
Chemicals	157,614
Uniforms	2,409
Depreciation	341,561
Other	<u>5,903</u>
Total operating expenses	<u>1,908,146</u>
Operating loss	(199,306)
Nonoperating revenues (expenses):	
Interest income	<u>18,570</u>
Loss before contributions and transfers	(180,736)
Capital contributions	576,300
Transfers in	<u>330,603</u>
Change in net position	726,167
Net position, beginning	<u>6,861,864</u>
Net position, ending	<u>\$ 7,588,031</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Statement of Cash Flows Proprietary Fund Year Ended September 30, 2024

	<u>Enterprise Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 1,618,099
Payments to suppliers	(958,195)
Payments to employees	(561,997)
Other receipts	<u>66,850</u>
Net cash provided by operating activities	<u>164,757</u>
Cash flows from noncapital financing activities:	
Cash received from other funds	<u>330,603</u>
Net cash provided by noncapital financing activities	<u>330,603</u>
Cash flows from capital and related financing activities:	
Capital grants received	259,339
Acquisition of property, plant and equipment	<u>(695,206)</u>
Net cash used by capital and related financing activities	<u>(435,867)</u>
Cash flows from investing activities:	
Proceeds of interest-bearing deposits with maturity in excess of ninety days	198,251
Purchase of interest-bearing deposits with maturity in excess of ninety days	(206,465)
Interest on investments	<u>18,570</u>
Net cash provided by investing activities	<u>10,356</u>
Net increase in cash and cash equivalents	69,849
Cash and cash equivalents, beginning of period	<u>746,440</u>
Cash and cash equivalents, end of period	<u>\$ 816,289</u>

(continued)

TOWN OF CHURCH POINT, LOUISIANA

Statement of Cash Flows (Continued)

Proprietary Fund

Year Ended September 30, 2024

	<u>Enterprise Fund</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (199,306)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	341,561
Changes in current assets and liabilities:	
Increase in accounts and unbilled services receivable	(26,653)
Increase in inventory	12,590
Decrease in prepaid expenses	7,235
Increase in accounts payable	26,839
Increase in customer meter deposits	2,762
Decrease in accrued liabilities	(271)
Total adjustments	<u>364,063</u>
Net cash provided by operating activities	<u>\$ 164,757</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:	
Cash and cash equivalents, beginning of period -	
Cash and interest-bearing deposits - unrestricted	\$ 730,652
Cash and interest-bearing deposits - restricted	214,039
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(198,251)</u>
Total cash and cash equivalents	<u>746,440</u>
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits - unrestricted	805,953
Cash and interest-bearing deposits - restricted	216,801
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(206,465)</u>
Total cash and cash equivalents	<u>816,289</u>
Net increase in cash and cash equivalents	<u>\$ 69,849</u>

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

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

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Fund Financial Statements

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

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

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

The major funds of the Town are described below:

Governmental Funds -

General Fund

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

Special Revenue Funds

1967 Sales Tax Fund -

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

2012 Law Enforcement Sales Tax Fund -

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Capital Projects Fund

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

Proprietary Fund -

Enterprise Fund

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Basis of Accounting

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

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

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

D. Assets, Liabilities, and Equity

Cash and interest-bearing deposits

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

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables."

Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible amounts due for customers' utility receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectibles for customers' utility receivables was \$32,957 at September 30, 2024. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Inventories

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or fund financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Town maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to October 1, 2002, some governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

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

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Restricted Assets

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

Long-term debt

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

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

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

Compensated Absences

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

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

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

Equity Classifications

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

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Town's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. At September 30, 2024, the Town reported \$276,235 of restricted net position, all of which is restricted by enabling legislation.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two components and is available for general use by the Town.

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

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

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

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

Governmental Funds - By Character

Proprietary Fund - By Operating and Nonoperating

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

Interfund Transfers

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

F. Revenue Restrictions

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

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

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

G. Use of Estimates

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

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. As of September 30, 2024, the Town had cash and interest-bearing deposits (book balances) as follows:

Demand deposits	\$1,216,972
Time deposits	<u>466,465</u>
Total	<u>\$1,683,437</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town's deposits may not be recovered. Under state law, these deposits, (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. These deposits are stated at cost, which approximates market. Deposit balances (bank balances) as of September 30, 2024 were secured as follows:

Bank balances	<u>\$ 1,797,799</u>
Federal deposit insurance	\$ 768,157
Pledged securities	<u>1,029,642</u>
Total federal deposit insurance and pledged securities	<u>\$ 1,797,799</u>

Deposits in the amount of \$1,029,642 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Town's name. The Town does not have a policy for custodial credit risk.

(3) Ad Valorem Taxes

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

For the year ended September 30, 2024, taxes of 6.950 mills were levied on property with assessed valuations totaling \$19,689,140 and were dedicated to general corporate purposes. Total taxes levied were \$136,912. There were no taxes receivable at September 30, 2024.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(4) Receivables

Receivables as of September 30, 2024 of \$296,003 consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ -	\$ 152,333	\$ 152,333
Unbilled utility	-	68,356	68,356
Franchise tax	75,314	-	75,314
Totals	<u>\$ 75,314</u>	<u>\$ 220,689</u>	<u>\$ 296,003</u>

(5) Due from Other Governmental Units

Amounts due from other governmental units in the amount of \$1,002,737 as of September 30, 2024, consisted of the following:

Fund financial statements:

Governmental Funds -

Acadia Parish School Board:

Sales and use taxes collected but not remitted \$ 282,996

State of Louisiana:

Video poker revenue 5,535

Total governmental funds 288,531

Proprietary Fund:

Grant revenue - Water sector program 501,381

Grant revenue - State of Louisiana 212,825

Total proprietary funds 714,206

Total fund financial statements \$ 1,002,737

Government-wide financial statements:

Total amount reported in -

Governmental Funds, from above \$ 288,531

Proprietary Fund, from above 714,206

Total government-wide financial statements \$ 1,002,737

(6) Restricted Assets - Proprietary Fund Type

Restricted assets in the proprietary fund at September 30, 2024 consisted of amounts owed to customers for utility deposits in the amount of \$216,801.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(7) Capital Assets

