

Financial Report

***Terrebonne Parish Recreation District No. 4
Dulac, Louisiana***

December 31, 2023

Financial Report

***Terrebonne Parish Recreation District No. 4
Dulac, Louisiana***

December 31, 2023

TABLE OF CONTENTS

Terrebonne Parish Recreation District No. 4 Dulac, Louisiana

December 31, 2023

	<u>Page Numbers</u>
Financial Section	
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis	4 - 10
Exhibits	
Financial Statements:	
Government-Wide and Fund Financial Statements:	
A - Statement of Net Position and Governmental Fund Balance Sheet	11
B - Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	12
C - Statement of Activities and Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance	13
D - Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	14
E - Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	15
F - Notes to Financial Statements	16 - 35
Required Supplementary Information Section	
G - Schedule of Changes in the District's Total OPEB Liability and Related Ratios	36

TABLE OF CONTENTS
(Continued)

	<u>Page Numbers</u>
Supplementary Information Section	
Schedules	
1 - Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	37
Special Reports of Certified Public Accountants	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	38 - 39
Schedule of Findings and Responses	40
Reports by Management	
Schedule of Prior Year Findings and Responses	41
Management's Corrective Action Plan	42
Statewide Agreed-Upon Procedures	
Independent Accountant's Report on Applying Agreed-Upon Procedures	43 - 44
2 - Schedule of Procedures and Associated Findings of the Statewide Agreed-Upon Procedures	45 - 62

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Terrebonne Parish Recreation District No. 4,
Dulac, Louisiana.

Opinion

We have audited the accompanying financial statements of the governmental activities and General Fund of Terrebonne Parish Recreation District No. 4 (the “District”), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the District as of December 31, 2023 and the respective changes in net position for the year then ended and budgetary comparison of the General Fund in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 10, and the Schedule of Changes in the District's Total OPEB Liability and Related Ratios page 36 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information on page 37 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2024 on our consideration of Terrebonne Parish Recreation District No. 4's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Certified Public Accountants.

Houma, Louisiana,
May 17, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Terrebonne Parish Recreation District No. 4

Dulac, Louisiana

December 31, 2023

The Management's Discussion and Analysis of the Terrebonne Parish Recreation District No. 4's financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2023. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

The District's assets exceeded its liabilities at the close of fiscal year 2023 by \$3,551,308 (net position), which represents a 14.21% increase from last fiscal year.

The District's revenues increased \$9,637 (or 1.27%) primarily due to an increase in investment earnings.

The District's expenses increased \$16,754 (or 5.41%) primarily due to increases in culture and recreation expenses.

The District did not have a deficit fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's financial statements. The District's annual report consists of three parts: (1) management's discussion and analysis (this section) (2) financial statements; and (3) various governmental compliance reports and schedules by certified public accountants and management.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The financial statements include two kinds of statements that present different views of the District:

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The Statement of Activities presents information showing how the District's net position changed during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the District is culture and recreation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The only fund of the District is a governmental fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains an individual governmental fund. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 11 through 15 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. As of December 31, 2023, assets exceeded liabilities by \$3,551,308. A large portion of the District's net position (28.24%) reflects its net investment in capital assets (e.g., land; buildings; improvements; office furniture, fixtures and equipment; machinery and equipment). Consequently, these assets are not available for future spending.

Condensed Statements of Net Position

	<u>December 31,</u>	<u>Dollar</u>
	<u>2023</u>	<u>Change</u>
Current and other assets	\$ 3,255,704	\$ 471,857
Capital assets	1,002,790	19,372
Deferred outflows of resources	<u>32,962</u>	<u>1,010</u>
Total assets and deferred outflows of resources	<u>4,291,456</u>	<u>492,239</u>
Deferred inflows of resources	732,503	50,439
Long-term liabilities	1,988	951
Other liabilities	<u>5,657</u>	<u>(989)</u>
Total liabilities and deferred inflows of resources	<u>740,148</u>	<u>50,401</u>
Net position:		
Net investment in capital assets	1,002,790	19,372
Unrestricted	<u>2,548,518</u>	<u>422,466</u>
Total net position	<u>\$ 3,551,308</u>	<u>\$ 441,838</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities

Governmental activities increased the District's net position by \$441,838. Key elements of this increase are as follows:

Condensed Statements of Activities

	<u>December 31,</u>		<u>Dollar</u>	<u>Total</u>
	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>Percent</u>
Revenues:				
Taxes	\$ 572,543	\$ 567,551	\$ 4,992	0.88%
Intergovernmental	148,466	188,209	(39,743)	-21.12%
Miscellaneous	47,532	3,144	44,388	1411.83%
Total revenues	<u>768,541</u>	<u>758,904</u>	<u>9,637</u>	<u>1.27%</u>
Expenses:				
General government	44,476	47,417	(2,941)	-6.20%
Culture and recreation	282,227	262,532	19,695	7.50%
Total expenses	<u>326,703</u>	<u>309,949</u>	<u>16,754</u>	<u>5.41%</u>
Increase in net position	441,838	448,955	(7,117)	-1.59%
Net position:				
Beginning of year	<u>3,109,470</u>	<u>2,660,515</u>	<u>448,955</u>	16.87%
End of year	<u>\$ 3,551,308</u>	<u>\$ 3,109,470</u>	<u>\$ 441,838</u>	<u>14.21%</u>

The Statement of Activities provides answers to the nature and source of changes in net position. In 2023, the District's total revenues increased by \$9,637 primarily due to an increase of investment earnings . Also, during the year ended December 31, 2023, expenses increased by \$16,754 primarily due to increases in personal services and other services and charges.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District's General Fund's ending unassigned fund balance is \$2,391,263 which is an increase of \$419,070 in comparison with the prior year. The unassigned balance is available for spending at the District's discretion. The increase in unassigned fund balance is largely the result of the excess of revenues over expenses of \$422,570.

General Fund Budgetary Highlights

The budget was amended once during the year. The primary reason for amending the budget was to prevent compliance violations under state law. The major differences between the original General Fund budget and the final amended budget were as follows:

Revenues

- Ad valorem revenue was decreased \$72,000, to reflect the anticipated revenues to be recognized for the year.
- Intergovernmental revenue was increased by \$68,256 to reflect revenues received from the Federal Emergency Management Agency (FEMA).
- Investment earnings were increased by \$43,000 to reflect revenues received from interest-bearing investments.

