

MINUTES OF A REGULAR MEETING OF THE MAYOR AND COUNCIL, TOWN OF  
SORRENTO, TUESDAY, JULY 14, 2020 6:00 P.M., VIRTUAL MEETING, SORRENTO  
TOWN HALL, SORRENTO, LOUISIANA

Members Present:

Councilmen: Christopher Guidry, Wanda Bourgeois, Randy Anny, Donald Schexnaydre

Mayor: Michael Lambert

Town Clerk: Paige Robert

Absent: Patti Poche

Motion by Councilman Christopher Guidry and seconded by Councilman Donald Schexnaydre to approve the minutes of the regular meeting of the mayor and council taken Thursday, June 11, 2020. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Christopher Guidry, Randy Anny, Donald Schexnaydre

NAYS: None ABSENT: Patti Poche

Motion by Councilman Randy Anny and seconded by Councilman Wanda Bourgeois to adopt the CEA with the Parish of Ascension to purchase a 50KW Portable Generator for the Guedry Street Sewer Lift Station Site with FEMA Hazard Mitigation Funding which is a 75% federal and 25% local match. Estimated Total amount \$58,374.03. Motion carried. Vote as follows:

YEAS: Christopher Guidry, Randy Anny, Donald Schexnaydre, Wanda Bourgeois

NAYS: None

Motion by Councilman Randy Anny and seconded by Councilman Donald Schexnaydre to place the revote on the reappointment of planning and zoning member Juanita Tillison on next meeting agenda of the Mayor and Council on Tuesday, August 4, 2020 and to have applications for the position turned in by Wednesday July 28, 2020 at 4:30 pm., pending town attorney research on whether or not the appointed planning and zoning member, Chad Dominque has a challenge to retain his seat. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Christopher Guidry, Randy Anny, Donald Schexnaydre

NAYS: None ABSENT: Patti Poche

Motion by Councilman Don Schexnaydre and seconded by Councilman Randy Anny to approve the quote from Louisiana Pond Management for oxidation pond repairs – Kasco Surface Aeration with Subsurface Sentinel Aeration System: \$19,952.00

a. Includes 2, 2HP surface aeration units in each cell.

b. Includes subsurface diffused air system through 6, ½” weighted tubes

c. 1 HP Compressor, 13.5 CFM.

Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Christopher Guidry, Randy Anny, Donald Schexnaydre

NAYS: None ABSENT: Patti Poche

Mayor Lambert opened public hearing to discuss ordinance 20-01 amending the 2020 Budget and adopting the 2021 Operating Budget of Revenues and Expenditures.

Mayor Lambert closed the public hearing.

Motion by Councilman Donald Schexnaydre and seconded by Councilman Randy Anny to adopt ordinance 20-01. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Donald Schexnaydre, Randy Anny

NAYS: Christopher Guidry ABSENT: Patti Poche



**BUDGET ADOPTION  
ORDINANCE 20-01**

An ordinance amending the 2020 Budget and adopting the 2021 Operating Budget of Revenues and Expenditures.

**SECTION 1.** The 2020 Operating Budget for the year ending June 30, 2020 (as attached) is amended, as summarized for all funds and the 2021 Operating Budget for the year then ending (as attached) is adopted, as follows:

	2020		2021	
	Original	Adjustment	Budget	Budget
<b>Revenues:</b>				
Taxes	\$ 802,000	2,500	\$ 804,500	\$ 817,100
Intergovernmental	33,000	9,500	42,500	8,000
Charges for services	214,500	4,750	219,250	222,000
License and permits	96,300	5,000	101,300	101,300
Fines	1,500	3,100	4,600	4,600
Other	4,100	1,100	5,200	4,700
<b>Total revenues &amp; other sources</b>	<b>\$ 1,151,600</b>	<b>\$ 25,950</b>	<b>\$ 1,177,350</b>	<b>\$ 1,157,700</b>
<b>Expenditures:</b>				
General government	\$ 298,200	\$ (24,800)	\$ 273,400	\$ 299,600
Public safety:				
Police	366,700	(200)	366,500	366,500
Fire	32,000	20,000	52,000	32,500
Highway and streets	286,300	38,700	325,000	267,200
Recreation	29,800	31,200	61,000	25,800
Senior citizens	30,000	-	30,000	30,000
Utility operations	270,700	(12,100)	258,600	277,750
<b>Total expenditures</b>	<b>\$ 1,313,700</b>	<b>\$ 52,800</b>	<b>\$ 1,366,500</b>	<b>\$ 1,299,350</b>

**SECTION 2.** The amendment of the 2020 and the adoption of the 2021 operating budget of expenditures is declared to be an appropriation of funds as set forth in the budget classifications and that all appropriations lapse at each year end.

**SECTION 3.** Amounts are available for expenditure only to the extent included within this budget.

**SECTION 4.** The Mayor is hereby authorized to make line item adjustments during fiscal year 2021 of expenditures within a functional department. Such adjustments are to be reported to the Town Council. To the extent actual expenditures exceed the amount appropriated by 5% or more in an individual fund, the Mayor will recommend a budget amendment to the Town Council for approval as required by the Louisiana Local Government Budget Act, La. R.S. 39:1311.

Whereas, said proposed budget was duly set, after proper notice to the public, for public hearing which was held on July 14, 2020 as required by the revised statutes of the State of Louisiana.

Whereas, the Sorrento Town Council has reviewed and considered such proposed budget and made revisions of same,

This ordinance was introduced on June 11, 2020, by Councilman Donald Schexnaydre. A public hearing having been duly held, the title read, and the ordinance considered, on motion by Councilman Don Schexnaydre, seconded by Councilman Randy Anny, a record vote was had as follows:

**YEAS: Wanda Bourgeois, Don Schexnaydre, Randy Anny**

**NAYS: Christopher Guidry**

**ABSTAINED:**

**ABSENT: Patti Poche**

And this ordinance was passed on the 14<sup>th</sup> day of July 2020.



Mayor Lambert opened public hearing to discuss ordinance 19-12, An Ordinance Amending the Code of Ordinances for the Town of Sorrento, to add Chapter 3-- Financial Policies and Procedures.

Mayor Lambert closed the public hearing.

Motion by Councilman Donald Schexnaydre and seconded by Councilman Randy Anny to adopt ordinance 19-12. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Christopher Guidry, Donald Schexnaydre, Randy Anny

NAYS: None

ABSENT: Patti Poche

A complete copy of the ordinance is available at the town hall for review.

Mayor Lambert opened public hearing to discuss ordinance 19-13, An Ordinance to Amend Sec. 69-28 of the Code of Ordinances with Respect to "Sewer user charges; collections"

Mayor Lambert closed the public hearing.


No action was taken due to lack of a motion.


Motion by Councilman Randy Anny and seconded by Councilman Christopher Guidry to condemn the structure located at 8168 Main St. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Christopher Guidry, Randy Anny, Donald Schexnaydre

NAYS: None

There being no further business to be brought before the Mayor and Council, on motion duly made and seconded, the meeting was adjourned.

  
\_\_\_\_\_  
Paige K. Robert, Town Clerk

  
\_\_\_\_\_  
Michael Lambert, Mayor



**Mayor and City Council Report**

**City Calls and Arrest**

**Sorrento, Louisiana**

	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020
Veh. Accidents	19	10	11	8	10	10		
Burglaries	0	3	4	2	1	2		
Thefts	3	3	2	6	6	8		
Armed Robbery	0	0	0	0	0	0		
Simple Robbery	0	0	0	0	0	0		
Alarms	13	7	11	14	9	11		
Narcotics	0	2	0	0	0	0		
Shooting	1	0	1	0	0	0		
<b>Total Service C</b>	<b>114</b>	<b>103</b>	<b>110</b>	<b>73</b>	<b>79</b>	<b>89</b>		
SCO/Loud Musi	0	0	0	0	0	0		

Traffic Citations	56	27	9	5	23	9		
Adult Arrests	1	1	0	0	4	6		

  
 Cpt. Roosevelt Hampton





<b>Row Labels</b>	<b>Count of Incident Number</b>
911 Investigation	2
Accident	10
Alarm	11
Assist	13
Burglary	2
Check on Welfare	6
Civil Dispute	3
Damage to Property	1
Disturbance	10
Missing/Runaway	1
Narcotics	1
Sex Offense	1
Suicide Investigation	1
Suspicious Person/Vehicle	11
Theft	8
Traffic Incident	7
Weapons Violations	1
<b>Grand Total</b>	<b>89</b>



## BUDGET ADOPTION

### ORDINANCE 20-01

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Total revenues & other sources	\$ 1,151,600	\$ 25,950	\$ 1,177,350	\$ 1,157,700
<b>Expenditures:</b>				
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Public safety:				
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Whereas, said proposed budget was duly set, after proper notice to the public, for public hearing which was held on July 14, 2020 as required by the revised statutes of the State of Louisiana.



Whereas, the Sorrento Town Council has reviewed and considered such proposed budget and made revisions of same,

This ordinance was introduced on June 11, 2020, by Councilman Donald Schexnaydre. A public hearing having been duly held, the title read, and the ordinance considered, on motion by Councilman Don Schexnaydre, seconded by Councilman Randy Anny, a record vote was had as follows:

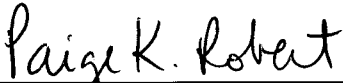
**YEAS: Wanda Bourgeois, Don Schexnaydre, Randy Anny**

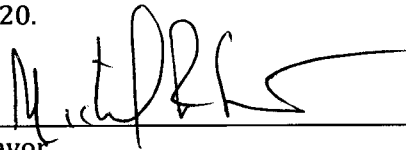
**NAYS: Christopher Guidry**

**ABSTAINED:**

**ABSENT: Patti Poche**

And this ordinance was passed on the 14<sup>th</sup> day of July 2020.

  
\_\_\_\_\_  
Town Clerk

  
\_\_\_\_\_  
Mayor



# ***Sorrento***<sup>®</sup> LOUISIANA

**2021 OPERATING BUDGET**





**TOWN OF SORRENTO, LOUISIANA**

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TOWN OF SORRENTO, LOUISIANA  
 ANNUAL REPORT ON THE BUDGET  
 (R.S. 39:1316)  
 June 30, 2021

2021  
 BUDGET YEAR

	GENERAL FUND	RESTRICTED FUND	UTILITY FUND	TOTAL BUDGET
\$	560,000	\$ 97,500	\$ -	\$ 657,500
	90,000	-	-	90,000
	66,600	-	-	66,600
	3,000	-	-	3,000
	8,000	-	-	8,000
	1,000	-	-	1,000
	100,000	-	-	100,000
	300	-	-	300
	4,600	-	-	4,600
	11,500	15,000	195,500	222,000
	1,000	3,400	300	4,700
	\$ 846,000	\$ 115,900	\$ 195,800	\$ 1,157,700

Estimated revenues:

Taxes:	
Sales and use	
Franchise	
Ad valorem	
Other	
Intergovernmental	
Licenses & permits :	
Beer & Liquor	
Occupational	
Permits	
Fines and fees	
Charges for services	
Other	
Total estimated revenues	