Capital asset activity for the year ended September 30, 2024 was as follows:

	Balance 10/01/23	Additions	Deletions	Balance 09/30/24
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 480,568	\$ -	\$ -	\$ 480,568
Construction in progress	289,828	74,708	247,203	117,333
Other capital assets:				
Buildings	1,866,138	152,514	-	2,018,652
Infrastructure	3,339,339	735,696	-	4,075,035
Equipment, furniture and fixtures	999,332	64,339	-	1,063,671
Vehicles	448,143	192,650	10,946	629,847
Total capital assets	<u>7,423,348</u>	<u>1,219,907</u>	<u>258,149</u>	<u>8,385,106</u>
Less accumulated depreciation:				
Buildings	536,958	53,641	-	590,599
Infrastructure	1,940,030	164,033	-	2,104,063
Equipment, furniture and fixtures	481,202	133,761	-	614,963
Vehicles	272,662	80,808	3,984	349,486
Total accumulated depreciation	<u>3,230,852</u>	<u>432,243</u>	<u>3,984</u>	<u>3,659,111</u>
Governmental activities, capital assets, net	<u>\$ 4,192,496</u>	<u>\$ 787,664</u>	<u>\$ 254,165</u>	<u>\$ 4,725,995</u>
Business-type activities:				
Capital assets not being depreciated:				
Land - water system	\$ 100,000	\$ -	\$ -	\$ 100,000
Land - sewer system	450	-	-	450
Construction in progress	486,875	610,403	-	1,097,278
Other capital assets:				
Water system	5,493,498	-	90,401	5,403,097
Sewer system	7,696,686	-	36,684	7,660,002
Vehicles	94,501	-	-	94,501
Other equipment	781,903	84,803	6,470	860,236
Total capital assets	<u>14,653,913</u>	<u>695,206</u>	<u>133,555</u>	<u>15,215,564</u>
Less accumulated depreciation:				
Water system	3,657,639	107,757	90,401	3,674,995
Sewer system	4,321,887	171,035	36,684	4,456,238
Vehicles	74,747	12,287	-	87,034
Machinery and equipment	282,572	50,482	6,470	326,584
Total accumulated depreciation	<u>8,336,845</u>	<u>341,561</u>	<u>133,555</u>	<u>8,544,851</u>
Business-type activities, capital assets, net	<u>\$ 6,317,068</u>	<u>\$ 353,645</u>	<u>\$ -</u>	<u>\$ 6,670,713</u>

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 59,438
Public safety	91,326
Public works	191,912
Community Center	31,358
Culture and recreation	<u>58,209</u>
Total depreciation expense	<u>\$ 432,243</u>

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

Water	\$ 135,685
Sewer	<u>205,876</u>
Total depreciation expense	<u>\$ 341,561</u>

(8) Accounts and Other Payables

The accounts and other payables in the amount of \$550,407 consisted of the following as of September 30, 2024:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$118,506	\$114,474	\$232,980
Other liabilities	<u>60,696</u>	<u>5,722</u>	<u>66,418</u>
Totals	<u>\$179,202</u>	<u>\$371,205</u>	<u>\$550,407</u>

(9) Notes Payable

	<u>Total</u>	<u>Current Portion</u>
\$179,193 note payable dated September 18, 2024, due in four annual installments of \$50,218, including interest at 8.19%, through October 18, 2027, payable from any non-restricted revenues of the city.	<u>179,193</u>	<u>50,218</u>

The annual debt service requirements to maturity are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2025	50,218	98
2026	39,655	10,563
2027	42,903	7,315
2028	<u>46,417</u>	<u>3,802</u>
	<u>\$ 179,193</u>	<u>\$ 21,778</u>

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

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

- A. Proceeds of a 1% sales and use tax approved January 10, 1967, (accounted for in the Sales Tax Fund - a special revenue fund) levied by the Town of Church Point (2024 collections \$852,299) are dedicated to constructing, acquiring, extending, improving and/or maintaining drainage facilities, streets, sidewalks and fire department stations and equipment, including fire engines, and purchasing and acquiring equipment and furnishings for the aforesaid public works, improvements and facilities, title to which shall be in the public name.
- B. Proceeds of a 1% sales and use tax approved May 16, 2012, (accounted for in the Law Enforcement Sales Tax Fund – a special revenue fund) levied by the Town of Church Point (2024 collections \$852,595) are dedicated to support law enforcement in the Town of Church Point.

All of the above sales taxes were issued in perpetuity.

(11) Interfund Transactions

Interfund transfers

Interfund transfers consisted of the following for the year ended September 30, 2024:

	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
Major Funds:		
Governmental Funds -		
General Fund	\$ 20,443	\$ 352,149
Sales Tax Fund	125,000	-
2012 Law Enforcement Sales Tax Fund	227,148	-
Capital Projects Fund	-	351,045
Proprietary Fund -		
Utility Fund	330,603	-
Total	<u>\$ 703,194</u>	<u>\$ 703,194</u>

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

(12) Unearned Revenue

Unearned revenue of \$520,207 as of September 30, 2024 consists of \$497,331 of federal awards received under the American Rescue Plan Act (ARPA) and \$22,876 of payment in lieu of taxes from the Town of Church Point Housing Authority. The ARPA established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) on March 11, 2021, to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The Town is required to spend these funds in accordance with assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(13) Risk Management

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

(14) Litigation and Claims

As of September 30, 2024, the Town is a defendant in several lawsuits principally arising from the normal course of operations. The Town's legal counsel has reviewed the claims filed and has determined that the Town's liability net of insurance coverage is considered immaterial at September 30, 2024. As of September 30, 2024, no liability has been provided for suits filed or unasserted claims which may be filed.

(15) On-Behalf Payments of Salaries

The State of Louisiana paid the Town's policemen \$92,787 of supplemental pay during the year ended September 30, 2024. Such payments are recorded as intergovernmental revenues and public safety expenditures in the Town's government-wide and fund financial statements.