Expenditures

- Other services and charges was increased by \$40,500 to better reflect actual expenditures for the year.
- Repairs and maintenance was decreased by \$50,000 to better reflect actual expenditures for the year.
- Capital outlay was decreased by \$30,000 to reflect the anticipated cost of capital projects to be completed.

During the year, actual revenues exceeded the budgetary estimates while actual expenditures were less than the budgetary estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's net investment in capital assets for its governmental activities as of December 31, 2023, amounts to \$1,002,790 (net of accumulated depreciation). This net investment in capital assets includes land, construction in progress, buildings, improvements, office furniture, fixtures, and equipment, and machinery and equipment.

	<u>2023</u>	<u>2022</u>
Land	\$ 265,390	\$ 265,390
Buildings	414,430	426,755
Improvements other than buildings	194,124	132,069
Machinery and equipment	121,678	149,319
Office furniture, fixtures, and equipment	<u>7,168</u>	<u>9,885</u>
 Totals	 <u>\$ 1,002,790</u>	 <u>\$ 983,418</u>

The major capital asset events for the current year consisted of:

- Purchase of land improvements at Ashland Park.
- Purchase of a fence at Ashland Park.

Additional information on the District's capital assets can be found in Note 5, Exhibit F of this report.

Long-Term Obligations

Other postemployment benefit obligations increased to \$1,988 from \$1,037 as of December 31, 2023.

More detailed information about the District's other postemployment benefits is presented in Note 8, Exhibit F of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- The ad valorem tax revenue budgeted represents the estimated amount of the November 2023 assessment, which the District will receive, for the most part, in January 2024.
- The District will continue to make improvements, renovations and repairs to the facilities maintained by the District. This includes the gymnasium, ballfield, pool, tennis court, and parks
- All services will be made available to the public this year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Terrebonne Parish Recreation District No. 4, 106 Badou Dr., Dulac, LA 70353.

**STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET**

Terrebonne Parish Recreation District No. 4
Dulac, Louisiana

December 31, 2023

	General Fund	Adjustments (Exhibit B)	Statement of Net Position
Assets			
Cash and cash equivalents	\$ 786,277	\$ -	\$ 786,277
Investments	1,800,152	-	1,800,152
Receivables:			
Taxes	250,791	-	250,791
Due from other governmental units	418,484	-	418,484
Capital assets:			
Non-depreciable	-	265,390	265,390
Depreciable, net of accumulated depreciation	<u>-</u>	<u>737,400</u>	<u>737,400</u>
Total assets	3,255,704	1,002,790	4,258,494
Deferred outflows of resources:			
Other postemployment benefits	<u>-</u>	<u>32,962</u>	<u>32,962</u>
Total assets and deferred outflows of resources	<u>\$ 3,255,704</u>	<u>1,035,752</u>	<u>4,291,456</u>
Liabilities			
Accounts payable and accrued expenditures	\$ 5,657	-	5,657
Long-term liabilities:			
Due in more than one year	<u>-</u>	<u>1,988</u>	<u>1,988</u>
Total liabilities	<u>5,657</u>	<u>1,988</u>	<u>7,645</u>
Deferred inflows of resources:			
Unavailable revenue - property taxes	612,830	-	612,830
Other postemployment benefits	<u>-</u>	<u>119,673</u>	<u>119,673</u>
Total deferred inflows of resources	<u>612,830</u>	<u>119,673</u>	<u>732,503</u>
Total liabilities and deferred inflows of resources	<u>618,487</u>	<u>121,661</u>	<u>740,148</u>
Fund Balance/Net Position			
Fund balance:			
Assigned - subsequent year's expenditures	245,954	(245,954)	-
Unassigned	<u>2,391,263</u>	<u>(2,391,263)</u>	<u>-</u>
Total fund balance	<u>2,637,217</u>	<u>(2,637,217)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 3,255,704</u>		
Net position:			
Net investment in capital assets	1,002,790	1,002,790	
Unrestricted	<u>2,548,518</u>	<u>2,548,518</u>	
Total net position	<u>\$ 3,551,308</u>	<u>\$ 3,551,308</u>	

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

Terrebonne Parish Recreation District No. 4
Dulac, Louisiana

For the year ended December 31, 2023

Fund Balances - Governmental Fund	\$ 2,637,217
--	--------------

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.

Governmental capital assets	\$ 2,083,933
Less accumulated depreciation	<u>(1,081,143)</u>
	1,002,790

Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Other postemployment benefit obligation	32,962
---	--------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the government fund.

Other postemployment benefit obligation	(1,988)
---	---------

Deferred inflows of resources are not due and payable in the current period and are not reported in governmental funds.

Other postemployment benefit obligations	<u>(119,673)</u>
--	------------------

Net Position of Governmental Activities

<u>\$ 3,551,308</u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES AND STATEMENT OF
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

Terrebonne Parish Recreation District No. 4
Dulac, Louisiana

For the year ended December 31, 2023

	General Fund	Adjustments (Exhibit D)	Statement of Activities
Revenues			
Taxes	\$ 572,543	\$ -	\$ 572,543
Intergovernmental:			
Federal:			
FEMA	139,970	-	139,970
State of Louisiana:			
State revenue sharing	8,496	-	8,496
Miscellaneous:			
Investment earnings	46,851	-	46,851
Other revenues	681	-	681
Total revenues	<u>768,541</u>	<u>-</u>	<u>768,541</u>
Expenditures/Expenses			
Current:			
General government:			
Ad valorem tax adjustment	25,433	-	25,433
Ad valorem tax deductions	19,043	-	19,043
Total general government	<u>44,476</u>	<u>-</u>	<u>44,476</u>
Culture and recreation:			
Personal services	120,110	104	120,214
Supplies and materials	3,710	-	3,710
Other services and charges	71,369	-	71,369
Repairs and maintenance	24,277	-	24,277
Depreciation	-	62,657	62,657
Total culture and recreation	<u>219,466</u>	<u>62,761</u>	<u>282,227</u>
Capital outlay	<u>82,029</u>	<u>(82,029)</u>	<u>-</u>
Total expenditures/expenses	<u>345,971</u>	<u>(19,268)</u>	<u>326,703</u>
Excess of Revenues over Expenditures	422,570	(422,570)	-
Change in Net Position	-	441,838	441,838
Fund Balance/Net Position			
Beginning of year	<u>2,214,647</u>	<u>894,823</u>	<u>3,109,470</u>
End of year	<u>\$ 2,637,217</u>	<u>\$ 914,091</u>	<u>\$ 3,551,308</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE TO THE STATEMENT OF ACTIVITIES**

Terrebonne Parish Recreation District No. 4
Dulac, Louisiana

For the year ended December 31, 2023

Net Change in Fund Balance - Governmental Fund	\$ 422,570
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	\$ 82,029
Depreciation expense	<u>(62,657)</u>
	19,372
Expenses incurred that do not require the use of current financial resources and therefore are not reported in the governmental funds.	
Other postemployment benefits	<u>(104)</u>
Change in Net Position of Governmental Activities	<u>\$ 441,838</u>

See notes to financial statements.