**TOWN OF SORRENTO, LOUISIANA**  
**ANNUAL REPORT ON THE BUDGET**  
**(R.S. 39:1316)**  
**June 30, 2021**

	2021 BUDGET YEAR			
	GENERAL FUND	RESTRICTED FUND	UTILITY FUND	TOTAL BUDGET
<u>Estimated expenditures:</u>				
General government	\$ 299,100	\$ 500	-	\$ 299,600
Public safety:				
Police	366,500	-	-	366,500
Fire	-	32,500	-	32,500
Highway and streets	267,200	-	-	267,200
Recreation	-	25,800	-	25,800
Senior citizens	-	30,000	-	30,000
Utility	-	-	277,750	277,750
<b>Total estimated expenditures</b>	<b>932,800</b>	<b>88,800</b>	<b>277,750</b>	<b>1,299,350</b>
<b>Operating surplus (deficit) before other financing sources (uses)</b>	<b>(86,800)</b>	<b>27,100</b>	<b>(81,950)</b>	<b>(141,650)</b>
<u>Estimated other financing sources (uses):</u>				
Proceeds from sale of capital assets	50,000	-	-	50,000
Transfer to General Fund - Personnel	29,600	(14,800)	(14,800)	-
Transfer to General Fund - Debt service	-	-	-	-
Transfer to General Fund - Public Safety	12,000	(6,000)	(6,000)	-
<b>Operating deficit</b>	<b>4,800</b>	<b>6,300</b>	<b>(102,750)</b>	<b>(91,650)</b>
<b>Estimated beginning fund balance</b>	<b>497,515</b>	<b>236,657</b>	<b>947,006</b>	<b>1,681,178</b>
<b>Estimated ending fund balance</b>	<b>\$ 502,315</b>	<b>\$ 242,957</b>	<b>\$ 844,256</b>	<b>\$ 1,539,528</b>



TOWN OF SORRENTO, LOUISIANA  
GENERAL FUND SUMMARY  
June 30, 2021

	2020				2021				% CHANGE	
	2018		2019		2020		2021		2019 PROPOSED VS.	2020 PROJECTED
	COMPLETED	COMPLETED	ORIGINAL ADOPTED	ACTUAL MARCH 2020	ESTIMATED REMAINING	TOTAL ESTIMATED	MAY AMENDMENT	PROPOSED BUDGET	ORIGINAL VS. PROPOSED	2020 PROJECTED
<b>REVENUES</b>										
Taxes										
Sales and use	\$ 560,949	\$ 540,333	\$ 550,000	\$ 444,527	\$ 111,132	\$ 555,659	\$ -	\$ 550,000	1%	\$ 560,000
Franchise	90,477	89,685	90,000	70,240	23,413	93,653	-	90,000	4%	90,000
Ad valorem	60,080	63,596	63,000	65,776	-	65,776	2,500	65,500	4%	66,600
Beer	1,968	2,649	3,000	2,056	685	2,741	-	3,000	-9%	3,000
Fines	952	2,627	1,700	4,384	1,461	5,845	2,900	4,600	244%	4,600
Licenses and permits	120,964	104,858	96,300	60,101	20,034	80,135	5,000	101,300	-17%	101,300
Intergovernmental	15,817	28,883	33,000	18,599	9,999	28,598	9,500	42,500	-13%	8,000
Charges for services	11,626	11,460	11,500	11,145	3,715	14,860	-	11,500	29%	11,500
Investment income	308	521	500	324	108	432	-	500	-14%	500
Miscellaneous	2,466	205	500	40	13	53	500	1,000	-89%	500
<b>Total revenues</b>	<b>865,607</b>	<b>844,817</b>	<b>849,500</b>	<b>677,192</b>	<b>170,561</b>	<b>847,753</b>	<b>20,400</b>	<b>869,900</b>	<b>-3%</b>	<b>846,000</b>
<b>EXPENDITURES</b>										
Current function:										
General government	273,199	289,854	297,700	201,292	96,408	297,700	(24,800)	272,900	-8%	299,100
Public safety	366,001	365,061	366,700	274,181	91,394	365,528	(200)	366,500	0%	366,500
Highway and streets	283,849	332,523	286,300	251,662	34,638	286,300	38,700	325,000	14%	267,200
<b>Total expenditures</b>	<b>923,049</b>	<b>987,438</b>	<b>950,700</b>	<b>727,135</b>	<b>222,440</b>	<b>949,528</b>	<b>13,700</b>	<b>964,400</b>	<b>-3%</b>	<b>932,800</b>
Excess of expenditures over revenue	(57,442)	(142,621)	(101,200)	(49,943)	(51,879)	(101,775)	6,700	(94,500)	-7%	(86,800)
<b>OTHER FINANCING SOURCES</b>										
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	0%	50,000
Proceeds from sale of right of way	-	-	-	-	-	-	175,000	175,000	100%	-
Transfer from Restricted Fund - Personnel	12,500	12,733	14,800	11,100	3,700	14,800	-	14,800	100%	14,800
Transfer from Restricted Fund - Debt service	6,000	6,000	6,000	4,500	1,500	6,000	-	6,000	100%	6,000
Transfer from Restricted Fund - Public Safety	-	-	15,556	15,556	-	15,556	-	15,556	200%	-
Transfer from Utility Fund - Personnel	-	-	14,800	11,100	3,700	14,800	-	14,800	100%	14,800
Transfer from Utility Fund - Debt service	14,400	16,300	6,000	4,274	1,726	6,000	-	6,000	100%	6,000
<b>Total other financing sources</b>	<b>32,900</b>	<b>35,033</b>	<b>57,156</b>	<b>46,530</b>	<b>10,626</b>	<b>57,156</b>	<b>175,000</b>	<b>232,156</b>	<b>306%</b>	<b>91,600</b>
Excess (deficit) of revenues and other financing sources over expenditures	(24,542)	(107,588)	(44,044)	(3,413)	(41,253)	(44,619)	181,700	137,656	-413%	4,800
<b>FUND BALANCE</b>										
Beginning of year	491,989	467,447	359,859					359,859		497,515
End of year	\$ 467,447	\$ 359,859	\$ 315,815				\$ 497,515	\$ 502,315		\$ 502,315





TOWN OF SORRENTO, LOUISIANA  
GENERAL FUND REVENUES  
June 30, 2021

REVENUES	2020					2021			% CHANGE 2019 PROPOSED VS. 2020 PROJECTED	
	COMPLETED 2018	COMPLETED 2019	ORIGINAL ADOPTED	ACTUAL MARCH 2020	ESTIMATED REMAINING	TOTAL ESTIMATED	AMENDMENT	AMENDED BUDGET		% CHANGE ORIGINAL VS. PROPOSED
										PROPOSED
Taxes										
Sales and use	\$ 560,949	\$ 540,333	\$ 550,000	\$ 444,527	111,132	\$ 555,659	\$ -	\$ 550,000	\$ 560,000	2%
Franchise	90,477	89,685	90,000	70,240	23,413	93,653	-	90,000	90,000	0%
Ad valorem	60,080	63,596	63,000	65,776	-	65,776	2,500	65,500	66,600	4%
Beer	1,968	2,649	3,000	2,056	685	2,741	-	3,000	3,000	2%
										0%
Fines										
Court costs	274	821	500	788	263	1,051	500	1,000	1,000	0%
Fines	678	1,806	1,200	3,596	1,199	4,795	2,400	3,600	3,600	0%
Licenses and permits										
Beer & liquor	860	1,145	1,000	1,135	378	1,513	-	1,000	1,000	0%
Occupational	119,779	103,563	95,000	58,666	19,555	78,221	5,000	100,000	100,000	0%
Permits	325	150	300	300	100	400	-	300	300	0%
Intergovernmental										
Capital grants	-	-	-	-	-	-	-	-	-	0%
State tourism grant	12,500	12,500	18,000	8,001	9,999	18,000	(10,000)	8,000	8,000	0%
State LGAP grant	-	15,457	15,000	-	-	-	9,000	24,000	-	-100%
FEMA public assistance grant	3,317	926	-	10,598	-	10,598	10,500	10,500	-	-100%
Charges for services										
Grass cutting	10,298	10,310	10,300	10,310	3,437	13,747	-	10,300	10,300	0%
Planning & zoning fees	1,328	1,150	1,200	835	278	1,113	-	1,200	1,200	0%
Interest income	308	521	500	324	108	432	-	500	500	0%
Miscellaneous	2,466	205	500	40	13	53	500	1,000	500	-50%
Total revenues	\$ 865,607	\$ 844,817	\$ 849,500	\$ 677,192	\$ 170,561	\$ 847,753	\$ 20,400	\$ 869,900	\$ 846,000	2%



TOWN OF SORRENTO, LOUISIANA  
GENERAL FUND EXPENDITURES  
June 30, 2021

	2020					2021			% CHANGE		
	COMPLETED 2018	COMPLETED 2019	ORIGINAL ADOPTED	ACTUAL MARCH 2020	ESTIMATED REMAINING	TOTAL ESTIMATED	MAY AMENDMENT	AMENDED BUDGET	ORIGINAL VS.		
									PROPOSED	2020 PROJECTED	
<b>EXPENDITURES</b>											
<b>General government</b>											
Payroll											
Administrative	\$ 7,348	\$ 7,091	\$ 7,800	\$ 4,632	\$ 1,544	\$ 6,176	\$ (1,200)	\$ 6,600	\$ 101,000	\$ 101,000	0%
Social Security	1,710	1,658	1,700	1,083	361	1,444	(200)	1,500	6,600	6,600	0%
Medicare	1,956	2,136	-	2,459	820	3,279	3,300	3,300	1,500	1,500	0%
Processing fees - QuickBooks	8,703	12,650	12,500	9,731	3,244	12,975	500	13,000	3,300	3,300	0%
Insurance											
Liability	2,457	2,483	2,500	2,483	828	3,311	800	3,300	3,300	3,300	0%
Property & bonds	2,624	2,330	2,100	1,916	639	2,555	-	2,100	2,100	2,100	0%
Office											
Repair & maintenance	6,285	5,657	5,000	3,284	1,095	4,379	3,000	8,000	5,000	5,000	-38%
Utilities	5,756	6,156	6,000	5,437	1,812	7,249	1,500	7,500	7,500	7,500	0%
Supplies	7,725	13,959	7,500	5,988	1,996	7,984	7,500	15,000	8,500	8,500	-43%
Telephone & communications	2,734	2,736	2,800	2,076	692	2,768	-	2,800	2,800	2,800	0%
Planning & zoning - operating	430	875	1,000	620	207	827	-	1,000	1,000	1,000	0%
Dues	1,363	1,043	1,500	1,248	416	1,664	-	1,500	1,500	1,500	0%
Other	6,572	5,293	6,500	2,415	805	3,220	(3,000)	3,500	3,000	3,000	-14%
Professional services											
Attorney fees	7,047	17,780	7,500	11,696	3,899	15,595	7,500	15,000	14,000	14,000	-7%
Accounting fees	50,450	51,385	55,000	46,300	8,085	54,385	-	55,000	55,000	55,000	0%
Building inspector/planning official	14,000	7,050	3,000	3,125	1,042	4,167	1,500	4,500	5,000	5,000	11%
IT Services	4,496	9,161	3,000	9,470	3,157	12,627	9,000	12,000	12,000	12,000	0%
Other	1,090	4,470	500	865	288	1,153	-	500	500	500	0%
Tourism & promotion	8,990	16,626	18,000	7,273	2,424	9,697	(10,000)	8,000	8,000	8,000	0%
Conventions & training	3,006	3,078	3,000	3,512	1,171	4,683	1,000	4,000	4,000	4,000	0%
Capital outlay - equipment	5,659	-	-	-	-	-	3,000	3,000	5,000	5,000	67%
Capital outlay - buildings	-	-	-	-	-	-	(30,000)	-	35,000	35,000	100%
Miscellaneous	10,694	2,033	800	973	324	1,297	-	800	500	500	-38%
<b>Total general government</b>	\$ 273,199	\$ 289,854	\$ 297,700	\$ 201,292	\$ 96,408	\$ 297,700	\$ (24,800)	\$ 272,900	\$ 299,100	\$ 299,100	10%