(16) Compensation of Town Officials

Compensation paid to the Mayor and Board of Aldermen is as follows:

Ryan Meche, Mayor	\$ 70,227
Aldermen:	
Gene Malbrough	7,839
Joy Daigle	7,839
Pat O'Pry	7,839
Dale Wimberly	7,839
Errol Comeaux - outgoing	3,902
Jerome Landry - incoming	3,787
	<u>\$ 109,272</u>

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

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

Salary	\$ 70,227
Benefits - insurance	9,031
Retirement	4,389
Other	1,527
	<u>\$ 85,174</u>

(18) Subsequent Events

The Town has evaluated subsequent events through February 25, 2025, the date at which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

TOWN OF CHURCH POINT, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 518,200	\$ 464,267	\$ 453,021	\$ (11,246)
Licenses and permits	227,000	223,094	255,851	32,757
Intergovernmental revenues	76,000	69,162	80,108	10,946
Fines and forfeits	328,500	301,327	367,895	66,568
Miscellaneous	206,600	144,070	172,746	28,676
Total revenues	<u>1,356,300</u>	<u>1,201,920</u>	<u>1,329,621</u>	<u>127,701</u>
Expenditures:				
Current -				
General government	601,308	621,193	600,335	20,858
Public safety - police	67,100	66,010	65,737	273
Community center	55,850	60,611	38,542	22,069
Culture and recreation	216,239	263,426	239,402	24,024
Capital outlay	65,000	119,830	229,610	(109,780)
Total expenditures	<u>1,005,497</u>	<u>1,131,070</u>	<u>1,173,626</u>	<u>(42,556)</u>
Excess (deficiency) of revenues over expenditures	<u>350,803</u>	<u>70,850</u>	<u>155,995</u>	<u>85,145</u>
Other financing sources (uses):				
Transfers in	-	200,000	20,443	(179,557)
Transfers out	(300,000)	(425,000)	(352,149)	72,851
Total other financing sources (uses)	<u>(300,000)</u>	<u>(225,000)</u>	<u>(331,706)</u>	<u>(106,706)</u>
Net change in fund balance	50,803	(154,150)	(175,711)	(21,561)
Fund balance, beginning	<u>552,882</u>	<u>723,763</u>	<u>723,763</u>	<u>-</u>
Fund balance, ending	<u>\$ 603,685</u>	<u>\$ 569,613</u>	<u>\$ 548,052</u>	<u>\$ (21,561)</u>

See notes to the required supplementary information.

TOWN OF CHURCH POINT, LOUISIANA
1967 Sales Tax Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Taxes - sales taxes	\$ 825,000	\$ 710,337	\$ 852,299	\$ 141,962
Federal and state grants	-	-	344,694	344,694
Miscellaneous	1,000	-	450	450
Total revenues	<u>826,000</u>	<u>710,337</u>	<u>1,197,443</u>	<u>487,106</u>
Expenditures:				
Current -				
General government	100,439	99,031	107,106	(8,075)
Public works	761,493	717,766	769,213	(51,447)
Capital outlay	20,000	502,835	492,106	10,729
Debt service	-	-	29,825	(29,825)
Total expenditures	<u>881,932</u>	<u>1,319,632</u>	<u>1,398,250</u>	<u>(78,618)</u>
Excess (deficiency) of revenues over expenditures	<u>(55,932)</u>	<u>(609,295)</u>	<u>(200,807)</u>	<u>408,488</u>
Other financing sources:				
Transfers in	50,000	519,694	125,000	(394,694)
Proceeds from capital lease	-	44,102	44,102	-
Total other financing sources	<u>50,000</u>	<u>563,796</u>	<u>169,102</u>	<u>(394,694)</u>
Net change in fund balance	(5,932)	(45,499)	(31,705)	13,794
Fund balance, beginning	<u>169,957</u>	<u>169,957</u>	<u>169,957</u>	<u>-</u>
Fund balance, ending	<u>\$ 164,025</u>	<u>\$ 124,458</u>	<u>\$ 138,252</u>	<u>\$ 13,794</u>

See notes to the required supplementary information.

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

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Taxes - sales taxes	\$ 825,000	\$ 710,337	\$ 852,595	\$ 142,258
Intergovernmental revenue				
State of Louisiana -				
On-behalf payments	72,000	72,000	92,787	20,787
Miscellaneous				
Other	10,000	360	21,656	21,296
Total revenues	<u>907,000</u>	<u>782,697</u>	<u>967,038</u>	<u>184,341</u>
Expenditures:				
Current -				
General government	14,500	13,000	15,971	(2,971)
Public safety - police	1,091,920	1,057,399	1,086,043	(28,644)
Capital outlay	<u>35,000</u>	<u>199,693</u>	<u>201,648</u>	<u>(1,955)</u>
Total expenditures	<u>1,141,420</u>	<u>1,270,092</u>	<u>1,303,662</u>	<u>(33,570)</u>
Deficiency of revenues				
over expenditures	<u>(234,420)</u>	<u>(487,395)</u>	<u>(336,624)</u>	<u>150,771</u>
Other financing sources:				
Proceeds from capital lease	-	179,193	179,193	-
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>227,148</u>	<u>(22,852)</u>
Total other financing sources	<u>250,000</u>	<u>429,193</u>	<u>406,341</u>	<u>(22,852)</u>
Net change in fund balance	15,580	(58,202)	69,717	127,919
Fund balance, beginning				
Fund balance, beginning	<u>69,014</u>	<u>69,014</u>	<u>69,014</u>	<u>-</u>
Fund balance, ending	<u>\$ 84,594</u>	<u>\$ 10,812</u>	<u>\$ 138,731</u>	<u>\$ 127,919</u>

See notes to the required supplementary information.

TOWN OF CHURCH POINT, LOUISIANA
Capital Projects Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental -				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital outlay-				
Street improvements project:				
Construction costs	-	-	49,340	(49,340)
Total expenditures	-	-	49,340	(49,340)
Excess of revenues over expenditures	-	-	(49,340)	(49,340)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	(518,107)	(351,045)	167,062
Total other financing sources (uses)	-	(518,107)	(351,045)	167,062
Net change in fund balance	-	(518,107)	(400,385)	117,722
Fund balance, beginning	401,789	401,789	401,789	-
Fund balance, ending	\$ 401,789	\$ (116,318)	\$ 1,404	\$ 117,722

See notes to the required supplementary information.