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

Terrebonne Parish Recreation District No. 4
Dulac, Louisiana

For the year ended December 31, 2023

	Budgeted Amounts	Actual Amounts	Variance with Final Budget
	Original	Final	Favorable (Unfavorable)
Revenues			
Taxes	\$ 572,000	\$ 500,000	\$ 572,543
Intergovernmental			
Federal:			
FEMA	-	68,256	139,970
State of Louisiana:			
State revenue sharing	2,500	2,500	8,496
Miscellaneous:			
Investment earnings	1,000	44,000	46,851
Other revenues	-	-	681
Total revenues	<u>575,500</u>	<u>614,756</u>	<u>768,541</u>
			<u>153,785</u>
Expenditures			
Current:			
General government:			
Ad valorem tax adjustment	2,844	2,844	25,433
Ad valorem tax deductions	<u>5,290</u>	<u>5,290</u>	<u>19,043</u>
Total general government	<u>8,134</u>	<u>8,134</u>	<u>44,476</u>
			<u>(36,342)</u>
Culture and recreation:			
Personal services	104,000	104,000	120,110
Supplies and materials	10,000	10,000	3,710
Other services and charges	141,320	181,820	71,369
Repairs and maintenance	<u>142,500</u>	<u>92,500</u>	<u>24,277</u>
Total culture and recreation	<u>397,820</u>	<u>388,320</u>	<u>219,466</u>
			<u>168,854</u>
Capital outlay	<u>411,500</u>	<u>381,500</u>	<u>82,029</u>
Total expenditures	<u>817,454</u>	<u>777,954</u>	<u>345,971</u>
			<u>431,983</u>
Excess (Deficit) of Revenues Over Expenditures			
	(241,954)	(163,198)	422,570
			585,768
Fund Balance			
Beginning of year	<u>1,822,923</u>	<u>2,214,647</u>	<u>2,214,647</u>
End of year	<u>\$ 1,580,969</u>	<u>\$ 2,051,449</u>	<u>\$ 2,637,217</u>
			<u>\$ 585,768</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Terrebonne Parish Recreation District No. 4 Dulac, Louisiana

December 31, 2023

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Terrebonne Parish Recreation District No. 4 (the “District”) conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity

The District is a component unit of the Terrebonne Parish Consolidated Government (the “Parish”) and as such, these financial statements will be included in the annual comprehensive financial report (ACFR) of the Parish for the year ended December 31, 2023.

GASB No. 14, “*The Financial Reporting Entity*, GASB No. 39, *Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No. 14*, and GASB No. 61, *The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34*” established the criterion for determining which component units should be considered part of the District for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the District and the potential component unit.
4. Imposition of will by the District on the potential component unit.
5. Financial benefit/burden relationship between the District and the potential component unit.

The District has reviewed all of its activities and determined that there are no potential component units that should be included in its financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Basis of Presentation

The District's financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements.

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the District. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements

The daily accounts and operations of the District are organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the governmental fund of the District:

General Fund - The General Fund is the general operating fund of the District. It is used to account for and report all financial resources not accounted for and reported in another fund.

c) Measurement Focus and Basis of Accounting

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

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (intergovernmental revenue) are recognized as revenue in the period for which levied, thus the 2023 property taxes which are being levied to finance the 2024 budget will be recognized as revenue in 2024. The 2023 tax levy is recorded as unavailable revenue in the District's 2023 financial statements. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

d) Use of Estimates

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Operating Budgetary Data

As required by Louisiana Revised Statutes 39:1303, the Board of Commissioners (the “Board”) adopted a budget for the District’s General Fund. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District amended its budget once during the year. All budgeted amounts that are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

The General Fund budget presentation is included in the financial statements.

f) Accounts Receivable

The financial statements for the District do not contain an allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) Investments

Investments consist of certificates of deposit which are stated at cost, the approximate market value.

h) Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$350 or more and a useful life greater than one year are valued at historical cost, or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Capital Assets (Continued)

Government-Wide Financial Statements (Continued)

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

Buildings	10 - 40 years
Improvements other than buildings	10 - 30 years
Machinery and equipment	5 - 25 years
Office furniture, fixtures, and equipment	5 - 20 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

i) Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District has deferred outflows of resources related to other postemployment benefits.

The District reports deferred inflows of resources in the governmental fund financial statements and government-wide financial statements when resources associated with imposed non-exchange revenue transactions are received or reported as a receivable before (a) the period for which property taxes are levied; or (b) the period when resources are required to be used or when use is first permitted for all other imposed non-exchange revenues in which the enabling legislation includes time requirements. The District has deferred inflows of resources related to ad valorem taxes, and other postemployment benefits.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Personal and Sick Leave

Employees of the District can earn from 96 to 240 hours of personal leave, depending on their length of employment. Accumulated personal leave is due to the employee at the time of termination. The personal leave policy provides that their anniversary date the employee will be allowed to carry over any remaining hours earned to the following year. Any hours above what the employee earns in the calendar year will be transferred to sick leave subject to the maximum hours of sick leave. Excess personal leave hours not transferred to sick leave shall be lost. Employees of the District earn 56 hours sick leave per year and are permitted to accumulate a maximum of 480 hours. Sick hours will no longer accrue until the balance falls below the maximum of 480 hours. Upon retirement, termination or death employees will be allowed to either be compensated at 50% up to a maximum 240 hours of accumulated sick leave or remain on District payroll until the 240 hours of sick leave are exhausted. Accumulated personal leave as of December 31, 2023 is not material to the financial statements.

k) Equity

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets, if any. As of December 31, 2023 the District had no outstanding borrowings.
- b. Restricted net position - Consists of assets and deferred outflow of resources less liabilities and deferred inflow of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. As of December 31, 2023 and for the year then ended, the District did not have or receive restricted resources.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Equity (Continued)

Fund Financial Statements

Government fund equity is classified as fund balance. Fund balance is further classified as follows:

- a. Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to maintain intact.
- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed - amounts that can be used only for specific purposes determined by a formal action of the District's Board of Commissioners. Commitments may be established, modified, or rescinded only through resolutions approved by the District's Board of Commissioners.
- d. Assigned - amounts that do not meet the criteria to be classified as either restricted or committed but are intended to be used for specific purposes. Assignments may be established, modified or rescinded by the Chairman of the Board of Commissioners or his representative.
- e. Unassigned - all other spendable amounts.

