



J. WALKER & COMPANY_{APC}

— ACCOUNTANTS AND ADVISORS —

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Matt Alexander
Town of St Joseph
St Joseph Louisiana, and the
Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Town of St. Joseph ("Town") and the Louisiana Legislative Auditor ("LLA") on the control and compliance (C/C) areas identified in the Fiscal Administrator's final report and three-year plan ("Plan") for the fiscal period July 01, 2020, through June 30, 2021. The Town's management is responsible for those C/C areas identified in the Plan.

The Town of St. Joseph, Louisiana 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 the Fiscal Administrator's final report and three-year plan. 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, such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Financial Management Plan

The Town will continue to retain qualified personnel to perform the financial and accounting activities of the Town. The duties of the qualified personnel include being responsible for accounts payable, accounts receivable, payroll, record-keeping, and collections. The Town will continue to retain qualified personnel to act as a contracted system operator responsible for preparing utility billing and making collections in the town's utility billing system.

Results: No exceptions noted.

The Town will continue to use an external accountant to assist with bank reconciliations, review of entries to the accounting system, financial statement preparation, and general financial assistance.

Results: No exceptions noted.

The Town will continue to prepare and amend budgets in accordance with the Local Government Budget Act and monitor financial activity each month to ensure that revenue and expenses are within budgeted levels.

Results: No exceptions noted.

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The Town will continue to ensure that all transactions are authorized by the Mayor and in accordance with budgetary authorization, laws, and regulations.

Results: No exceptions noted.

The Town will present financial statements each month to the Board of Aldermen that show budget to actual comparisons. The Town will explain any variances that may show that actual revenue or expenses are not within the budgeted levels.

Results: No exceptions noted

The Town will use the written procedural guidelines (Money Processing Manual, Payroll Manual, Purchasing Manual, Utility Financial Management Manual, and Personnel Manual) that were prepared for the Town for all financial and operational activities.

Results: No exceptions noted.

The Town will continue to engage an audit firm in a timely manner to complete audits in accordance with state law.

Results: No exceptions noted.

Revenue Plan

The Town will continue to monitor general fund revenue each month and make any necessary adjustments should revenue fall short of projections.

Results: No exceptions noted.

The Town will continue to monitor actual billings and collections for water, sewer, and gas services to ensure that revenue is generated as budgeted for operation, maintenance, and replacement reserves. If revenue is not meeting budgeted levels or if expenses are increasing beyond budgeted levels, the Town will use the guidance in Section 01 of the Utility Financial Management to calculate rates to generate the revenue needed. The town will adjust rates if necessary.

Results: No exceptions noted.

The Town will use the guidance in the Utility Financial Management Manual Section 01 to annually review utility expenses and calculate rates necessary for each service.

Results: No exceptions noted.

The Town will continue to work with the water and sewer system operators to determine operating needs for the water and sewer systems.

Results: No exceptions noted.



The gas rates of the Town must be reviewed and adjusted to generate funds for the gas line that is jointly owned by the Town and the Town of Newellton. This has been an on-going issue that has not yet been addressed by the Town. The mayor will continue negotiations with the Town of Newellton to reach an agreement on the funding and present a rate increase to the Saint Joseph Board of Aldermen.

Results: No exceptions noted.

Operational Plan

The Town will continue to engage and use the services of a private contractor for the operation, maintenance, billing function and collection function for water and sewer services. The Town, along with a private contractor, needs to maintain policies and procedures to ensure accurate and timely billing and collection of funds due to the Town.

Results: No exceptions noted.

The Town will continue to have a properly certified gas system operator as either an employee or by contract.

Results: No exceptions noted.

The Town will continue to utilize other existing personnel to perform other efforts within the budgetary constraints of the town. Since most of these services are funded with general fund revenue, it is critical to evaluate the cost of the services in relation to the revenue available for these purposes.

Results: No exceptions noted.

We were engaged by the Town of St. Joseph, Louisiana 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 Fiscal Administrator's final report and three-year plan. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town of St. Joseph, Louisiana 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 Fiscal Administrator's final report and three-year plan 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.



J. Walker & Company, APC

Lake Charles, Louisiana
December 10, 2021