TOWN OF CHURCH POINT, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

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

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

(2) Excess of Expenditures Over Appropriations

For the year ended September 30, 2024, the following funds had actual expenditures over appropriations, at the functional level, as follows:

<u>Fund and Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
Capital outlay	119,830	229,610	(109,780)
Sales Tax Fund:			
General government	99,031	107,106	(8,075)
Public works	717,766	769,213	(51,447)
Debt service	-	29,825	(29,825)
2012 Law Enforcement Sales Tax Fund:			
General government	13,000	15,971	(2,971)
Public safety - police	1,057,399	1,086,043	(28,644)
Capital outlay	199,693	201,648	(1,955)

SUPPLEMENTARY INFORMATION

TOWN OF CHURCH POINT, LOUISIANA

Statement of Net Position September 30, 2024 With Comparative Totals for September 30, 2023

	2024			2023
	Governmental	Business-Type	Total	Totals
	Activities	Activities		
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 660,683	\$ 805,953	\$ 1,466,636	\$ 2,483,804
Receivables, net	75,314	220,689	296,003	280,160
Due from other governmental units	288,531	714,206	1,002,737	487,761
Inventory	-	37,771	37,771	50,361
Prepaid expenses	3,989	7,235	11,224	22,454
Total current assets	<u>1,028,517</u>	<u>1,785,854</u>	<u>2,814,371</u>	<u>3,324,540</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	216,801	216,801	214,039
Capital assets:				
Land and construction in progress	597,901	1,197,728	1,795,629	1,357,721
Capital assets, net	<u>4,128,094</u>	<u>5,472,985</u>	<u>9,601,079</u>	<u>9,151,843</u>
Total noncurrent assets	<u>4,725,995</u>	<u>6,887,514</u>	<u>11,613,509</u>	<u>10,723,603</u>
Total assets	<u>5,754,512</u>	<u>8,673,368</u>	<u>14,427,880</u>	<u>14,048,143</u>
LIABILITIES				
Current liabilities:				
Accounts and other payables	194,016	371,205	565,221	818,105
Unearned revenue	22,876	497,331	520,207	597,116
Notes payable	50,218	-	50,218	-
Customers' deposits	-	216,801	216,801	214,039
Total current liabilities	<u>267,110</u>	<u>1,085,337</u>	<u>1,352,447</u>	<u>1,629,260</u>
Noncurrent liabilities:				
Notes payable	<u>128,975</u>	-	128,975	-
Total liabilities	<u>396,085</u>	<u>1,085,337</u>	<u>1,481,422</u>	<u>1,629,260</u>
NET POSITION				
Net investment in capital assets	4,546,802	6,419,704	10,966,506	10,509,564
Restricted for sales tax dedications	276,235	-	276,235	237,474
Unrestricted	<u>535,390</u>	<u>1,168,327</u>	<u>1,703,717</u>	<u>1,671,845</u>
Total net position	<u>\$ 5,358,427</u>	<u>\$ 7,588,031</u>	<u>\$ 12,946,458</u>	<u>\$ 12,418,883</u>

TOWN OF CHURCH POINT, LOUISIANA

Balance Sheet
General and Special Revenue Funds
September 30, 2024

With Comparative Totals as of September 30, 2023

	General Fund		1967 Sales Tax		2012 Law Enforcement	
	2024	2023	2024	2023	2024	2023
ASSETS						
Cash	\$ 599,920	\$ 752,108	\$ 35,387	\$ 60,341	\$ 76,051	\$ 38,903
Receivables:						
Taxes	75,314	86,124	-	-	-	-
Due from other governmental units	5,535	3,281	141,498	135,827	141,498	135,828
Prepaid expenses	3,241	6,487	-	-	748	1,497
Total assets	<u>\$ 684,010</u>	<u>\$ 848,000</u>	<u>\$ 176,885</u>	<u>\$ 196,168</u>	<u>\$ 218,297</u>	<u>\$ 176,228</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Overdraft	\$ -	\$ -	\$ -	\$ -	\$ 52,079	\$ 72,239
Accounts payable	56,463	53,069	38,633	26,211	23,410	31,759
Accrued liabilities	56,619	46,302	-	-	4,077	3,216
Unearned revenue	22,876	24,866	-	-	-	-
Total liabilities	<u>135,958</u>	<u>124,237</u>	<u>38,633</u>	<u>26,211</u>	<u>79,566</u>	<u>107,214</u>
Fund balances:						
Nonspendable (prepaid expenses)	3,241	6,487	-	-	748	1,497
Restricted - sales tax dedications	-	-	138,252	169,957	137,983	67,517
Unassigned	544,811	717,276	-	-	-	-
Total fund balances	<u>548,052</u>	<u>723,763</u>	<u>138,252</u>	<u>169,957</u>	<u>138,731</u>	<u>69,014</u>
Total liabilities and fund balances	<u>\$ 684,010</u>	<u>\$ 848,000</u>	<u>\$ 176,885</u>	<u>\$ 196,168</u>	<u>\$ 218,297</u>	<u>\$ 176,228</u>