For the classification of governmental fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available. The District's fund balance was classified as assigned and unassigned as of December 31, 2023. Fund balance assigned for subsequent year's expenditures is to finance the proposed operating deficit in the budget for the year ending December 31, 2023.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) New GASB Statements

During the year ended December 31, 2023, the District implemented the following GASB Statements:

Statement 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*” improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a non-financial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying non-financial asset for a period of time in an exchange or exchange-like transaction. This Statement did not affect the District’s financial statements.

Statement No. 96, “*Subscription-based Information Technology Arrangements*” provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. This Statement did not affect the District’s financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) New GASB Statements (Continued)

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 99, “*Omnibus 2022*” provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. The requirements of this Statement apply to all financial statements at dates varying from upon issuance to fiscal periods beginning after June 15, 2023. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 100, “*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*” provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 101, “*Compensated Absences*” provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 102, “*Certain Risk Disclosures*” defines concentrations and constraints. The Statement also requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) New GASB Statements (Continued)

Additional disclosures are to be included if reporting criteria is met which will provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

Note 2 - DEPOSITS AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investment, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Bank Deposits:

State law requires that deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

The year-end balances of deposits are as follows:

	Bank Balances	Reported Amounts
Cash	\$ 268,884	\$ 267,376
Investments - certificates of deposit	<u>1,800,152</u>	<u>1,800,152</u>
Totals	<u><u>\$ 2,069,036</u></u>	<u><u>\$ 2,067,528</u></u>

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a written policy for custodial credit risk that is similar to state law. As of December 31, 2023, \$1,569,036 of the District's bank balance of \$2,069,036 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent and are deemed to be held in the District's name in accordance with state statutes.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Bank Deposits: (Continued)

As of December 31, 2023, cash and certificates of deposit in excess of FDIC insurance were adequately collateralized in accordance with state law, by securities held by unaffiliated banks for the account of the District. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk.

Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP).

As a means of limiting its exposure to fair value losses arising from interest rates, the District's investment policy emphasized maintaining liquidity to match specific cash flows.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy requires the application of the prudent-person rule. This policy states, investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income be derived. Primary emphasis shall be placed upon the safety of principal, secondly to maintain liquidity to meet operating requirements and finally to obtain the most favorable rate of return. The District's investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAm.

For an investment, custodial credit risk is that risk that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Governments floating/variable rate investments. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of participants' position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Investments in LAMP as of December 31, 2023, amounted to \$518,901 and are classified on the Statement of Net Position and Governmental Fund Balance Sheet as "Cash and Cash Equivalents".

Reconciliation

A reconciliation of deposits and investments as shown on the Statement of Net Position and Governmental Fund Balance Sheet for the District is as follows:

Bank deposits	\$ 267,376
Investment in LAMP	<u>518,901</u>
Total cash and cash equivalents	<u>\$ 786,277</u>

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A statewide reevaluation of all property is required to be completed no less than every four years. The last statewide reevaluation was completed for the list of January 1, 2020. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2023 was \$6.91 per \$1,000 of assessed valuation on property within Recreation District No. 4 for the purpose of maintaining and operating recreational facilities within the District. As indicated in Note 1c, taxes levied November 1, 2023 are for budgeted expenditures in 2024 and will be recognized as revenues in 2024.

Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units as of December 31, 2023 consisted of the following:

State of Louisiana - State revenue sharing	\$ 5,358
Federal Emergency Management Agency	71,714
Terrebonne Parish Tax Collector - December 2023 collections remitted to the District in January 2024:	
Ad valorem taxes	338,733
State revenue sharing	<u>2,679</u>
Total	<u><u>\$418,484</u></u>

Note 5 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023	Additions	Deletions/ Transfers	Balance December 31, 2023
Capital assets not being depreciated:				
Land	<u>\$ 265,390</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,390</u>
Capital assets being depreciated:				
Buildings	<u>681,665</u>	<u>-</u>	<u>-</u>	<u>681,665</u>
Improvements other than buildings	<u>663,956</u>	<u>76,582</u>	<u>4,255</u>	<u>736,283</u>
Machinery and equipment	<u>367,778</u>	<u>5,447</u>	<u>-</u>	<u>373,225</u>
Office furniture, fixtures, and equipment	<u>27,869</u>	<u>-</u>	<u>499</u>	<u>27,370</u>
Total capital assets being depreciated	<u>1,741,268</u>	<u>82,029</u>	<u>4,754</u>	<u>1,818,543</u>
Less accumulated depreciation for:				
Buildings	<u>(254,910)</u>	<u>(12,325)</u>	<u>-</u>	<u>(267,235)</u>
Improvements other than buildings	<u>(531,887)</u>	<u>(14,527)</u>	<u>(4,255)</u>	<u>(542,159)</u>
Machinery and equipment	<u>(218,459)</u>	<u>(33,088)</u>	<u>-</u>	<u>(251,547)</u>
Office furniture, fixtures, and equipment	<u>(17,984)</u>	<u>(2,717)</u>	<u>(499)</u>	<u>(20,202)</u>
Total accumulated depreciation	<u>(1,023,240)</u>	<u>(62,657)</u>	<u>(4,754)</u>	<u>(1,081,143)</u>
Total capital assets being depreciated, net	<u>718,028</u>	<u>19,372</u>	<u>-</u>	<u>737,400</u>
Total capital assets, net	<u>\$ 983,418</u>	<u>\$ 19,372</u>	<u>\$ -</u>	<u>\$ 1,002,790</u>

Depreciation amounting to \$62,657 was recorded as cultural and recreation expenses for the year ended December 31, 2023. Asset additions include improvements to Ashland Park.