TOWN OF SORRENTO, LOUISIANA  
GENERAL FUND EXPENDITURES  
June 30, 2021

	2020							2021		
	COMPLETED	COMPLETED	ACTUAL	ESTIMATED	TOTAL	MAY	AMENDED	% CHANGE	% CHANGE	
	2018	2019	MARCH 2020	REMAINING	ESTIMATED	AMENDMENT	BUDGET			ORIGINAL VS. PROPOSED
<b>Public safety</b>										
Police										
Payroll										
Judge's supplemental pay	\$ 3,494	\$ 2,972	\$ 2,195	\$ 732	\$ 2,950	\$ -	\$ 3,000	\$ 3,000	-2%	\$ 3,000
Social security	-	15	-	-	-	-	-	-	0%	-
Medicare	-	4	-	-	-	-	-	-	0%	-
Judge's retirement	1,169	1,158	915	305	1,150	-	1,200	1,200	-4%	1,200
Operating										
Contract expense	354,289	353,833	265,603	88,534	354,137	-	355,000	355,000	0%	355,000
Telephone	5,468	5,475	4,152	1,384	5,536	-	5,500	5,500	1%	5,500
Utilities	1,581	1,604	1,316	439	1,755	300	1,800	1,800	17%	1,800
Other	-	-	-	-	-	(500)	-	-	100%	-
Total public safety	\$ 366,001	\$ 365,061	\$ 274,181	\$ 91,394	\$ 365,528	\$ (200)	\$ 366,500	\$ 366,500	0%	\$ 366,500



TOWN OF SORRENTO, LOUISIANA  
GENERAL FUND EXPENDITURES  
June 30, 2021

	2020						2021			% CHANGE 2019 PROPOSED VS. 2020 PROJECTED	
	COMPLETED 2018	COMPLETED 2019	ORIGINAL ADOPTED	ACTUAL MARCH 2020	ESTIMATED REMAINING	TOTAL ESTIMATED	MAY AMENDMENT	AMENDED BUDGET	PROPOSED		2019 PROPOSED VS. 2020 PROJECTED
<b>Highways and streets</b>											
Payroll											
Maintenance	\$ 84,170	\$ 118,408	\$ 120,000	\$ 93,649	\$ 31,216	\$ 124,865	\$ -	\$ 120,000	\$ 118,000	-2%	
Social security	4,897	7,390	7,800	5,806	1,935	7,741	-	7,800	7,700	-1%	
Medicare	1,153	1,728	1,700	1,357	452	1,809	-	1,700	1,700	0%	
Insurance											
Auto	1,304	1,304	1,300	1,839	-	1,839	500	1,800	1,800	41%	
Liability	4,499	7,850	6,000	8,338	-	8,338	3,500	9,500	9,500	39%	
Tractors	2,945	2,956	3,500	-	-	-	(3,500)	-	-	-100%	
Workers comp	11,042	8,872	9,000	7,160	2,387	9,547	-	9,000	9,000	6%	
Maintenance											
Fuel	16,318	13,994	15,000	11,008	3,669	14,677	-	15,000	15,000	0%	
Equip maint & repairs	8	36,615	12,500	22,906	7,635	30,541	17,500	30,000	12,500	-58%	
Supplies	16,610	15,525	1,000	12,468	4,156	16,624	15,000	16,000	12,500	-22%	
Telephone	2,014	2,206	2,000	1,912	637	2,549	500	2,500	2,500	0%	
Utilities	2,208	3,259	3,500	1,692	564	2,256	(500)	3,000	3,000	0%	
Street lights	24,815	26,845	23,500	22,413	7,471	29,884	6,500	30,000	30,000	0%	
Engineering fees	30,217	26,778	6,000	16,601	5,534	22,135	12,500	18,500	6,000	-68%	
Animal control	6,900	16,175	7,500	15,025	-	15,025	7,500	15,000	-	-100%	
Road maint & repairs	1,365	2,001	-	1,200	400	1,600	1,200	1,200	-	-100%	
Drainage maint & repairs	29,788	37,717	25,000	28,288	-	-	(25,000)	41,000	-	0%	
Debt service - lease payments	34,574	37,717	41,000	28,288	9,429	37,717	-	41,000	38,000	-7%	
Capital outlay - equipment	9,022	2,900	-	-	-	-	3,000	3,000	-	-100%	
Total highway and streets	\$ 283,849	\$ 332,523	\$ 286,300	\$ 251,662	\$ 34,638	\$ 286,300	\$ 38,700	\$ 325,000	\$ 267,200	-18%	
Total general fund expenses	\$ 923,049	\$ 987,438	\$ 950,700	\$ 727,135	\$ 222,440	\$ 949,528	\$ 13,700	\$ 964,400	\$ 932,800	-3%	





TOWN OF SORRENTO, LOUISIANA  
RESTRICTED FUND  
June 30, 2021

REVENUES	2020						2021		% CHANGE 2019 PROPOSED VS. 2020 PROJECTED	
	COMPLETED 2018	COMPLETED 2019	ORIGINAL ADOPTED	ACTUAL MARCH 2020	ESTIMATED REMAINING	TOTAL ESTIMATED	MAY AMENDMENT	AMENDED BUDGET		% CHANGE ORIGINAL VS. PROPOSED
	\$	\$	\$	\$	\$	\$	\$	\$		
Sales Tax										
Fire department	32,997	31,772	32,000	26,149	6,537	32,686	-	32,000	0%	
Recreation	32,997	31,772	32,000	26,149	6,537	32,686	-	32,000	0%	
Senior citizens	32,997	31,773	32,000	26,149	6,537	32,686	-	32,000	0%	
Rental income - CC	19,560	17,826	16,000	13,400	6,700	20,100	(2,500)	13,500	-16%	
Interest	2,130	3,427	2,500	2,105	1,053	3,158	500	3,000	20%	
Other	400	400	400	420	-	420	-	400	0%	
<b>Total revenues</b>	<b>121,081</b>	<b>116,970</b>	<b>114,900</b>	<b>94,372</b>	<b>27,364</b>	<b>121,736</b>	<b>(2,000)</b>	<b>112,900</b>	<b>-2%</b>	
<b>EXPENSES</b>										
Restricted										
Recreation	7,331	29,789	-	31,604	-	31,604	32,000	32,000	100%	
Capital outlay - CC	4,655	-	5,000	4,655	-	5,000	-	5,000	0%	
Insurance - CC	-	-	800	-	-	800	(800)	-	0%	
Supplies - CC	-	-	12,000	13,693	6,847	20,540	-	12,000	71%	
Utilities - CC	-	-	12,000	-	-	12,000	-	12,000	-100%	
Maintenance & repairs - CC	22,666	24,484	12,000	-	-	-	-	30,000	-1%	
Senior citizens	30,362	34,906	30,000	19,796	9,898	29,694	-	30,000	-1%	
Fire department	-	-	14,000	-	-	-	(2,000)	12,000	-100%	
Personnel reimbursement	45,874	47,058	12,000	35,779	17,890	53,669	28,000	40,000	347%	
Operating expenses	60	-	6,000	-	-	-	(6,000)	-	-100%	
Hydrant maintenance	445	512	500	146	73	219	-	500	-56%	
Other	-	-	-	-	-	-	-	-	0%	
<b>Total expenses</b>	<b>111,393</b>	<b>136,749</b>	<b>92,300</b>	<b>105,673</b>	<b>34,707</b>	<b>141,525</b>	<b>51,200</b>	<b>143,500</b>	<b>55%</b>	
<b>TRANSFER OUT - GF</b>	<b>(18,500)</b>	<b>(18,733)</b>	<b>(36,356)</b>	<b>(31,156)</b>	<b>(5,200)</b>	<b>(36,356)</b>	<b>-</b>	<b>(36,356)</b>	<b>0%</b>	
Excess (deficit) of revenues and other financing sources over expenditures	(8,812)	(38,512)	(13,756)	(42,457)	(12,543)	(56,145)	(53,200)	(66,956)	387%	
<b>FUND BALANCE</b>										
Beginning of year	350,937	342,125	303,613					303,613		
End of year	<u>\$ 342,125</u>	<u>\$ 303,613</u>	<u>\$ 289,857</u>					<u>\$ 236,657</u>	<u>\$ 242,957</u>	



PROPRIETARY FUND - UTILITY FUND  
June 30, 2021

	2020				2021		% CHANGE 2019 PROPOSED VS. 2020 PROJECTED				
	COMPLETED 2018	COMPLETED 2019	ORIGINAL ADOPTED	ACTUAL MARCH 2020	ESTIMATED REMAINING	TOTAL ESTIMATED		MAY AMENDED	AMENDED BUDGET	PROPOSED	
<b>REVENUES</b>											
Charges for services											
Garbage	\$ 114,776	\$ 118,810	\$ 120,000	\$ 93,410	\$ 31,137	\$ 124,547	\$ 5,000	\$ 125,000	\$ 125,000	\$ 125,000	0%
Garbage - return fee	1,800	1,600	1,500	1,773	591	2,364	500	2,000	1,500	1,500	-25%
Sewer	57,033	55,415	58,000	43,488	14,496	57,984	1,000	59,000	60,000	60,000	2%
Water franchise fees	6,489	5,407	4,000	4,167	1,389	5,556	-	4,000	5,500	5,500	38%
Penalties	4,399	3,778	3,500	2,563	854	3,417	750	4,250	3,500	3,500	-18%
<b>Total revenues</b>	<b>184,497</b>	<b>185,010</b>	<b>187,000</b>	<b>145,401</b>	<b>48,467</b>	<b>193,868</b>	<b>7,250</b>	<b>194,250</b>	<b>195,500</b>	<b>195,500</b>	<b>1%</b>
<b>EXPENSES</b>											
General & administrative											
Billing supplies	634	536	1,200	375	125	500	-	1,200	1,200	1,200	0%
Postage	1,738	1,766	1,800	1,295	432	1,727	-	1,800	1,800	1,800	0%
Dues and memberships	1,104	1,160	2,000	1,170	390	1,560	800	2,800	2,000	2,000	-29%
Sewer											
System maintenance	39,965	39,491	25,000	19,115	6,372	25,487	-	25,000	25,000	25,000	0%
Utilities - electricity	7,747	6,662	8,500	4,775	1,592	6,367	(2,000)	6,500	7,000	7,000	8%
Supplies	65	2,331	1,000	1,630	543	2,173	1,500	2,500	1,000	1,000	-60%
Sundry	-	115	500	-	-	-	-	500	500	500	0%
Fire hydrants maint fees	8,550	8,550	-	-	-	-	8,550	8,550	8,550	8,550	0%
Engineering	17,364	12,009	6,000	7,451	2,484	9,935	-	6,000	6,000	6,000	0%
Grant consultant	-	-	1,200	3,818	1,273	5,091	3,800	5,000	1,200	1,200	-76%
Other	2,939	2,117	2,000	1,920	640	2,560	1,000	3,000	2,000	2,000	-33%
Garbage											
Garbage service	101,292	113,643	110,000	100,449	14,551	115,000	5,000	115,000	115,000	115,000	0%
Other	-	155	-	-	-	-	250	250	-	-	-100%
Depreciation	80,779	80,779	85,000	63,750	21,250	85,000	(5,000)	80,000	80,000	80,000	0%
<b>Total expenses</b>	<b>262,177</b>	<b>269,314</b>	<b>244,200</b>	<b>205,748</b>	<b>49,651</b>	<b>255,399</b>	<b>13,900</b>	<b>258,100</b>	<b>251,250</b>	<b>251,250</b>	<b>-3%</b>
<b>Net income (loss)</b>	<b>(77,680)</b>	<b>(84,304)</b>	<b>(57,200)</b>	<b>(60,347)</b>	<b>(1,184)</b>	<b>(61,531)</b>	<b>(6,650)</b>	<b>(63,850)</b>	<b>(55,750)</b>	<b>(55,750)</b>	<b>-13%</b>
<b>Other income (expenses)</b>											
Interest income	170	263	200	199	100	299	100	300	300	300	0%
Loss on disposal	-	(172,389)	-	-	-	-	-	-	-	-	0%
Bank service charges	(309)	(450)	(500)	(217)	(109)	(326)	-	(500)	(500)	(500)	0%
Capital grants	-	144,455	-	-	-	-	-	-	-	-	0%
Capital outlay	-	-	(26,000)	-	-	-	26,000	-	(26,000)	(26,000)	-100%
<b>Total non-operating income</b>	<b>(139)</b>	<b>(28,121)</b>	<b>(26,300)</b>	<b>(18)</b>	<b>(9)</b>	<b>(27)</b>	<b>26,100</b>	<b>(200)</b>	<b>(26,200)</b>	<b>(26,200)</b>	<b>13000%</b>
Excess revenue over (under) expenditures	(77,819)	(112,425)	(83,500)	(60,365)	(1,193)	(61,558)	19,450	(64,050)	(81,950)	(81,950)	28%
<b>OTHER FINANCING SOURCES</b>											
<b>TRANSFER OUT - GF</b>	<b>(14,400)</b>	<b>(16,300)</b>	<b>(20,800)</b>	<b>(15,375)</b>	<b>(5,426)</b>	<b>(20,800)</b>	<b>-</b>	<b>(20,800)</b>	<b>(20,800)</b>	<b>(20,800)</b>	<b>0%</b>
Net income (loss) transferred to retained earnings	(92,219)	(128,725)	(104,300)	(75,740)	(6,619)	(82,358)	19,450	(84,850)	(102,750)	(102,750)	28%
<b>FUND BALANCE</b>											
Beginning of year	1,252,800	1,160,581	1,031,856					1,031,856	947,006	947,006	
End of year	\$ 1,160,581	\$ 1,031,856	\$ 927,556					\$ 947,006	\$ 844,256	\$ 844,256	