TOWN OF CHURCH POINT, LOUISIANA

Comparative Statement of Net Position

Enterprise Fund

September 30, 2024 and 2023

	Utility Fund	
	2024	2023
ASSETS		
Current assets:		
Cash	\$ 599,488	532,401
Interest-bearing deposits	206,465	198,251
Receivables -		
Accounts	152,333	135,006
Unbilled utility receivables	68,356	59,030
Due from other governmental units	714,206	212,825
Inventory	37,771	50,361
Prepaid expenses	7,235	14,470
Total current assets	<u>1,785,854</u>	<u>1,202,344</u>
Noncurrent assets:		
Restricted assets -		
Cash	216,801	214,039
Capital assets -		
Land and construction in progress	1,197,728	587,325
Capital assets, net	<u>5,472,985</u>	<u>5,729,743</u>
Total noncurrent assets	<u>6,887,514</u>	<u>6,531,107</u>
Total assets	<u>8,673,368</u>	<u>7,733,451</u>
LIABILITIES		
Current liabilities:		
Accounts payable	114,474	87,635
Accrued liabilities	5,722	5,993
Contracts payable	197,479	563,920
Retainage payable	53,530	-
Unearned revenue	497,331	-
Payable from restricted assets -		
Customers' deposits	<u>216,801</u>	<u>214,039</u>
Total current liabilities	<u>1,085,337</u>	<u>871,587</u>
NET POSITION		
Net investment in capital assets	6,419,704	5,753,148
Unrestricted	<u>1,168,327</u>	<u>1,108,716</u>
Total net position	<u>\$ 7,588,031</u>	<u>\$ 6,861,864</u>

TOWN OF CHURCH POINT, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Departmental Analysis of Revenues and Expenses and Change in Net Position
Years Ended September 30, 2024 and 2023

	Totals		Water		Sewer	
	2024	2023	2024	2023	2024	2023
Operating revenues:						
Charges for services	\$ 1,641,990	\$ 1,399,796	\$ 862,239	\$ 765,272	\$ 779,751	\$ 634,524
Other	<u>66,850</u>	<u>48,345</u>	<u>39,118</u>	<u>29,005</u>	<u>27,732</u>	<u>19,340</u>
Total operating revenues	<u>1,708,840</u>	<u>1,448,141</u>	<u>901,357</u>	<u>794,277</u>	<u>807,483</u>	<u>653,864</u>
Operating expenses:						
Salaries	450,981	405,449	277,130	231,801	173,851	173,648
Payroll taxes	34,533	35,644	21,300	20,015	13,233	15,629
Group insurance	70,650	68,038	33,065	36,143	37,585	31,895
Pension	5,562	10,783	312	4,700	5,250	6,083
Utilities and telephone	101,336	101,146	63,316	55,082	38,020	46,064
Repairs and maintenance	450,333	278,362	225,661	183,291	224,672	95,071
Auto expense	23,587	22,108	15,382	12,102	8,205	10,006
Legal and professional	32,960	45,913	16,480	18,698	16,480	27,215
Insurance	143,601	93,654	93,124	56,594	50,477	37,060
Operating supplies	38,218	45,415	30,483	20,765	7,735	24,650
Office supplies and expense	22,130	19,923	19,840	17,253	2,290	2,670
Dump and disposal charges	4,895	399	-	-	4,895	399
Inspection and testing	12,355	13,861	1,642	3,537	10,713	10,324
Engineering fees	9,518	-	4,759	-	4,759	-
Chemicals	157,614	144,016	157,614	144,016	-	-
Uniforms	2,409	1,531	1,572	1,434	837	97
Depreciation	341,561	343,376	135,685	146,767	205,876	196,609
Other	<u>5,903</u>	<u>8,577</u>	<u>4,962</u>	<u>6,535</u>	<u>941</u>	<u>2,042</u>
Total operating expenses	<u>1,908,146</u>	<u>1,638,195</u>	<u>1,102,327</u>	<u>958,733</u>	<u>805,819</u>	<u>679,462</u>
Operating income (loss)	<u>(199,306)</u>	<u>(190,054)</u>	<u>\$ (200,970)</u>	<u>\$ (164,456)</u>	<u>\$ 1,664</u>	<u>\$ (25,598)</u>
Non-operating revenues (expenses):						
Interest income	<u>18,570</u>	<u>6,287</u>				
Total non-operating revenues (expenses)	<u>18,570</u>	<u>6,287</u>				
Income (loss) before contributions and transfers	(180,736)	(183,767)				
Capital contributions	576,300	795,771				
Transfers in (out)	<u>330,603</u>	<u>(659,501)</u>				
Change in net position	726,167	(47,497)				
Net position, beginning	<u>6,861,864</u>	<u>6,909,361</u>				
Net position, ending	<u>\$ 7,588,031</u>	<u>\$ 6,861,864</u>				

TOWN OF CHURCH POINT, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended September 30, 2024

	First Six Month Period Ended 3/31/2024	Second Six Month Period Ended 9/30/2024
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 8,126	\$ 6,674
Add: Collections -		
Bond Fees	2,700	2,920
Criminal Court Costs/Fees	32,270	33,331
Criminal Fines - Other	145,450	143,055
Subtotal Collections	<u>180,420</u>	<u>179,306</u>
Less: Disbursements to Governments and Nonprofits -		
Lafayette Crime Stoppers - Criminal Court Costs/Fees	1,510	1,584
Acadiana Criminalistics Lab - Criminal Court Costs/Fees	27,858	28,454
Louisiana Commission on Law Enforcement - Criminal Court Costs/Fees	1,805	2,025
Louisiana State Treasurer CMIS - Criminal Court Costs/Fees	2,315	2,376
Louisiana Supreme Court - Criminal Court Costs/Fees	1,440	1,115
Louisiana Department of Health- Criminal Court Costs/Fees	1,042	1,123
Louisiana Association of Chief of Police - Criminal Court Costs/Fees	452	396
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	<u>145,450</u>	<u>143,055</u>
Subtotal Disbursements/Retainage	<u>181,872</u>	<u>180,128</u>
Ending Balance of Amounts Collected but not not Disbursed/Retained (i.e. cash on hand)	<u>\$ 6,674</u>	<u>\$ 5,852</u>