Note 6 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenditures as of December 31, 2023 consisted of the following:

Vendors	\$2,662
Payroll taxes	<u>2,995</u>
Total governmental funds	<u>\$5,657</u>

Note 7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the District carries commercial insurance and participates in the Parish's risk management program for general liability, workers' compensation and group health. No settlements were made during the year that exceeded the District's insurance coverage. The District's premiums for general liability are based on various factors such as operations and maintenance budget, exposure and claims experience. The premiums for workers' compensation are based on a fixed percentage of payroll. The premiums for group insurance are based on a fixed rate per employee. The Parish handles all claims filed against the District for workers' compensation and general liability. The District could have additional exposure for claims in excess of the Parish's insurance contracts as described as follows:

<u>Coverage Policy</u>	<u>Limits</u>
General Liability	\$10,000,000
Workers' Compensation	Statutory

Coverage for general liability claims in excess of the above stated limits are to be funded first by assets of the Parish's risk management internal service fund, then secondly by the District.

The Parish is self-insured for the first \$175,000 of each claim relating to group health insurance. The aggregate deductible for all group claims relating to group insurance for 2022 was \$14,903,118. Insurance contracts cover the excess liability on individual claims. There is no lifetime maximum claims limit for covered employees. Coverage for group health claim liabilities are to be funded first by assets of the Parish's group health internal service fund, \$3,044,672 as of December 31, 2022, then secondly by the District.

Workers' compensation claims in excess of \$600,000 are covered under an insurance contract for claims aggregate up to limits are to be funded first by assets of the Parish's workers' compensation internal service fund. As of December 31, 2023, the District had no claims in excess of the above coverage limits. Expenditures for premiums to the Parish for insurance coverages during the year ended December 31, 2023 totaled \$35,988.

Note 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

The District administers a single employer defined benefit healthcare plan (the “Plan”). The Plan provides for the payment of medical, dental and life insurance premiums for eligible employees, retirees and their dependents as approved by the Board of Commissioners. Louisiana Revised Statute 33:5161 grants the authority to establish and amend the benefit terms and financing requirements to the Board of Commissioners. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Eligible retirees can continue their health coverage by an election at retirement. Retirees are not eligible to rejoin at any other time. For employees retired January 1, 2005, the District funds the entire premium for all benefits on employees retiring with at least ten years of service upon retiring from the formal retirement systems.

Post-retirement group health insurance benefits shall be available to eligible retiring employees hired on or after January 1, 2013 with a minimum of 30 years of service and who are at least 60 years of age at retirement. Post-retirement group health insurance benefits shall be available to eligible retiring employees hired prior to January 1, 2013, having at least 10 years of permanent, full-time creditable service with the District and who are at least 60 years of age shall be eligible to continue participation in group health insurance benefits with a subsidy ranging from 27.5% with 10 years of service to 80% with 25 or greater years of service. The District currently has one active employee and no retirees in the Plan. The District does not issue a publicly available financial report on the Plan.

Total OPEB Liability

The District’s total OPEB liability of \$1,988 was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2022.

Note 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability as of December 31, 2023 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless, otherwise specified:

Measurement Date	December 31, 2023
Actuarial Valuation Date	January 1, 2022
Inflation	2.50%
Salary Increases, Including Inflation	3.00%
Discount Rate	3.77%
Healthcare Cost Trend Rates	Medical - 6.00% in year one decreasing in decrements of 0.25% per year until 5.00% through year five. Dental - 3.50% in year one decreasing in decrements of 0.25% per year until 2.50% through year five.

The discount rate was based on the December 31, 2023 Fidelity General Obligation AA 20-Year Yield.

Mortality rates for active employees were based on the PubG.H-2010 (general) and PubS.H-2010 (public safety) Employee Mortality Tables, Generational with Projection Scale MP-2021 for males or females, as appropriate.

Mortality rates for retirees were based on the PubG.H-2010 (general) and PubS.H-2010 (public safety) Healthy Annuitant Mortality Table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

Note 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance as of December 31, 2022	\$ 1,037
Changes for the year:	
Service cost	30
Interest	79
Difference between expected and actual experience	14
Changes in assumptions and other inputs	(18)
Change in proportion	935
Benefit payments	<u>(89)</u>
Net changes	<u>951</u>
Balance as of December 31, 2023	<u>\$ 1,988</u>

Sensitivity to Total OPEB Liability to Change in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate.

	1.00%	Decrease <u>(2.77%)</u>	Current Discount Rate <u>3.77%</u>	1.00% Increase <u>(4.77%)</u>
Total OPEB Liability	<u>\$ 2,331</u>	<u>\$ 1,988</u>	<u>\$ 1,716</u>	

Note 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Sensitivity to Total OPEB Liability to Change in the Health Cost Trend Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate.

	1.00% <u>Decrease</u>	Current Healthcare Cost Trend Rate	1.00% <u>Increase</u>
Total OPEB Liability	<u>\$ 1,672</u>	<u>\$ 1,988</u>	<u>\$ 2,400</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023 the District recognized an OPEB expense of \$104. As of December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 131	\$ (81)
Change in assumptions	12	(646)
Change in proportion	<u>32,819</u>	<u>(118,946)</u>
Totals	<u>\$32,962</u>	<u>\$(119,673)</u>

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ (33,476)
2025	(19,703)
2026	(26,788)
2027	<u>(6,744)</u>
Total	<u><u>\$ (86,711)</u></u>

Note 9 - DEFERRED COMPENSATION PLAN

The District offers its director participation in the Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397. The District's contribution to the Plan for the year ended December 31, 2023 was \$5,131.

Note 10 - COMPENSATION OF BOARD MEMBERS

The following amounts were paid to Board Members for the year ended December 31, 2023 are as follows:

<u>Board Members</u>	<u>Number of Meetings Attended</u>	<u>Per Diem</u>
Pamela Carlos	10	\$ 250
Lawrence Gautier	10	250
Coy Verdin	9	225
Janie Voisin	11	275
Kirby Verret	12	<u>300</u>
Total		<u>\$ 1,300</u>

Note 11 - STATE OF LOUISIANA TAX ABATEMENTS

The District's ad valorem tax revenues were reduced by \$7,861 under agreements entered into by the State of Louisiana.

