

TANGIPAHOA PARISH GOVERNMENT

Amite, Louisiana

ANNUAL FINANCIAL REPORT

As of and for the Year Ended

December 31, 2022

TANGIPAOA PARISH GOVERNMENT

Amite, Louisiana

ANNUAL FINANCIAL REPORT

As of and for the Year Ended December 31, 2022

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Independent Auditor's Report		3
Required Supplementary Information (Part I)		
Management's Discussion and Analysis		8
Basic Financial Statements		
Government-wide Financial Statements		
Statement of Net Position	A -1	15
Statement of Activities	A -2	16
Fund Financial Statements		
Governmental Funds		
Balance Sheet	A -3	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	A -4	18
Statement of Revenues, Expenditures, and Changes in Fund Balances	A -5	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	A -6	21
Proprietary Funds		
Statement of Net Position	A -7	22
Statement of Revenues, Expenses, and Changes in Net Position	A -8	23
Statement of Cash Flows	A -9	24
Fiduciary Fund		
Statement of Fiduciary Net Position	A -10	25
Statement of Changes in Fiduciary Net Position	A -11	26
Notes to the Financial Statements		28
Required Supplementary Information (Part II)		
Budgetary Comparison Schedules		
General Fund	B -1	74
Road and Bridge Funds	B -2	75
Garbage District No. 1	B -3	76
Health Unit	B -4	77
Schedule of Changes in the parish's Net OPEB Liability and Related Ratios	B -5	78
Schedule of parish's proportionate share of the net pension liability (asset)	B -6	79
Schedule of parish's contribution	B -7	80

TANGIPAHOA PARISH GOVERNMENT
TABLE OF CONTENTS continued

	<u>Exhibit</u>	<u>Page</u>
Other Supplementary Information		
Schedule of Expenditures of Federal Awards.....	C -1	82
Financial Data Schedules		
Balance Sheet.....	C -2	84
Revenue and Expenses.....	C -3	85
Schedule of Compensation, Benefits, and Other Payments to Agency Head.....	C -4	86
Justice System Funding Schedule - Receiving Entity.....	C -5	87
Other Independent Auditor's Reports and Findings		
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>		89
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance		91
Schedule of Current Year Audit Findings and Questioned Costs.....		94
Summary Schedule of Prior Year Audit Findings		99
Management's Corrective Action Plan.....		100

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan E. Lynch, CPA
B. Jacob Steib, CPA



**JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.**
CERTIFIED PUBLIC ACCOUNTANTS
www.jlrcpafirm.com


Member of
American Institute of CPAs
Society of Louisiana CPAs

Independent Auditor's Report

Honorable Robby Miller, Parish President and
Members of the Tangipahoa Parish Council
Tangipahoa Parish Government
Amite, Louisiana

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tangipahoa Parish Government (the "Parish"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Parish's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Parish as of December 31, 2022, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Each Major Fund, and the Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Parish as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standard 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 Responsibility for the Audit of the Financial Statements section of our report. We are required to be independent of the Parish, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the Parish's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Parish's primary government unless the Parish also issues financial statements for the financial reporting entity that include the financial data for its component units. The Parish has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units are not reasonably obtainable.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to 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 Parish's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

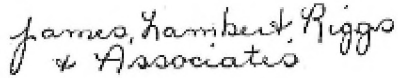
Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 8 – 13; the Budgetary Comparison Schedules on pages 74 – 77; the Schedule of Changes in the Parish's Net OPEB Liability and Related Ratios on page 78; the Schedule of the Parish's Proportionate Share of the Net Pension Liability / (Asset) on page 79; and the Schedule of the Parish's Contribution on page 80 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires 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 opinions on the financial statements that collectively comprise the Parish's basic financial statements. The accompanying Financial Data Schedule – Balance Sheet; Financial Data Schedule – Revenues and Expenses; Schedule of Compensation, Benefits, and Other Payments to Agency Head; Justice System Funding Schedule – Receiving Entity; and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 Financial Data Schedule – Balance Sheet; Financial Data Schedule – Revenues and Expenses; Schedule of Compensation, Benefits, and Other Payments to Agency Head; Justice System Funding Schedule – Receiving Entity; and Schedule of Expenditures of Federal Awards are 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 August 31, 2023, on our consideration of the Parish’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 Parish’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 Parish’s internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

August 31, 2023

Required Supplementary Information (Part I)

TANGIPAOHA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Tangipahoa Parish Government's (Parish) financial performance provides an overview of the Parish's financial activities for the fiscal year ended December 31, 2022, with comparisons to the prior year, where appropriate.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Parish's financial statements, which begin on page 15.

FINANCIAL HIGHLIGHTS

The Parish's net position from government activities increased approximately \$15.9 million as a result of this year's operations.

Total cost of all of the Parish's programs was in excess of \$ 73 million in 2022.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to Tangipahoa Parish Government's basic financial statements. This annual report consists of a series of financial statements. The Parish's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. The Statement of Net Position and the Statement of Activities (on pages 15 and 16) provide information about the activities of the Parish as a whole and present a longer-term view of the Parish's finances. Fund financial statements start on page 17. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Parish's operations in more detail than the government-wide statements by providing information about the Parish's most financially significant funds.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities

Our analysis of the Parish as a whole begins on page 8. One of the most important questions asked about the Parish's finances is "Is the Parish as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Parish as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Parish's *net position* and changes to them. You can think of the Parish's net position, the difference between assets, what the citizens own, and liabilities, what the citizens owe, as one way to measure the Parish's financial health, or *financial position*. Over time, increases or decreases in the Parish's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Parish's property tax base and the condition of the Parish's capital assets (roads, bridges, buildings, and sewer lines) to assess the *overall health* of the Parish.

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2022

The Condensed Statement of Activities and Changes in Net Position, reports on the Parish's governmental activities:

- Governmental activities: most of the Parish's basic services are reported here, including road & bridge construction and maintenance, road lighting, landfill operations, health offices, animal control, low income housing (Section 8), and general administration. The Parish's one percent sales tax, property taxes, and state and federal grants finance most of these activities.

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. Some funds are required to be established by State law. However, the Parish establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Parish's three kinds of funds, governmental, proprietary, and fiduciary, use different accounting approaches.

Governmental Funds: most of the Parish's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Parish's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Parish's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation beside the fund financial statements.

Proprietary funds: when the Parish charges customers for the full cost of the services it provides whether to outside customers or to other units of the Parish, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Parish's enterprise funds (a component business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources are not available to support the Parish's own programs. The Tangipahoa Parish Government is the trustee, or fiduciary, for assets that belong to others, such as the Other Post Employment Benefits Fund. The Parish is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. This fund is reported within the Fiduciary Fund category and is reported on a full accrual basis.

Notes to the Financial Statements

The notes to the financial statements 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 on pages 28 through 72 of this report.

FINANCIAL ANALYSIS

The following table provides a comparative summary of the Parish's net position for the current and previous years. For more detailed information, see the Statement of Net Position on page 15 of this report.

TANGIPAOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2022

CONDENSED STATEMENT OF NET POSITION
Governmental Activities
December 31, 2022, and 2021

	2022	2021
<u>Assets</u>		
Current Assets	\$80,719,865	\$89,529,697
Restricted Assets	36,649,730	26,206,102
Capital Assets, net	227,331,247	213,946,032
Right of use assets, net	6,364,244	-
Net Pension Asset	11,055,356	3,904,749
Total Assets	362,120,442	333,586,580
 <u>Deferred outflow of resources</u>	 6,537,050	 6,063,658
 <u>Liabilities</u>		
Current Liabilities	45,278,774	50,752,541
Long-Term Liabilities	24,340,325	21,606,963
Net Pension Liability	683,861	107,829
Total Liabilities	70,302,960	72,467,333
 <u>Deferred inflow of resources</u>	 37,638,182	 22,411,278
 <u>Net Position</u>		
Net Investment in Capital Assets	215,492,859	208,007,718
Restricted	38,534,918	47,346,287
Unrestricted(Deficit)	6,688,573	(10,582,378)
 Total Net Position	 \$260,716,350	 \$ 244,771,627

Approximately 82.65% of the Parish's net position reflect its investment in capital assets (land, buildings, equipment, and improvements) net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending. Although, the Parish's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

Approximately 14.77% of the Parish's net position represent resources that are subject to external restriction on how they may be used. The Parish's restricted net position consist of cash restricted for the high deductible insurance and health reimbursement plan, cash required to be restricted by grant covenants, sales tax levies, ad valorem tax levies, and contract agreements.

Approximately 2.58% of the Parish's net position is a deficit and that is attributable to an increase in restricted assets and deferred inflow of resources.

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2022

The table below provides a comparative summary of the changes in net position for the years ended December 31, 2022, and December 31, 2021. An analysis of the primary sources of these changes follows the table. For more detailed information, see Exhibit A-2, the Statement of Activities.

CONDENSED STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
For Years Ended December 31, 2022, and 2021

	Governmental Activities	
	2022	2021
Program Revenues:		
Charges for Services	\$9,530,478	\$ 9,490,379
Grants and Contributions		
Operating	23,892,027	57,084,892
Capital	6,015,421	5,380,725
Total Program Revenues	<u>39,437,926</u>	<u>71,995,996</u>
General Revenues:		
Taxes, Licenses, and Revenue Sharing	45,313,603	42,294,787
Investment Earnings	1,551,376	498,863
Miscellaneous	4,190,470	3,901,512
Support Revenues	265,045	259,360
Gain from lease modification	-	25,380
Gain on sale of capital assets	22,218	145
Total General Revenues	<u>51,342,712</u>	<u>46,980,047</u>
Total Revenues	<u>90,780,638</u>	<u>118,976,043</u>
Program Expenses:		
General Government	9,005,371	8,682,803
Culture and Recreation	476,069	368,765
Public Safety	4,749,862	2,639,614
Public Works	44,678,816	76,734,933
Health and Welfare	7,679,410	7,108,331
Economic Development	6,386,502	6,420,537
Interest on long term debt	347,770	661,625
Total Expenses	<u>73,323,800</u>	<u>102,616,608</u>
Excess Before Transfers and Contributions	17,456,838	16,319,435
Transfers & Contributions	(1,410,201)	(153,552)
Change in Net Position	<u>16,046,637</u>	<u>16,165,883</u>
Net Position, beginning, restated	<u>244,669,713</u>	<u>228,605,744</u>
Net Position, ending	<u>\$260,716,350</u>	<u>\$ 244,771,627</u>

TANGIPAOHA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2022

Governmental Activities

The Parish's governmental net position increased by \$15,944,723. The increase in Net Position is a result of an increase in taxes and licenses and a reduction in amount of infrastructure expenditures for other governmental entities.

Business Type Activities

The Parish had no business type activities in 2022.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Parish budgets were reviewed quarterly and amended one time during the year to reflect changes in forecasted revenues and expenditures, with the final amendment taking place on December 13, 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Tangipahoa Parish's capital assets for its governmental activities as of December 31, 2022, amount to \$227.3M (net of accumulated depreciation). Capital assets include land, buildings, improvements, vehicles, machinery and equipment, office equipment, roads, and bridges.

The total increase in the Parish's Net investment in capital assets for the current year was 6.34%, or \$13.6M.

CONDENSED STATEMENT OF CAPITAL ASSETS (NET OF DEPRECIATION)
For Years Ended December 31, 2022, and 2022

	Governmental Activities	
	2022	2021
Land	\$6,835,615	\$ 6,835,615
Construction in Progress	20,679,729	10,705,912
Buildings and Improvements	37,710,119	34,965,430
Infrastructure	153,049,922	151,491,500
Machinery & Equipment	9,055,862	9,947,575
Capital Asset (Net)	\$227,331,247	\$ 213,946,032

Major capital asset events for year ended December 31, 2022, included the following:

1. Phase 22 road overlay project was completed.
2. Construction of the new library in Kentwood was ongoing.
3. Phase 2022 road overlay was started.

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2022

Long-Term Debt

CONDENSED STATEMENT OF LONG-TERM DEBT
For Years Ended December 31, 2022, and 2021

	Governmental Activities	
	2022	2021
General Obligation Bonds	\$619,300	\$ 649,200
Landfill Revenue Bonds	4,315,000	4,430,000
Premium Landfill Revenue Bonds	114,088	118,314
GOMESA Revenue Bonds	6,790,000	7,315,000
Financing Leases	5,217,241	740,800
Estimated Liability for Landfill Closure / Post Closure Care Cost	6,078,459	5,814,392
Total	\$23,134,088	\$19,067,706

* The current portion of the debt listed above is \$2,455,137.

THE PARISH AS A WHOLE

The Parish's combined Net Position changed from a year ago, increasing to approximately \$260 million from \$245 million.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Parish looks forward to 2023 with a cautious optimistic economic outlook of continued expansion and growth within the local economy. The Parish continues to practice the conservative fiscal policy (pay as you go) from which much of the economic success in Tangipahoa Parish has resulted.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Parish's finances and to show the Parish's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Melissa R. Cowart CPA, Director of Finance at (985) 748-3211 or Tangipahoa Parish Government, P.O. Box 215, Amite, LA 70422.

Basic Financial Statements

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF NET POSITION
December 31, 2022

EXHIBIT A-1

	Governmental Activities
<u>Assets</u>	
Cash and cash equivalents	\$ 28,349,249
Receivables, net	51,878,867
Due from other governments	491,749
Restricted assets - cash	36,649,730
Capital assets (net)	227,331,247
Right of use assets (net)	6,364,244
Net pension asset	11,055,356
Total Assets	362,120,442
 <u>Deferred Outflow of Resources</u>	
GASB 68 - pension	3,670,407
GASB 75 - OPEB	2,866,643
Total Deferred Outflow of Resources	6,537,050
 <u>Liabilities</u>	
Accounts, salaries, and other payables	42,416,322
Due to other governments	407,315
Noncurrent liabilities:	
Due within one year	2,455,137
Due in more than one year	20,678,951
Postemployment healthcare benefits payable	3,661,374
Net pension liability	683,861
Total Liabilities	70,302,960
 <u>Deferred Inflow of Resources</u>	
Grant funds	24,920,483
GASB 68 - pension	10,421,908
GASB 75 - OPEB	2,295,791
Total Deferred Inflow of Resources	37,638,182
 <u>Net Position</u>	
Net investment in capital assets	215,492,859
Restricted for:	
Debt service	8,185,527
Other purposes	30,349,391
Unrestricted	6,688,573
Total Net Position	\$ 260,716,350

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
General government	\$ 9,005,371	\$ 1,905,302	\$ 2,031,125	\$ 908,430	\$ (4,160,514)
Culture and recreation	476,069	79,585	75,000	-	(321,484)
Public safety	4,749,862	723,892	229,643	5,106,991	1,310,664
Public works	44,678,816	6,821,699	11,429,307	-	(26,427,810)
Health and welfare	7,679,410	-	3,937,054	-	(3,742,356)
Economic development	6,386,502	-	6,189,898	-	(196,604)
Interest on long-term debt	347,770	-	-	-	(347,770)
Total governmental activities	<u>\$ 73,323,800</u>	<u>\$ 9,530,478</u>	<u>\$ 23,892,027</u>	<u>\$ 6,015,421</u>	<u>(33,885,874)</u>
General revenues:					
Taxes:					
					33,017,047
					8,704,593
					721,026
					321,668
					2,700
					1,142,655
					495,516
					908,398
					4,190,470
					1,551,376
					22,218
					265,045
					(1,410,201)
					<u>49,932,511</u>
					16,046,637
					<u>244,669,713</u>
					<u>\$ 260,716,350</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022

EXHIBIT A-3

	General Fund	Road and Bridge Funds	Garbage District No. 1	Health Unit	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>						
Cash and cash equivalents	\$ 1,337,812	\$ 19,010,193	\$ 1,589,396	\$ 1,311,343	\$ 3,687,289	\$ 26,936,033
Receivables, net	3,304,882	34,190,961	8,832,763	3,082,869	2,400,739	51,812,214
Due from other governments	491,749	-	-	-	-	491,749
Due from other funds	747,500	-	-	-	-	747,500
Restricted assets - cash	35,465,178	711,483	189,064	127,417	65,373	36,558,515
Total Assets	\$ 41,347,121	\$ 53,912,637	\$ 10,611,223	\$ 4,521,629	\$ 6,153,401	\$ 116,546,011
<u>Liabilities</u>						
Accounts, salaries, and other payables	\$ 2,850,246	\$ 36,370,583	\$ 1,507,957	\$ 216,292	\$ 1,267,563	\$ 42,212,641
Due to other governments	61,745	-	140,114	105,369	100,087	407,315
Due to other funds	-	-	-	-	747,500	747,500
Total Liabilities	2,911,991	36,370,583	1,648,071	321,661	2,115,150	43,367,456
<u>Deferred Inflow of Resources</u>						
Grant Funds	24,896,824	23,659	-	-	-	24,920,483
Total Deferred Inflow of Resources	24,896,824	23,659	-	-	-	24,920,483
<u>Fund Balances</u>						
Restricted	8,319,325	17,347,660	8,916,224	4,168,342	3,758,330	42,509,881
Committed	1,650,346	-	-	-	112,745	1,763,091
Assigned	157,866	170,735	46,928	-	276,224	651,753
Unassigned	3,410,769	-	-	31,626	(109,048)	3,333,347
Total Fund Balances	13,538,306	17,518,395	8,963,152	4,199,968	4,038,251	48,258,072
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 41,347,121	\$ 53,912,637	\$ 10,611,223	\$ 4,521,629	\$ 6,153,401	\$ 116,546,011

TANGIPAHOA PARISH GOVERNMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2022

EXHIBIT A-4

Fund balances - total governmental funds	\$	48,258,072
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		227,331,247
Right of use assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		6,364,244
Net Pension (Asset) Liabilities		10,371,495
Some liabilities are not due and payable in the period and, therefore, are not reported in the funds. These liabilities consist of:		
Long-term liabilities, including bonds payable		(17,916,847)
Leases payable		(5,217,241)
Postemployment healthcare benefits payable		(3,661,374)
The internal service fund is used by management to charge administration costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		1,367,403
Deferred outflows and inflows are not financial resources or currently payable. These consist of:		
Deferred outflows		6,537,050
Deferred inflows		(12,717,699)
Net position of governmental activities	\$	260,716,350

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2022

EXHIBIT A-5

	General Fund	Road and Bridge Funds	Garbage District No. 1
<u>Revenues</u>			
<u>Taxes:</u>			
Sales	\$ 8,254,262	\$ 24,762,785	\$ -
Ad valorem	1,626,701	-	3,684,960
Franchise	721,026	-	-
Licenses, permits, and rent	2,894,382	-	-
<u>Intergovernmental revenues:</u>			
<u>Federal funds:</u>			
Federal grants	1,567,668	8,674,972	3,034,432
GoMESA Revenue Sharing	908,398	-	-
<u>State funds:</u>			
Parish transportation funds	-	1,157,227	-
State revenue sharing	93,051	-	266,133
Severance tax	321,668	-	-
State appropriations	175,760	-	-
State grants	166,510	94,397	-
2% Fire insurance rebate	993,288	-	-
Alcoholic beverage tax	2,700	-	-
<u>Local funds:</u>			
Fees, charges, and commissions for service	151,152	-	5,788,168
Fines and forfeitures	2,423	-	-
Interest	781,769	502,563	89,215
Other revenues	4,047,257	37,709	44,418
Total Revenues	22,708,015	35,229,653	12,907,326
<u>Expenditures</u>			
<u>General government:</u>			
Legislative	651,663	-	-
Judicial	6,317,722	-	-
Elections	255,261	-	-
Finance and administrative	4,147,653	-	-
Public safety	3,817,037	-	-
Public works	5,596,601	37,382,890	13,811,999
Health and welfare	889,322	-	-
Economic development	357,996	-	-
Culture and recreation	772,467	-	-
<u>Debt service:</u>			
Principal	95,596	566,381	1,316,994
Interest	18,120	49,246	217,725
Total Expenditures	22,919,438	37,998,517	15,346,718
Excess of Revenues Over (Under) Expenditures	(211,423)	(2,768,864)	(2,439,392)
<u>Other Financing Sources (Uses)</u>			
Capital Lease Financing	535,723	1,633,498	1,293,454
Contribution in	29,707	369,641	-
Sale of capital assets	4,220	90,586	-
Operating transfers in (out)	(1,683,057)	(599,870)	(550,000)
Total Other Financing Sources (Uses)	(1,113,407)	1,493,855	743,454
Net Change in Fund Balances	(1,324,830)	(1,275,009)	(1,695,938)
Fund Balances - Beginning of Year, restated	14,863,136	18,793,404	10,659,090
Fund Balances - End of Year	\$ 13,538,306	\$ 17,518,395	\$ 8,963,152

The accompanying notes are an integral part of this statement.