OTHER INFORMATION

TOWN OF CHURCH POINT, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Positive (Negative)	Actual
Revenues:					
Taxes -					
Ad valorem	\$ 130,000	\$ 137,973	\$ 136,973	\$ (1,000)	\$ 130,406
Franchise - electric	300,000	238,225	233,612	(4,613)	249,377
Franchise - gas	32,000	32,385	22,278	(10,107)	31,391
Franchise - cable	52,000	52,511	57,207	4,696	49,823
Franchise - telephone	4,200	3,173	2,951	(222)	4,915
Total taxes	<u>518,200</u>	<u>464,267</u>	<u>453,021</u>	<u>(11,246)</u>	<u>465,912</u>
Licenses and permits -					
Occupational licenses	225,000	221,744	253,901	32,157	239,942
Permits	<u>2,000</u>	<u>1,350</u>	<u>1,950</u>	<u>600</u>	<u>2,500</u>
Total licenses and permits	<u>227,000</u>	<u>223,094</u>	<u>255,851</u>	<u>32,757</u>	<u>242,442</u>
Intergovernmental revenues -					
State of Louisiana:					
Housing Authority payment	23,000	22,000	24,866	2,866	22,595
Beer taxes	8,000	6,911	6,872	(39)	11,583
Video poker commissions	<u>45,000</u>	<u>40,251</u>	<u>48,370</u>	<u>8,119</u>	<u>43,238</u>
Total intergovernmental revenues	<u>76,000</u>	<u>69,162</u>	<u>80,108</u>	<u>10,946</u>	<u>77,416</u>
Fines and forfeits	<u>328,500</u>	<u>301,327</u>	<u>367,895</u>	<u>66,568</u>	<u>369,606</u>
Miscellaneous -					
Rent income	59,600	38,977	26,945	(12,032)	36,985
Other revenues	<u>147,000</u>	<u>105,093</u>	<u>145,801</u>	<u>40,708</u>	<u>310,532</u>
Total miscellaneous	<u>206,600</u>	<u>144,070</u>	<u>172,746</u>	<u>28,676</u>	<u>347,517</u>
Total revenues	<u>\$ 1,356,300</u>	<u>\$ 1,201,920</u>	<u>\$ 1,329,621</u>	<u>\$ 127,701</u>	<u>\$ 1,502,893</u>

TOWN OF CHURCH POINT, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Positive (Negative)	Actual
Current -					
General government:					
Salaries	\$ 208,462	\$180,667	\$ 189,044	\$ (8,377)	\$ 186,193
Court salaries	44,096	44,035	45,639	(1,604)	58,611
Payroll taxes	19,500	19,603	17,960	1,643	21,952
Group insurance	21,000	26,232	18,824	7,408	15,445
Pension	15,000	11,197	11,852	(655)	11,299
General insurance	60,000	60,823	25,423	35,400	65,895
Workers' compensation	9,400	9,586	10,274	(688)	10,297
Legal and professional	87,000	96,811	109,495	(12,684)	102,893
Office expense and supplies	47,000	48,125	50,970	(2,845)	49,164
Advertising and promotion	10,000	19,804	20,895	(1,091)	11,273
Conventions and seminars	-	-	148	(148)	171
Repairs and maintenance	12,000	23,475	14,354	9,121	18,671
Dues and subscriptions	1,300	1,521	1,021	500	1,021
Utilities and telephone	35,500	38,962	40,096	(1,134)	37,158
Preparation of tax rolls	5,800	5,581	5,571	10	5,606
Miscellaneous	17,250	22,947	28,032	(5,085)	12,885
Presbytere expense	8,000	11,824	10,737	1,087	12,533
Total general government	601,308	621,193	600,335	20,858	621,067
Public safety:					
Police department -					
Transportation	-	-	78	(78)	-
Uniforms and Supplies	2,000	322	72	250	1,854
Crime lab fees	48,000	48,212	49,087	(875)	48,715
Court fees paid to other agencies	17,100	17,476	16,427	1,049	17,294
Total public safety	67,100	66,010	65,737	273	67,863
Community Center:					
Office expense and supplies	6,350	16,560	14,015	2,545	6,997
General insurance	18,000	16,541	1,541	15,000	8,949
Repairs and maintenance	5,000	9,328	9,354	(26)	29,373
Telephone and utilities	11,500	11,812	8,262	3,550	9,850
Miscellaneous	15,000	6,370	5,370	1,000	13,250
Total Community Center	55,850	60,611	38,542	22,069	68,419

(continued)

TOWN OF CHURCH POINT, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Positive (Negative)	Actual
Culture and recreation:					
Salaries	72,589	72,171	74,958	(2,787)	55,565
Payroll taxes	5,200	5,106	5,721	(615)	4,413
Automobile expense	5,000	4,876	5,321	(445)	3,978
Tournament fees	32,500	7,500	16,623	(9,123)	7,049
Softball services	-	15,000	-	15,000	22,250
Supplies	25,000	24,478	35,433	(10,955)	31,098
Central park	-	20,228	20,518	(290)	28,741
Repairs and maintenance	15,000	82,875	28,142	54,733	18,817
Telephone and utilities	14,600	13,078	14,543	(1,465)	16,481
Uniforms	400	845	645	200	555
Insurance	42,000	10,655	35,749	(25,094)	13,193
Miscellaneous	3,950	6,614	1,749	4,865	5,301
Total culture and recreation	216,239	263,426	239,402	24,024	207,441
Capital outlay -					
General government:					
Buldings and improvements	-	-	34,169	(34,169)	6,851
Vehicles and equipment	-	-	6,416	(6,416)	23,441
Culture and recreation:					
Park equipment	-	35,000	5,509	29,491	-
Park improvements	65,000	84,830	183,516	(98,686)	217,666
Total capital outlay	65,000	119,830	229,610	(109,780)	247,958
Total expenditures	\$1,005,497	\$ 1,131,070	\$ 1,173,626	\$ (42,556)	\$ 1,212,748