Note 12 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through May 17, 2024, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

**SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL
OPEB LIABILITY AND RELATED RATIOS**

Terrebonne Parish Recreation District No. 4
Dulac, Louisiana

For the six years ended December 31, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability:						
Service cost	\$ 30	\$ 6,556	\$ (463)	\$ 1,961	\$ 1,995	\$ 4,433
Interest	79	26	2,028	2,261	2,720	6,460
Difference between expected and actual experience	14	105	(331)	(9,900)	3,995	(958)
Changes in assumptions or other inputs	(18)	(504)	1,147	(7,122)	23,821	(6,684)
Change in proportion	935	(108,204)	36,660	(40,559)	3,000	(96,840)
Benefit payments	(89)	(37)	(2,671)	(7,760)	(3,478)	(2,687)
Net change in total OPEB liability	951	(102,058)	36,370	(61,119)	32,053	(96,276)
Total OPEB liability, beginning of year	<u>1,037</u>	<u>103,095</u>	<u>66,725</u>	<u>127,844</u>	<u>95,791</u>	<u>192,067</u>
Total OPEB liability, end of year	<u>\$ 1,988</u>	<u>\$ 1,037</u>	<u>\$ 103,095</u>	<u>\$ 66,725</u>	<u>\$ 127,844</u>	<u>\$ 95,791</u>
Covered employee payroll	<u>\$ 52,807</u>	<u>\$ 51,607</u>	<u>\$ 51,007</u>	<u>\$ 51,007</u>	<u>\$ 58,910</u>	<u>\$ 50,644</u>
Total OPEB liability as a percentage of covered employee payroll	<u>3.76%</u>	<u>2.01%</u>	<u>202.12%</u>	<u>130.82%</u>	<u>217.02%</u>	<u>189.15%</u>

Notes to schedule:

Changes of benefit terms:

Effective January 1, 2019, a Medicare
Advantage plan was introduced as
as an option for eligible retirees.

Changes of assumptions and other inputs
reflected the effects of changes in the
discounts rate each period:

3.77% 4.05% 1.84% 2.00% 2.75% 3.71%

The schedule is provided beginning with the District's year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be reported as they become available.

SUPPLEMENTARY INFORMATION

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**Terrebonne Parish Recreation District No. 4**
Dulac, Louisiana

For the year ended December 31, 2023

Agency Head Name: Craig Luke, Director

Purpose	
Salary	\$ 52,807
Benefits - insurance	24,766
Benefits - retirement	5,131
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Travel	-
Reimbursements - mileage	4,769
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<hr/>
	<u>\$ 87,473</u>

Note:

Craig Luke is the Director of the District and functions as the Chief Executive Officer.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Commissioners,
Terrebonne Parish Recreation District No. 4,
Dulac, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General Fund of Terrebonne Parish Recreation District No. 4 (the “District”) a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s financial statements and have issued our report thereon dated May 17, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Bourgeois Bennett, L.L.C." The signature is fluid and cursive, with "Bourgeois" on the top line and "Bennett, L.L.C." on the bottom line.

Certified Public Accountants.

Houma, Louisiana,
May 17, 2024.

SCHEDULE OF FINDINGS AND RESPONSES

Terrebonne Parish Recreation District No. 4 Dulac, Louisiana

For the year ended December 31, 2023

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness? _____ Yes None reported

Noncompliance material to financial statements noted? _____ Yes No

b) Federal Awards

Terrebonne Parish Recreation District No. 4 did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section II - Financial Statement Findings

No financial statement findings were noted during the audit for the year ended December 31, 2023.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Terrebonne Parish Recreation District No. 4 Dulac, Louisiana

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended December 31, 2022.

No significant deficiencies were reported during the audit for the year ended December 31, 2022.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2022.

Section II - Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Recreation District No. 4 did not expend federal awards in excess of \$750,000 during the year ended December 31, 2022 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2022.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Terrebonne Parish Recreation District No. 4 Dulac, Louisiana

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended December 31, 2023.

No significant deficiencies were reported during the audit for the year ended December 31, 2023.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Recreation District No. 4 did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2023.

STATEWIDE AGREED-UPON PROCEDURES

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners,
Terrebonne Parish Recreation District No. 4,
Dulac, Louisiana.

We have performed the procedures described in Schedule 2 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2023 through December 31, 2023. Terrebonne Parish Recreation District No. 4 (the "District") management is responsible for those C/C areas identified in the SAUPs.

The District 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 LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 2.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 these C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

Bougeois Bennett, L.L.C.

Certified Public Accountants

Houma, Louisiana,
May 17, 2024.

SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS OF THE STATEWIDE AGREED-UPON PROCEDURES

Terrebonne Parish Recreation District No. 4 Dulac, Louisiana

For the year ended December 31, 2023

The required procedures and our findings are as follows:

1) Procedures Performed on the District's Written Policies and Procedures:

- A. Obtain and inspect the District's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the District's operations:
 - i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
Performance: Obtained and read the written policy for purchasing.
Exceptions: There was an exception noted due to the policy lacking provisions on how vendors are added to the vendor list and documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of each type of revenue or District fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Performance: Obtained and read the written policy for receipts.
Exceptions: There were exceptions noted due to the policy lacking provisions for receiving and recording deposits.

1) Procedures Performed on the District's Written Policies and Procedures: (Continued)

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.
- Exceptions: There were no exceptions noted.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- Performance: Obtained and read the purchasing handbook for contracting.
- Exceptions: There were exceptions noted due to the policy lacking provisions on the approval process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.
- Exceptions: There were no exceptions noted.
- viii. **Credit Cards** (and debit cards, fuel cards, purchase cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- Performance: Obtained and read the written policy for credit cards and found it to address all the functions listed above. The District does not maintain, obtain, or use credit cards.
- Exceptions: There were no exceptions noted.
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the District's ethics policy.
- Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.
- Exceptions: There were no exceptions noted.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- Performance: The District does not issue debt.
- Exceptions: There were no exceptions noted.

1) Procedures Performed on the District's Written Policies and Procedures: (Continued)

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups; (2) storage of backups in a separate physical location isolated from the network; (3) periodic testing/verification that backups can be restored; (4) use of antivirus software on all systems; (5) timely application of all available system and software patches/updates; and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Performance: Inquired of management regarding the District's information technology disaster recovery/business continuity policy.

Exceptions: The District did not have an information technology disaster recovery/business continuity policy.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Performance: Obtained and read the written policy for sexual harassment and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

2) Procedures Performed on the District's Board or Finance Committee:

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period and:

- i. Observe that the board met with a quorum at least monthly, or on a frequency in accordance with the board/finance committee's enabling legislation, charter, bylaws, or other equivalent document.