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2022

EXHIBIT A-5 (Concluded)

	Health Unit	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes:			
Sales	\$ -	\$ -	\$ 33,017,047
Ad valorem	2,780,440.00	612,492	8,704,593
Franchise	-	-	721,026
Licenses, permits, and rent	-	1,033,531	3,927,913
Intergovernmental revenues:			
Federal funds:			
Federal grants	135,255	11,694,367	25,106,694
GoMESA Revenue Sharing	-	-	908,398
State funds:			
Parish transportation funds	-	-	1,157,227
State revenue sharing	136,332	-	495,516
Severance tax	-	-	321,668
State appropriations	-	-	175,760
State grants	24,640	575,923	861,470
2% Fire insurance rebate	-	-	993,288
Alcoholic beverage tax	-	-	2,700
Local funds:	-	75,000	75,000
Fees, charges, and commissions for service	-	704,645	6,643,965
Fines and forfeitures	-	98,832	101,255
Interest	54,844	88,686	1,517,077
Other revenues	19,063	291,950	4,440,397
Total Revenues	3,150,574	15,175,426	89,170,994
Expenditures			
General government:			
Legislative	-	-	651,663
Judicial	-	134,677	6,452,399
Elections	-	-	255,261
Finance and administrative	-	-	4,147,653
Public safety	-	1,276,617	5,093,654
Public works	-	6,654,827	63,446,317
Health and welfare	3,130,993	3,896,957	7,917,272
Economic development	-	6,097,401	6,455,397
Culture and recreation	-	789,044	1,561,511
Debt service:			
Principal	28,262	205,920	2,213,153
Interest	4,236	53,460	342,787
Total Expenditures	3,163,491	19,108,903	98,537,067
Excess of Revenues Over (Under) Expenditures	(12,917)	(3,933,477)	(9,366,073)
Other Financing Sources (Uses)			
Capital Lease Financing	200,558	251,798	3,915,031
Contribution in	-	875,220	1,274,568
Sale of capital assets	(10,005)	-	84,801
Operating transfers in (out)	-	2,832,927	-
Total Other Financing Sources (Uses)	190,553	3,959,945	5,274,400
Net Change in Fund Balances	177,636	26,468	(4,091,673)
Fund Balances - Beginning of Year, restated	4,022,332	4,011,783	52,349,745
Fund Balances - End of Year	\$ 4,199,968	\$ 4,038,251	\$ 48,258,072

The accompanying notes are an integral part of this statement.

TANGIPAOA PARISH GOVERNMENT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Year Ended December 31, 2022

EXHIBIT A-6

Net change in fund balances - total governmental funds \$ (4,091,673)

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. This is the amount by which capital outlays exceeded depreciation in the current period. 16,537,801

Some of the assets acquired this year were financed with financing leases. Financing leases are not revenues in the statement of activities, but rather long term liabilities in the statement of net position. (3,915,031)

In the statement of activities, only the loss on the sale of equipment is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the equipment disposed of. 3,083,343

Governmental funds report capital outlays as expenditures. This is the total cost of capital assets donated to other governmental agencies during the current period. (2,418,421)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Lease payments 2,041,230
 Repayments of bonds 669,900

Internal service funds are used by management to charge the costs of certain activities, such as accounting services, to individual funds. The net revenue (expense) of certain internal funds is reported within governmental 388,186

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures of governmental funds. These differences consist of:

Net change in liability for postemployment healthcare 206,553
 Pension expense for GASB 68 3,539,545
 Bond premiums are being amortized and recorded to interest expense 4,226

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 265,045

Municipal Solid Waste Landfill closure and postclosure care cost liabilities are not recorded by the governmental fund, but must be recorded as a general long-term liability in the governmental activities in the government-wide financial statements. This is the amount of the decrease of the closure and postclosure care costs liability over the prior year. (264,067)

Change in net position of governmental activities \$ 16,046,637

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2022

	<u>Governmental Activities- Internal Service</u>
<u>Assets</u>	
<u>Current Assets</u>	
Cash and cash equivalents	\$ 1,413,216
Receivables	66,653
Total Current Assets	1,479,869
<u>Restricted Assets</u>	
Cash and cash equivalents	91,215
<u>Noncurrent Assets</u>	
Capital assets (net of accumulated depreciation)	64,159
Right of use assets (net of accumulated amortization)	93,218
Total Assets	1,728,461
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accounts, salaries, and other payables	203,681
Obligation under capital leases	18,451
Total Current Liabilities	222,132
<u>Non-Current Liabilities</u>	
Obligation under capital leases	75,547
Total Current Liabilities	75,547
Total Liabilities	297,679
<u>Net Position</u>	
Net Investment in capital assets	48,483
Restricted	91,215
Unrestricted	1,291,084
Total Net Position	\$ 1,430,782

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2022

	<u>Governmental Activities- Internal Service</u>
<u>Operating Revenues</u>	
Charges for interfund services	\$ 2,520,658
FEMA Reimbursement	6,622
Total Operating Revenues	<u>2,527,280</u>
<u>Operating Expenses</u>	
Personnel services	1,578,316
Insurance	12,833
Materials and supplies	-
Office Expense	115,594
Official Publications	23,233
Professional services	250,561
Rents-short term	5,778
Repairs and maintainance	48,805
Telephone	35,702
Travel, lodging, meals, and conventions	47,273
Vehicle Fuel	4,020
Other expenses	17,313
Amortization	12,433
Depreciation	26,207
Total Operating Expenses	<u>2,178,068</u>
Operating Income	<u>349,212</u>
<u>Nonoperating Revenues (Expenses)</u>	
Interest income	34,299
Interest Expense	(2,217)
Miscellaneous revenue	6,892
Gain on disposition of assets	17,638
Total Nonoperating Revenues	<u>56,612</u>
Change in Net Position	405,824
Total Net Position - Beginning	<u>1,024,958</u>
Total Net Position - Ending	<u>\$ 1,430,782</u>

The accompanying notes are an integral part of this statement.

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2022

	<u>Governmental Activities- Internal Service</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from interfund services provided	\$ 2,767,792
Proceeds from government grants	6,622
Payments to suppliers	(548,944)
Payments to employees	(1,555,966)
Net Cash Provided by Operating Activities	<u>669,505</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Miscellaneous Proceeds	<u>6,892</u>
Net Cash Provided by Noncapital Financing Activities	<u>6,892</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Payments on capital assets lease	(14,895)
Interest paid	(2,217)
Proceeds from Sale of Assets	33,809
Purchases of capital assets	(123,055)
Increase in Capital Lease Liability	<u>101,733</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(4,625)</u>
<u>Cash Flows from Investing Activities</u>	
Interest received	<u>34,299</u>
Net Cash Provided by Investing Activities	<u>34,299</u>
Net Increase in Cash and Cash Equivalents	706,071
Cash and Cash Equivalents, Beginning of Year	<u>707,145</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,413,216</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>	
Operating Income	<u>\$ 349,212</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Amortization expense	12,433
Depreciation expense	26,207
(Increase)/decrease in assets-	
Accounts receivable	247,134
Restricted Assets	5,271
Increase/(decrease) in liabilities-	
Accounts payable and other payables	<u>29,248</u>
Total Adjustments	<u>320,293</u>
Net Cash Provided by Operating Activities	<u>\$ 669,505</u>
<u>Non Cash Capital and Related Financing Activities</u>	
Cost of Vehicle Leased	\$ 125,099
Vehicle Lease Balance	(93,998)
Payments on Lease Liability	<u>\$ 31,101</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2022

	Pension Trust
Assets	
Cash and cash equivalents	\$ 248,469
Investments, at fair value:	
US treasury bonds and notes	1,728,346
Total Assets	1,976,815
Liabilities	
Accounts payable	1,600
Total Liabilities	1,600
Net Position Reserved for OPEB	\$ 1,975,215

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
 Amite, Louisiana
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Year December 31, 2022

	Pension Trust
Additions	
Contributions	
Employer contributions	\$ 683,105
Total Contributions	683,105
Investment earnings	
Interest income	25,953
Net income from investing activities	25,953
Total Additions	709,058
Deductions	
Medical benefits payments	202,947
Administrative Expenses	16,356
Net depreciation in the fair value of investments	128,777
Total Deductions	348,080
Change in Position	360,978
Net Position -Beginning of Year	1,614,237
Net Position -End of Year	\$ 1,975,215

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

TANGIPAHOA PARISH GOVERNMENT

Amite, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 2022

INTRODUCTION

Tangipahoa Parish Government (parish) is the governing authority for the Parish of Tangipahoa, Louisiana. The Parish of Tangipahoa operates under a home rule charter and is governed by the “council-president” form of government. An elected council of ten members representing the various districts within the parish constitutes the legislative branch of the government and an elected president is the chief executive officer and head of the executive branch. The council and president serve four-year terms that expire in January 2024.

Louisiana Revised Statute 33:1236 gives Tangipahoa Parish Government various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those is the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem and sales taxes, beer and alcoholic beverage permits, state revenue sharing, permits and fees, and state and federal grants.

Tangipahoa Parish occupies approximately 818 square miles with a population of approximately 128,755. The parish government maintains approximately 1,067 miles of roads, 876 miles of which are paved and 191 of which are gravel. Parish government offices are located in the courthouse annex in Amite, Louisiana, with road maintenance facilities located at 2 locations within the parish.

In June 1999 the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. Certain of the significant changes in the Statement include the following:

- The financial statements include:
 - A Management's Discussion and Analysis (MD&A) section providing an analysis of the parish's overall financial position and results of operations.
 - Financial statements prepared using full accrual accounting for all of the parish's activities, including current year infrastructure (roads and bridges).
 - A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including these notes to financial statements). The parish was required to implement the general provisions of Statement No. 34 in the year ended December 31, 2003, and was required to implement the provisions for retroactively reporting infrastructure per Statement No. 34 for the fiscal year ended December 31, 2007.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, Tangipahoa Parish Government is the financial reporting entity for Tangipahoa Parish. The financial reporting entity consists of (a) the primary government (Tangipahoa Parish Government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

GASB Statement No. 14 as amended by GASB Statement No. 61 established criteria for determining which component units should be considered part of Tangipahoa Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of Tangipahoa Parish Government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on Tangipahoa Parish Government.
2. Organizations for which Tangipahoa Parish Government does not appoint a voting majority but are fiscally dependent on Tangipahoa Parish Government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, Tangipahoa Parish Government has determined that the following component units are part of the reporting entity:

Blended Component Units

Tangipahoa Parish Government, as the reporting entity, has chosen to issue financial statements of the primary government (Tangipahoa Parish Government), except for including the following blended component units whose accounting records are maintained by the parish.

- General Fund - Non-major Funds
- Construction Board of Adjustment and Appeals
- Industrial Development Board of the Parish of Tangipahoa, Inc.
- Tangipahoa Parish Planning Commission

Component Units Omitted from Financial Statements

Active Component Units	Fiscal Year End	Criteria Used
Consolidated Gravity Drainage District Number 1	12/31	1
Coves of the Highland Community Development District	06/30	1
Fire Protection District Number 1	12/31	1
Fire Protection District Number 2	12/31	1
Gravity Drainage District Number 4	12/31	1
Gravity Drainage District Number 5	12/31	1
Hospital Service District Number 1	06/30	1
Hospital Service District Number 2	09/30	1
Mosquito Abatement District No. 1 of the Parish of Tangipahoa	12/31	1
Ponchatoula Area Recreation District Number 1	12/31	1
Recreation District Number 39A	06/30	1
Recreation District Number 3	12/31	1
Sewer District No. 1 of the Parish of Tangipahoa	12/31	1
Tangipahoa Communication District Number 1	12/31	1
Tangipahoa Parish Clerk of Court	06/30	2
Tangipahoa Parish Convention and Visitors Bureau	12/31	1
Tangipahoa Parish Library Board of Control	12/31	1
Tangipahoa Parish Sheriff	06/30	2
Tangipahoa Voluntary Council on Aging	06/30	1
Tangipahoa Water District	12/31	1
Hammond Area Recreation District Number 1	12/31	1

<i>Inactive or Non-Funded Component Units</i>	<i>Fiscal Year End</i>	<i>Criteria Used</i>
Kentwood Area Recreation District	12/31	1
Loranger Recreation District Number 104	12/31	1
Recreation District Number 5 - Mid Parish	12/31	1
Recreation District Number 6	12/31	1

The component units listed herein are not included in the accompanying financial statements. Their financial statements may be obtained by request to the Clerk of the Council of the Tangipahoa Parish Government at (985) 748-3211.

Considered in the determination of component units of the reporting entity were the Tangipahoa Parish School Board, Tax Assessor, District Attorney for the Twenty-First Judicial District, Twenty-First Judicial District Court, and the various municipalities in the parish. It was determined that these governmental entities are not component units of Tangipahoa Parish Government reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of Tangipahoa Parish Government.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and selected blended component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of governmental and proprietary fund financial statements is on "major" funds. Fund statements present in separate columns the general fund, followed by major funds, with non-major funds aggregated and displayed in a separate column. GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. In addition to the funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to financial statement users may be reported as a major fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. 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 as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The parish implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources*,

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Deferred Inflows of Resources and Net Position. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

During the year, the parish implemented policies established under GASB Statement No. 87, *Leases*. The objective of this statement is to better meet information needs of the financial statement users by improving accounting and financial reporting for leases by governments. The Statement requires all leases (contracts that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange-like transaction) to be reported under a single accounting model for both lessor and lessee. Certain leases that were previously classified as operating leases are to be recognized as lease assets and liabilities. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The adoption of this statement did materially impact the parish's governmental activities for the year ending December 31, 2022. See Note 32.

The Parish implemented GASB Statement No. 88, *Certain Disclosure Related to Debt, Including Direct Borrowings and Direct Placements*.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The parish reports the following major governmental funds:

The General Fund is the parish's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS:

The Road and Bridge Funds account for the construction of new roads and bridges and the maintenance of the existing roads and roadside areas within the respective road districts. Major sources of revenues are 75% of the sales tax revenues and appropriations from the State of Louisiana Parish Transportation Fund.

The Garbage District No. 1 Fund accounts for the operation of the parish landfill. Major sources of revenue are ad valorem taxes and sanitation landfill user fees.

The Health Unit Fund accounts for the operations of the parish health units. Major sources of revenue and ad valorem taxes and state revenue sharing.

The parish reports the following fund types:

Internal service fund accounts for services provided to other departments and agencies of the parish, or to other governments on a reimbursement basis. The internal service fund is the Administrative Fund, established by the parish to render administrative and accounting services to various funds. It receives a fee from each fund based on a combination of revenues received and services rendered for that fund.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Fiduciary funds are used to account for assets held by a governmental entity for other parties and cannot be used to finance the governmental entity's own operating programs. The parish has one fiduciary fund; it is a Pension (and Other Employee Benefit) Trust fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The parish has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are user fees. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the parish's policy to use restricted resources first, then unrestricted resources as they are needed.

D. DEPOSITS AND INVESTMENTS

The parish's cash and cash equivalents consist of cash on hand and demand deposits. Amounts in time deposits and those investments with original maturities of 90 days or less are considered to be cash equivalents. State law allows the parish to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

The investments for the Parish held in the OPEB Trust Fund are reported at Fair Value in accordance with GASB Statement No. 72.

E. RECEIVABLES AND LEASED ASSET RECEIVABLES

Receivables are shown net of an allowance for uncollectibles. Uncollectible amounts due for garbage charges are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivables. Uncollectible amounts for property taxes are recorded as a reduction of current revenues.

Leased asset receivables are a result of leases in which the Parish has entered into a contract with a lessee that delivers the right to use a nonfinancial asset of the Parish as specified by the contract for a period of time in an exchange or exchange-like transaction. Such receivables are reported on the government-wide financial statements at present value of the lease payments to be received during the lease term. Additionally, the Parish would recognize a deferred inflow of resources that is reported at the value of the lease receivable plus any payments received at or before the commencement of the lease for future periods. Assets of agreement entered into in which the Parish is the lessor are retained as capital assets

of the Parish and are reported in the government-wide financial statements as describes in the first paragraph of Note 1. The Parish has entered into agreements delivering control of a right to use a nonfinancial asset to a lessee as described above as of December 31, 2022.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

G. INVENTORIES

Inventories for supplies are immaterial and are recorded as expenditures/expenses when purchased.

H. RESTRICTED ASSETS

Certain resources of the parish are set aside for the payment of the high deductible insurance and health reimbursement plan, the Rainy Day reserve fund, debt service requirements, and unspent grant funds that are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by the parish administration.

I. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (roads and bridges), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

The parish maintains a threshold level of \$1,000 or more for capitalizing capital assets.

For infrastructure that was acquired/built for the period July 1, 1980, to December 31, 2007, the parish has determined the value by using current replacement cost and deflating that cost by applying a CPI adjustment of 51.44% to approximate year of acquisition. There are three elements to the valuation: 1.) Land - Right of Way (ROW), 2.) Base, and 3.) Asphalt Surface.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if material, is included as part of the capitalized value of the assets constructed.

Tangipahoa Parish Government
 Notes to the Financial Statements
 As of and for the Year Ended December 31, 2022

All capital assets, other than land, are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Governmental Activities	
Road and bridges	20 Years
Land improvements	10 Years
Buildings and building improvements	40 Years
Furniture and fixtures	5 Years
Vehicles	5 Years
Equipment	10-15 Years

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that material change capacities or extend useful lives are capitalized. Upon sale or retirement of land, building, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

Right of use assets are a result of leases in which the Parish has entered into a contract with a lessor that conveys control of the right to use the lessor's nonfinancial asset as specified by the contract for a period of time in exchange or exchange-like transaction. Such assets are reported on the government-wide financial statements net of amortization at the lessor of the useful life or lease term. The Parish entered into agreements gaining control of the right to use a lessor's nonfinancial assets as described above as of December 31, 2022.

J. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES:

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

K. COMPENSATED ABSENCES

Tangipahoa Parish Government has the following policy relating to vacation and sick leave:

Parish government employees are entitled to certain compensated absences based on their length of employment and overtime worked. Vested compensated absences are recorded as expenditures when the liability is incurred. Effective July 1, 2009, any vacation leave exceeding 240 hours will be paid to the employee at the time of their anniversary date at a rate of 50% of their current pay rate. No employee will accrue vacation in excess of 240 hours. Sick leave has not been accrued as the employee's right to sick leave does not vest.