TOWN OF CHURCH POINT, LOUISIANA
1967 Sales Tax Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Positive (Negative)	Actual
Revenues:					
Taxes - sales taxes	\$ 825,000	\$ 710,337	\$ 852,299	\$ 141,962	\$ 856,528
Federal and state grants	-	-	344,694	344,694	-
Miscellaneous -					
Grass cutting	1,000	-	450	450	15,000
Total revenues	<u>826,000</u>	<u>710,337</u>	<u>1,197,443</u>	<u>487,106</u>	<u>871,528</u>
Expenditures:					
Current -					
General government:					
Salaries	62,639	59,993	62,306	(2,313)	58,957
Payroll taxes	3,800	7,351	4,637	2,714	4,450
Pension	4,500	3,867	8,007	(4,140)	4,110
Legal and professional	15,000	14,820	16,485	(1,665)	16,715
Collection expense	14,500	13,000	15,671	(2,671)	13,274
Total general government	<u>100,439</u>	<u>99,031</u>	<u>107,106</u>	<u>(8,075)</u>	<u>97,506</u>
Public works:					
Salaries	355,351	332,526	347,677	(15,151)	320,189
Payroll taxes	28,428	26,084	26,596	(512)	24,683
Group insurance	60,000	62,577	56,295	6,282	49,577
Pension	14,214	9,540	8,856	684	11,112
Workers compensation	30,000	25,683	24,450	1,233	32,999
Legal and professional	2,000	-	-	-	1,618
Gravel, shell and supplies	20,000	20,874	24,936	(4,062)	16,130
Repairs and maintenance	45,000	45,149	81,167	(36,018)	37,945
Transportation	40,000	36,223	45,607	(9,384)	45,206
Telephone and utilities	11,500	9,875	8,958	917	16,394
Insurance	35,000	28,010	20,690	7,320	23,748
Miscellaneous	40,000	35,903	38,733	(2,830)	41,901
Street lighting	80,000	85,322	85,248	74	78,400
Total public works	<u>761,493</u>	<u>717,766</u>	<u>769,213</u>	<u>(51,447)</u>	<u>699,902</u>

(continued)

TOWN OF CHURCH POINT, LOUISIANA
1967 Sales Tax Fund

Budgetary Comparison Schedule (Continued)
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024			
	Budget		Variance -	2023
	Original	Final	Positive (Negative)	Actual
Capital outlay -				
Public works:				
Vehicle	-	-	-	17,100
Equipment	-	48,773	(150)	-
Buildings and improvements	20,000	454,062	10,879	29,692
Total capital outlay	20,000	502,835	10,729	46,792
Debt service -				
Principal retirement	-	-	(29,288)	-
Interest and fiscal charges	-	-	(537)	-
Total debt service	-	-	(29,825)	-
Total expenditures	881,932	1,319,632	(78,618)	844,200
Deficiency of revenues over expenditures	(55,932)	(609,295)	408,488	27,328
Other financing sources:				
Proceeds from capital lease	-	44,102	-	-
Transfers in	50,000	519,694	(394,694)	122,000
Total other financing sources	50,000	563,796	(394,694)	122,000
Net change in fund balance	(5,932)	(45,499)	13,794	149,328
Fund balance, beginning	169,957	169,957	-	20,629
Fund balance, ending	\$ 164,025	\$ 124,458	\$ 13,794	\$ 169,957

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

Budgetary Comparison Schedule
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Positive (Negative)	Actual
Revenues:					
Taxes - sales taxes	\$ 825,000	\$ 710,337	\$ 852,595	\$ 142,258	\$ 856,522
Intergovernmental revenue -					
State of Louisiana -					
On-behalf payments	72,000	72,000	92,787	20,787	83,120
Miscellaneous -					
Other	10,000	360	21,656	21,296	10,509
Total revenues	907,000	782,697	967,038	184,341	950,151
Expenditures:					
Current-					
General government:					
Collection expense	14,500	13,000	15,971	(2,971)	13,271
Public safety - police:					
Salaries	590,198	544,096	558,971	(14,875)	551,665
Salaries-On behalf payments	72,000	72,000	92,787	(20,787)	83,120
Payroll taxes	47,216	49,040	50,351	(1,311)	49,054
Group insurance	75,000	74,915	50,476	24,439	66,953
Pension	20,657	25,863	30,062	(4,199)	22,779
Workers compensation	41,000	37,813	29,081	8,732	42,825
Transportation	105,000	114,566	115,871	(1,305)	83,764
Supplies	13,500	11,916	26,252	(14,336)	24,963
Telephone and utilities	19,000	20,825	21,282	(457)	20,258
Legal and professional	15,000	14,820	16,485	(1,665)	16,715
Insurance	60,000	59,729	60,431	(702)	59,376
Repairs and maintenance	8,000	10,279	13,300	(3,021)	10,465
Training and seminars	4,000	1,889	3,183	(1,294)	4,358
Meals for prisoners	3,000	2,751	2,554	197	2,902
Uniforms	6,000	5,341	6,059	(718)	5,237
Miscellaneous	12,349	11,556	8,898	2,658	7,352
Total public safety	1,091,920	1,057,399	1,086,043	(28,644)	1,051,786

(continued)

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

Budgetary Comparison Schedule (Continued)
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Positive (Negative)	Actual
Capital outlay - equipment	<u>35,000</u>	<u>199,693</u>	<u>201,648</u>	<u>(1,955)</u>	<u>116,127</u>
Total expenditures	<u>1,141,420</u>	<u>1,270,092</u>	<u>1,303,662</u>	<u>(33,570)</u>	<u>1,181,184</u>
Deficiency of revenues over expenditures	<u>(234,420)</u>	<u>(487,395)</u>	<u>(336,624)</u>	<u>150,771</u>	<u>(231,033)</u>
Other financing sources:					
Proceeds from capital lease	-	179,193	179,193	-	-
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>227,148</u>	<u>(22,852)</u>	<u>256,406</u>
Total other financing sources	<u>250,000</u>	<u>429,193</u>	<u>406,341</u>	<u>(22,852)</u>	<u>256,406</u>
Net change in fund balance	15,580	(58,202)	69,717	127,919	25,373
Fund balance, beginning	<u>69,014</u>	<u>69,014</u>	<u>69,014</u>	<u>-</u>	<u>43,641</u>
Fund balance, ending	<u>\$ 84,594</u>	<u>\$ 10,812</u>	<u>\$ 138,731</u>	<u>\$ 127,919</u>	<u>\$ 69,014</u>