Performance: Obtained and read the written minutes of the Board meetings to determine if the Board met with a quorum for each meeting.

Exceptions: There were no exceptions noted.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds.

Performance: Inspected meeting minutes to determine if the minutes included references to budget-to-actual comparisons for the General Fund.

Exceptions: There were no exceptions noted.

2) Procedures Performed on the District's Board or Finance Committee: (Continued)

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the General Fund.

Performance: Obtained the prior year's audit report and observed the unassigned fund balance in the General Fund. The General Fund did not have a negative ending unassigned fund balance.

Exceptions: There were no exceptions noted.

iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Performance: Obtained and read the written minutes of the Board meetings. There were no audit findings in the prior year.

Exceptions: There were no exceptions noted.

3) Procedures Performed on the District's Bank Reconciliations:

A. Obtain a listing of the District's bank accounts from management and management's representation that the listing is complete. Ask management to identify the District's main operating account. Select the District's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain, and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Performance: Obtained the monthly bank reconciliation for the month of December for the main operating bank account. Inspected management's documentation for timely preparation of the bank reconciliation.

Exceptions: There were no exceptions noted.

ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and

Performance: Inspected the District's documentation for the December bank reconciliation for the bank account selected.

Exceptions: There were no exceptions noted.

3) Procedures Performed on the District's Bank Reconciliations: (Continued)

- iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement's closing date, if applicable.

Performance: Inspected documents for items outstanding for more than 12 months.

We noted no checks outstanding greater than 12 months from the statement closing date.

Exceptions: There were no exceptions noted.

4) Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers):

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Performance: Obtained the listing of deposit sites from management and received management's representation in a separate letter. The District only has one deposit site.

Exceptions: There were no exceptions noted.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Obtained the listing of collection locations from management and received management's representation in a separate letter. The District has 2 collection locations.

Exceptions: There were no exceptions noted.

- i. Employees responsible for cash collections do not share cash drawers/registers.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

- ii. Each employee responsible for collecting cash is also not responsible for preparing/making bank deposits, unless other employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

4) Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers): (Continued)

iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

Performance: Inspected policy manuals, inquired of client as to all of the requirements.
Exceptions: There were no exceptions noted.

iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.
Exceptions: There were no exceptions noted.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Performance: Obtained a copy of the insurance policy for theft and a listing of all employees covered by the policy. The policy was in force during the fiscal period.

Exceptions: There were no exceptions noted.

D. Randomly select 2 deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and

i. Observe that receipts are sequentially pre-numbered.

Performance: Obtained supporting documentation for the selected deposits and observed whether receipts were sequentially pre-numbered.

Exceptions: There were no exceptions noted.

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Performance: Traced supporting documentation to the deposit slip.

Exceptions: There were no exceptions noted.

4) Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers): (Continued)

- iii. Trace the deposit slip total to the actual deposit per the bank statement.
Performance: Traced deposit slip total to the actual deposit per the bank statement.
Exceptions: There were no exceptions noted.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
Performance: Observed that the deposits tested were made within one business day of receipt.
Exceptions: There were no exceptions noted.
- v. Trace the actual deposit per the bank statement to the general ledger.
Performance: Traced the actual deposit per the bank statement to the general ledger.
Exceptions: There were no exceptions noted.

5) Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases):

- A. Obtain a listing of locations that process payments for the fiscal period, and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
Performance: Obtained a listing of locations that process payments for the fiscal period from management and received management's representation in a separate letter. The District only has one location that processes payments.
Exceptions: There were no exceptions noted.
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the District has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
Performance: Obtained a listing of employees involved in non-payroll purchasing and payment functions and reviewed written policies and procedures related to employee job duties. Observed if the job duties were properly segregated.
Exceptions: There were no exceptions noted.
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
Performance: Obtained a listing of employees involved in initiating a purchase request, approving a purchasing, and placing an order/making a purchase. Observed that at least two employees are involved.
Exceptions: There were no exceptions noted.

5) Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

- ii. At least two employees are involved in processing and approving payments to vendors.
Performance: Obtained a listing of employees involved in processing and approving payments to vendors. Observed at least two employees are involved.
Exceptions: There were no exceptions noted.
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.
Performance: Obtained a listing of employees involved in processing payments to vendors. Observed if any employees involved are adding/modifying vendor files and another employee is responsible for reviewing changes to vendor files.
Exceptions: There were no exceptions noted.
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
Performance: Obtained a listing of employees involved with signing and mailing checks and noted proper segregation of duties.
Exceptions: There were no exceptions noted.
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
Performance: Obtained a listing of employees authorized to sign checks and noted that they are the only employees authorized to approve electronic disbursements.
Exceptions: There were no exceptions noted.
- C. For each location selected under procedure #5A, obtain the District's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- Performance: Obtained the District's non-payroll disbursement transaction population and management's representation that the population is complete.
Exceptions: There were no exceptions noted.
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the District.
Performance: Observed that the 5 disbursements matched the related original invoice/billing statements and observed supporting documentation indicating deliverables were received.
Exceptions: There were no exceptions noted.

5) Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

- ii. Observe whether that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

Performance: Observed the 5 disbursements included evidence of segregation of duties.

Exceptions: There were no exceptions noted.

- D. Using the District's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the District's policy, and (b) approved by the required number of authorized signers per the District's policy.

Performance: Observed that selected disbursements were approved by authorized persons and required number of signers.

Exceptions: There were no exceptions noted.

6) Procedures Performed on the District's Credit Cards, Debit Cards, Fuel Cards, Purchase Cards (Cards):

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Performance: It is the District's policy to not obtain or use credit cards. Testing is not applicable.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Performance: It is the District's policy to not obtain or use credit cards. Testing is not applicable.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Performance: It is the District's policy to not obtain or use credit cards. Testing is not applicable.

6) Procedures Performed on the District's Credit Cards, Debit Cards, Fuel Cards, Purchase Cards (Cards): (Continued)

C. Using the monthly statements or combined statements selected under procedure #6B, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, report whether the transaction is supported by:

- i. An original itemized receipt that identifies precisely what was purchased.
Performance: It is the District's policy to not obtain or use credit cards. Testing is not applicable.
- ii. Written documentation of the business/public purpose.
Performance: It is the District's policy to not obtain or use credit cards. Testing is not applicable.
- iii. Documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.
Performance: It is the District's policy to not obtain or use credit cards. Testing is not applicable.