The cost of compensated absences is reported on the government-wide and the governmental fund financial statements.

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are amortized over the life of

the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Paragraph 187 of GASB Statement 62 establishes standards of accounting and financial reporting for debt issuance costs. Paragraph 12 of Statement 7 indicates that debt issuance costs include all costs incurred to issue the bonds, including but not limited to insurance costs (net of rebates from the old debt, if any), financing costs (such as rating agency fees), and other related costs (such as printing, legal, administrative, and trustee expenses).

The parish has implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and with the implementation of GASB 65, the recognition of bond-related costs, including the costs related to issuance and refunding of debt, were revised. This standard was intended to complement GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are now expensed in the period incurred under GASB 65.

Tangipahoa Parish Government recognizes landfill closure and postclosure costs in accordance with GASB Statement No.18. The measurement and recognition for landfill costs are reported in the government-wide financial statements.

M. FUND EQUITY

Governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either not in spendable form or they are legally contractually required to be maintained intact.

The parish does not have anything that can be classified as Nonspendable Fund Balance.

- **Restricted:** This classification includes amounts in which the use of resources is constrained either by (a) external impositions by creditors, grantors, contributors, or laws or regulations of other governments or (b) impositions by law through constitutional provisions or enabling legislation.

The parish has classified the following funds as restricted:

Garbage District No. 1, Health Unit, Road Lighting District #1, Road Lighting District #2, Road Lighting District #3, Road Lighting District #4, Road Lighting District #5, Road Lighting District #6, Road Lighting District #7, Road District No. 101 Debt Service Fund, and Sub-Road District No. 1 of Road District No. 101 Debt Service Funds are funds that are restricted by authorized millages by taxpayers.

Road & Bridge	75% of the 1% Sales Tax Levy renewed in December 2020
---------------	---

The following funds are restricted due to constraints of grants:

General Fund	GoMESA Funds and Cities Readiness Initiative Grant
Hazard Mitigation	Disaster and non-Disaster Hazard Mitigation Grant Program.
Section 8 Housing	Housing Choice Voucher Program, Disaster Housing Assistance Program - Katrina, and Disaster Housing Assistance Program – Ike
Rapid Rehousing	Homeless Prevention and Rapid Rehousing Program
Shelter Grant	Emergency Shelter Grant Program
Juror Per Diem	Louisiana Revised Statute No. 13:3049

Tangipahoa Parish Government
 Notes to the Financial Statements
 As of and for the Year Ended December 31, 2022

Witness Fee Louisiana Revised Statute No. 15:255

Workforce Admin Workforce Grant

- Committed: This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Parish Council, which is the parish's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Parish Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

The parish has classified the following funds as committed:

General Fund Rainy Day Fund created by Ordinance No. 13-40

Industrial Development Board Action taken by Parish Council in 2002 to lease property to Wal-Mart and Elmer Candy Co. Action taken by Parish Council in 2017 to lease property to Intralox, LLC.

- Assigned: This classification includes amounts that are constrained by the parish's intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the parish's governing body itself or a committee or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

The parish has classified the following fund as assigned:

Florida Parishes Arena and Keep Tangipahoa Beautiful

General Fund, Road and Bridge, Garbage District No.1, Health Unit, and Animal Shelter all have funds that are assigned as a result of the parish's Health Reimbursement Insurance Program; that was not created by ordinance.

- Unassigned: This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The parish has classified the General Fund as unassigned.

The following funds are considered unassigned because they have a deficit in fund balances:

Workforce Investment Opportunity Act (Adult, Dislocated Worker, Youth and DDWG).

When fund balance resources are available for a specific purpose in multiple classifications, the parish will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the parish's management reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

N. ESTIMATES

The preparation of financial statements in conformance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the recorded amount of the assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the report period. Actual results could differ from those estimates.

O. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. For the purpose of the statement of activities, all interfund transfers between funds have been eliminated.

P. ELIMINATION AND RECLASSIFICATION

In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

Q. AD VALOREM TAXES

Ad valorem taxes are levied in October and billed to the taxpayers in November. Billed taxes become delinquent as of January 1st of the following year at which time an enforceable lien is attached. The taxes are generally collected in December of the current year and January and February of the ensuing year. Ad valorem taxes and related state revenue sharing are recorded in the year the taxes are billed. The Tangipahoa Parish Sheriff / Tax Collector on behalf of the parish bills, collects, and remits the property taxes based on assessed values determined by the Tangipahoa Parish Assessor.

The following is a summary of authorized and levied ad valorem taxes for the year:

	Authorized Millage	Levied Millage	Expiration Year
Parish wide Taxes:			
General Fund, Cities	2.00	1.52	Continuous
General Fund, Rural	4.00	3.05	Continuous
Special Revenue Fund:			
Health Unit Maintenance	4.00	4.00	2026
District Taxes:			
Special Revenue Funds:			
Road Lighting District Number 1	2.00	2.00	2024
Road Lighting District Number 2	16.62	6.00	2026
Road Lighting District Number 4	15.29	5.00	2026
Road Lighting District Number 5	10.00	5.00	2028
Road Lighting District Number 6	10.00	5.00	2028
Road Lighting District Number 7	10.00	5.00	2026
Garbage District Number 1	10.00	10.00	2032
Debt Service Funds:			
Road District Number 101	Variable	2.00	2036
Sub-Road District Number 1 of 101	Variable	2.00	2036

R. SALES TAXES

In December 2020, the voters of Tangipahoa Parish approved a renewal of a one percent parish wide general sales and use tax to be levied for Tangipahoa Parish Government. The proceeds of the tax are dedicated on the basis of 75 percent for road and bridge maintenance and improvements and the remaining 25 percent for general governmental purposes. The tax as renewed on December 5, 2020, is effective December 31, 2021, through December 31, 2025.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETS

The parish uses the following budget practices:

1. Preliminary budgets for the ensuing year are prepared by the director of finance during October of each year. During November, the parish council reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets is then advertised in the official journal. Prior to meeting in December, the parish holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearings and the desires of the parish council as a whole. The budgets are then adopted during the Council's meeting and notice is published in the official journal.
2. Unexpended appropriations lapse at year-end and must be appropriated again in the next year's budget to be expended.
3. The parish adopts budgets for the General Fund, all special revenue funds, and the internal service proprietary fund using the same basis of accounting to reflect actual revenues and expenditures recognized on a generally accepted accounting principles basis. Budgetary control is at the functional level. Within functions, the parish president has the authority to make amendments as necessary.
4. During the year, the council receives quarterly budget comparison statements that are used to control the operations of the parish. The director of finance presents necessary budget amendments to the council during the year when, in his judgment, actual operations differ materially from those anticipated in the original budget. During a regular meeting, the council reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of amendments is included in council minutes published in the official journal.

The original proposed budgets for the General Fund, the special revenue funds and the internal service proprietary fund were made available for public inspection on October 12, 2021 and were published in the official journal on December 2, 2021. A public hearing was held at the parish's headquarters on December 13, 2021. The original budgets were adopted on December 13, 2021.

The budgets of the parish were amended one time during the year with the final amendment taking place on December 12, 2022.

B. REVENUES – ACTUAL AND BUDGET

The following individual funds had actual revenues and other sources that failed to meet budgeted amounts for the year ended December 31, 2022:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>Percent</u>
Workforce-DDWG-NEG	\$470,000	\$328,984	\$141,016	30.00

The following individual funds had actual expenditures and other uses that exceeded budgeted amounts for the year ended December 31, 2022:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>Percent</u>
General Fund	\$22,887,316	\$24,602,495	\$1,715,179	7.49
Road and Bridge	34,716,786	38,598,387	3,881,601	11.18
Keeping Tangipahoa Beautiful	1,274,300	1,340,997	66,697	5.23
Road Lighting District No. 6	418,900	455,018	36,118	8.62

The Louisiana Local Government Budget Act requires a local government to amend its operating budget when the total revenues and other sources fail to meet total budgeted revenues and other sources by 5% or more and when the total expenditures and other uses exceed total budgeted expenditures and other uses by 5% or more. The parish failed to amend the budget for the Workforce – DDWG-NEG Fund, General Fund, Road and Bridge Fund, Keeping Tangipahoa Beautiful Fund, and the Road Lighting District No. 6 Fund by an adequate amount for the fiscal year ended December 31, 2022.

C. FUND DEFICITS

The following individual funds have a deficit in unreserved fund equity at December 31, 2022:

Special Revenue Funds:	<u>Deficit Amount</u>
Workforce Investment Opportunity Act-Adult	\$(37,700)
Workforce Investment Opportunity Act-Dislocated Worker	(35,546)
Workforce Investment Opportunity Act-Youth	(31,786)
Workforce Investment Opportunity Act-DDWG-NEG	(4,023)

The General Fund will transfer funds to cover the deficits until the grant funds are received.

3. DEPOSITS AND INVESTMENTS

A. DEPOSITS

At December 31, 2022, Tangipahoa Parish Government had deposits (book balances) totaling \$65,247,448 (including \$248,469 in the fiduciary fund) as follows:

Cash on hand	\$ 1,577
Non-interest-bearing demand deposits	200
Interest-bearing demand deposits	<u>65,245,671</u>
	<u>\$ 65,247,448</u>

The deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Per GASB Statement 3, as amended by GASB 40, the parish's deposits are exposed to custodial credit risk since the collateral pledged by the fiscal agent is not held in the parish's name.

At December 31, 2022, Tangipahoa Parish Government had \$66,250,720 in deposits with a total of \$66,250,520 in interest bearing accounts and \$200 in non-interest bearing accounts. Of these deposits, \$8,277,893 are related to the issuance of the parish's GoMESA Bonds, 2019 Series Bonds, and the OPEB Trust. Under the terms of the agreement with Whitney Bank, the bank maintains control of the funds and distributes funds in accordance with bond documents and the parish's requests. All funds are fully collateralized by the Trust Department of the respective bank. Of the remaining deposits \$57,972,827, \$250,000 is secured from risk by federal deposit insurance and the remaining \$57,722,827 is uninsured but collateralized with securities held by the custodial bank in the name of the fiscal agent bank.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by Tangipahoa Parish Government that the fiscal agent has failed to pay deposited funds upon demand.

Custodial credit risk is the risk that in the event of a bank failure, the parish's deposits may not be returned to it. The parish does not have a deposit policy for custodial credit risk. As of December 31, 2022, \$57,972,827 of the parish's bank balances are exposed to custodial credit risk.

The \$57,972,827 is uninsured but collateralized with securities held by the pledging institution's trust department or agent, but not in the parish's name.

B. INVESTMENTS

At December 31, 2022, the Parish's investment balances are as follows:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1-5	6-10
US Treasury Bonds and Notes	\$ 1,635,596	\$ 123,033	\$ 1,398,077	\$ 114,486
Ishares MBS ETF	92,750	-	-	-

The Parish has contracted with external investment managers at Hancock Whitney Trust & Asset Management to manage all of the funds in the OPEB Trust Fund. The following facts are relevant to pension trust investments:

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

- Credit Risk and Custodial Credit Risk:

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the issuer or counterparty to a transaction, the Trust will not be able to recover the value of its investments. Credit risk and custodial credit risk are minimized by the purchase of bonds and notes that are issued by the US Treasury. At December 31, 2022, the Trust was not exposed to custodial credit risk.

The parish has no formal investment policy regarding custodial credit risk or concentration credit risk.

4. RECEIVABLES

The following is a summary of receivables at December 31, 2022:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total Governmental Funds</u>	<u>Internal Service Fund</u>
Taxes:						
Ad Valorem	\$ 1,617,293	\$ 6,958,331	\$ -	\$ 41,361	\$ 8,616,985	\$ -
Sales and Use	626,215	1,878,647	-	-	2,504,862	-
Intergovernmental:						
State Revenue Sharing	62,034	268,310	-	-	330,344	-
Other	967,522	37,513,924	750,945	-	39,232,391	60,441
Accounts	-	929,161	-	-	929,161	-
Less: allowance for						
Uncollectible accounts	-	(10,000)	-	-	(10,000)	-
Other	31,818	176,653	-	-	208,471	6,212
Total	<u>\$ 3,304,882</u>	<u>\$47,715,026</u>	<u>\$ 750,945</u>	<u>\$ 41,361</u>	<u>\$ 51,812,214</u>	<u>\$66,653</u>

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

5. INTERFUND RECEIVABLES AND PAYABLES/TRANSFERS

A. Balances due to/from other funds at December 31, 2022 consist of the following:

Due to the General Fund from the Emergency Shelter Grant Fund to cover necessary expenses	\$ 23,000
Due to General Fund from Hazard Mitigation Funds to cover necessary expenses	143,000
Due to General Fund from the Workforce Fund to cover necessary expenses	581,000
Due to General Fund from the Library Construction Fund to cover necessary expenses	300
Due to General Fund from the LCDBG-Velma Sewer Fund to cover necessary expenses	100
Due to General Fund from the Long Term Recovery Fund to cover necessary expenses	100
Total	<u>\$ 747,500</u>

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

B. Interfund transfers at December 31, 2022, consist of the following:

From General Fund to Section 8 to cover necessary expenses	\$34,480
From General Fund to the Animal Shelter Fund to subsidize operations	675,000
From General Fund to the Florida Parishes Arena Fund to subsidize operations	560,000
From General Fund to Broadband Fund (ARPA)	223,011
From General Fund to the CIAP Project Fund for the Rocky Jetty Shoreline Protection Project	60,494
From General Fund to LCDBG Velma	162,864
From General Fund to Council Chamber Communications	117
From General Fund to Hazard Mitigation Fund for FMA 2022	441
From Hazard Mitigation Fund (Small Safe Room) to Road and Bridge Fund	165
From Hazard Mitigation Fund (Will Richardson RD) to Road and Bridge Fund for global fund	5,082
From Road and Bridge Fund to Keep Tangipahoa Beautiful to subsidize operations	550,000
From Road and Bridge Fund to General Fund for the FTA Minnesota Park Sidewalk Project	33,350
From Road and Bridge Fund to Road Lighting District #3 to close out fund	5,702
From Road and Bridge Fund to Capital Project Fund for Chappapeela Drainage Project	18,015
From Road and Bridge Fund to Hazard Mitigation Fund for HMGP Ida Drainage Project	27
From Garbage Maintenance Fund to Keep Tangipahoa Beautiful to subsidize operations	550,000
From Road Lighting District #3 to Road and Bridge Fund for Entergy Credit	1,977
	<hr/>
Total	<u>\$ 2,880,725</u>

6. CAPITAL ASSETS

The following is a summary of changes in capital assets for the fiscal year ended December 31, 2022:

	Balance 1/1/2022	Increase	Decrease	Balance 12/31/2022
Government Activities:				
Capital assets not depreciated:				
Land	\$ 6,835,615	\$ -	\$ -	\$ 6,835,615
Infrastructure(Land & Base)	88,708,728	499,452	-	89,208,180
Construction in Progress	10,705,912	22,402,136	12,428,319	20,679,729
Total capital assets not depreciated	<u>106,250,255</u>	<u>22,901,588</u>	<u>12,428,319</u>	<u>116,723,524</u>
Capital assets depreciated				
Building and Improvements	57,676,600	4,279,710	-	61,956,310
Infrastructure	142,922,230	6,812,133	998,877	148,735,486
Equipment (Restated)	25,427,334	1,193,660	63,903	26,557,091
Total capital assets depreciated	<u>226,026,164</u>	<u>12,285,503</u>	<u>1,062,780</u>	<u>237,248,887</u>
Less accumulated depreciation for:				
Building and Improvements	22,711,170	1,535,021	-	24,246,191
Infrastructure	80,139,458	4,966,028	211,742	84,893,744
Equipment (Restated)	16,209,038	1,356,094	63,903	17,501,229
Total Accumulated depreciation	<u>119,059,666</u>	<u>7,857,143</u>	<u>275,645</u>	<u>126,641,163</u>
Total capital assets depreciated, net	<u>106,966,499</u>	<u>4,428,360</u>	<u>787,135</u>	<u>110,607,723</u>
Total Governmental activities capital assets, net	<u>\$213,216,754</u>	<u>\$27,329,948</u>	<u>\$13,215,454</u>	<u>\$227,331,247</u>

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Depreciation was charged to governmental functions as follows:

General government	\$714,032
Culture and recreation	316,025
Public safety	243,668
Public works	6,339,889
Health and welfare	243,529
	<hr/>
Total depreciation expense - governmental activities	7,857,143
	<hr/>

7. RIGHT OF USE ASSETS

The following is a summary of changes in right of use assets for the fiscal year ended December 31, 2022:

	Balance 1/1/2022	Increase	Decrease	Balance 12/31/2022
A. Governmental Activity:				
Right of Use assets amortized:				
Buildings	\$ 198,866	\$ 295,817	\$ -	\$ 494,683
Equipment	2,297,264	1,469,867	-	3,767,131
Vehicles	1,412,673	2,149,347	331,014	3,231,006
Total right of use assets amortized	<hr/> 3,908,803	<hr/> 3,915,031	<hr/> 331,014	<hr/> 7,492,820
Less accumulated amortization				
Buildings	-	125,849	-	125,849
Equipment	-	218,452	-	218,452
Vehicles	703,482	424,804	250,793	877,493
Total accumulated amortization	<hr/> 703,482	<hr/> 769,105	<hr/> 250,793	<hr/> 1,221,794
Total governmental activity right of use assets, net	<hr/> <u>\$ 3,205,321</u>	<hr/> <u>\$ 3,145,926</u>	<hr/> <u>\$ 80,221</u>	<hr/> <u>\$ 6,271,026</u>

Amortization was charged to governmental functions as follows:

General government	\$ 66,471
Culture and recreation	5,457
Public safety	52,292
Public works	503,440
Health and welfare	38,666
Economic Development	102,779
	<hr/>
Total amortization expense - governmental activities	\$769,105
	<hr/>

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

	Balance 1/1/2022	Increase	Decrease	Balance 12/31/2022
B. Business Type Activity:				
Right of Use assets amortized:				
Buildings	\$ 	\$ 	\$ 	\$
Equipment	-	-	-	-
Vehicles	23,367	101,733	23,367	101,733
Total right of use assets amortized	<u>23,367</u>	<u>101,733</u>	<u>23,367</u>	<u>101,733</u>
Less accumulated amortization:				
Buildings	-	-	-	-
Equipment	-	-	-	-
Vehicles	3,278	12,433	7,196	8,515
Total accumulated amortization	<u>3,278</u>	<u>12,433</u>	<u>7,196</u>	<u>8,515</u>
Total business type activity, net	<u>\$ 20,089</u>	<u>\$ 89,300</u>	<u>\$ 16,171</u>	<u>\$ 93,218</u>

Amortization was charged to governmental functions as follows:

General government	\$ 12,433
Total amortization expense-business type activity	<u>\$ 12,433</u>

8. RESTRICTED ASSET

A. CASH

Governmental Activities/Funds

Employee Withholding

The Tangipahoa Parish Government has a payroll fund in which payroll taxes, retirement contributions, and insurance premiums due to others are withheld from the employee's payroll checks. As of December 31, 2022, the cash balance of this account was \$1,367,057.