**Town of Sorrento  
Capital outlay budget - 2020/2021**

	<b>Mayor's Proposed Budget</b>	<b>Grant Funding</b>
	<hr/>	<hr/>
<b>General fund:</b>		
<b>Admin:</b>		
Maintenance shed - roof repair (LGAP)	\$ 35,000	\$ -
Timeclock system	5,000	-
Laptops, Public Monitors & Wifi Upgrades	-	-
	<hr/>	<hr/>
	<b>\$ 40,000</b>	<b>\$ -</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Streets:</b>		
Utility trailer	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>
<b>Restricted - Recreation:</b>		
Zero turn mower	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>
<b>Sewer:</b>		
Lift station pump replacement	\$ 6,000	\$ -
Pump replacement	8,000	-
Aerator replacement	12,000	-
	<hr/>	<hr/>
	<b>26,000</b>	<b>-</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Total capital outlay expenses</b>	<b>\$ 66,000</b>	<b>\$ -</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Net paid by the Town</b>		<b>\$ 66,000</b>
		<hr/> <hr/>



ORDINANCE #19-12

An Ordinance Amending the Code of Ordinances for the Town of Sorrento, to add Chapter 3--Financial Policies and Procedures.

BE IT ORDAINED BY THE TOWN COUNCIL, TOWN OF SORRENTO, THAT:

Previously Reserved Chapter 3 of the Code of Ordinances for the Town of Sorrento is hereby set forth as Chapter 3--Financial Policies and Procedures. All sections set forth in this newly amended and restated Chapter 3 shall supersede any conflicting section of The Code of Ordinances for The Town of Sorrento, existing prior to this Ordinance becoming effective.

The Code of Ordinances for the Town of Sorrento is hereby amended to add this newly re-stated Chapter 3--Financial Policies and Procedures and shall read as follows:

Chapter 3.

FINANCIAL POLICIES AND PROCEDURES

ARTICLE I. IN GENERAL

**Sec. 3-1. Town of Sorrento, Louisiana Policy Statement**

The Town of Sorrento, Louisiana (Town) is committed to responsible financial management. The entire organization including the Town council, the Mayor, supervisors, and staff will work together to make certain that all financial matters of the Town are addressed with care, integrity, and in the best interest of the Town.

The financial policies and procedural guidelines contained in this handbook are designed to:

- A) Provide a stable financial framework of operating standards and behavioral expectations that allows for the Town mission to be followed;
- B) Protect the assets of the Town;
- C) Ensure the maintenance of accurate records of the Town's financial activities; and
- D) Ensure compliance with federal, state, and local legal and reporting requirements.

The Mayor of the Town has the responsibility for administering these policies and ensuring compliance with procedures that have been approved by the Town council. Changes or amendments to these policies may be approved by the council at any time.

Every council member, supervisor, and staff with financial related responsibility is expected to be familiar with and operate within the parameters of these policies and procedures.





**Sec. 3-2. The Lawrason Act**

Louisiana municipalities are governed, except those municipalities governed by a special legislative charter or a home rule charter or plan of government adopted pursuant to Article VI of the Constitution of Louisiana, by provisions of Louisiana Revised Statute (R.S.) 33:321.

The Town has not been granted any exceptions under Article VI of the Constitution of Louisiana, and therefore will be governed by the R.S. 33:321, which is more commonly known as the Lawrason Act.

**Sec. 3-3. Financial Reporting Policy**

An accounting system should be maintained to provide timely and accurate information in regards to the Town's financial condition. Accounting practices should be maintained in accordance with generally accepted accounting principles (GAAP). Town management should ensure, to the extent deemed economically feasible, that adequate separation of duties are maintained to ensure assets are safeguarded and the potential for errors are minimized.

- A) Monthly reporting:** The Town clerk is responsible for the administration of monthly financial statements, to include budget to actual comparisons, on all active funds of the Town. The Town may contract with an external accounting professional or accounting firm to assist in assurance that financial statements are prepared timely and accurate.

The Mayor is to formally present monthly financial statements to include budget to actual comparisons to the Town council for all active funds of the Town. The Mayor should address any corrective actions needed, such as budget amendments.

- B) Annual reporting:** The Town council shall approve the engagement of an independent certified public accountant to perform an audit of the Town's accounting books and records, which must be approved by the Louisiana Legislative auditor. The audit of the Town must be completed within six months of the Town's fiscal year end of June 30<sup>th</sup> of each calendar year. An extension may be granted by the Louisiana Legislative Auditor in the event of a natural disaster or other emergency that may prevent the Town from completing the annual audit on a timely basis.

The Town shall adhere to all aspects of the Louisiana Audit Law.

**Secs. 3-4 through 3-12. Reserved.**

**ARTICLE II. ETHICS POLICY**

**Sec. 3-13. Ethics**

Purpose

The purpose of this policy is to certify all employees of the Town safeguard public confidence in the integrity of government, the independence and impartiality of elected officials and public



employees, that governmental decisions and policy are made in the proper channel of the government structure, and that public office and employment are not used for private gain.

#### Scope/Limits

This policy applies to all Town employees, including elected officials.

#### Policy Statements

1. All Town employees are required to not violate the Louisiana Code of Governmental Ethics (La R.S. 42:1101, *et seq.*)
2. Public servants and elected officials are required to take one hour of training per calendar year on the Code of Governmental Ethics. Upon completion of the online ethics training through the Louisiana Board of Ethics, the completion certificate is to be printed and provided to the Town Clerk.
3. The Town Clerk collects all completion certificates and annual ethics attestation forms and matches certificates to the payroll form to ensure that all Town employees have completed the required training. Training certificates should be saved in employee personnel files.
4. Any potential violation of the Louisiana Code of Governmental Ethics should be brought to the Town Clerk's attention immediately who will set up a meeting with the mayor. This does not prevent any employee from contacting the mayor directly to set an immediate meeting. Upon the conclusion of the meeting, the mayor will determine the appropriate steps such as consulting with the Town's general counsel, investigating the potential ethics violation further, taking corrective action, seeking guidance from the Louisiana Board of Ethics, and making sure any action complies with the Town's ethics policy.
5. All Town employees are required to annually attest through signature verification that they have read the Town's ethics policy. (Attachment A)

### **ARTICLE III. BUDGETARY POLICY**

#### **Sec. 3-14. Budgetary Policies and Procedures**

The Mayor has the responsibility for preparing, presenting and administering the Town's annual budget for the Town's general fund and all special revenue funds under R.S. 39:1301-1315, the Local Governmental Budget Act, and the Lawrason Act.

Additionally, the Mayor is also responsible for preparing, presenting and administering the Town's annual budget for the Town's active debt service, capital projects, enterprise, and internal service funds, if applicable.

The Town council is responsible for adopting and amending budgets on a timely basis. Certified copies of adopted budgets, budget adoption instruments, budget amendments, supporting schedules and other correspondence related to the budgets are to be retained by the Mayor's office.



The Mayor is to prepare a comprehensive budget presenting a complete financial plan for each fiscal year for all active funds of the Town. Each fund budget must include the following:

- A) Revenue projections – Each fund shall present revenues by type based on historical data, known trends and other related data available;
- B) Expenditure projections – Each fund shall present expenditures by department, by type based on historical data, known trends, and other related data available; and
- C) Fund balance – Each fund shall maintain a surplus fund balance.

The budget must include a detailed comparison of information for the current year, including beginning and projected ending fund balance, itemized year to date actual revenues and estimates of remaining revenues for the fiscal year, itemized year to date actual expenditures and estimates of remaining expenditures for the fiscal year, and a percentage change for each item of information as required by R.S. 39:105(C) (2) (a).

The Mayor shall present the proposed annual budget related adoption instrument by ordinance to the Town council no later than fifteen (15) days prior to the beginning for the fiscal year. The proposed budget must be made available for public inspection no later than fifteen (15) days prior to the beginning for the fiscal year in accordance with R.S. 39:1308 and R.S. 39:1308.

If the Town has a total proposed budget exceeding \$500,000 or more in general fund and special revenue funds in a fiscal year, the public must be provided the opportunity to participate in the budgetary process in accordance with state law. No proposed budget shall be considered for adoption or finalized until at least one (1) public hearing has been conducted on the proposal. The Town must comply with the notice, publication and public hearing in accordance with R.S. 39:1307.

If, at the end of any fiscal year, the budgetary appropriations necessary for the support for the Town for the ensuing fiscal year have not been made, then 50% of the amounts appropriated in the appropriation ordinance for the last legally adopted budget shall be deemed re-appropriated for the items and purposes specified in such ordinance in accordance with R.S. 39:1312.

The Mayor must advise the Town council when the following conditions are present:

- A) Actual revenues and other sources plus projected revenues for the remainder of any fiscal year, within a fund, are failing to meet total budgeted revenues and other sources by 5% or more;
- B) Actual expenditures and other uses plus projected expenditures for the remainder of any fiscal year, within a fund, are exceeding total budgeted expenditures and other uses by 5% or more; and
- C) Actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by 5% or more when fund balance is being used to fund current year expenditures.

**Secs. 3-15 through 3-20. Reserved.**



## ARTICLE IIV. RECEIPT AND DEPOSIT POLICIES

### Sec. 3-21. Receipt and Deposits Policies and Procedures

Collection of revenues are not centralized and are received from three primary avenues: electronic funds transfer (sales tax and ad valorem tax), through the mail (insurance licenses, business licenses and permits, fine and traffic citations), and over the counter (utility payments and fines and traffic citations). The receipt and deposit procedures shall incorporate controls, to the extent economically feasible, to ensure that revenues budgeted are collected, documented and timely available for the public purpose or function of the Town.

#### A) Receipt by Mail:

1. All mail is to be opened by the administrative assistant of the Town, or the Town clerk in their absence, unless marked confidential whereas that item should be forwarded to the specified party.
2. All mail is stamped with date received.
3. All payments received in the mail shall be stamped immediately with a "for deposit only" stamp; the stamp should include the Town's name and bank account number and specify which bank account the deposit shall be made.
4. Receipts collected by mail will then be distributed to either the Town clerk or police department clerk (police department related receipts only).