7) Procedures Performed on the District's Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions):

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Performance: Obtained a list of all travel and travel-related expense reimbursements, and received management's representation in a separate letter that the listing is completed. Selected 5 reimbursements and obtained the supporting documentation.

Exceptions: There were no exceptions noted.

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

Performance: Observed that reimbursements were reimbursed using a rate that is no more than the GSA per diem rate.

Exceptions: There were no exceptions noted.

7) Procedures Performed on the District's Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions): (Continued)

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Performance: Observed that reimbursements using actual costs were supported by actual receipts identifying precisely what was purchased.

Exceptions: There were no exceptions noted.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii).

Performance: Observed that reimbursements were supported by documentation documenting the business/public purpose and other documentation required by written policy.

Exceptions: There were no exceptions noted.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Performance: Observed that reimbursements were reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Exceptions: There were no exceptions noted.

8) Procedures Performed on the District's Contracts:

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

Performance: Inquired if there were any contracts initiated during the fiscal period. The District did not initiate or renew any contracts.

Exceptions: There were no exceptions noted.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Performance: The District did not initiate or renew any contracts during the fiscal period.

Exceptions: There were no exceptions noted.

8) Procedures Performed on the District's Contracts: (Continued)

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
Performance: The District did not initiate or renew any contracts during the fiscal period.
Exceptions: There were no exceptions noted.
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval).
Performance: The District did not initiate or renew any contracts during the fiscal period.
Exceptions: There were no exceptions noted.
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.
Performance: The District did not initiate or renew any contracts during the fiscal period.
Exceptions: There were no exceptions noted.

9) Procedures Performed on the District's Payroll and Personnel:

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries, and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
Performance: Obtained the listing of employees and their related salaries from management and management's representations that the listing is complete.
Exceptions: There were no exceptions noted.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
Performance: Inspected all daily attendance and leave records for proper documentation.
Exceptions: There were no exceptions noted.

9) Procedures Performed on the District's Payroll and Personnel: (Continued)

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.
Performance: Inspected the approval of attendance and leave by the supervisors for the selected employee/officials.
Exceptions: There were no exceptions noted.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the District's cumulative leave records.
Performance: Inspected any leave accrued or taken during the pay period was reflected in the cumulative leave records.
Exceptions: There were no exceptions noted.
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
Performance: Inspected and agreed the rate paid to employees to the authorized pay rate in the personnel files.
Exceptions: There were no exceptions noted.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the District's policy on termination payments. Agree the hours to the employees' or officials' cumulative leave records, agree the pay rates to the employees'/officials' authorized pay rates in the employees'/officials' personnel files, and agree the termination payment to the District's policy.
Performance: Inquired of management of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. No employees were terminated during the fiscal year.
Exceptions: There were no exceptions noted.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
Performance: Obtained management's representation of the timely filing of payroll forms and timely payments and inspected payroll reporting forms to confirm that all payments were submitted to the applicable agencies by the required deadlines.
Exceptions: There were no exceptions noted.

10) Procedures Performed on the District's Ethics:

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
Performance: Inspected personnel files and ethics course completion certificates for the employees selected.
Exceptions: There were no exceptions noted.
- ii. Observe whether the District maintains documentation which demonstrates that each employee and official were notified of any changes to the District's ethics policy during the fiscal period, as applicable.
Performance: There were no changes to the ethics policy during the year.
Exceptions: There were no exceptions noted.
- B. Inquire and/or observe whether the District has appointed an ethics designee as required by R.S. 42:1170.
Performance: We inquired as to whether the District appointed an ethics designee.
Exceptions: There were no exceptions noted.

11) Procedures Performed on the District's Debt Service:

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
Performance: Inquired of management regarding a listing of bonds/notes issued during the fiscal period and obtained management's representation in a separate letter. The District did not issue any new debt during the fiscal period.
Exceptions: There were no exceptions noted.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
Performance: There were no bonds/notes outstanding at the end of the fiscal period as represented by management in a separate letter.
Exceptions: There were no exceptions noted.

12) Procedures Performed on the District's Fraud Notice:

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

Performance: Inquired of management of any misappropriations of public funds and assets during the fiscal period and management's representation in a separate letter. None were noted.

Exceptions: There were no exceptions noted.

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

Performance: Observed fraud notice posted on the premises concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. The District does not have a website.

Exceptions: There were no exceptions noted.

13) Procedures Performed on the District's Information Technology Disaster Recovery/Business Continuity:

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

- i. Obtain and inspect the District's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personal responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the District's local server or network, and (c) was encrypted.

Performance: We performed the procedure and discussed the results with management.

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

Performance: We performed the procedure and discussed the results with management.

13) Procedures Performed on the District's Information Technology Disaster Recovery/Business Continuity: (Continued)

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

Performance: We performed the procedure and discussed the results with management.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using a list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Performance: We performed the procedure and discussed the results with management.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Performance: We performed the procedure and discussed the results with management.

14) Procedures Performed on the District's Prevention of Sexual Harassment:

A. Using the 5 randomly selected employees/officials from "Procedures Performed on the District's Payroll and Personnel procedure" #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Performance: Observed sexual harassment training documentation for the employees selected.

Exceptions: There were no exceptions noted.

B. Observe that the District has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the District's premises if the District does not have a website).

Performance: Observed the sexual harassment policy and complaint procedure was posted in a conspicuous location on the District's premises.

Exceptions: There were no exceptions noted.

14) Procedures Performed on the District's Prevention of Sexual Harassment:

- C. Obtain the District's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

Performance: Obtained the District's annual sexual harassment report.

Exceptions: There were no exceptions noted.

- i. Number and percentage of public servants in the agency who have completed the training requirements.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

- ii. Number of sexual harassment complaints received by the agency.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

- v. Amount of time it took to resolve each complaint.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

Management's Overall Response to Exceptions:

- 1)A.ii. The District will consult with the Parish to amend the policy manual to include the required provisions in the purchasing policy.

- 1)A.iv. The District will consult with the Parish to amend the policy manual to include the required provisions in the receipts/collections policy.

Management's Overall Response to Exceptions: (Continued)

- 1)A.vi. The District will consult with the Parish to amend the policy manual to include the required provisions in the contracting policy.
- 1)A.xi. The District will consult with the Parish to amend the policy manual to include an information technology disaster recovery/business continuity policy.