High Deductible Insurance and Health Reimbursement Plan

Tangipahoa Parish Government provides to its employees, as an employment benefit, a High Deductible Health Insurance Plan (through Blue Cross Blue Shield) which is supplemented by Individual Health Reimbursement Accounts (administered by Choice Care). In addition to paying the health insurance premium for the employee, the parish is also responsible to pay a portion of the employee's deductible. In order to properly fund this deductible portion, the parish makes monthly deposits equal to 1/12th of the parish portion of the annual deductible into a separate bank account. These funds are then transferred to Choice Care as the employees use the funds for qualifying medical expenses. Any balances remaining after the close of the deductible year are carried over to offset future plan expenses. As of December 31, 2022, the combined cash balance of this fund was \$451,384, which is presented on the Statement of Net Position as Restricted Assets - Cash.

Advanced Cash Receipts

The General Fund has \$24,896,824 of restricted cash resulting from advanced cash receipts as of December 31, 2022. The balance is made of the following amounts:

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

- \$24,894,824 was advanced to the Parish from the American Rescue Plan Act. The Parish did not begin any projects during the year.
- \$2,000 was advanced for the Parish to start a summer reading program. The Parish has not implemented this program.

Road and Bridge Fund has \$23,659 of restricted cash resulting from advanced cash received by the Local Assistance Grant Program for the purchase of river gauges.

Ordinance No 13-40: Reserve Fund:

On October 15, 2013, the council adopted an ordinance to establish a reserve fund that shall be kept in a separate bank account. These funds can only be spent upon the specific request of the Parish President and the approval of two-thirds vote of the Tangipahoa Parish Council. As of December 31, 2022, the cash balance of this account was \$1,650,346.

Ordinance No 18-68: OPEB Irrevocable Tax-Exempt Trust

On December 10, 2018, the council adopted an ordinance to establish an irrevocable tax-exempt trust pursuant to Section 115 of the Internal Revenue Code and the GASB Statements for the purpose of funding and pre-funding the Parish's share of the OPEB provided under the Retiree Plan in accordance with the GASB Statements. This was done to provide a vehicle for advance funding of such OPEB by the Parish and to offset the OPEB Liability required to be shown on the financial statement by the amount of assets in the trust. As of December 31, 2022, the combined cash balance of this fund was \$248,469.

Debt Service Requirements:

During 2019, the parish issued Series 2019 Revenue Bonds for the purpose of acquiring, constructing, extending and improving the parish landfill, refunding Series 2013 Revenue Bonds, funding a reserve fund, and paying the costs of issuing the Bonds. Upon the issuance of these bonds, the parish became subject to Debt Service Requirements and other restrictions. \$17 is restricted related to the issuance and related construction cost of the project.

In December 2018, the parish issued Revenue Bonds for the purpose of financing qualified GoMESA projects. Upon the issuance of these bonds, the parish became subject to Debt Service Requirements. As of December 31, 2022, \$8,030,405 is restricted in the General Fund.

B. INVESTMENTS

Ordinance No 18-68: OPEB Irrevocable Tax-Exempt Trust

On December 10, 2018, the council adopted an ordinance to establish an irrevocable tax-exempt trust pursuant to Section 115 of the Internal Revenue Code and the GASB Statements for the purpose of funding and pre-funding the Parish's share of the OPEB provided under the Retiree Plan in accordance with the GASB Statements. This was done to provide a vehicle for advance funding of such OPEB by the Parish and to offset the OPEB Liability required to be shown on the financial statement by the amount of assets in the trust.

As of December 31, 2022, the combined investments balance of this fund was \$1,728,346.

9. COMPENSATED ABSENCES

At December 31, 2022, employees of Tangipahoa Parish Government have accumulated and vested \$965,664 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$152,703 is recorded as an obligation of the General Fund, and \$736,567 is recorded as an obligation of the Special Revenue Funds. The leave liability for employees of the Internal Service Fund in the amount of \$76,394 is accounted for within these funds.

10. OPERATING LEASES

The parish entered into non-material short-term, cancellable operating lease during December 31, 2022.

11. LONG-TERM DEBT

A. SUMMARY OF CHANGES IN LONG-TERM DEBT

The following is a summary of the long-term obligation transactions for the year ended December 31, 2022:

<u>Governmental Activities:</u>	<u>Balance 01/01/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/22</u>	<u>Due Within One Year</u>
General Obligation Bonds Series 2019 Landfill	\$ 649,200	\$ -	\$ 29,900	\$ 619,300	\$ 31,000
Revenue Bonds Series 2019 Landfill	4,430,000	-	115,000	4,315,000	125,000
Revenue Bonds Premium	118,314	-	4,226	114,088	4,226
GOMESA Revenue Bonds	7,315,000	-	525,000	6,790,000	290,000
Financing Leases*	3,249,442	3,915,031	2,041,230	5,123,243	1,986,460
Estimated Liability for Landfill Closure/ Postclosure Care Cost	<u>5,814,392</u>	<u>264,067</u>	<u>-</u>	<u>6,078,459</u>	<u>-</u>
Total Governmental Activities	<u>\$ 21,576,348</u>	<u>\$ 4,179,098</u>	<u>\$ 2,715,356</u>	<u>\$ 23,040,090</u>	<u>\$ 2,436,686</u>

*Restated GASB 87

<u>Business Type Activities:</u>	<u>Balance 01/01/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/22</u>	<u>Due Within One Year</u>
Financing Leases	\$ 7,160	\$ 101,734	\$ 14,896	\$ 93,998	\$ 18,451
Total Business Type Activities	<u>\$ 7,160</u>	<u>\$ 101,734</u>	<u>\$ 14,896</u>	<u>\$ 93,998</u>	<u>\$ 18,451</u>

B. FINANCING LEASES

The Parish has entered into 117 leases for vehicles, 27 leases for heavy equipment, and 6 leases for buildings. These leases meet the criteria of GASB 87. The assets acquired through these leases are referred to as Right of Use Assets. See note 7 for details. The lease payments are reflected as debt service expenditures at the government fund reporting level.

Vehicle Leases- The parish has entered into financing lease agreements at an interest rate between 4.43 to 4.96% with Enterprise FM Trust. The lease obligation is effective during the period from December 2017 through December 2027. Monthly payments of principal and interest of \$360 to \$968. Total payments for 2022 are \$512,399 (principal of \$437,995 and interest of \$74,404).

Heavy Equipment Leases-The parish has entered into financing lease agreements with CAT Financial, Hat's Equipment, and John Deere Finance at interest rates between 3.85% - 5.63%. The lease obligations are effective during the period from February 2017 through June 2026. Monthly payments of principal and interest range from \$1,862 to \$17,087. Total payments for 2022 are \$1,605,350 (principal of \$1,511,447 and interest of \$93,903).

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Building Leases- The parish has entered into financing lease agreements with Maximus Healthcare, Marion Coniglio, Edward Comeaux, Lacoste Oak Properties, Two Amigos Dreaming, LLC, and Two Ody's LLC at interest rates between 3.38% - 6.39%. The lease obligations are effective during the period from July 2016 through February 2027. Monthly payment of principal and interest range from \$1,700 to \$6,000. One lease is for an annual payment of \$1,200. Total payments for 2022 are \$138,680 (principal of \$123,312 and interest of \$15,368).

C. BONDS

Governmental Activities:

Revenue bonds payable are comprised of the following issue:

\$4,600,000 issue of 2019 for the purpose of extending and improving parish landfill, and refunding the Series 2013 Bonds, due in semi-annual installments of \$55,000 to \$230,000 through April 1, 2049 with interest at 2.75 to 4.0 percent. Debt retirement payments are made from the Garbage Maintenance District No. 1 Fund.	\$4,315,000
\$7,725,000 issue of 2018 for the purpose of financing qualified GoMESA projects, due in semi-annual installments of \$260,000 to \$655,000 through Nov 1, 2038 with interest at 5.375 percent. Debt retirement payments are made from the General Fund.	<u>6,790,000</u>
Total Revenue Bonds Payable	<u>\$11,105,000</u>

General Obligations bonds payable are comprised of the following issue:

\$392,800 issue of 2017 for the purpose of financing the construction and improvements of public roads, highways and bridges within the district, due in semi-annual installments of \$11,000 to \$27,800 through March 1, 2037 with interest at 3.95 percent. Debt retirement payments are made from the Road District No. 101 Sinking Fund.	\$ 322,900
\$362,300 issue of 2017 for the purpose of financing the construction and improvements of public roads, highways and bridges within the district, due in semi-annual installments of \$12,000 and \$25,600 through March 1, 2037 with interest at 3.95 percent. Debt retirement payments are made from the Sub-Road District No. 1 of Road District No. 101 Sub-Sinking Fund.	<u>296,400</u>
Total General Obligations Bonds Payable	<u>\$ 619,300</u>

D. DEBT SERVICE REQUIREMENTS TO MATURITY

Governmental Activities:

1. The annual requirements to amortize the Revenue Bonds debt outstanding as of December 31, 2022, including principal and interest, are as follows:

<u>Year Ending December 31</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 415,000	\$ 511,725	\$ 926,725
2024	430,000	492,388	922,388
2025	455,000	472,169	927,169
2026	475,000	450,725	925,725
2027	495,000	428,401	2,923,401
2028-2032	2,885,000	1,757,323	4,642,323
2033-2037	3,690,000	964,612	4,654,612
2038-2042	2,055,000	277,452	2,332,452
2043-2047	205,000	84,975	289,975
	<u>\$ 11,105,000</u>	<u>\$ 5,439,770</u>	<u>\$ 16,544,770</u>

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

2. The annual requirements to amortize the General Obligation Bonds debt outstanding as of December 31, 2022, including principal and interest are as follows:

<u>Year Ending December 31</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 31,100	\$ 23,848	\$ 54,948
2024	32,200	22,598	54,798
2025	33,600	21,298	54,898
2026	34,900	19,945	54,845
2027	36,200	18,541	54,741
2028-2032	203,900	69,025	273,525
2033-2037	247,400	25,193	272,593
	<u>\$ 619,300</u>	<u>\$ 201,048</u>	<u>\$ 820,348</u>

Governmental Activities-Financing Leases:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$2,006,201	\$207,371	\$2,213,572
2024	1,288,369	132,450	1,420,819
2025	940,980	77,568	1,018,548
2026	684,977	33,682	718,659
2027	202,716	6,607	209,323
	<u>\$5,123,243</u>	<u>\$457,678</u>	<u>\$5,580,921</u>

Business Type Activities-Financing Leases:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$19,742	\$1,255	\$20,997
2024	19,424	3,521	22,945
2025	20,471	2,474	22,945
2026	21,563	1,382	22,945
2027	12,798	327	13,125
	<u>\$93,998</u>	<u>\$8,959</u>	<u>\$102,957</u>

Interest expense of \$349,779 in the fund financial statements for the year consisted of \$18,120 in the general fund, \$49,246 in the road and bridge funds, \$217,725 in the garbage district no.1 fund, \$4,236 in the health unit fund and \$60,452 in other governmental funds. Additionally, interest expense for governmental activities of \$347,770 includes \$2,217 in the internal service fund and \$(4,226) amortization of revenue bond premium.

12. DEDICATION OF PROCEEDS & FLOW OF FUNDS- ROAD DISTRICT NO. 101 OF THE PARISH OF TANGIPAHOA, LOUISIANA GENERAL OBLIGATION BONDS, SERIES 2017 AND SUB-ROAD DISTRICT NO. 1 OF ROAD DISTRICT NO. 101 OF THE PARISH OF TANGIPAHOA, LOUISIANA GENERAL OBLIGATION BONDS, SERIES 2017

The parish through its governing authority adopted ordinances 17-02 and 17-03 on February 13, 2017, authorizing the issuance of Road District No. 101 of the Parish of Tangipahoa, Louisiana General Obligation Bonds, Series 2017 and Sub-Road District No. 1 of Road District No. 101 of the Parish of Tangipahoa, Louisiana General Obligation Bonds, Series 2017 in the amount of \$392,800 and \$362,300, respectively, for the purpose of (i) financing the construction and improvements of public roads, highways and bridges; (ii) funding capitalized interest on the Series 2017 Bonds, and (iii) paying the costs of issuing the Series 2017 Bonds. Per the ordinances, the Bonds will be payable from ad valorem taxes to be levied and collected in the manner provided

by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, and statutory authority supplemental thereto with an estimated three (3) mills for each district to be levied in the first year to provide for the payment of principal and interest on said bonds. Certain funds are required to be established and maintained with the Paying Agent for the receipt and disbursement of Bond Proceeds. An analysis of these accounts is provided as follows:

Debt Service Fund- The bond ordinance requires that a Debt Service Fund be established to receive deposits of the Tax and accrued interest, if any, on the Bonds. The fiscal agent depository for the Debt Service Fund shall transfer from the Debt Service Fund to the Paying Agent at least three (3) days in advance of each Interest Payment Date, funds fully sufficient to pay promptly the principal and interest falling due on such date.

The paying agent is also the parish's fiscal agent and does not require the establishment of a debt service fund. The parish is accounting for debt service payments for both bonds in separate internal debt service funds.

At December 31, 2022, the parish was in compliance with this covenant.

Capitalized Interest Fund- The bond ordinance requires that a Capitalized Interest Fund be created to be held by the Paying Agent. Any proceeds of the Bonds which constitute capital interest shall be deposited therein and the proceeds shall be used solely to make interest payments on the Bonds prior to receipt of sufficient Tax proceeds.

The paying agent is also the parish's fiscal agent and does not require the establishment of a Capitalized Interest Fund. The parish is accounting for capitalized interest payments for both bonds in separate internal debt service funds.

At December 31, 2022, the parish was in compliance with this covenant.

13. DEDICATION OF PROCEEDS & FLOW OF FUNDS PARISH OF TANGIPAHOA, STATE OF LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (TANGIPAHOA PARISH GOMESA PROJECT), SERIES 2018 (GREEN BONDS)

The parish through its governing authority adopted an ordinance on November 13, 2018, authorizing the issuance of Parish of Tangipahoa, State of Louisiana local government environmental facilities and community development authority revenue bonds (Tangipahoa parish GoMESA project), series 2018 (green bonds) in the amount of \$7,725,0000 for the purpose of (a) projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses; (b) mitigation of damage to fish, wildlife or natural resources; (c) implementation of a federally-approved marine, coastal or comprehensive conservation management plan; (d) mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects; and (e) associated planning and administrative costs (collectively, the "GOMESA Projects"). In that ordinance, the Bonds will be payable from an irrevocable and irrevocable pledge of GOMESA Revenues. The ordinance authorized the issuance, sale and delivery of the bonds to Wells Fargo Securities LLC, Jackson, Mississippi, and authorized the Parish President to execute a purchase agreement with to Wells Fargo Securities LLC., within the parameters set forth by the ordinance.

In that ordinance, certain funds are required to be established and maintained by Hancock Whitney's Trust department (Trustee) for the receipt and disbursement of bond proceeds and repayment of the bonds. The Trustee is responsible for all transfers of funds between the various bank accounts.

An analysis of these accounts is provided as follows:

Construction Fund- The bond ordinance requires that the cost of the project be paid from this fund. When the construction of the Project is complete, the remaining balance in the Construction Fund shall be transferred to the Debt Service Fund. The balance in this account is \$7,376,605.69 as of December 31, 2022.

At December 31, 2022, the parish was in compliance with this covenant. The construction of the Project is not complete.

Debt Service Fund- The bond ordinance requires that a Debt Service Fund be created to receive the portions of the payments from the Revenue Fund to pay the interest and principal. Fifteen days prior to each payment date the monies are to be transferred. The Trustee will use the monies on deposit in the Debt Service Fund to make principal and interest payments to the bondholders, as set forth in the agreement.

At December 31, 2022, the parish was in compliance with this covenant.

The Debt Service Reserve Fund- The bond ordinance requires that the Debt Service Reserve fund be created and maintained by the Trustee to receive monies from the Revenue Fund in order to comply with the reserve requirement of \$415,218.76. Monies are to be transferred on the or before the fifteenth day of the month following receipt of the Pledged Revenues. As of December 31, 2022, the balance in this account is \$419,808.60.

At December 31, 2022, the parish was in compliance with this covenant.

Revenue Fund- The bond ordinance requires the Trustee to maintain a Revenue Fund in which the Pledged revenues will be received. The Trustee is required to make various transfers to other accounts throughout the year. After all required transfers, any funds remaining shall be transferred to the Residual Fund.

At December 31, 2022, the parish was in compliance with this covenant.

Residual Fund- The bond ordinance requires the Trustee to maintain the Residual Fund to receive the balance of funds remaining in the Revenue Fund after making the required transfers. The Residual Fund shall be transferred to the Borrower on each November 1, beginning November 1, 2019.

At December 31, 2022, the parish was in compliance with this covenant.

Rebate Fund- the Rebate Fund shall be held by the Trustee but shall not be a trust account within the trust estate pledge under this Indenture. Monies on deposit shall be used to make rebate payments owed to the United State of America.

At December 31, 2022, the parish was in compliance with this covenant.

14. DEDICATION OF PROCEEDS & FLOW OF FUNDS-PARISH OF TANGIPAHOA, STATE OF LOUISIANA REVENUE BONDS, SERIES 2019

The parish through its governing authority adopted an ordinance on December 18, 2019, authorizing the issuance of Parish of Tangipahoa, State of Louisiana Revenue Bonds, Series 2019 in the amount of \$4,600,000 for the purpose of (i) expanding and improving the Parish's municipal landfill (the "2019 Improvement Projects"); (ii) refunding the Parish's Revenue Bonds, Series 2013 (the "Refunded Bonds"); (iii) financing the costs of issuance of the Bonds; (iv) acquiring a municipal bond insurance policy; and (v) funding a debt service reserve fund with a surety bond. In that ordinance, the Bonds will be payable from the income, revenues and receipts generated by Garbage District No. 1 of Tangipahoa Parish. If such revenues are not sufficient, General Fund revenues or unrestricted revenues of the parish may be utilized. The ordinance authorized the issuance, sale and delivery of the Bonds to Crews & Associates, Inc., Little Rock, Arkansas and authorized the Parish President to execute a purchase agreement with Crews & Associates, Inc., within the parameters set forth by the ordinance. In that ordinance, certain funds are required to be established and maintained with the Paying Agent for the receipt and disbursement of Bond Proceeds. An analysis of these accounts is provided as follows:

The Bond Proceeds Fund - The bond ordinance requires that a Bond Proceeds Fund be created to receive the proceeds of the Bonds, which will be used to pay costs of issuance, transfer an amount to the Refunding Fund sufficient to redeem all or a portion of the Series 2013 Bonds, and to either transfer to the Reserve Fund an amount equal to the Reserve Requirement or deposit a Reserve Fund Alternate Investment meeting the qualifications set forth in the ordinance, and to transfer the remaining balance to the Project Fund.

At December 31, 2022, the parish was in **compliance** with this covenant.

The Debt Service Fund- The bond ordinance requires that a Debt Service Fund be created to receive deposits five days prior to each Interest Payment Date of the amount required to make principal and interest payments due on such Interest Payment Date. The Paying Agent will then use the monies on deposit in the Debt Service Fund to make principal and interest payments to the bondholders, as set forth in the agreement.

At December 31, 2022, the parish was in **compliance** with this covenant.