TOWN OF CHURCH POINT, LOUISIANA
Capital Projects Fund

Budgetary Comparison Schedule
Budget (GAAP Basis) and Actual
For the Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024		Variance -	2023
	Budget		Positive	Actual
	Original	Final	(Negative)	
Revenues:				
Intergovernmental -				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital outlay-				
Street improvements project:				
Construction costs	-	-	49,340	-
Total expenditures	-	-	49,340	-
Deficiency of revenues over expenditures	-	-	(49,340)	-
Other financing sources (uses):				
Transfers in	-	-	-	400,359
Transfers out	-	(518,107)	167,062	-
Total other financing sources (uses)	-	(518,107)	167,062	400,359
Net change in fund balance	-	(518,107)	117,722	400,359
Fund balance, beginning	401,789	401,789	-	1,430
Fund balance, ending	<u>\$ 401,789</u>	<u>\$ (116,318)</u>	<u>\$ 117,722</u>	<u>\$ 401,789</u>

TOWN OF CHURCH POINT, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
September 30, 2024 and 2023

Records maintained by the City indicated the following number of customers were being serviced during the months of September 30, 2024 and 2023:

<u>Department</u>	<u>2024</u>	<u>2023</u>
Water	1,748	1,770
Sewer	1,676	1,699

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER MATTERS**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Church Point, Louisiana (the Town) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated February 25, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2024-001, 2024-002 and 2024-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

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

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

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
February 25, 2025

TOWN OF CHURCH POINT, LOUISIANA

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

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

A. Internal Control Findings –

2024-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

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

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

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

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

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

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

2024-002 Inadequate Controls Over Financial Statement Preparation

Fiscal year finding initially occurred: 2021

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

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

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

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

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

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

TOWN OF CHURCH POINT, LOUISIANA

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

2024-003 Inadequate Controls Over Contracts for Services

Fiscal year finding initially occurred: 2024

CONDITION: The Town should have policies and procedures in place to ensure that contracts for services are properly obtained including determining the contract terms, conditions, and estimated cost.

CRITERIA: The Town is utilizing a single vendor for services for repairs and maintenance throughout the Town without obtaining a proper contract with the vendor as to the type and scope of services that were being requested nor determining the cost of the services.

CAUSE: The Town does not have adequate policies and procedures related to obtaining contracts for services including terms and cost.

EFFECT: The current year's expenses for repairs and maintenance have greatly increased over prior year. The Town has determined that hiring the work to be done is more efficient and by not entering into a proper contract with a vendor, the Town cannot properly determine, nor monitor the cost incurred.

RECOMMENDATION: The Town should obtain quotes from vendors for the work that is required to ensure that the best price is obtained to ensure the Town is controlling expenses.

MANAGEMENT'S CORRECTION ACTION PLAN: The Town has evaluated the cost vs benefit of performing the services internally and has determined that hiring the services out is the best use of funds. The Town will consider obtaining a contract with the vendor they choose to perform these services.

B. Compliance Findings:

There were no compliance findings reported for the year ended September 30, 2024.

C. Management Letter:

A management letter was issued related to (1) timeliness of issuance of utility billings, (2) monthly billing adjustments, and (3) operating losses in the utility fund.

TOWN OF CHURCH POINT, LOUISIANA
Summary Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan

Part II. Prior Year Findings

A. Internal Control Findings –

2023-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

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

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

CURRENT STATUS: Unresolved. See finding 2024-001.

2023-002: Inadequate Controls Over Financial Statement Preparation

Fiscal Year finding initially occurred: 2021

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

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

CURRENT STATUS: Unresolved. See Finding 2024-002

TOWN OF CHURCH POINT

Church Point, Louisiana

Agreed-Upon Procedures Report

Year Ended September 30, 2024

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2023 through September 30, 2024. The Town of Church Point, Louisiana's management is responsible for those C/C areas identified in the SAUPs.

The Town has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period October 1, 2023 through September 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

Board or Finance Committee

- 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:
 - 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.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
 - c) Obtain the prior year audit report and observe the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.
 - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Bank Reconciliations

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

Collections (excluding electronic fund transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
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:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- 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 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

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

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. Randomly select 5 locations (or all locations if less than 5).
- 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 custodial has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/ officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- 10. For each location selected under #8 above, obtain the Town'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:
 - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9, as applicable.
- 11. Using the Town's main operating account and the month selected in "Bank Reconciliations" procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:
 - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
 - b) Approved by the required number of authorized signers per the entity's policy.

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

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - 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) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #13 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 missing receipts, describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - 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 #1g).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- 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.
- 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).
- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) 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 agree to the terms and conditions of the contract.

Payroll and Personnel

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

Ethics

- 21. Using the 5 randomly selected employees/officials from procedure #17 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 calendar year as required by R.S. 42:1170; and
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- 22. Inquired and/or observed whether the custodial has appointed an ethics designee as required by R.S. 42:1170.

Debt Service

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. 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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Fraud Notice

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

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

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

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- 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 evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

- a. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

29. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the Town's information technology assets completed cybersecurity training as required by R.S. 42:1267:

- a. Completed the training if hired before June 9, 2020; and
- b. Completed the training within 30 days of initial service or employment if hired on or after June 9, 2020.

We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

30. Using the 5 randomly selected employees/officials from procedure #17 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 as required by R.S. 42:343.

31. 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).

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

Exceptions:

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

Written Policies and Procedures

- 1. The entity does not have written policies and procedures for Information Technology Disaster Recovery/ Business Continuity nor the Prevention of Sexual Harassment. In addition, the Town's policies and procedures do not address the following: (a) Purchasing- how vendors are added to the vendor list; (b) Payroll/Personnel- approval process for employees rate of pay or approval and maintenance of pay rate schedules; (c) Credit Cards- required approvers of statements; (d) Ethics- a system to monitor possible ethics violations and the requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Board

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

Bank Reconciliations

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

Disbursements

4. There is no evidence of segregation of duties with payment of invoices. There are no signatures to indicate that more than one person is reviewing the disbursement before it is sent out.

Credit Cards

5. Credit card statements were not reviewed and approved, in writing, by someone other than the authorized card holder, and three transactions were not supported by an original itemized receipt that stated the business purpose. It was also noted the office administrator is responsible for maintaining and reviewing the credit card sign-out book but can also issue a card to herself.

Management's Response:

Management concurs with the exceptions noted and is working to address the deficiencies identified.

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
February 25, 2025