#### B) Fines and Traffic Citation Counter Receipts:

1. All receipts should be compiled on a daily collection report notating the following information:
  - a) Payor;
  - b) Type of receipts (cash, check, money order);
  - c) Amount;
  - d) Ticket number;
  - e) Check or money order number, if applicable;
  - f) General ledger account title; and,
  - g) All checks received will be endorsed by the Police clerk with a "for deposit only" stamp; the stamp should include the Town's name and bank account number and specify which bank account (General Account) the deposit shall be made.
2. Collections are to be credited to payor accounts in police department's ticket and citations tracking software on the date of payment.





3. A daily receipt report will be printed at the conclusion of each business day and attached to the collection report.
4. The collection report and the daily receipt report from the ticket and citation tracking software should be reconciled before the department closes for business each day.
5. Bank deposits will be made on a daily basis, when practical, by the Town clerk.
6. In no circumstances shall cash or personal checks be accepted as payment for fines and citations, except for court ordered payments.

**C) Utility Counter Receipts:**

1. All receipts should be compiled on a daily collection report notating the following information:
  - a) Customer;
  - b) Type of receipts (check or money order);
  - c) Amount;
  - d) Account number;
  - e) Check or money order number, if applicable;
  - f) General ledger account title; and,
  - g) All checks received will be endorsed by the Town clerk with a “for deposit only” stamp; the stamp should include the Town’s name and bank account number and specify which bank account (Utility Account) the deposit shall be made.
2. Collections are to be credited to customer accounts in Town utility billing software on the date of payment.
3. A daily receipt report will be printed at the conclusion of each business day and attached to the collection report.
4. The collection report and the daily receipt report from the utility billing software should be reconciled before the Town closes for business each day.
5. Separate bank deposits slips should be prepared daily for each collection report.
6. Each bank deposit slip should reconcile in total to related collection report.
7. Bank deposits will be made on a daily basis, as practical, by the Town clerk.
8. Any cash or other deposit held overnight should be secured in the Town vault.
9. NSF Policy:



- a) The fiscal agent bank shall forward any returned NSF checks to Town Hall,
- b) All NSF checks shall be provided to the Town Clerk,
- c) The payor will be contacted by phone for notification of the NSF, if possible.
- d) If no phone contact can be made within three (3) days, a certified letter will be mailed to the payor allowing for 10 days for the payor to respond upon confirmation of receipt of certified letter.
- e) If the payor has not responded to certified letter within 10 days upon confirmation of receipt of certified letter, the Town may elect to remit request for payment to the District Attorney's office for collection.
- f) If no response is made by payor within 25 days, the NSF collections efforts will then be turned over to the District Attorney's office.
- g) Once NSF collection is turned over to the District Attorney's office, no subsequent payments should be accepted from said payor. Any payments remitted should be returned to the payor by certified mail.
- h) For NSF payments previously posted, the Town Clerk will make an adjustment to the customer account to remove the payment and add an NSF fee to the account.

**Sec. 3-22. Receipt and Collections Policies and Procedures**

***General Receipts***

All receipts must be made at the Town. No employee is authorized to accept payments of any type outside of the Town.

**A) Receipts/Banking**

- 1. All checks shall be endorsed "For Deposit - Town of Sorrento, Louisiana" upon receipt.
- 2. A listing of all receipts is to be produced daily.
- 3. All monies received shall be recorded by an entry for each daily collection report to ensure that revenues are recorded in the financial statement are complete.
- 4. When necessary, the payer shall be issued a receipt on request.
- 5. The receipt record shall indicate the mode of payment.
- 6. The original of every cancelled receipt shall be retained.
- 7. Daily receipts shall be reconciled to deposits.



8. Deposits is to occur on a daily basis, when practicable, as required by state law.

**B) Reconciliations**

1. All bank/investment accounts are to be reconciled monthly by the Town Clerk. The reconciliation is to be reviewed by the Mayor (or his designee) to ensure transactions recorded in the financial statements have occurred and are complete.
2. Any unusual/irregular reconciling items (old outstanding checks or deposits in transit) are to be immediately investigated.

**Secs. 3-23 through 3-27. Reserved.**

**ARTICLE V. PURCHASING AND DISBURSEMENT POLICIES**

**Sec. 3-28. Purchasing and Disbursements Policies and Procedures**

The purchasing and disbursement function shall be centralized by the Town clerk. The purchasing and disbursement procedures shall incorporate controls, to the extent economically feasible, to ensure that purchases are reasonable and necessary, budgeted, documented and approved, and used solely for the public purpose or function of the Town.

**A) Purchasing:**

1. All departments of the Town shall use a purchase order system which requires documentation to be generated before any purchase and disbursement can be made. Applicable documentation includes:
  - a) Purchase requisition – the purchase requisition is generated by an employee to notify the purchasing department of items it needs to order, their quantity, and the time frame that will be given in the future.
  - b) Purchase order – the purchase order (PO) must clearly describe the item(s) and quantities to be purchased and must be signed by the departmental supervisor making the request.
  - c) Invoice – the invoice provides documentation from the vendor that the services or items were provided to the Town. Town personnel shall submit a Vendor Approval Form to the Mayor (or Mayor Pro-Tem) for approval. All Vendor Approval Forms shall be accompanied by an IRS Form W-9 which must be completed by the potential vendor. The Vendor Approval Form shall be authorized by the Mayor before the vendor is added into the Town's accounting system. Upon vendor approval, the Town Clerk shall setup the vendor information in the Town's accounting system.
  - d) Approval – Approval consist of verification of by the Town clerk and Mayor that all documentation has been generated to support the payment and the amount due to the vendor is correct. The invoice must be attached to the purchase order and provided to the Mayor for this process before any disbursement is made. Town



personnel shall submit a Vendor Approval Form to the Mayor (or Mayor Pro-Tem) for approval. All Vendor Approval Forms shall be accompanied by an IRS Form W-9 which must be completed by the potential vendor. The Vendor Approval Form shall be authorized by the Mayor before the vendor is added into the Town's accounting system. Upon vendor approval, the Town Clerk shall setup the vendor information in the Town's accounting system.

A) Disbursements:

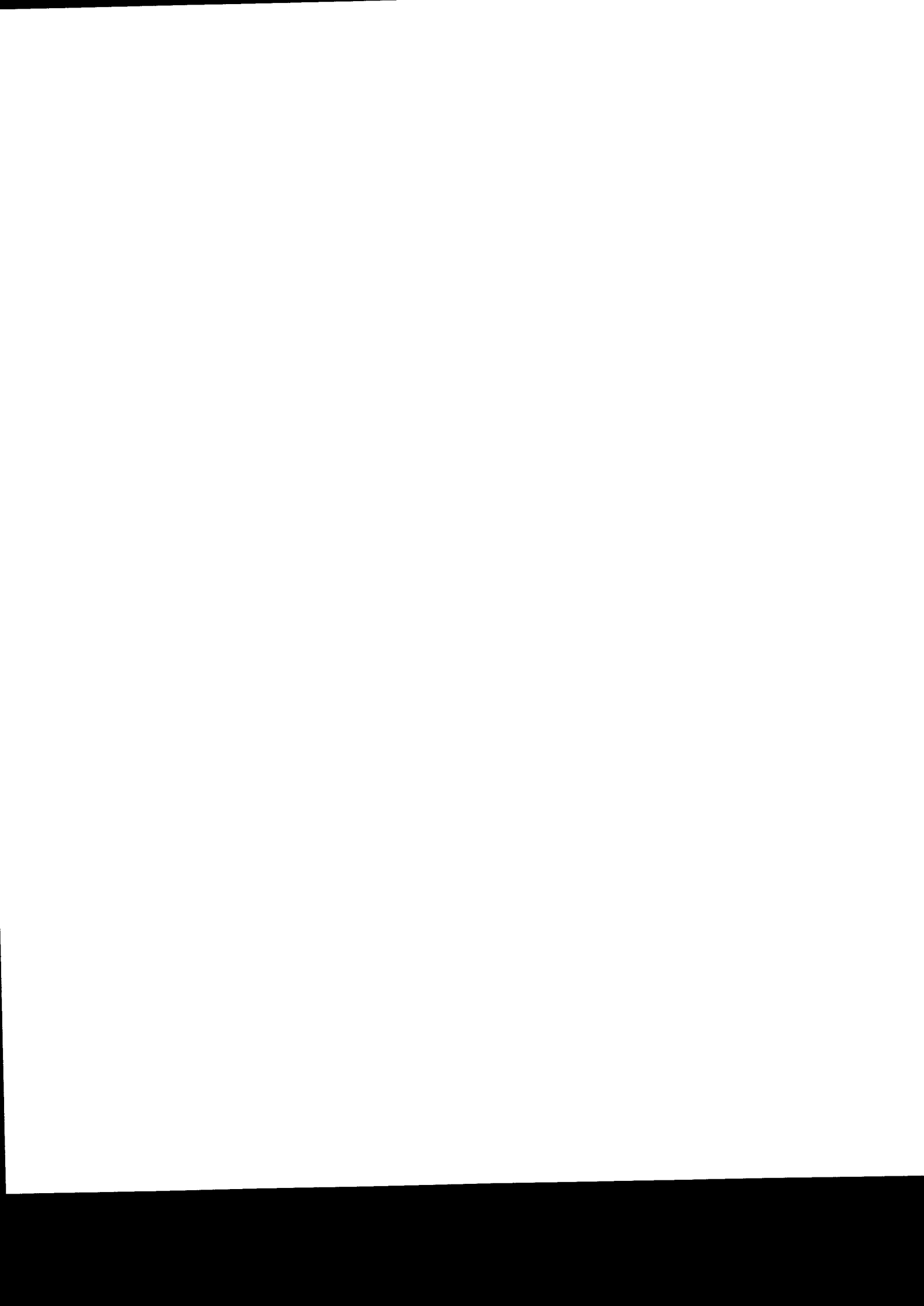
1. All disbursements are to be made by check. Any payment in the form of cash is prohibited.
2. The disbursement function is to be centralized in Town hall and administered by the Town clerk.
3. The check stock of blank/unused checks is to be stored in the Town vault which is to be locked and access restricted to only authorize Town personnel.
4. The Mayor is to sign all checks of the Town; however a designated council member is to be given this authority in the event that the Mayor is absent. The Town clerk is prohibited from signing check disbursements.
5. Disbursements can only be made from an original invoice; copies of invoices are not acceptable.
6. All supporting documentation (PO, invoice, or reimbursement and/or travel control sheet) supporting all disbursements should be attached together and maintained in Town hall.

B) Related party transactions are strictly prohibited.

1. Related party transactions are defined as transactions "with any individual or business that is an immediate family member to any council member, Mayor, employee or other elected official" of the Town. An "immediate family member" is considered a child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of such council member, Mayor, employee or other elected official, and any person (other than a tenant or employee) sharing the household of such council member, Mayor, employee or other elected official.
2. Any known or suspected related party transaction should be reported to the Mayor. If the Mayor suspected or known to be in any related party transactions with the Town, a council member should be notified.

C) Compliance with *Louisiana Public Bid Law*:

1. Management shall always provide an open and competitive atmosphere and ensure that written bids or quotes are solicited for purchases, including recurring purchases, which exceed the applicable dollar thresholds provided by the *Louisiana Public Bid Law*.





2. Bid or quote documentation should consist of the following items:
  - a) Solicitation letters or public advertisements;
  - b) All bids or quotes submitted;
  - c) Bid or quote tabulation sheets; and
  - d) Minutes to the public meeting in which bid or quotes were opened.