The Project Fund-The bond ordinance requires that the Project Fund be established and maintained to receive the immediate transfer of the balance of the proceeds of the bonds as provided by the requirements of the Bond Ordinance. Monies in the Project Fund shall be applied to the payment of the costs of the 2019 Project, and pending such application, shall be subject to a lien and charge in favor of the Bondholders for the further security of such Bondholders until paid out or transferred as provided in the ordinance. The ordinance requires that the money in the Project Fund be applied to the payment of the costs of the Project, except to the extent required to be transferred to the Rebate Fund in accordance with the Tax Certificate and, pending such application, shall be held as trust funds under this Ordinance until paid out or transferred. Money held in the project fund shall be paid out within three business days by Whitney Bank in order to pay, or to reimburse the Issuer for the payments made, for the costs of the 2019 Project upon receipt by Whitney Bank of the written request of the parish in substantially the form included within the ordinance. Upon certification of an Executive Officer that all costs incurred in connection with the Project and in connection with the issuance, sale and delivery of the Bonds have been paid, any balance remaining in the Project Fund shall be deposited into the Debt Service Fund. The Project as defined by T.P. Ordinance No. 19-45 was completed during FYE December 31, 2022.

At December 31, 2022, the parish was in **compliance** with this covenant.

The Debt Service Reserve Fund- In lieu of funding the Reserve Fund with cash, the Issuer has purchased a Reserve Fund Alternate Investment issued by the Bond Insurer. Such Reserve Fund Alternate Investment shall be deposited with the Paying Agent and held in the Reserve Fund.

At December 31, 2022, the parish was in **compliance** with this covenant.

15. COMPLIANCE WITH ROAD DISTRICT NO. 101 OF THE PARISH OF TANGIPAHOA, LOUISIANA GENERAL OBLIGATION BONDS, SERIES 2017 AND SUB-ROAD DISTRICT NO. 1 OF ROAD DISTRICT NO. 101 OF THE PARISH OF TANGIPAHOA, LOUISIANA GENERAL OBLIGATION BONDS, SERIES 2017

The parish through its governing authority adopted an ordinance on February 13, 2017, authorizing the issuance of Road District No. 101 of the Parish of Tangipahoa, Louisiana General Obligation Bonds, Series 2017 and Sub-Road District No. 1 of Road District No. 101 of the Parish of Tangipahoa, Louisiana General Obligation Bonds, Series 2017 in the amount of \$392,800 and \$362,300, respectively, for the purpose of (i) financing the construction and improvements of public roads, highways and bridges; (ii) funding capitalized interest on the Series 2017 Bonds, and (iii) paying the costs of issuing the Series 2017 Bonds. Per the ordinances, the Bonds will be payable from ad valorem taxes to be levied and collected in the manner provided by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, and statutory authority supplemental thereto with an estimated three (3) mills for each district to be levied in the first year to provide for the payment of principal and interest on said bonds. The major covenants contained in the bond ordinance and agreements and the manner in which the parish has complied with these covenants is described as follows:

Authorization of Bonds; Maturities- The Bonds shall be in fully registered form, shall be issued in Authorized denominations within a single maturity, and shall be numbered consecutively from R-1 upward. The unpaid principal of the Bonds shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date, commencing September 1, 2017, at not to exceed four percent (4.00%) per annum, or such lesser amount as set forth therein, and shall mature serially on March 1 of each year (with a final maturity on March 1, 2037) in amounts as set forth in the Purchase Agreement.

The parish was in **compliance** with this covenant.

Registration with Secretary of State- The Bonds shall be registered with the Secretary of State of the State of Louisiana as provided by law and shall bear the endorsement of the Secretary of State of Louisiana in substantially the form set forth herein, provided such endorsement shall be manually signed only on the Bonds initially delivered to the purchaser, and any Bonds subsequently exchanged therefore as permitted in this Ordinance may bear the facsimile signature of said Secretary of State.

The parish was in **compliance** with this covenant.

Pledge of Full Faith and Credit; Tax Levy- The Bonds shall constitute general obligations of the Issuer, and the full faith and credit of the Issuer is hereby pledged to the punctual payment of the Bonds in accordance with the authority of Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, and constitutional and statutory authority supplemental thereto. The Issuer obligates itself and is bound under the terms and provisions of law and the election authorizing the Bond to impose and collect annually in excess of all other taxes the Tax on all property subject to taxation within the territorial limits of the Issuer sufficient to pay principal of and interest on the Bonds falling due in each year, said Tax to be levied and collected by the same officers, in the same manner and at the same time as other taxes are levied and collected within the territorial limits of the Issuer. The proceeds of such Tax shall be devoted and applied to the payment of said interest and principal as such shall become due and without further action on the part of the Governing Authority, the proper officer or officers are hereby authorized and directed, beginning with the year 2017, to include in the annual levy of taxes upon, and to extend upon the assessment rolls against, all taxable property situated within the territorial limits of the Issuer, a sum sufficient to pay the principal of, premium, if any, and interest on the Bonds becoming due the ensuing year.

The parish was in **compliance** with this covenant.

16. COMPLIANCE WITH PARISH OF TANGIPAHOA, STATE OF LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (TANGIPAHOA PARISH GOMESA PROJECT), SERIES 2018 (GREEN BONDS)

The parish through its governing authority adopted an ordinance on November 13, 2018, authorizing the Parish to proceed with a not to exceed \$9,000,000 financing through the Louisiana Local Government Environmental Facilities and Community Development Authority; authorizing and ratifying the Parish's request of the Louisiana Local Government Environmental Facilities and Community Development Authority to issue its revenue bonds; authorizing the borrowing by the Parish of the proceeds from the sale thereof to finance qualified GOMESA projects and providing for the repayment of and security therefore; approving and ratifying within certain parameters the terms of the sale of the bonds; authorizing the form and execution of the Loan and Assignment Agreement; authorizing the form of and execution of an agreement for the purchase of the bonds and ancillary financing documents.

The Parish does hereby irrevocably and irrevocably pledge and dedicate GOMESA Revenues distributed to the Parish as Pledged Revenues in an amount sufficient for the payment of its obligations pursuant to the Loan Agreement.

Posting on EMMA- In accordance with the designation of the bonds as "Green Bonds", the Parish plans to post

voluntary annual updates on the use of proceeds of the Bonds annually on EMMA. Once the proceeds have been expended, no further updates will be provided.

Amounts remaining in funds and accounts- It is agreed by the parties hereto that any amounts remaining in the funds and accounts existing pursuant to the indenture upon the expiration or sooner cancellation or termination of the agreement, after payment in full of all bonds then outstanding under the indenture (or provisions for payment thereof having been made in accordance with the provisions of the indenture), and the fees, charges and expenses of the authority and the trustee and all amount required to be paid hereunder and under the indenture shall belong to and be paid to the borrower.

17. COMPLIANCE WITH PARISH OF TANGIPAHOA, STATE OF LOUISIANA REVENUE BONDS, SERIES 2019

The Parish complied with the covenants contained in the bond resolution and agreement are for the fiscal year ended December 31, 2022.

18. LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require Tangipahoa Parish Government to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. In addition to operating expenses relating to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs is \$6,078,459 as of December 31, 2022, which is based on 66.29 percent usage (filled) of the landfill. The percentage usage reflects an update in the engineering estimate of percentage usage, and the related estimated liability for landfill closure and postclosure costs required by the Louisiana Department of Environmental Quality (LDEQ) regulations for postclosure care of solid waste facilities. It is estimated that \$4,360,000 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity in 11.7 years (September 2034). The estimated total current cost of the landfill closure and postclosure care costs of \$9,170,000 is based on the amount that would be paid (with year 2017 dollars) if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2022. However, the actual cost of closure and postclosure care may be higher due to inflation or deflation, changes in technology, or changes in landfill laws and regulations. In addition, total closure and postclosure costs, as well as estimates of percentage usage of the landfill, will change as any additional cells are permitted to accept additional waste. The aforementioned dollar amounts are based on information provided by Fourrier & de Abreu Engineers, L.L.C.

Tangipahoa Parish Government anticipates that the liability for closure and postclosure cost will be funded on a "pay-as-you-go basis", if allowed. The management of Tangipahoa Parish Government understands that it satisfies the Local Government financial test due to meeting the financial ratio thresholds.

19. EMPLOYEE RETIREMENT SYSTEMS

Substantially all employees of the Parish are members of one of the following statewide retirement systems: Parochial Employees' Retirement System of Louisiana, Registrar of Voters Employees' Retirement System of Louisiana, or the District Attorneys' Retirement System. These systems are cost-sharing multiple-employer, defined benefit pension plans administered by separate boards of trustees.

Part-time employees of the parish are members of the social security system. In addition to employee payroll deductions, parish funds are remitted to match the employee contributions. Aggregate contributions to the social security system for the year ended December 31, 2022, were \$129,436 of which \$64,718 was contributed by the parish.

A. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA.

Plan Description. Substantially all full-time employees of the Tangipahoa Parish Government are members of the Parochial Employees' Retirement System of Louisiana (System), a multi-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two (2) distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the parish are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. New employees meeting the age and social security criteria have up to ninety (90) days from their date of hire to elect to participate. Under Plan A the eligibility provisions are as follows:

<u>Hired Prior to January 1, 2007</u>	<u>Hired January 1, 2007, and Later</u>
7 years and age 65	7 years and age 67
10 years and age 60	10 years and age 62
25 years and age 55	30 years and age 55
30 years and any age	

The retirement allowance is equal to three percent of the member's final average compensation multiplied by his years of creditable service. Final average compensation shall be defined as the average of the highest consecutive 36 months salary for members hired prior to January 1, 2007. For members hired January 1, 2007, and later, final average compensation shall be defined as the average of the highest consecutive 60 months salary.

Any employee who was a member of the supplemental plan only prior to the revision date (January 1, 1980) has the benefit earned for service credited prior to the revision date on the basis of one percent of final compensation plus two dollars per month for each year credited prior to the revision date, and three percent of final compensation plus two dollars per month for each year credited after the revision date. The retirement allowance may not exceed the greater of one hundred percent of a member's final salary or the final average compensation.

Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Employers shall pay the actuarial cost of leave conversion at the time of retirement for those members enrolled January 1, 2007, and later.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial

Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and Tangipahoa Parish Government is required to contribute at an actuarially determined rate. The rate for 2022 is 11.50 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and Tangipahoa Parish Government are established and may be amended by state statute. As provided by

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Tangipahoa Parish Government's contributions to the System under Plan A for the years ending December 31, 2022, 2021, and 2020 were \$1,884,316, \$1,928,978, and \$1,822,266, respectively, equal to the required contributions for each year.

Pension (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At December 31, 2022, the parish reported an (asset) of \$(11,055,356) for its proportionate share of the net pension asset. The net pension (asset) was measured as of December 31, 2021, and the total pension (asset) used to calculate the net pension (asset) was determined by an actuarial valuation as of that date. The parish's proportion of the net pension (asset) was based on a projection of the parish's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At December 31, 2021, the parish's proportion was 2.346993 percent.

For the year ended December 31, 2022, the parish recognized pension benefit of \$1,786,496. At December 31, 2022, the parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 667,949	\$ 801,256
Changes of assumptions	576,559	-
Net difference between projections and actual earnings on pension plan investments	-	9,562,692
Changes in proportion and difference between parish contributions and proportionate share of contributions	121,918	-
Parish contributions subsequent to the measurement date	<u>1,884,316</u>	<u>-</u>
Total	<u>\$3,250,742</u>	<u>\$10,363,948</u>

\$1,884,316 reported as deferred outflows of resources related to pensions resulting from parish contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/ (asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2022	(\$1,736,753)
2023	(3,735,132)
2024	(2,500,648)
2025	(1,024,989)
Thereafter	-

Actuarial assumptions. The total pension (asset) in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	December 31, 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	6.40% (Net of investment expense including inflation)
Projected salary increase	4.75% (including merit, and 2.3% inflation)
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

Expected remaining service lives
Cost of living adjustments

4 years
The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.

The actuarial assumptions used in the December 31, 2021, valuation (excluding Mortality) was based on actuarial funding valuation and results of an actuarial experience study for the period January 1, 2013, to December 31, 2017, unless otherwise specified.

The long-term expected real rate of return on pension plan investments was determined using a triangulation method in which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2021.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed Income	33%	.85%
Equity	51%	3.23%
Alternatives	14%	.71%
Real assets	2%	.11%
Total	<u>100%</u>	4.90%
Inflation		<u>2.10%</u>
Expected Arithmetic Nominal Return		<u>7.00%</u>

Discount Rate. The discount rate used to measure the total pension (asset) was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Sensitivity to Changes in Discount Rate:

The following presents the net pension liability/(asset) of the participating employers calculated using the discount rate of 6.40%, as well as what the employers' net pension liability/ (asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40 % or one percentage point higher 7.40 % that the current rate.

	Changes in Discount Rate 2021		
	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net Pension Liability(Asset)	\$1,970,957	\$(11,055,356)	\$(21,967,279)

B. REGISTRAR OF VOTERS EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA.

Plan Description. The Registrar of Voters Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan established in accordance by Act 215 of 1954, under Revised Statute 11:2032 to provide retirement allowances and other benefits for registrars of voters, their deputies and their permanent employees in each parish of the State of Louisiana.

The System was established on January 1, 1955 for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:2032, as amended, for registrars of voters, their deputies and their permanent employees in each parish. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Any member hired prior to January 1, 2013 is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013 are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of 60 years.

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of 60 years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age 60 shall be entitled to a disability benefit equal to the lesser of 3.00% of his average final compensation multiplied by the number of creditable years of service (not to be less than 15 years) or 3 1/3% of average final compensation multiplied by the years of service assuming continued service to age 60. Disability benefits may not exceed two-thirds of earnable compensation.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Registrar of Voters' Retirement System, Post Office Box 1959, Gonzales, Louisiana 70707, or by calling (225) 647-7911.

Funding Policy. Contributions for all members are established by statute at 7.0% of compensation for the years ending/ended June 30, 2022 and 2021. The contributions are deducted from the member's salary and remitted by the Parish.

According to state statute, contribution requirements for all employers are actuarially determined each year. For the years ending/ended June 30, 2022 and 2021, the actual employer contribution rates were 18.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the Parish for the years ending December 31, 2022, 2021, and 2020, were \$17,520, \$16,266, and \$18,946.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At December 31, 2022, the parish reported a liability of \$149,942 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The parish's proportion of the net pension liability was based on a projection of the parish's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At December 31, 2022, the parish's proportion was .611503 percent.

For the year ended December 31, 2022, the parish recognized pension expense of \$23,310.

At December 31, 2022, the parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 58,703	\$ 11,205
Changes of assumptions	12,508	-
Net difference between projections and actual earnings on pension plan investments	-	-
Changes in proportion and difference between parish contributions and proportionate share of contributions	2,247	25,049
Parish contributions subsequent to the measurement date	<u>9,141</u>	<u>-</u>
Total	<u>\$82,599</u>	<u>\$ 36,254</u>

Deferred outflows of resources related to pensions resulting from the Parish's contributions subsequent to the measurement date of the net pension liability but before the end of the governmental non-employer contribution reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current period.

\$9,141 reported as deferred outflows of resources related to pensions resulting from parish contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Year ended December 31:	
2023	(3,331)
2024	(5,765)
2025	(719)
2026	(27,389)
Thereafter	-

Actuarial assumptions. The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2022
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	6.25% (Net of investment expense)
Inflation Rate	2.30 % per annum
Projected salary increase	5.25%
Mortality rates	RP-2010 Public Retirement Plans Mortality Table for general employees multiplied by 120% for males and 120% for females each with full generational projection using the appropriate MP-2019 improvement scale – Employees, Annuitant and Beneficiaries. RP-2010 Public Retirement Plans Mortality Table for general disabled retirees multiplied by 120% for males and 120% for females each with full generational projection using the appropriate MP-2019 improvement scale – Disabled Annuitants.
Expected remaining service lives	5 years
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.75% for the year ended June 30, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Domestic equities	37.5%	2.81%
International equities	20%	1.70%
Domestic fixed income	12.5%	0.31%
International fixed income	10%	0.35%
Alternative investments	10%	0.63%

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Real assets	<u>10%</u>	<u>0.45%</u>
Total	<u>100%</u>	<u>6.25%</u>
Inflation		<u>2.50%</u>
Expected Nominal Return		<u>8.75%</u>

Discount Rate. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of each of the system's actuary. Based on those assumptions, each of the system's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability was 6.25% for the year ended June 30, 2022.

Sensitivity to Changes in Discount Rate:

The following presents the net pension liability/asset of the participating employers calculated using the discount rate of 6.25%, as well as what the employers' net pension liability/asset would be if it were calculated using a discount rate that is one percentage point lower 5.25 % or one percentage point higher 7.25 % that the current rate.

	Changes in Discount Rate		
	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net Pension Liability(Asset)	\$242,418	\$149,942	\$(71,283)

C. DISTRICT ATTORNEY'S RETIREMENT SYSTEM.

Plan Description. The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established on April 1, 1956 and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys, currently \$18,000 per year. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with, less than 23 year of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Members who joined the System after July 1, 1990, of who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and, one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the District Attorneys' Retirement System, 2525 Quail Dr., Baton Rouge, Louisiana 70808-9042, or by calling (225) 267-4824.

Funding Policy. Contributions for all members are established by statute at 8.0% of compensation for the years ending/ended June 30, 2022 and 2021. The contributions are deducted from the member's salary and remitted by the Parish.

According to state statute, contribution requirements for all employers are actuarially determined each year. For the years ending/ended June 30, 2022 and 2021, the actual employer contribution rates were 9.50% and 4.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the Parish for the years ending December 31, 2022, 2021, and 2020 were \$32,649, \$21,127, and \$11,783.

In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At December 31, 2022, the parish reported a liability of \$533,919 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The parish's proportion of the net pension liability was based on a projection of the parish's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At December 31, 2022, the parish's proportion was .495649 percent.

For the year ended December 31, 2022, the parish recognized pension expense of \$127,652. At December 31, 2022, the parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 37,763	\$ 16,072
Changes of assumptions	115,813	-
Net difference between projections and actual earnings on pension plan investments	159,388	-
Changes in proportion and difference between parish contributions and proportionate share of contributions	7,055	5,634
Parish contributions subsequent to the measurement date	<u>17,047</u>	<u>-</u>
Total	<u>\$ 337,066</u>	<u>\$ 21,706</u>

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Deferred outflows of resources related to pensions resulting from the Parish's contributions subsequent to the measurement date of the net pension liability but before the end of the governmental non-employer contribution reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current period.

\$17,047 reported as deferred outflows of resources related to pensions resulting from parish contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2023	(\$89,147)
2024	(63,420)
2025	(55,029)
2026	(90,087)
Thereafter	-

Actuarial assumptions. The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2022
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	6.10% (Net of pension plan investment expense)
Inflation Rate	2.20 % per annum
Projected salary increase	5.00% (2.80% Merit, 2.20% Inflation)
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using MP 2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale.
Expected remaining service lives	5 years
Cost of living adjustments	Only those previously granted

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expected and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 7.69% for the year ended June 30, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Target Asset Allocation</u>	<u>Real Rate of Return</u>
Fixed Income	30.19%	2.95%

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Equities	57.11%	10.57%
Alternatives	12.67%	6.00%
Cash	.03%	.00%
Total	<u>100.00%</u>	5.01%
Inflation		<u>2.68%</u>
Expected Arithmetic Nominal Return		<u>7.69%</u>

Discount Rate. The discount rate used to measure the total pension liability was 6.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, approved by the PRSAC taking into consideration the recommendation of the System actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Sensitivity to Changes in Discount Rate:

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.10%, as well as what the employers' net pension liability/asset would be if it were calculated using a discount rate that is one percentage point lower 5.10% or one percentage point higher 7.10% that the current rate.