**Sec. 3-29. Contracting Policies and Procedures**

**A) Types of services requiring written contracts**

1. Formal written contracts should be prepared for public works and professional services.
2. Prior to entering into a contract or renewing a contract, a needs assessment should be performed that includes:
  - a) Identifying the goals and objectives;
  - b) The exploration of possible alternatives to contracting to meet the identified goals and objectives; and
  - c) The comparison of costs and benefits associated with alternatives to contracting against the costs and benefits of contracting in order to determine whether contracting is the most cost-effective way of obtaining the necessary goods and services.
3. For public works and material/supplies, the Town will follow the provisions of Louisiana Public Bid Law, as applicable. All documentation related to compliance with these provisions should be documented in writing and maintained in the contract/vendor file.
4. At times, the Town may seek to contract services from a third-party when it is considered to be a more cost-effective solution than to perform the service internally. In those cases where it has been determined that a service contract should be entered into, good business practices dictate that written contracts be executed for any arrangement entered into by the Town for services (professional and otherwise) performed by a third-party.
5. The Town will assess whether contracts may be amended by change orders. If change orders are within the scope of the contract (i.e. allowed under the original contract), the change orders are to be documented in writing and maintained in the contract file.

**B) Standard terms and conditions**

Contract terms and conditions are to be clearly stated and in the best interests of the Town,



and must include the following:

1. Specific goods/services to be performed and costs
2. Timing of service delivery
3. Period covered by the contract
4. Clearly defined performance standards and measurable outcomes
5. How vendor performance will be evaluated/monitored
6. If and how the contract may be amended (change orders) within the scope of the contract or terminated
7. Consequences for failure to meet contract requirements

**C) Legal review**

Prior to execution, the mayor will determine if the Town's general counsel should review the contract and change order to ensure compliance with applicable laws and Town policies. Evidence of legal review should be documented and maintained in the contract/vendor file.

**D) Approval**

Contract documents should be reviewed, signed, and dated by the mayor and other appropriate parties, and maintained on file. Any amendments to the contract should be allowable under the original contract terms and should also be in writing and signed by the applicable parties.

**E) Monitoring**

1. The Town has established a centralized oversight of contracts, including maintaining a master list of all active contracts that includes the following for each contract (multiple contracts with the same vendor should be treated as separate contracts):
  - a) Vendor's name and contact information
    - i. Starting date of contract
    - ii. Ending date of contract Type of services to be received
    - iii. Cost of the services
    - iv. Employee responsible for monitoring the contract terms and conditions (i.e. contract manager
    - v.



2. For each contract (including change orders), a contract manager will be designated with the authority and knowledge to monitor the contract and related project/service. The contract manager should be accountable for:
  - a) Tracking budgets
    - i. Comparing invoices and charges to contract terms
    - ii. Verifying and accepting/rejecting deliverables
    - iii. Withholding vendor payment until deliverables are met
    - iv. Approving invoices
    - v. Maintaining all documentation supporting payments to the vendor
    - vi. Closing out the contract
    - vii. Communicate the status of contract to the appropriate personnel so the master
    - viii. Contract list can be updated
3. A periodic review will be done of all contract documentation maintained by the contract manager to ensure that the contract manager is following the policies and procedures set forth by the Town.
4. Payments to vendors should only be made by the Accounts Payable after verifying with the contract manager that the related goods or services have been received or performed in accordance with the terms of the contract. Payments should be files by contract (rather than by vendor in the case of multiple contracts with the same vendor).
5. Once a contract has been closed, a post-contract evaluation will be done by management to assess compliance with laws and applicable policies. Any deficiencies will be addressed with the contract manager and remedied.

**Secs. 3-30 through 3-34. Reserved.**

## **ARTICLE VI. UTILITY BILLING POLICIES**

### **Sec. 3-35. Utility billings**

#### **A) Establishing a Utility Service Account**

1. The individual or company may establish an account in person at Town hall. The following is required to set up an account:
  - a) Valid picture identification (Driver's License),
  - b) Service deposit by cash, check or money order,
  - c) Application is required to be completed.
2. The Town provides utility services and charges a user fee for the following:



- a) Wastewater treatment,
- b) Solid waste disposal,
- c) Water distribution, through Ascension Water Company

**B) Customer deposits**

- 1. Each utility customer is charged a deposit. A customer deposit equal to the amount of three months service fees charged for sewer customers. In addition to the sewer utility deposit, a customer deposit is collected for solid waste customers in the amount of three months service fees.
- 2. A deposit will be collected for a new customer from the date of the policy is effective, July 1, 2014.

**C) Trash can delivery**

- 1. For all options, a trash can is delivered on Wednesday of each week.
- 2. If a resident moves within Town limits, the resident is responsible to notify Town Hall that the trash can is being moved to the new address and provide Town Hall with that address.
- 3. If a resident moves outside of Town limits, the resident is responsible to notify Town Hall that the trash can needs to be picked up and any customer deposit and customer account balances will be settled at the time of this notification.

**D) Billing procedures**

1. Billings:

- a) Billing cycles are from the 26th of each month. Utility bills are mailed on or about the 27th day of the month and are due by the 26th of the following month. Bills are prepared from the Utility Billing System software billing system used by the Town.
- b) Flat rates are charges for sewer and solid waste disposal. Metered service is provided from water distribution system, which is leased to Ascension Water Company, a subsidiary of Baton Rouge Water Company.
- c) Utility rates are set by ordinance adopted by the Town in accordance with Louisiana law. Rates are periodically increased to operate the activity in a fiscally responsible manner. However, such rate increases are adopted during a public hearing after advertisement is made satisfying Louisiana law.

2. Late payments and cutoff procedures:





- a) If payment is not made by the 26<sup>th</sup> of the month following service billing, a late fee of \$2 of the outstanding balance will be added for all statements. If payment is still not received after 90 days from billing, the service will be cut-off. After 120 days, if payment is not collected, the account balance will be sent to either: a) a collection service, b) Town legal counsel or c) Parish constables in small claims court for collection.
  - b) A \$25 service fee will be charged to restore service for each non-payment offense.
  - c) A fee of \$25 will be charged on all returned checks with notification made via certified mail. If the check is not paid, the information will be sent directly to the District Attorney Office for collection. No subsequent checks will be accepted.
3. Interim reporting
- a) An aged receivable report will be provided monthly to the Town Council.
  - b) A quarterly delinquency report shall be provided to the Town Council along with a report on collection efforts for all accounts with balances in excess of 90 days.
4. Collection efforts and account write-offs.

The Town's order of collection procedures is as follows:

- a) Monthly statement is presented to customer for payment.
- b) If collection is not made within 90 days, service is cut-off where possible and the customer deposit is applied to the utility customer's account.
- c) If a customer pays a late fee, service fee and outstanding balance to account, the customer may reconnect and receive future utility services. Also, the customer must maintain the proper amount of deposit on hand to resume services.
- d) If a customer has an outstanding balance after applying the customer deposit and has service discontinued, the claim by the Town should be turned over, in no particular order, to either: (a) a collection service, (b) Parish Justice of the Peace in small claims court, or (c) Town legal counsel.
- e) After six months of seeking outside professional assistance, a listing of accounts should be presented to the Town Council for review. The Town Council may recommend further collection efforts or recommend to the Town full write-off of the customer account as worthless. The Town Council should review potentially worthless accounts quarterly.
- f) The Town should review the customer listing of bad debts for any required action.

**Secs. 3-36 through 3-41. Reserved.**



## ARTICLE VII. BANK RECONCILIATION AND CAPITAL ASSET POLICIES

### Sec. 3-42. Bank Reconciliation Policy

- a) The Mayor, or other individual designated by the Mayor who is independent of the reconciliation process, is to receive monthly bank statements, unopened, directly from the bank and review them for any unusual or unexpected deposit and disbursement activity. Any unusual or unexpected activity noted will be investigated immediately. The Mayor will initial that bank statement at the conclusion of his review.
- b) Upon the Mayor's review, the bank statements are to be given to the Town clerk. The Town clerk is responsible for ensuring that all bank account reconciliations are completed within seven (7) business days after the Mayor receives the bank statements.
- c) All bank account reconciliations will be prepared by the Town clerk.
- d) The monthly bank reconciliations will be signed and dated by the preparer and the Mayor, or other individual designated by the Mayor who is independent of the reconciliation process and maintained on file for subsequent review and audit.
- e) Bank account balances are to be reviewed, at minimum, on a quarterly basis to ensure they are fully secured and that securities pledged by the financial institution in which they are secured by are in accordance with R.S. 39:1221 and R.S. 39:1225.

### Sec. 3-43. Capital Assets Policy and Procedures

Capital assets are defined as tangible assets of the Town with a cost greater than \$1,000 and useful lives greater than one year. Examples include land, buildings and improvements, equipment, and infrastructure used in the operations of the Town.

The Town is required to maintain records of its capital assets. The Town clerk is responsible for recording, tagging, and coordinating an annual inventory count of all capital assets. The capital asset listing is to be updated each year for capital assets acquired and disposed. Failure to identify and periodically account for capital assets exposes the Town to possible loss, theft, and misuse of its assets. Missing assets shall be addressed and appropriately resolved by notifying the applicable department supervisor and the Mayor.

Capital assets are reported in the Town's financial statements at cost. Capital assets received as donations are reported at their estimated fair market value at the time of donation.

Capital assets are depreciated over their estimated useful lives using the straight-line method of depreciation. Asset classes are assigned the following estimated useful lives:

Asset Class	Estimated Useful Life
Land	Not depreciated
Buildings	40 years
Building Improvements	15 years
Machinery and Equipment	5 years



Vehicles	7 years
Computers	3 years
Office Equipment	7 years
Furniture	7 years
Roads - Concrete	40 years
Roads - Asphalt	25 years
Bridges	20 years
Water System	40 years
Water System Improvements	Remaining estimated useful life of original system
Sewer System	40 years
Sewer System Improvements	Remaining estimated useful life of original system

a) Additions

1) Department heads shall notify the Town clerk when a capital asset is purchased and received by notation on purchase orders submitted.

2) The Town clerk is to obtain the supporting documentation (purchase order, invoice, etc.) to record the asset information on the capital asset listing. Information recorded should include the tag number, asset description, cost, salvage value, estimated useful life, date of acquisition, and the department to which it belongs. Notation as to if the capital assets was purchased with grant funds should be noted to include the name of the grant and grant number.

3) The Town clerk is to assign an identification number to the asset on the capital asset listing. A tag or sticker should be placed on the asset displaying the identification number and the department to which the asset belongs. The Town Clerk shall maintain a log of all capital outlay purchases.

b) Deletions/Disposals

1) Department heads shall notify the Mayor when a capital asset is no longer useful in operations and is available for disposal.

2) The Mayor shall consult with legal counsel to ensure compliance with state laws that pertain to the disposal of Town assets.

3) All documentation related to the disposal shall be maintained by the Town clerk.

4) The Town clerk shall identify the asset as disposed on the Town's capital asset listing and document the disposal details (date of sale, proceeds from sale, etc.).

5) Sale of Town assets deemed surplus property by the Mayor and approved by Town council shall follow R.S. 4712, "Sale, exchange, or lease of property by a municipality"

c) Annual physical inventory count of capital assets



- 1) The Mayor shall be responsible for ensuring that a physical inventory count of capital assets is performed at or near the end of each fiscal year.
- 2) Department heads shall be provided with a complete listing of the capital assets that belong to their respective department and for which they are responsible.
- 3) Department heads shall conduct a physical inventory count by touring the department and/or premises and locate each asset listed. Every effort shall be made to locate all assets of the Town.
  - i. The Mayor shall notify the district attorney and Legislative Auditor of any misappropriation of assets.
  - ii. Upon completion of the physical inventory count, department heads shall sign and date their inventory lists and return to the Town clerk.
  - iii. The Town clerk shall review the inventory lists for completeness and for any notes made by department heads. The Town clerk shall then update the capital asset listing for any changes and print a final listing.
- 4) The capital asset listing shall be reconciled with the asset account balances recorded in the accounting system on an annual basis.
- 5) The final capital asset listing shall be made available to the auditor upon request.

**Secs. 3-44 through 3-49. Reserved.**

## **ARTICLE VIII.--TRAVEL AND FUEL POLICIES**

### **Sec. 3-50. Travel Policy**

Expense will be reimbursed to Town council members, officer, and employees who are required to travel in the course and scope of their employment with the Town. Any travel or attendance at a conference, convention, or seminar must be submitted to the Mayor or Town Council for approval prior to the employee registering for the travel or attending the event and subject to budgetary considerations. All travel is subject to approval by the Mayor.

A conference, convention or seminar is defined herein as a meeting, other than routine, for a specific purpose and/or objective. No reimbursement will be allowed for functions not relating the conference, convention or seminar such as: tours, dances, golf tournaments, or other forms of entertainment.

Within seven days upon conclusion of an employee's travel, the employee shall submit a *Travel and Reimbursement Request Form* documenting the cost incurred and supported by actual receipts.

All travel expenditures are required to satisfy Article VII, Section 14 of the Louisiana Constitution, more specifically as follows:





- a) There is a legal obligation to pay for a particular service or material;
- b) There is a public benefit from this purchase; and
- c) The benefit is at least equivalent to the amount expended.

Advances: No advances of funds shall be made to Town Council members, officers, or employees of the Town in lieu of future reimbursement related to Town related travel expenditures.

Registration Costs: Costs are reimbursable in full with a copy of the registration form, receipt and with evidence that payment was made by the registrant.

Transportation: The most cost-effective method of transportation that will accomplish the purpose of the travel shall be selected. Among the factors to be considered should be length of travel time, cost of operation of a vehicle, cost and availability of common carrier services, etc.

If the employee's private vehicle is used, mileage will be reimbursed at the rate consistent with the Internal Revenue Service (IRS) published standard mileage rate per mile for business travel.

If a commercial airline is used, a receipt will be required for reimbursement and will only be reimbursed at the cost of the coach/economy class rates, unless such rates are not available. The difference between the coach/economy class rates and first class or business class rates will be paid by the traveler. Additionally, the Town may pay for the airline travel directly for official Town business.

A Town-owned automobile may be used when available under appropriate circumstances, although personal use of a Town vehicle is strictly prohibited. Any fuel purchases made during travels must follow the Town's Fuel Policy, if the Town's credit card is used to purchase the fuel.

Hotel/Lodging: For a hotel to qualify as conference/convention/seminar lodging, the hotel must be hosting, in "conjunction with hosting" the meeting or within the general vicinity of the conference. Actual cost directly related to the hotel room will be reimbursed to the employee upon paid receipt or paid directly by the Town. Direct cost is defined as the hotel room and any applicable fees & taxes. Each case must be fully documented as to necessity (e.g. proximity to meeting place) and cost effectiveness of alternative options. Charges for room service, movies, games, personal phone calls, and other ancillary charges will not be covered as part of the room cost.

Meals: Meals purchased during a single day travel are not eligible for reimbursement. Meals purchased during overnight travel will be reimbursed based upon actual cost and must be verified by a detailed receipt. No meals will be reimbursed in instances in which meals are provided at the conference, convention, or seminar as these meals are considered part of the cost of registration.

Other food and beverage expenses must be reasonable, supported by detailed receipt and associated with business travel of the Town. Reimbursement for purchases of alcoholic beverages is strictly prohibited.



Unsubstantiated expenses: To the extent an employee fails to submit an expense actual receipt, the expense will be ineligible for reimbursement. As such, the employee will be expected to reimburse the Town for any such instance.

Waivers: The Mayor or Town Council may waive in writing any provision in this policy when the best interest of the Town will be served.

All travel reimbursements are subject to approval by the Mayor. At the Mayor's discretion, certain travel reimbursements may be denied.

### **Sec. 3-51. Fuel Policies and Procedures**

Fuel can either be purchased in bulk and inventoried/stored in tanks on-site for usage or be purchased from vendors that use a suitable fleet manager system. If fuel purchases are estimated to total more than \$30,000 in one year, management will publicly bid the fuel in accordance with the Public Bid Law (Louisiana Revised Statute 38:2211, et. seq.).

Bulk purchases: A *Fuel Tank Usage Log* is to be maintained for each fuel tank owned by the Town. Each log should be maintained to document monthly fuel activity. The log should contain the following data:

- a) Beginning monthly inventory in gallons;
- b) Number of gallons purchased;
- c) Number of gallons dispensed;
- d) Calculated ending inventory in gallons  $(=(1)+(2)-(3))$ ;
- e) Actual ending monthly inventory in gallons;
- f) Difference, if any, which should be investigated and resolved;
- g) Date of distribution;
- h) Name of employees receiving fuel;
- i) Signature of employee receiving fuel;
- j) Vehicle/equipment description;
- k) Vehicle/equipment odometer reading; and
- l) Number of gallons distributed.

Tanks and pumps storing fuel inventory are to be secured under lock when not being used and access to fuel tanks and pump is restricted to authorized personnel only. The Town clerk, or other designated employee, is to maintain and update the *Fuel Tank Usage Log* on a daily basis. One log will be maintained for each calendar month. On the last day of each calendar month, the Town



clerk, or other designated employee shall reconcile the total quantity of fuel used as recorded in the log to the quantity dispensed. Any differences shall be investigated and reported to the Mayor or Town council.

Fleet manager card purchases: The Town clerk shall maintain a listing of all fuel cards and the department and/or person and/or vehicle that each card is assigned. The Town clerk shall periodically conduct an inventory of all fuel cards and terminate any lost or stolen fuel cards immediately.

It is the department head's responsibility to keep all cards locked in a secure location when it is not in use. All departments must maintain a fuel card sign-in and sign-out log that contains the following information:

- a) Date fuel card issued;
- b) Fuel card number;
- c) Name of employee or vehicle/equipment in which card is issued;
- d) Signature of employee fuel card issued to (department head for vehicle/equipment issuances);
- e) Date fuel card returned; and
- f) Signature of employee returning fuel card.

Employees shall enter accurate information (odometer reading) at the vendor pump, along with verification of the purchase using his or her personal identification number (PIN). All purchase receipts shall be obtained and submitted to the Town clerk. Failure to input accurate information and submit receipts may result in disciplinary action.

The Town clerk shall maintain a log of all fuel card purchases for each month based upon receipts obtained from employees. This fuel card purchase log should be maintained by the Town clerk and reconciled to the monthly fuel card vendor invoices billing.

### **Sec. 3-52. Credit/ Credit Card Policies and Procedures**

All credit card accounts must be formally approved by the Mayor before it is opened. Such accounts should be opened, and cards issued in the Town's name using the Town's tax identification number and should not include accounts that require an annual fee.

- a) The Town Clerk is responsible for preparing and maintaining a master listing of cards, to include:
  - (1) Card issuer name and telephone number.
  - (2) Account name on card.
  - (3) Card account number.
  - (4) Card expiration date (if applicable).
  - (5) Credit limit.



- (6) Person responsible for securing the card.
  - (7) Status of the card (active or inactive)
  - (8) Cancellation date/documentation (if applicable).
  - (9) The master listing of cards will be updated throughout the year as needed.
- b) Fuel cards are assigned to a vehicle or employee. Employees are to only use the card assigned to them or their vehicle. Non-fuel cards are to be maintained in a locked location under the control of the custodian. Employees will only be allowed to check out a card after going through the normal purchasing process or if they are on the list of approved employees. The custodian should maintain a written log for each card to account for the issuance and returns of cards, including:
- 1) The business purpose for using the card
  - 2) The purchase order number
  - 3) Dates and times of issuance and return
  - 4) Signatures of both the clerk and assistant clerk upon issuance and return of the card.
  - 5) The card log should accurately reflect who is in possession of the card at all times.
- c) Employees are required to immediately notify the town clerk if a credit card is lost or stolen. The town clerk will notify the Mayor. If a card is stolen, the Clerk is to ensure that proper law enforcement is notified. The Mayor will be responsible for notifying the District Attorney and the Legislative Auditor of any misappropriation of funds or assets of the Town of Sorrento, as required by law.

d.) Allowable Business Uses

The following purchases are not allowed

- 1.) Any personal purchases (including purchases that are subsequently reimbursed)
  - 2.) Cash advances
  - 3.) Alcohol or tobacco.
  - 4.) Prescriptions and drugs.
- Credit Cards (continued)**
- 5.) Donations.

Cards are not to be used for significant routine or recurring purchases or for purchases that are subject to the requirements of the Louisiana Public Bid Law. Purchases must also not be split into multiple transactions to avoid Bid Law Thresholds. Personal use of cards may constitute a violation of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of public funds.

Documentation Requirement

- A. For non-fuel cards, employees are responsible for obtaining itemized receipts and for documenting the business/public purpose of the purchase on the receipt. Receipts for meals and entertainment charges should contain the names of all persons participating and the





business discussed. All documentation should be given to the Town clerk upon return of the card, and the custodian should review and notify the employee if any documentation is missing.

- B. If an employee loses a receipt, he or she should attempt to obtain a duplicate receipt from the vendor or otherwise demonstrate that the nature and amount of the purchase is proper. The employee's immediate supervisor should review the available documentation and approve in writing.
- C. For fuel card charges, a monthly summary report by vehicle/employee should be prepared by an employee without access to fuel card to include
  1. Total gallons of fuel purchased.
  2. Total miles traveled based on odometer readings.
  3. Calculated average number of miles driven per gallon.
  4. If any vehicles are fueled more than once per day, the business necessity of the refueling should be documented and retained with the monthly fuel statement.
- D. All supporting documentation (e.g. purchasing requisitions, itemized receipts, fuel card summary report) should be submitted with card statements to the required approvers.

Required Approvers of statements or monitoring card usage

- A. An employee with no access to the card is to review and approve monthly card statements prior to payment.
- B. The approver should obtain supporting documentation from the custodian and compare each transaction on the statement to the related credit card log, approved purchase order and receipts/support noted under Documentation Requirements. This review should also include evaluation the reasonableness of the charges and compliance with Town policy.
- C. For fuel card statements, the approver should review the statements and monthly summary reports for reasonableness, including the
  1. Accuracy of odometer readings input.
  2. Date and times of purchases.
  3. Number of gallons purchased.
  4. Octane rating of gasoline purchased for vehicle.
  5. Number of miles traveled.
  6. Miles per gallon information reported on the statements.
  7. The disposition of all missing and/or erroneous odometer readings should be documents on the statements.

For cards used in employee travel, the approver should review any related travel reimbursements to verify that the employee did not have card charges for which the employee was also reimbursed (i.e. double dipping). The approver should initial and date each monthly statement upon completion of review. Also, the review and approval of card statements should be performed prior to the payment due date to prevent late payments and related finance charges/late fees.

**Secs. 3-53 through 3-56. Reserved.**



## **ARTICLE IX. PAYROLL/PAYROLL PROCESSING POLICIES**

In compliance with Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG Opinion 79-729, the Town shall not advance wages or salaries to employees or pay bonuses.

### **Sec. 3-57. Changes in Employee Details**

- (a) No employee shall be added to payroll records or paid without receipt of the appropriate forms, including federal and state income tax withholding forms.
- (b) Employee files are to be maintained for all employees. Files should contain (1) employment application form; (2) a job description; (3) acceptance from employee of receipt of personnel policy manual; (4) approved salary or rate of pay amount; (5) completed Form I-9 for all employees hired after November 6, 1986; (6) completed federal and state income tax withholding forms (Form W-4 and L-4).
- (c) No adjustments are made to employee records, i.e., names, addresses, deduction details without receipt of written authorization from the employee.
- (d) No adjustments are made to salary or wage rates without written authorization from Town Council Minutes or budget document.
- (e) On termination employee files are to be immediately removed from current records and filed in past employee records. Employee payment details should also be terminated in the computer system.