	Changes in Discount Rate		
	1% Decrease 5.10%	Current Discount Rate 6.10%	1% Increase 7.10%
Net Pension Liability(Asset)	\$895,430	\$533,919	\$230,682

20. DEFERRED COMPENSATION PLAN

Tangipahoa Parish Government offers its employees two deferred compensation plans adopted under the provisions of the Internal Revenue Code 457. One plan, with Nationwide Retirement Solutions, Inc. (formerly Public Employees Benefits Service Corporation), is available to all parish employees and permits them to defer a portion of their salaries until future years. No portion of this deferred compensation is paid by the parish. The other plan, with State of Louisiana Deferred Compensation Plan, is available only to those employees who are not members of the Parochial Employees' Retirement System of Louisiana. This plan also permits eligible parish employees to defer a portion of their salaries until future years. The parish pays 7.5% of the eligible employees' salaries into this plan.

The deferred compensation of both plans is not available to employees until termination, retirement, death, or unforeseeable emergency.

Complete disclosures relating to the State of Louisiana Deferred Compensation Plan are included in the separately issued audit report for the State of Louisiana Deferred Compensation Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

During 2022, the parish contributed a total of \$91,170 to the State of Louisiana Deferred Compensation Plan.

21. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description. In accordance with Ordinance 06-26 adopted on May 8, 2006, employees who retire from the parish with at least 7 years of service may qualify for participation in the Retirement Group Insurance Plan (RGIP). RGIP is a self-administered, single-employer, defined benefit plan. RGIP provides medical benefits to eligible retirees and their spouses. The participant must also have been covered under the Employee Group Insurance Plan for at least one year prior to retirement. A plan participant may only select coverage up to the

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

extent that the participant had coverage under the Employee Group Insurance Plan prior to retirement. The participant may reduce coverage but may not increase coverage. RGIP does not issue stand-alone financial reports, but includes the RGIP Net Position in the fiduciary fund statements and presents the Net OPEB Liability in the noncurrent liabilities section of the statement of Net Position.

Employees covered

As of the January 1, 2022 actuarial valuation, the following current and former employees were covered by the benefit terms under the RGIP Plan:

Active employees	319
Retirees	44
Beneficiaries	2
<u>Spouses of retirees</u>	<u>17</u>
Total	<u>382</u>

Contributions. The parish's portion of the post-retirement benefit is as follows:

<u>Years of Service</u>	<u>Parish's Portion</u>
7-9	None
10-14	25% of the total premium up to \$350 per month
15 or more	50% of the total premium up to \$500 per month

Once the participant and spouse are eligible for Medicare, the participant can elect to move to the parish Medicare Supplement Plan. If elected, the parish will pay 100% of the premium up to \$350 per month.

For the fiscal year ended December 31, 2022, the Parish's cash contributions were \$683,105 in payments to the trust. In Fiscal Year 2018, the Parish created the Tangipahoa Parish Retiree Benefits Funding Trust with Hancock Whitney Trust and Asset Management for the purpose of prefunding obligations for past services.

Actuarial Methods and Assumptions:

The Net OPEB liability in the December 31, 2022 valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.72%
Salary Increases	4.25%, including inflation
Inflation	2.30%
Medical Trend Rate	3.7% to 6.6%
Mortality	Sex distinct PubG.H-2010 projected forward (fully generational) with MP-2021. Pub-2010 tables for disabled lives and contingent survivors are also used.

The discount rate for calculating the net OPEB liability is based on the Bond Buyer's 20 year General Obligation Index immediately prior to or coincident with the measurement date.

Changes in Net OPEB Liability:

	<u>Total OPEB Liability</u>	<u>Increase (Decrease) Plan Fiduciary Net Position</u>	<u>Net OPEB Liability (a) – (b)</u>
Balances as of December 31, 2021	\$4,881,137	\$1,617,987	\$3,263,150
Changes for the year:			
Service Cost	260,421	-	260,421
Interest on total OPEB liability	103,836	-	103,836
Effect of plan changes	-	-	-

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Effect of economic/demographic gains or losses	1,745,605	-	1,745,605
Effect of assumptions changes or inputs	(1,144,667)	-	(1,144,667)
Benefit payments	(202,947)	(202,947)	-
Employer contributions	-	683,105	(683,105)
Net investment income	-	(101,378)	(101,378)
Administrative expenses	-	(14,756)	(14,756)
Balances as of December 31, 2022	<u>\$5,642,385</u>	<u>\$1,982,011</u>	<u>\$3,661,374</u>

Sensitivity Analysis

The following presents the parish's net OPEB liability calculated using the discount rate of 3.72%, as well as what the parish's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.72%) or 1 percentage-point-higher (4.72%) than the current discount rate:

	1% Decrease 2.72%	Current Discount Rate 3.72%	1% Increase 4.72%
Net OPEB Liability	<u>\$4,310,499</u>	<u>\$3,661,374</u>	<u>\$3,113,474</u>

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trends Rate:

The following presents the parish's net OPEB liability calculated using the current healthcare cost trend rates as well as what the parish's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	<u>\$3,571,841</u>	<u>\$3,661,374</u>	<u>\$3,746,882</u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB:

The parish's net OPEB liability of \$3,661,374 was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2022.

For the year ended December 31, 2022, the parish recognized OPEB expense of \$476,552.

As of December 31, 2022, the parish reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	(\$ 1,229,796)	\$1,521,809
Changes of assumptions	(1,065,995)	1,181,352
Net difference between projected and actual earnings	-	163,482
Contributions made subsequent to the measurement date	-	-
Total	<u>(\$ 2,295,791)</u>	<u>\$ 2,866,643</u>

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

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

Year ended December 31:	
2023	\$166,112
2024	165,956
2025	168,914
2026	(20,937)
2027	(47,867)
Thereafter	(138,674)

22. FUND BALANCES

Fund balances for governmental funds as of December 31, 2022, consist of the following:

	General Fund	Road and Bridge Funds	Garbage District No. 1 Fund	Heath Unit Fund	Other Governmental Funds
<u>Restricted:</u>					
Grant provisions	\$ 289,920	\$ -	\$ -	\$ -	\$ 1,993,080
Property tax millage	-	-	8,916,207	4,168,342	1,546,799
Sales tax levy	-	17,333,862	-	-	-
Debt Service	8,030,405	-	17	-	155,105
Juror and Witness Fees	-	-	-	-	63,346
<u>Committed:</u>					
Rainy Day Fund	1,650,346	-	-	-	-
Industrial Dev. Board	-	-	-	-	112,745
<u>Assigned:</u>					
Health Reimbursement	157,866	170,735	46,928	31,626	197,980
Florida Parishes Arena	-	-	-	-	3,405
Keep Tangipahoa Beautiful	-	-	-	-	74,839
<u>Unassigned:</u>					
	3,410,768	-	-	-	(109,048)
	<u>\$13,538,305</u>	<u>\$17,504,597</u>	<u>\$ 8,963,152</u>	<u>\$ 4,199,968</u>	<u>\$ 4,038,251</u>

23. LITIGATION AND CLAIMS

At December 31, 2022, the parish is involved in litigation or is aware of various claims totaling an undetermined amount. Legal counsel for Tangipahoa Parish Government has determined that the losses (if any) cannot be reasonably estimated at this time; accordingly, no liability has been recorded in these financial statements.

24. COMPENSATION PAID TO PARISH PRESIDENT AND COUNCIL/BOARD MEMBERS

The schedule of compensation paid is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

Compensation paid to the Parish President and Council members for the year ended December 31, 2022, is as follows:

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Robby Miller, President	\$ 162,864
Trent Forest	19,200
Louis Joseph	19,200
Carlo Bruno	19,200
Buddy Ridgel	19,200
Joey Mayeaux	19,200
Lionel Wells	19,200
David Vial	19,200
Kimberly Coates	19,200
Bridget Hyde	19,200
John Ingraffia	19,200
	<u> </u>
	<u>\$ 354,864</u>

25. RESTRICTED NET POSITION

As of December 31, 2021, governmental activities had restricted net position as explained below:

General Fund \$1,284,692 in compliance with Ordinance 13-40 establishing a reserve fund, \$205,062 for funding of the Healthcare Reimbursement Account, \$83,140 for grant restrictions, and \$8,200,515 for debt service for 2018 GoMESA revenue bonds.

Road and Bridge Fund \$18,521,512 per the sales tax levy and \$234,734 for funding of the Healthcare Reimbursement Account.

Garbage District No. 1 Fund \$2,508,197 for debt service for 2019 revenue bonds, \$66,821 for funding of the Healthcare Reimbursement Account, and \$8,203,471 per the ad valorem tax levy.

Hazard Mitigation Fund \$19,142 for grant restrictions.

Road Light 101 Sinking Fund \$83,615 for debt service.

Road Light 101 Sub-sinking Fund \$84,452 for debt service.

Internal Service Fund \$30,940 for funding of the Healthcare Reimbursement Account.

In the non-major funds \$7,818,993 for grant restrictions, ad valorem tax levy, and per LRS 13:3049 and 15:255.

26. CONTRACT WITH AMWASTE OF LOUISIANA, L.L.C.

Tangipahoa Parish Government entered into an agreement with Amwaste of Louisiana, L.L.C. on May 24, 2019, for the collection, transportation, and disposal of residential solid waste, a five year contract through May 1, 2024. Amwaste of Louisiana, L.L.C will pay a disposal cost of \$13.76 per ton for residential waste collected in unincorporated areas.

27. RISK MANAGEMENT

Tangipahoa Parish Government is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The parish attempts to minimize risk from significant losses through the purchase of commercial insurance. The parish's general liability policy does not cover the Section 8 program, nor does it cover road hazards.

28. INDUSTRIAL DEVELOPMENT BOARD

- a) In 2002, the parish purchased the Wal-Mart Warehouse and Distribution Center land and a portion of the improvements thereon for \$3,995,000. These funds were received by the parish from the Louisiana Division of Administration Facility Planning and Control. The parish then conveyed title to the land and improvements to the Industrial Development Board of the Parish of Tangipahoa, Inc. The Industrial Development Board of the Parish of Tangipahoa, Inc. (Board) is a non-profit corporation formed under the provisions of L.R.S.-51:1151.

The Board issued \$40,000,000 of taxable revenue bonds. These bonds were purchased by Wal-Mart Stores, Inc.

The outstanding bonds payable of \$40,000,000 of the Wal-Mart facility is not reflected in the accompanying financial statements.

The Board leased the land and improvements to Wal-Mart Stores East, Inc. for lease payments sufficient to pay the principal and interest on the bonds. The lease agreement also provides for the payment of \$550,000 to the Board in the initial year of the lease and a payment of \$275,000 in February of each year thereafter. The lease term is from October 1, 2002, through August 1, 2040. At the end of the lease term, or earlier if Wal-Mart Stores East, Inc. elects, the interest of the Board in the leased facility will be sold to Wal-Mart Stores East, Inc.

- b) The Board also issued \$4,000,000 of taxable revenue bonds to finance the expansion of Elmer Candy Corporation. The Board acquired the expansion and then entered into a lease agreement with Elmer Candy Corporation for lease payments sufficient to pay the principal and interest on the bonds. Under the lease, \$833 is also payable monthly to the Tangipahoa Parish Government. The lease term is from October 1, 2002, through December 1, 2022. Elmer Candy Corporation has the option to purchase the leased facilities upon payment in full of the bonds. On March 13, 2015, the bonds were paid in full.
- c) On December 21, 2017, the Board acquired land and improvements from Intralox, LLC with the purchase price being a payment in lieu of taxes (PILOT) program for the purpose of locating and expanding Intralox's manufacturing facilities in Tangipahoa parish. On that same day, the Board entered into a lease agreement and agreement to issue up to \$10,000,000 of taxable revenue bonds.

The term of the lease is from December 21, 2017, through December 31, 2042. The premises revert back to Intralox, LLC after all sums due to the Board have been paid under the lease. Under the PILOT program, Intralox, LLC is to pay an annual administrative fee of \$10,000 beginning in December 2018. There will also be an annual PILOT payment beginning in December 2018 calculated using the agreed upon formula.

As of December 31, 2022, the Board had not issued any bonds for this project.

29. COMMITMENTS AND CONTINGENCIES

The parish is self-insured for unemployment claims. A payroll liability of \$15,953 has been recorded at December 31, 2022. Unemployment expenses of \$5,016 were paid from the fund during the year ending December 31, 2022. No additional resources were set aside during 2022.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

The parish had twelve active construction projects as of December 31, 2022. At year end, the commitments were with the following contractors:

Construction Contracts	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Barriere Construction (Mill and Overlay Stateline Road)	\$928,008	\$ 12,911
Barriere Construction (Overlay Program Phase 2022)	6,393,478	901,515
Coastal Dredging Company, Inc (Cell 15 Construction)	2,368,442	2,637,878
C&W Dozer Services (Arena Parking Lot Extension)	-	219,240
Frank A Anzalone General Contractor (Council on Aging Building)	-	69,030
Harper Metal Building (Tickfaw Police Department)	-	61,465
Kelly Construction Group, LLC. (Courthouse Elevator)	10,711	504,370
Kort's Construction Services, Inc. (E. Minnesota Park Pedestrian Improvement)	235,958	407,818
Magee Excavation & Development, LLC. (Hoover Road Widening)	67,204	2,837,795
RJ Daigle & Sons Contractors, Inc. (S. Tangipahoa Road Pavement Rehab)	2,171,229	257,479.88
R & S Corporation (Jail Renovation of Locking System)	-	1,302,956
Stuart & Company General Contractors, LLC (Kentwood Library)	1,357,357	31,105
	<u>\$13,535,387</u>	<u>\$ 5,497,218</u>

The parish had sixty-two professional services contracts as of December 31, 2022. At year end the commitments with the contractors are as follows:

Professional Service Contracts	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Billy J Clark, Inc (Pleasant Ridge Shop Asphalt)	\$ -	\$ 22,368
Castle of Dreams, LLC (Workforce Consulting)	48,000	48,000
C.H. Fenstermaker & Associates, LLC	118,348	12,603
Crescent Engineering & Mapping, LLC (Bridge Engineering Services)	291,457	385,959
C&W Dozer Service (Hoover and Sisters Road)	98,557	2,783
C&W Dozer Service (Old Covington & Sontyeimer)	-	28,795
DRC Emergency Services, Inc. (Debris Removal)	4,949,397	13,341,210
Duplantis Design Group (Ponchatoula Pedestrian Improvements)	3,640	14,386
ECM Consultants, Inc. (Simms Creek)	41,795	41,930
Elos Environmental, LLC (Geographic Information System)	-	35
Elos Environmental, LLC (Watershed Initiative Task Order #2)	12,832	87,168
Elos Environmental (Tangi River Flood Risk Reduction Task Order #2)	9,018	7,006
Elos Environmental (Tangi River Flood Risk Reduction Task Order #3)	165,382	14,618
Elos Enviromental (Arena Road)	18,654	24,846

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Elos Environmental (Storm Services)	196,538	1,105,171
Forerunner Industries (License)	12,500	12,500
Franklin Engineers & Consultants, LLC (21-044 Air Comp/Engineer Assist)	2,000	1,000
Franklin Engineers & Consultants, LLC (22-012 Air Comp/Engineer Assist)	21,900	7,000
Franklin Engineers & Consultants, LLC (Title V Air Permit Renewal Assist)	-	12,500
Franklin Engineers & Consultants, LLC (Construction Engineering Services)	6,000	88,758
Franklin Engineers & Consultants, LLC (23-012 Air Comp/Engineer Assist)	-	67,360
Franklin Engineers & Consultants, LLC (GCCS Design Assist)	-	17,150
HDR Engineering, Inc. (Ponchartrain Breakwater – Task Order 1)	2,412	12,406
HDR Engineering, Inc. (Bidding and Construction Admin – Task Order 5)	-	144,004
Holly & Smith (Public Water Facility)	-	402,201
Hunt, Guillot & Associates, LLC (Forrest Lane)	-	20,605
Hunt, Guillot & Associates, LLC (Fox Hollow)	-	42,523
Hunt, Guillot & Associates, LLC (Simms Creek - Havens)	2,682	33,865
Hunt, Guillot & Associates, LLC (Retention Pond)	4,288	195,068
Hunt, Guillot & Associates, LLC (Will Richardson)	-	25,243
Hunt, Guillot & Associates, LLC (Beaver Creek)	-	48,903
K & L Testing, Inc. (Sister Road Bridge)	2,415	2,660
Kone, Inc. (Courthouse Elevator Replacement)	39,748	92,741
Kyle and Associates, LLC (Fox Hollow Bridge)	-	9,021
Kyle and Associates, LLC (Fox Hollow Bridge)	2,800	4,200
Land Trust for Louisiana (Stormwater Management)	8,000	34,247
Lisa Aranyosi (Workforce)	12,500	12,500
M & E Consulting, Inc (Jail Plumbing Repair)	5,940	1,980
Meyer Engineers, LTD (Beaver Creek Task Order 1 & 2)	-	2,160
Meyer Engineers, LTD (Beaver Creek Task Order 3)	26,214	15,645
Meyer Engineers, LTD (Retention Pond)	125,522	45,382
Meyers Engineers, LTD (S. Tangipahoa Roads-Pavement Rehab)	74,853	632,830
Milton Fence (Safe Room)	-	24,800
Monroe and Corie, Inc. (North Brickyard Bridge)	70,258	108,821
OspreyPharmascreeen, LLC (TRACC)	125	15,000
Pictometry International Corp (License)	26,665	213,323
Principal Engineering, Inc (Sister's Road)	-	120,624
Principal Engineering, Inc (Yellow Water Road Bridge)	69,593	139,998
Quality Engineering & Surveying (Skinner Dr, David Dr, River Rd)	-	88,510
Richard C. Lambert Consultants, LLC (E. Minnesota Park Sidewalk)	11,994	73,044

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Richard C. Lambert Consultants, LLC (E Minnesota Park Roundabout)	1,235	248,561
Siltech, LLC (Workforce IT Support)	18,000	18,000
Spangler Engineering, LLC (Hoover Road)	19,934	129,912
Spangler Engineering, LLC (Task Order 6 Pate Lane Roadway)	43,101	2,440
Spangler Engineering, LLC (Roundabout – US190E at Industrial Park Rd)	37,348	189,792
Spangler Engineering, LLC (Roundabout – Club Deluxe Rd @ N Oaks Dr)	31,660	6,720
Spangler Engineering, LLC (Mulberry Street Extension)	26,752	68,128
Strategic Demographics (Reapportionment / Redistricting)	-	8,000
Tetra Tech, Inc. (Debris Monitoring)	2,421,282	1,522,227
TDC2 (Broadband Engineering Services)	-	433
TDC2 (Broadband Management and Engineering)	222,705	763,021
Villavaso & Associates, LLC (Comprehensive Master Plan)	22,171	142,829
	<u>\$9,324,184</u>	<u>\$21,005,511</u>

30. CHERRY POINT DEVELOPMENT, LLC

Tangipahoa Parish Housing Authority (“TPHA”), through its governing entity, Tangipahoa Parish Government, formed a Louisiana Limited Liability Company as a member of Cherry Point Development, LLC as a 51% member on February 11, 2013. Cherry Point Development, LLC is the Developer of a project located in Hammond, Tangipahoa Parish, Louisiana, and to be known as Cherry Point Subdivision. Tangipahoa Parish Government will receive 51% of the payable developer fee. As per the definition in the 2013 Qualified Allocation Plan, Cherry Point does qualify as a Public Housing Agency project. Tangipahoa Parish Government did not receive developer fees for FYE December 31, 2022.

31. TAX ABATEMENTS

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers attractive tax incentive for manufacturers within the state. The program abates, for up to ten years, local property taxes (ad valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. This exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and / or personal property items covered by the exemption. There are currently twenty-five tax abatements in Tangipahoa Parish, related to twelve companies, under the Louisiana ITEP. For the 2022 calendar year, the estimated forgone ad valorem taxes due to this abatement program was \$31,178.07.

32. RESTATED FUND BALANCE/NET POSITION

- A. The following funds beginning fund balance has been restated to reflect the retroactive recording of prior period adjustments to the December 31, 2021, balance:

<u>Road and Bridge Fund</u>	
Fund balance at December 31, 2021	\$18,756,246
Increase in FEMA receivable	<u>37,158</u>
Fund balance at December 31, 2021, as restated	<u>\$18,793,404</u>

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

Garbage District No. 1

Fund balance at December 31, 2021	\$10,778,490
Increase in accounts payable	<u>(119,400)</u>
Fund balance at December 31, 2021, as restated	<u>\$10,659,090</u>

B. The beginning net position of the Governmental Funds has been restated:

Net Position at December 31, 2021	\$244,771,627
Effect of prior period adjustments made to fund balance	(82,242)
Effect of implementation of GASB 87, Leases.	<u>(19,672)</u>
Net position at December 31, 2021, as restated	<u>\$244,669,713</u>

As a result of the above prior period adjustments, the Change in Net Position for the year ended December 31, 2021, has been adjusted from \$244,771,627 to \$244,669,713 difference of \$101,914.

33. SUBSEQUENT EVENTS

Subsequent to December 31, 2022, the following events occurred:

Subsequent events have been evaluated by management through August 31, 2023, the date the financial statements were available to be issued. No other events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2022.

- On February 13, 2023, the council approved change order no. 1 to increase the contract price by \$34,999.39 for the Pate Lane Roadway.
- On February 27, 2023, the council adopted ordinance No. 23-06 to declare 2 acres and 8.33 acres in Tickfaw, LA as surplus and authorize the sale.
- On April 10, 2023, the council approved change order no. 3 to increase the contract price by \$31,980 for the courthouse new elevator.
- On April 10, 2023, the council accepted the low bid of \$7,102,867.96 from Barrier Construction for the Overlay Program Phase 2023.
- On April 10, 2023, the council adopted ordinance No. 23-15 authorizing the purchase of 2 acres for the sum of \$34,937.80 in Loranger, LA for the construction of a new library branch.
- On April 24, 2023, the council approved the low bid from Parnel Biogas, Inc. in the amount of \$367,653.30 for the blower/flare for the gas combustion system.
- On May 8, 2023, the council approved the low bid of \$81,280 from Transportation South for a 2023 Ford F T-350 transit van.
- On May 22, 2023, the council approved the low bid of \$8,591,047 from Rigid Constructors, LLC for the base bid for the Lake Pontchartrain Shoreline Protection project. The alternate bids were also approved.
- On May 22, 2023, the council approved the low bid of \$1,499,384 from Tetra Tech for the gas collection and control system installation.
- On May 22, 2023, the council approved change order no. 2 for a net decrease of \$1,230,485 in the contract price for the Cell 15 construction.

Required Supplementary Information (Part II)

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
BUDGET COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Sales	\$ 7,500,000	\$ 8,000,000	\$ 8,254,262	\$ 254,262
Ad valorem	1,472,200	1,513,000	1,626,701	113,701
Franchise	880,000	880,000	721,026	(158,974)
Licenses, permits, and rent	2,737,400	2,682,510	2,894,382	211,872
Intergovernmental revenues:				
Federal funds:				
Federal grants	13,500,000	1,047,400	1,567,668	520,268
GoMESA Revenue Sharing	1,250,000	910,000	908,398	(1,602)
State funds:				
State revenue sharing	92,000	92,000	93,051	1,051
Severance tax	150,000	255,000	321,668	66,668
State appropriations	124,000	180,000	175,760	(4,240)
State grants	70,000	204,000	166,510	(37,490)
2% fire insurance rebate	570,000	994,000	993,288	(712)
Alcoholic beverage tax	7,000	2,200	2,700	500
Fees, charges, and commissions for services	284,559	201,059	151,152	(49,907)
Fines and forfeitures	5,000	-	2,423	2,423
Interest	85,000	733,000	781,769	48,769
Other revenues	3,584,096	4,031,400	4,047,257	15,857
Total Revenues	32,311,255	21,725,569	22,708,015	982,446
Expenditures				
General government:				
Legislative	639,865	733,015	651,663	81,352
Judicial	6,286,705	6,302,263	6,317,722	(15,459)
Elections	230,475	247,725	255,261	(7,536)
Finance and administrative	2,739,863	3,148,496	4,147,653	(999,157)
Public safety	2,864,509	3,200,550	3,817,037	(616,487)
Public works	3,737,221	5,357,500	5,596,601	(239,101)
Health and welfare	948,200	1,142,940	889,322	253,618
Economic Development	463,927	480,427	357,996	122,431
Culture and recreation	631,066	824,400	772,467	51,933
Debt Service: Principal	-	-	95,596	(95,596)
Debt Service: Interest	-	-	18,120	(18,120)
Total Expenditures	18,541,831	21,437,316	22,919,438	(1,482,122)
Excess of Revenues Over Expenditures	13,769,424	288,253	(211,423)	(499,676)
Other Financing Sources (Uses)				
Capital lease financing	-	192,000	535,723	343,723
Contributions in	-	33,500	29,707	(3,793)
Sale of Capital Assets	-	4,300	4,220	(80)
Operating transfers in (out)	(962,823)	(1,450,000)	(1,683,057)	(233,057)
Total Other Financing Sources (Uses)	(962,823)	(1,220,200)	(1,113,407)	106,793
Net Change in Fund Balance	12,806,601	(931,947)	(1,324,830)	(392,883)
Fund Balance, Beginning of Year,	27,937,440	14,863,135	14,863,136	1
Fund Balance at End of Year	\$ 40,744,041	\$ 13,931,188	\$ 13,538,306	\$ (392,882)

See independent auditor's report.

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
BUDGET COMPARISON SCHEDULE
ROAD AND BRIDGE FUNDS
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Taxes:				
Sales	\$ 22,800,000	\$ 24,300,000	\$ 24,762,785	\$ 462,785
Intergovernmental revenues:				
Federal funds:				
Federal grants	99,000	636,000	8,674,972	8,038,972
State funds:				
State grants	360,000	-	94,397	94,397
Parish transportation funds	970,000	1,066,000	1,157,227	91,227
Local funds	-	-	-	-
Interest	124,000	480,000	502,563	22,563
Other revenues	63,000	38,000	37,709	(291)
Total Revenues	<u>24,416,000</u>	<u>26,520,000</u>	<u>35,229,653</u>	<u>8,709,653</u>
<u>Expenditures</u>				
Public works	21,404,663	32,471,786	37,382,890	(4,911,104)
Debt service: Principal	-	-	566,381	(566,381)
Debt service: Interest	-	-	49,246	(49,246)
Total Expenditures	<u>21,404,663</u>	<u>32,471,786</u>	<u>37,998,517</u>	<u>(5,526,731)</u>
Excess of Revenues Over Expenditures	<u>3,011,337</u>	<u>(5,951,786)</u>	<u>(2,768,864)</u>	<u>3,182,922</u>
<u>Other Financing Sources (Uses)</u>				
Capital lease financing	-	1,465,000	1,633,498	168,498
Contributions In	-	349,000	369,641	20,641
Sale of Capital Assets	300	12,500	90,586	78,086
Operating Transfers (out)	(2,245,000)	(2,245,000)	(599,870)	1,645,130
Total Other Financing Sources (Uses)	<u>(2,244,700)</u>	<u>(418,500)</u>	<u>1,493,855</u>	<u>1,912,355</u>
Net Change in Fund Balance	766,637	(6,370,286)	(1,275,009)	5,095,277
Fund Balance, Beginning of Year	<u>1,209,522</u>	<u>18,756,246</u>	<u>18,793,404</u>	<u>37,158</u>
Fund Balance at End of Year	<u>\$ 1,976,159</u>	<u>\$ 12,385,960</u>	<u>\$ 17,518,395</u>	<u>\$ 5,132,435</u>

See independent auditor's report.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
BUDGET COMPARISON SCHEDULE
GARBAGE MAINTENANCE FUND
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Taxes:				
Ad valorem	\$ 3,240,700	\$ 3,400,250	\$ 3,684,960	\$ 284,710
Intergovernmental revenues:				
Federal funds:				
Federal grants	17,000	1,500	3,034,432	3,032,932
State funds:				
State revenue sharing	265,000	265,000	266,133	1,133
Fees, charges, and commissions for services	4,801,000	6,007,500	5,788,168	(219,332)
Interest	57,000	90,000	89,215	(785)
Other revenues	31,000	47,000	44,418	(2,582)
Total Revenues	8,411,700	9,811,250	12,907,326	3,096,076
<u>Expenditures</u>				
Public works	11,848,271	17,566,703	13,811,999	3,754,704
Debt Service - Principal	115,000	115,000	1,316,994	(1,201,994)
Debt Service - Interest	136,925	136,925	217,725	(80,800)
Total Expenditures	12,100,196	17,818,628	15,346,718	2,471,910
Excess (Deficiencies) of Revenues Over Expenditures	(3,688,496)	(8,007,378)	(2,439,392)	5,567,986
<u>Other Financing Sources (Uses)</u>				
Capital lease financing	-	1,778,000	1,293,454	(484,546)
Contribution in	-	1,600	-	(1,600)
Operating Transfer (Out)	(450,000)	(550,000)	(550,000)	-
Total Other Financing Sources (Uses)	(450,000)	1,229,600	743,454	(486,146)
Net Change in Fund Balance	(4,138,496)	(6,777,778)	(1,695,938)	5,081,840
Fund Balance at Beginning of Year	4,450,545	10,778,489	10,659,090	119,399
Fund Balance at End of Year	\$ 312,049	\$ 4,000,711	\$ 8,963,152	\$ 5,201,239

See independent auditor's report.

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
BUDGET COMPARISON SCHEDULE
HEALTH UNIT FUND
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Taxes:				
Ad valorem	\$ 2,505,950	2,600,000	\$ 2,780,440	180,440
Intergovernmental revenues:				
Federal funds:				
Federal grants	48,400	31,500	135,255	103,755
State funds:				
State revenue sharing	135,000	135,000	136,332	1,332
State grants	-	-	24,640	24,640
Interest	24,000	55,000	54,844	(156)
Other revenues	44,000	45,100	19,063	(26,037)
Total Revenues	2,757,350	2,866,600	3,150,574	283,974
<u>Expenditures</u>				
Health and Welfare	2,581,578	3,158,848	3,130,993	27,855
Debt service- Principal	-	-	28,262	(28,262)
Debt service- Interest	-	-	4,236	(4,236)
Total Expenditures	2,581,578	3,158,848	3,163,491	(4,643)
Excess (Deficiencies) of Revenues Over Expenditures	175,772	(292,248)	(12,917)	279,331
<u>Other Financing Sources (Uses)</u>				
Capital lease financing	-	154,000	200,558	46,558
Sale of Capital Assets	-	-	(10,005)	(10,005)
Total Other Financing Sources (Uses)	-	154,000	190,553	46,558
Net Change in Fund Balance	175,772	(138,248)	177,636	325,889
Fund Balance at Beginning of Year	3,477,028	4,022,332	4,022,332	-
Fund Balance at End of Year	\$ 3,652,800	\$ 3,884,084	\$ 4,199,968	\$ 325,889

Tangipahoa Parish Government
Amite, Louisiana
SCHEDULE OF CHANGES IN THE PARISH'S NET
OPEB LIABILITY AND RELATED RATIOS
For the Year Ended December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:					
Service cost	\$260,421	\$ 211,798	\$ 155,468	\$ 224,161	\$ 99,528
Interest on total OPEB liability	103,836	102,006	150,490	144,546	119,165
Effect of plan changes	-	-	541,475	-	-
Effect of economic/demographic (gains) or losses.	1,745,605	-	(2,014,770)	-	-
Effect of assumption changes or inputs	(1,144,667)	48,487	578,029	1,787,183	(177,890)
Benefit payments	(202,947)	(161,112)	(134,262)	(106,348)	(101,871)
Net change in total OPEB liability	762,248	201,179	(723,570)	2,049,542	(61,068)
Total OPEB Liability- beginning	4,881,137	4,679,958	5,403,528	3,353,986	3,415,054
Total OPEB Liability- ending (a)	5,643,385	\$4,881,137	\$4,679,958	\$5,403,528	\$3,353,986
Fiduciary Net Position					
Employer contributions	683,105	626,243	542,160	523,565	467,961
Net investment income	(101,378)	(25,046)	41,336	21,970	5060
Benefit payments	(202,947)	(161,112)	(134,262)	(106,348)	(101,871)
Administrative expenses	(14,756)	(27,756)	(19,413)	(22,500)	(12,000)
Net change in plan fiduciary net position	364,024	412,329	429,821	416,687	359,150
Fiduciary net position- beginning	1,617,987	1,205,658	775,837	359,150	-
Fiduciary net position- ending (b)	1,982,011	1,617,987	1,205,658	775,837	359,150
Net OPEB liability- ending = (a) – (b)	\$3,661,374	\$3,263,150	\$3,474,300	\$4,627,691	\$2,994,836
Fiduciary net position as a % of total OPEB liability	35.12%	33.15%	25.76%	14.36%	10.71%
Covered payroll	15,205,499	11,470,198	11,002,588	11,687,646	11,104,652
Net OPEB liability as a % of covered payroll	24.08%	28.45%	31.58%	39.59%	26.97%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available. Also, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

See independent auditor's report.

Tangipahoa Parish Government
Amite, Louisiana
SCHEDULE OF PARISH'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
For the Year Ended December 31, 2022

Fiscal Year Ended	Parish's proportion of the net pension liability (asset)	Parish's proportionate share of the net pension liability (asset)	Parish's covered- employee payroll	Parish's proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
For the Year Ended December 31:					
<i>Parochial Employees' Retirement System:</i>					
2021	2.346993%	\$(11,055,356)	\$16,385,348	(67.5)%	110.45%
2020	2.226941%	(3,904,749)	15,746,754	(24.80)%	104.00%
2019	2.207042%	103,896	14,875,633	.698%	99.88%
2018	2.133150%	9,467,686	13,992,413	67.66%	88.86%
2017	1.960567%	(1,455,224)	13,113,737	(11.10)%	101.98%
2016	1.801970%	3,711,181	12,067,623	30.75%	94.15%
2015	1.702461%	4,481,367	10,686,664	41.93%	92.23%
2014	1.68%	460,677	9,761,217	4.71%	99.14%
For the Year Ended June 30:					
<i>Registrar of Voters Employees' Retirement System:</i>					
2022	.611503%	\$149,942	\$86,839	172.67%	82.46%
2021	.679024%	21,540	101,724	21.17%	97.68%
2020	.805054%	173,431	109,094	158.97%	83.32%
2019	.818013%	152,970	112,354	136.15%	72.10%
2018	.767560%	181,177	107,049	169.25%	80.57%
2017	.788636%	173,114	108,007	160.28%	80.51%
2016	.820247%	232,746	102,673	226.69%	73.98%
2015	.880302%	215,589	112,673	191.34%	76.86%
<i>District Attorney's Retirement System:</i>					
2022	.495649%	\$533,919	\$320,731	166.47%	81.65%
2021	.484681%	86,289	303,806	28.40%	96.79%
2020	.486942%	385,791	302,066	127.72%	84.86%
2019	.525194%	168,957	308,773	54.72%	93.13%
2018	.463757%	149,233	290,397	51.39%	92.92%
2017	.488033%	131,633	296,579	44.38%	93.57%
2016	.443344%	84,859	268,273	31.63%	95.09%
2015	.397774%	21,426	233,899	9.16%	98.56%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See independent auditor's report.

Tangipahoa Parish Government
Amite, Louisiana
SCHEDULE OF PARISH'S CONTRIBUTIONS
For the Year Ended December 31, 2022

Year Ended December 31	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Parish's covered- employee payroll	Contributions as a percentage of covered- employee payroll
<i><u>Parochial Employees' Retirement System:</u></i>					
2022	\$1,884,316	\$1,884,316	-	\$16,385,348	11.50%
2021	1,928,978	1,928,978	-	15,746,754	12.25%
2020	1,822,266	1,822,266	-	14,875,633	12.25%
2019	1,609,128	1,609,128	-	13,992,413	11.50%
2018	1,508,082	1,508,082	-	13,113,737	11.50%
2017	1,508,453	1,508,453	-	12,067,623	12.50%
2016	1,389,268	1,389,268	-	10,686,664	13.00%
2015	1,415,379	1,415,379	-	9,761,217	14.50%
<i><u>Registrar of Voters Employees' Retirement System:</u></i>					
2022	\$17,520	\$17,520	-	\$86,839	20.18%
2021	16,266	16,266	-	89,696	18.13%
2020	18,946	18,946	-	105,258	18.00%
2019	19,513	19,513	-	111,477	17.50%
2018	18,729	18,729	-	110,167	17.00%
2017	19,876	19,876	-	107,467	18.50%
2016	22,417	22,417	-	105,680	21.21%
2015	27,996	27,996	-	119,882	23.35%
<i><u>District Attorney's Retirement System:</u></i>					
2022	\$32,649	\$32,649	-	\$320,731	10.18%
2021	21,127	21,127	-	312,998	6.75%
2020	11,783	11,783	-	294,581	4.00%
2019	8,129	8,129	-	309,815	2.62%
2018	1,922	1,922	-	298,626	.64%
2017	-	-	-	290,031	0.00%
2016	5,005	5,005	-	293,015	1.71%
2015	13,122	13,122	-	250,082	5.25%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See independent auditor's report.