### **Sec. 3-58. Time Recording**

- (a) All employees are to complete a time sheet, which must be signed by the employee and their supervisor to verify time worked.
- (b) The Mayor shall cause to be maintained records in respect of each employee showing gross salary or wages and tax and details of all other deductions.
- (c) A payroll report must be reviewed and signed by the Town Clerk to verify rates, time worked, salary amounts and employee names.
- (d) Employee time sheets must contain the following:
  - (1) Hours of work
  - (2) Allocation of time worked to jobs
  - (3) Sick leave taken
  - (4) Annual leave taken



(e) Overtime policy

(f) Call-out policy

- (1) Paid a minimum of one hour
- (2) Time begins when employee clocks in using time keeping system
- (3) Employee must clock out or only one hour will be paid out
- (4) Employee must be in Town uniform
- (5) Employees must use Town vehicles, machinery and equipment and the use of personal vehicles, machinery and equipment is prohibited.

**Sec. 3-59. Payroll Processing**

- (a) The town clerk will be responsible for editing approved pay rate adjustments for each employee within the payroll system. Pay rate approvals should be approved, in writing, by the mayor. Pay rate approvals shall be maintained in the employees' personnel files.
- (b) On a monthly basis, the mayor will receive the payroll bank statement (unopened) and review the canceled checks to determine that the checks were paid to valid employees and that the amounts paid appear reasonable, and that all checks include authorized signatures.
- (c) Each pay period, the town clerk will generate a report showing all changes made to payroll data (employees added/deleted and pay rate changes), including comparing the changes made per the log with proper documentation such as approved pay rates, to be approved and reviewed by the mayor. The mayor will document his/her review in writing and investigate/resolve undocumented or improper changes to payroll data.

**Sec. 3-60. Leave**

- (a) All employees applying for leave are to complete a Leave Application Form in advance. This form is to be authorized by the appropriate responsible supervisor and passed on to the Town clerk.
- (b) Leave Application Forms are to be filed in the employee's history file.
- (c) Annual leave is not to be paid without receipt of the appropriate authorized form.
- (d) Leave records are to be immediately updated to reflect annual and sick leave taken.

**Sec. 3-61. Personnel Files**

- (a) The Town Clerk must ensure that employee personnel files are complete and up-to-date.
- (b) Access to employee personnel files must be authorized by the Mayor.



**Secs. 3-62 through 3-69. Reserved.**

## **ARTICLE X. DEBT SERVICE/DISASTER RECOVERY POLICIES**

### **Sec. 3-70 Debt Service**

#### Debt Issuance Approval:

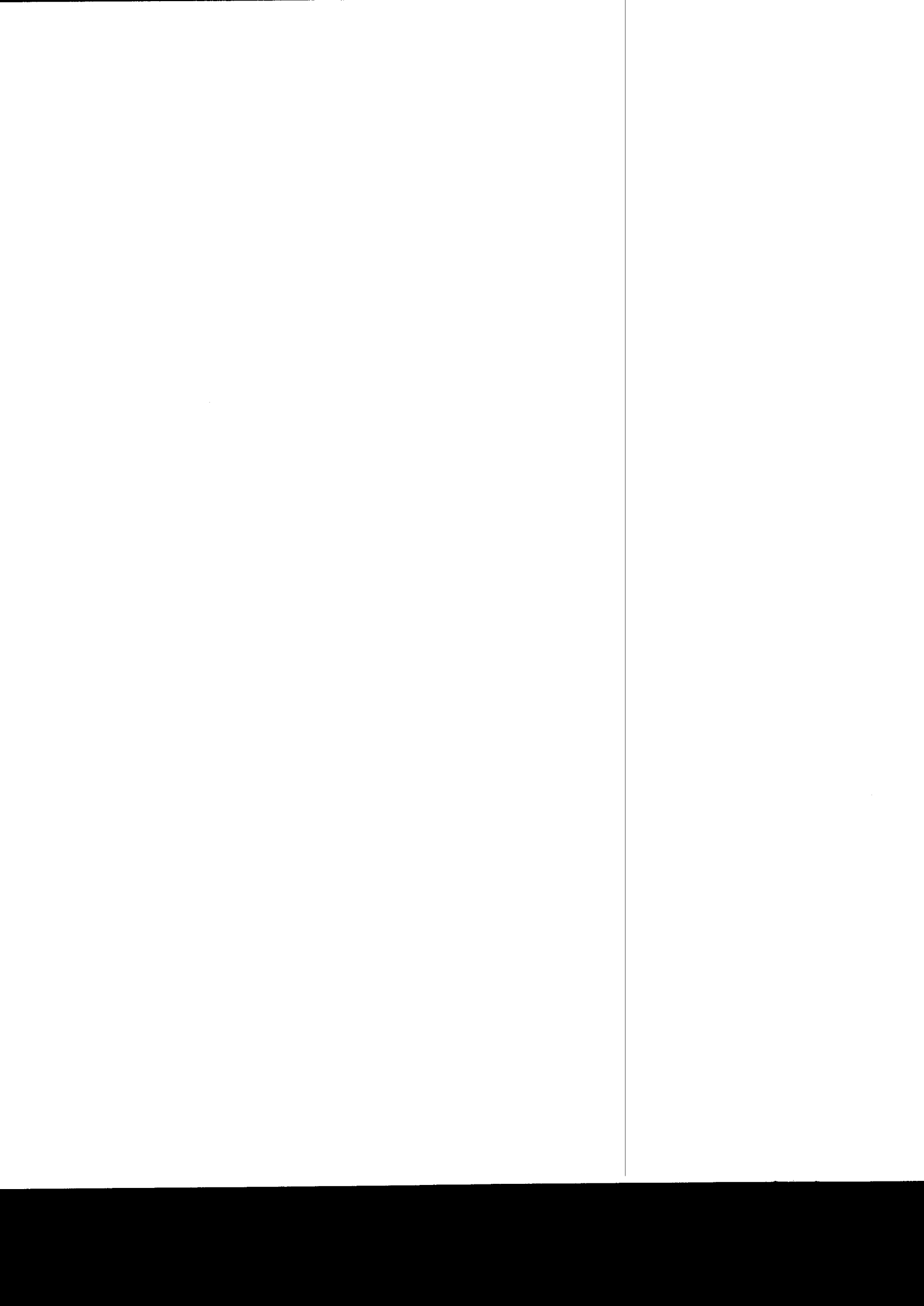
1. The Town council should pass a resolution/ordinance to receive approval from the State Bond Commission to incur debt.
2. The Town must receive State Bond Commission (SBC) approval when seeking to issue debt. The Town submits an application to the SBC requesting the authority to incur debt or levy related taxes. SBC staff review the application for compliance with applicable laws and feasibility, including the ability to repay the debt. If the application is in order, SBC staff place the Town's application on the agenda for consideration by the SBC at a regular or special meeting, at which the SBC can approve, reject, or defer action on the application.
3. If approved by the SBC, the Town's governing body should formally approve any external financings (e.g., bonds, notes, leases) or refinancing arrangements, including the selection and use of legal, accounting, and any other professional service providers that are needed.

#### Debt Reserve Requirements:

The Town must meet all debt reserve requirements, including establishing sinking fund accounts, reserve accounts, and/or contingency accounts, if required by the debt instrument. If the Town does not meet its debt reserve requirements, the chief executive must notify the SBC, in writing. A failure to meet debt reserve requirements would likely require a disclosure under Continuing Disclosure Requirements below, based on the terms of the debt instrument.

#### Debt Service Requirements:

1. The Town must meet all debt service requirements, including principal, interest, premiums, or other payments. If the Town does not meet its debt service requirements, the Town council must notify the SBC, in writing. The Town council must also notify the Legislative Auditor, in writing, either on or before 120 days before the due date of such payment, or as soon as the Town's governing authority knows, or has good reason to know, that such failure is reasonably likely to occur, whichever occurs last. A failure to meet debt service requirements would likely require a disclosure under Continuing Disclosure Requirements below, based on the terms of the debt instrument.
2. If debt service is funded by a tax millage, the Town should not collect more in taxes than is reasonable for debt service. As a best practice, the LLA suggests no more than one year





of excess collections before the Town should reduce its millage to a more reasonable level. If the related debt has been paid off, the Town must stop collecting the millage and the over-collected amount may need to be refunded to taxpayers.

Continuing Disclosure Requirements:

1. For non-municipal securities, such as private placement bond issues (i.e., those sold in a private sale to one or a few investors, such as a bank) and other types of debt instruments, the Town must comply with all continuing disclosure requirements included in the specific debt instrument (e.g., requirement for annual audit report to be submitted to the bank).
2. For municipal securities, defined as any securities issued by a public Town that are subject to continuing disclosure requirements under the Securities and Exchange Commission (SEC) Rule 15c2-12 (together with all corresponding rules, updates, notices, and interpretations of the SEC and the Municipal Securities Rulemaking Board, or MSRB), the Town must comply with both federal and state law. The requirements of the SEC Rule generally apply to all publicly offered bond issues (i.e. those sold to the public via an underwriter using an official statement), generally excluding issuers who offer municipal securities with an aggregate principal amount of \$1 million or less.
3. The continuing disclosure requirements apply to “obligated persons” as defined in the SEC Rule. An obligated person is generally the Town which is responsible for the repayment of the bonds or has pledged its own revenues or assets to the repayment of the bonds. The obligated person may or may not be the issuer of the bonds (e.g. a conduit issuer which issues bonds on behalf of another Town). Therefore, entities other than the bond issuer may be an obligated person subject to continuing disclosure requirements.
4. The MSRB’s Electronic Municipal Market Access (EMMA) website publicly displays continuing disclosures that are provided by municipal issuers, obligated persons, and other parties. The official statement for a bond issue usually includes an appendix (“Form of Continuing Disclosure Agreement”) which sets forth the specific continuing disclosure reporting obligations for the particular bond issue. The official statement for a bond issue may be obtained either through EMMA or the bond issue transcript on file with the public Town. An executed copy of the continuing disclosure agreement may also be found in the bond issue transcript.
5. R.S. 39:1438(C) requires that public entities continuously maintain (1) a list of all Louisiana municipal securities for which the public Town is the issuer or an obligated person; (2) a copy of all continuing disclosure agreements to which the public Town is a party; and (3) if pursuant to a continuing disclosure agreement to which the public Town is a party, the public Town is responsible for filing



notices of changes in bond ratings and a list of current ratings for such securities, if any.

6. All records required by R.S. 39:1438(C) are subject to inspection by the public Town's auditor, whether the Legislative Auditor or CPA.
7. R.S. 39:1438(D) requires the public Town's auditor to (1) review the public Town's compliance with the recordkeeping requirements of R.S. 39:1438(C), and (2) review a sample of the public Town's filings on EMMA to determine if such filings are in compliance with the continuing disclosure agreements to which the public Town is a party.

**Sec. 3-71 Disaster Recovery/Business Continuity**

The Town of Sorrento follows the Emergency Preparedness Plan drafted by the Ascension Parish Council. The plan provides specific causes of action in an event on an emergency. Please see attached copy.

**Secs. 3-72 through 3-79. Reserved.**

This ordinance was introduced on June 11, 2020, by Councilman Patti Poche. A public hearing having been duly held, the title read, and the ordinance considered, on motion by Councilman Donald Schexnaydre, seconded by Councilman Randy Anny, a record vote was had as follows:

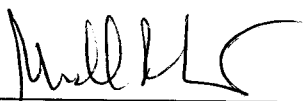
YEAS: Wanda Bourgeois, Christopher Guidry, Donald Schexnaydre, Randy Anny

NAYS: None

ABSTAINED:

ABSENT: Patti Poche

Whereupon the presiding officer declared the ordinance duly adopted on the 14th day of July, 2020.

  
\_\_\_\_\_  
Michael Lambert, Mayor

  
\_\_\_\_\_  
Paige K. Robert, Town Clerk