Other Supplementary Information

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development:</u>			
Direct Program:			
Section 8 Housing Choice Vouchers	14.871	-	\$ 3,666,642
Passed through Louisiana Division of Administration, Office of Community Planning and Development			
Louisiana Community Development Block Grant	14.228	-	468,277
Emergency Solutions Grant - Shelter Grant 2019-2021	14.231	679223	120,887
Emergency Solutions Grant - Shelter Grant 2021-2023			<u>68,617</u>
Total U.S. Department of Housing and Urban Development			<u>4,324,623</u>
<u>U.S. Department of Homeland Security:</u>			
Passed through U.S. Department of Housing and Urban Development			
Disaster Housing Assistance Program	97.109	-	106,223
Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness			
Winter Storm	97.036		4,153
Hurricane Zeta	97.036		8,563
March 2016 Floods	97.036		840
Hurricane Laura	97.036		1,602
Hurricane Nicholas	97.036		3,195
Hurricane Sally	97.036		2,122
Hurricane Ida	97.036		9,870,944
Flood Mitigation Assistance	97.029	FMA-PJ-06-LA-2017-001	134,325
Flood Mitigation Assistance	97.029	FMA-PJ-06-LA-2018-001	151,744
Hazard Mitigation Grant Program - March 2016 Flood Elevations	97.039	4263-105-0002	146,455
Hazard Mitigation Grant Program - August 2016 Flood Elevations	97.039	4277-105-0028	514,159
Hazard Mitigation Grant Program - Beaver Creek	97.039	4263-105-0033	26,214
Hazard Mitigation Grant Program - Fox Hollow	97.039	4277-105-0013	2,800
Hazard Mitigation Grant Program - 4277 North Retention Pond	97.039	4277-105-0015	129,809
Hazard Mitigation Grant Program - Sims Creek Flood Mitigation	97.039	4277-105-0017	44,447
Hazard Mitigation Grant Program - Small Safe Room	97.039		165
Hazard Mitigation Grant Program - Generator	97.039	4277-105-0085	104,588
Hazard Mitigation Grant Program - 4277 Will Richardson	97.039		5,082
Emergency Management Preparedness Grant	97.039	2020	5,420
Emergency Management Preparedness Grant	97.039	2021	13,266
FEMA Pre Disaster Mitigation Grant	97.047	PDMC-PL-06-LA-2019-002	62,004
State Homeland Security Program	97.067	2019	8,027
State Homeland Security Program	97.067	2020	17,098
State Homeland Security Program	97.067	2021	46,297
State Homeland Security Program	97.067	2022	<u>29,877</u>
Total U.S. Department of Homeland Security			<u>11,439,419</u>
<u>U.S. Department of Health and Human Services:</u>			
Direct from Center for Disease Control	93.276	1NH28CE003398-01-00	96,944
Passed through Louisiana Department of Health and Hospitals			
Centers for Disease Control and Prevention	93.283	2020	2,309
Centers for Disease Control and Prevention	93.283	2021	<u>6,927</u>
Total U.S. Department of Health and Human Services			<u>106,180</u>

(Continued)

See independent auditor's report

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Transportation:</u>			
Direct Program:			
Federal Transit - Formula Grants	20.507	LA-90-X430-00	16,560
Federal Transit - Formula Grants	20.507	LA-90-X438-00	127,920
Federal Transit - Formula Grants	20.507	LA-90-X483-00	252,156
Federal Transit - Formula Grants	20.507	LA-2020-023-00	441,155
Passed through State of Louisiana Department of Transportation & Development			
Formula Grants for Rural Areas	20.509	LA-90-x430-000	172,160
Highway Planning & Construction	20.205	H.014048.6	1,796,866
Passed through Louisiana Department of Public Safety and Corrections			
Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	2021-10-10	26,139
Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	2021-55-14	<u>6,504</u>
Total U.S. Department of Transportation			<u>2,839,460</u>
<u>U.S. Department of Labor</u>			
Passed through the Louisiana Workforce Commission			
WIA Adult Program	17.258	-	2,096,928
WIA Youth Program	17.259	-	2,181,791
WIA Dislocated Worker Program	17.278	-	1,021,514
WIA DDWG Program	17.277		328,984
Admin			<u>560,684</u>
Total U.S. Department of Labor			<u>6,189,901</u>
<u>U.S. Environmental Protection Agency</u>			
Passed through Lake Pontchartrain Basin Foundation Stormwater Provention Study			
	66.125	-	<u>36,000</u>
Total U.S. Environmental Protection Agency			<u>36,000</u>
<u>U.S. Department of the Interior</u>			
Direct Program:			
GoMESA	15.435		<u>458,175</u>
Total U.S. Department of Interior			<u>458,175</u>
<u>U.S. Department of Treasury</u>			
State and Local Fiscal Recovery Funds	21.027		<u>463,280</u>
Total U.S. Department of Treasury			<u>463,280</u>
Total Expenditures of Federal Awards			<u>\$ 25,857,038</u>

Note 1- This schedule of expenditures of federal awards includes the federal grant activity of Tangipahoa Parish Government and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2- Tangipahoa Parish Government has elected to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

(Concluded)

See independent auditor's report

Tangipahoa Parish Government
Amite, Louisiana

EXHIBIT C-2

FINANCIAL DATA SCHEDULE
BALANCE SHEET
December 31, 2022

Line Item #	Account Description	Housing Choice Voucher 14,871	Disaster Housing Assistance Program 97,109	Disaster Housing Assistance Program DH.IKE	TOTAL
ASSETS:					
CURRENT ASSETS:					
111	Cash-unrestricted	\$ 44,833	\$ 388,449	\$ 1,066,321	\$ 1,499,603
113	Cash-other restricted	30,589	-	-	30,589
115	Cash-restricted for payment of current liabilities	1,368	-	-	1,368
100	Total Cash	76,790	388,449	1,066,321	1,531,560
121	Accounts receivable - PHA Projects	21,538	-	-	21,538
125	Accounts receivable - miscellaneous	-	-	-	0
120	Total Receivables	21,538	-	-	21,538
150	TOTAL CURRENT ASSETS	98,328	388,449	1,066,321	1,553,098
190	TOTAL ASSETS	\$ 98,328	\$ 388,449	\$ 1,066,321	\$ 1,553,098
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND EQUITY:					
LIABILITIES:					
CURRENT LIABILITIES					
312	Accounts payable • 90 days	\$ 1,369	\$ -	\$ -	\$ 1,369
313	Accounts payable > 90 days	10,361	-	-	10,361
321	Accrued wage/payroll taxes payable	42,179	-	1,452	43,631
331	Accounts payable - HUD PHA programs	3,148	-	-	3,148
310	TOTAL CURRENT LIABILITIES	57,057	-	1,452	58,509
300	TOTAL LIABILITIES	57,057	-	1,452	58,509
EQUITY:					
509.3	Restricted Fund Balance	30,589	388,449	1,064,869	1,483,907
512.3	Unassigned Fund Balance	10,682	-	-	10,682
513	TOTAL EQUITY/NET POSITION	41,271	388,449	1,064,869	1,494,589
600	TOTAL LIABILITIES AND EQUITY/NET POSITION	\$ 98,328	\$ 388,449	\$ 1,066,321	\$ 1,553,098

See independent auditor's report

Tangipahoa Parish Government
Amite, Louisiana

EXHIBIT C-3

FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSES
For the Year Ended December 31, 2022

<u>Line Item #</u>	<u>Account Description</u>	<u>Housing Choice Voucher 14.871</u>	<u>Disaster Housing Assistance Program 97.109</u>	<u>Disaster Housing Assistance Program DH.IKE</u>	<u>TOTAL</u>
REVENUE:					
70600	HUD PHA operating grants	\$ 3,580,479	\$ -	\$ -	\$ 3,580,479
71100	Investment income - unrestricted	898	10,538	27,545	38,981
71400	Fraud recovery	0	-	-	0
71500	Other revenue	79,662	-	-	79,662
70000	TOTAL REVENUE	<u>3,661,039</u>	<u>10,538</u>	<u>27,545</u>	<u>3,699,122</u>
EXPENSES:					
91100	Administrative salaries	226,602	-	81,575	308,177
91200	Auditing fees	7,500	-	-	7,500
91310	Bookkeeping fee	4,880	-	-	4,880
91500	Employee benefit contributions-administrative	89,363	-	24,521	113,884
91600	Office expenses	19,822	-	-	19,822
91800	Travel	5,754	-	-	5,754
94200	Ordinary maint & operations-materials & other	27,022	-	-	27,022
96110	Property insurance	1,075	-	-	1,075
96130	Workmen's compensation	346	-	127	473
96140	All other insurance	1,598	-	-	1,598
96200	Other general expenses	2,070	-	-	2,070
96900	TOTAL OPERATING EXPENSES	<u>386,032</u>	<u>-</u>	<u>106,223</u>	<u>492,255</u>
97000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) OPERATING EXPENSES	<u>3,275,007</u>	<u>10,538</u>	<u>(78,678)</u>	<u>3,206,867</u>
97300	Housing assistance payments	3,207,884	-	-	3,207,884
97350	HAP portability in	72,926	-	-	72,926
97600	Capital Outlays- Governmental Funds	29,617	-	-	29,617
90000	TOTAL EXPENSES	<u>3,696,459</u>	<u>-</u>	<u>106,223</u>	<u>3,802,682</u>
OTHER FINANCING SOURCES					
10030	Operating transfers from primary government	64,097	-	-	64,097
10100	TOTAL OTHER FINANCING SOURCES	<u>64,097</u>	<u>-</u>	<u>-</u>	<u>64,097</u>
10000	EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	<u>28,677</u>	<u>10,538</u>	<u>(78,678)</u>	<u>(39,463)</u>
11030	Beginning equity	12,594	377,911	1,143,547	1,534,052
11040	Prior period adjustments	-	-	-	-
	TOTAL EQUITY	<u>\$ 41,271</u>	<u>\$ 388,449</u>	<u>\$ 1,064,869</u>	<u>\$ 1,494,589</u>
11170	Administrative fee equity	\$ 10,682			
11180	Housing assistance payments equity	30,589			
	TOTAL EQUITY	<u>\$ 41,271</u>			
11190	Unit months available	7,488			
11210	Number of unit months leased	5,380			

See independent auditor's report

Tangipahoa Parish Government
Amite, Louisiana
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
For the Year Ended December 31, 2022

Agency Head: Robby Miller, Parish President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 162,864
Benefits-Insurance	12,752
Benefits-Retirement (11.50%)	18,729
Benefits-Medicare	2,383
Telephone	2,232
Vehicle Usage taxed on W-2	8,030
Registration fees to conferences	1,975
Travel (hotels, parking fees, lodging, and meals)	<u>6,493</u>
	<u>\$ 215,459</u>

See independent auditor's report

Tangipahoa Parish Government
 Amite, Louisiana
 JUSTICE SYSTEM FUNDING SCHEDULE – RECEIVING ENTITY
 For the Year Ended December 31, 2022

	First Six- Month Period Ended 6/30/2022	Second Six- Month Period Ended 12/31/2022
Receipts From:		
21 st JDC Criminal Court Fund, Criminal Court Costs / Fees	\$ 79,934	\$ 65,765
	<u>\$ 79,934</u>	<u>\$ 65,765</u>
 Ending Balance of Amounts Assessed but Not Received	 <u>\$ -</u>	 <u>\$ -</u>

See independent auditor's report

Other Independent Auditor's Reports and Findings and Recommendations



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*

Honorable Robby Miller, Parish President and
Members of the Tangipahoa Parish Council
Tangipahoa Parish Government
Amite, Louisiana

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tangipahoa Parish Government (the "Parish") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Parish's basic financial statements, and have issued our report thereon dated August 31, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Parish'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 Parish's internal control. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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 Parish's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are

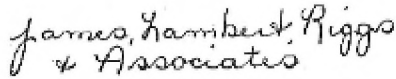
required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of current year audit findings and questioned costs as items 2022-001 and 2022-002.

Tangipahoa Parish Government’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Parish’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Parish’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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



James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

August 31, 2023



Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance

Honorable Robby Miller, Parish President and
Members of the Tangipahoa Parish Council
Tangipahoa Parish Government
Amite, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Tangipahoa Parish Government's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tangipahoa Parish Government's major federal programs for the year ended December 31, 2022. Tangipahoa Parish Government's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Tangipahoa Parish Government complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Tangipahoa Parish Government and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Tangipahoa Parish Government's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Tangipahoa Parish Government's federal programs

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Tangipahoa Parish Government's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Tangipahoa Parish Government's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Tangipahoa Parish Government's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Tangipahoa Parish Government's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Tangipahoa Parish Government's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

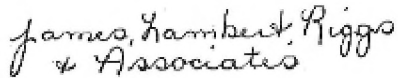
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over

Tangipahoa Parish Government

compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

August 31, 2023

Tangipahoa Parish Government

**Schedule of Current Year Audit Findings and Questioned Costs
For the Year Ended December 31, 2022**

We have audited the basic financial statements of Tangipahoa Parish Government as of and for the year ended December 31, 2022 and have issued our report thereon dated August 31, 2023. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Uniform Guidance.

Section I – Summary of Auditor’s Reports

1. Report on Internal Control and Compliance Material to the Financial Statements

Type of Opinion Issued	<u>X</u>	Unmodified	___	Modified
	___	Disclaimer	___	Adverse
Internal Control:				
Material Weakness	___	Yes	<u>X</u>	No
Significant Deficiencies	___	Yes	<u>X</u>	No
Compliance:				
Compliance Material to the Financial Statements	<u>X</u>	Yes	___	No
Was a management letter issued?	___	Yes	<u>X</u>	No

2. Federal Awards

Type of Opinion on Compliance for Major Programs	<u>X</u>	Unmodified	___	Modified
	___	Disclaimer	___	Adverse
Internal Control:				
Material Weakness	___	Yes	<u>X</u>	No
Significant Deficiencies	___	Yes	<u>X</u>	No
Are there findings required to be reported in accordance with the Uniform Guidance?				
	___	Yes	<u>X</u>	No

3. Identification of Major Programs

<u>CFDA Number</u>	<u>Name of Federal Program (or Cluster)</u>
14.871	Section 8 Housing Choice Vouchers
20.205	Highway Planning and Construction (Federal-Aid Highway Program)
20.507	Federal Transit – Formula Grants (Urbanized Area Formula Program)
97.039	Hazard Mitigation Grant Program (HMGP)

Dollar threshold used to distinguish between Type A and Type B Programs: \$775,711

Is the auditee a “low-risk” auditee, as defined by the Uniform Guidance?
X Yes ___ No

Tangipahoa Parish Government

**Schedule of Current Year Audit Findings and Questioned Costs
For the Year Ended December 31, 2022**

Section II – Financial Statement Findings

Internal Control over Financial Reporting

None

Compliance and Other Matters

2022-001 – Local Government Budget Act

Condition:

The Parish may not have complied with certain provisions of the Local Government Budget Act.

This is a repeat finding from the prior audit year.

Criteria:

Budget procedures applicable to the Parish are specified in state law, Louisiana Revised Statute (RS) 39:1301-1315. The pertinent part of the law and the manner in which the Parish may not have complied is as follows:

- RS 39:1311(A)(1) and RS 39:1311(A)(2) requires the Parish to amend the budget when:
 - (1) *Total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more.*
 - (2) *Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.*

The following funds had budget vs actual variances over the allowable limits as of December 31, 2022:

<u>Fund</u>	<u>Revenues</u>		<u>Variance</u>	<u>Percent</u>
	<u>Budget</u>	<u>Actual</u>		
Workforce - DDWG-NEG	\$ 470,000	\$ 328,984	\$ (141,016)	-30.00%

<u>Fund</u>	<u>Expenditures</u>		<u>Variance</u>	<u>Percent</u>
	<u>Budget</u>	<u>Actual</u>		
General Fund	\$ 22,887,316	\$ 24,602,495	\$ (1,715,179)	-7.49%
Road and Bridge Fund	34,716,786	38,598,369	(3,881,583)	-11.18%
Keep Tangipahoa				
Beautiful	1,274,300	1,340,997	(66,697)	-5.23%
Road Lighting District #6	418,900	455,018	(36,118)	-8.62%

Tangipahoa Parish Government

**Schedule of Current Year Audit Findings and Questioned Costs
For the Year Ended December 31, 2022**

Cause:

The cause of this condition appears to be due to year-end accounting adjustments and an oversight by management to amend the above budgets before year end.

Effect:

Failure to follow the precise requirements of the Local Government Budget Act resulted in the Parish not being in compliance with the budget laws specified in LRS 39:1301-1315.

Recommendation:

We recommend that the Parish continue to monitor its financial statements regularly and amend the budgets as needed.

Management's Response:

See management's response dated August 29, 2023.

2022-002 – Failure to Complete Audit Report Within Six Months of the Close of the Fiscal Year

Condition:

The Parish did not comply with certain provisions of Louisiana law which require the annual audit to be completed by June 30, 2023. A completed version of the financial statements of the Parish including related footnote disclosures was not provided to the auditor until August 28, 2023.

Although a non-emergency extension until August 31, 2023 was granted to the Parish on July 26, 2023, Legislative Auditor guidelines require that a compliance finding be reported on all non-emergency extensions.

Criteria:

LRS 24:513(A)(5)(a)(i) requires the Parish to complete its annual audit in the following manner:

“In lieu of examinations of the records and accounts of any office subject to audit or review by the legislative auditor, the legislative auditor may, at his discretion, accept an audit or review report prepared by a licensed certified public accountant...Such audits shall be completed within six months of the close of the entity's fiscal year...”

For the year ended December 31, 2022, the Parish's audit was not completed until August 31, 2023.

Cause:

A completed version of the financial statements of the Parish including related footnote disclosures was not provided to the auditor until August 28, 2023.

Tangipahoa Parish Government

**Schedule of Current Year Audit Findings and Questioned Costs
For the Year Ended December 31, 2022**

Effect:

As a result of this issue, the Parish did not comply with reporting requirements of the Louisiana Legislative Auditor's office.

Recommendation:

We recommend the Parish have their accounting records closed and ready to be audited by April 15 of each year to give the auditors sufficient time to complete the audit by the required deadline.

Management's Response:

See management's response dated August 29, 2023.

Section III – Federal Award Findings and Questioned Costs

None

Tangipahoa Parish Government

**Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2021**

Internal Control over Financial Reporting

None

Compliance and Other Matters

2021-001 – Local Government Budget Act (repeated from prior year)

Condition:

Tangipahoa Parish Government failed to amend the budgets for the General Fund; Road Lighting District No. 3 Fund; Council Chamber Communications; Animal Shelter; Florida Parishes Arena; Shelter Grant; Workforce – Dislocated Worker; Workforce – Youth Out Fund; and Workforce – DDWG-NEG by an adequate amount for the fiscal year ended December 31, 2021.

Prior Year Recommendation:

It is recommended that the Parish monitor its financial statements at least quarterly and amend the budget as needed.

Resolution:

Not Resolved – Finding to be repeated in the current year

Compliance and Other Matters – Federal Financial Assistance

None



POST OFFICE BOX 215
AMITE, LOUISIANA 70422

OFFICE (985) 748-3211
FAX (985) 748-7576

ROBBY MILLER
PARISH PRESIDENT

August 29, 2023

James, Lambert, Riggs & Associates, Inc.
401 E. Thomas St.
Hammond, LA 70401

Management's Response for 2022 Financial Audit:

2022-001 – Local Government Budget Act

Management will continue to monitor its financial statements regularly and amend the budget as needed as recommended by the auditor.

2022-002 – Failure to Complete Audit Within Six Months of the Close of the Fiscal Year

Management will be sure to give the auditors sufficient time to complete the audit by the required deadline.

Sincerely,

Melissa R. Cowart, CPA
Director of Finance

COUNCIL

TRENT FORREST
DISTRICT 1
EMILE "JOEY" MAYEAUX
DISTRICT 6

JOHN INGRAFFIA
DISTRICT 2
LIONELL WELLS
DISTRICT 7

LOUIS "NICK" JOSEPH
DISTRICT 3
DAVID P. VIAL
DISTRICT 8

CARLO S. BRUNO
DISTRICT 4
BRIGETTE HYDE
DISTRICT 9

H. G. "BUDDY" RIDGEL
DISTRICT 5
KIM LANDRY COATES
DISTRICT 10

TANGIPAHOA PARISH GOVERNMENT

STATEWIDE AGREED UPON PROCEDURES ENGAGEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan E. Lynch, CPA
B. Jacob Steib, CPA



**JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.**
CERTIFIED PUBLIC ACCOUNTANTS
www.jlrcpafirm.com


Member of
American Institute of CPAs
Society of Louisiana CPAs

Independent Accountants' Report on Applying Agreed-Upon Procedures

Robby Miller, Tangipahoa Parish President
and Members of the Parish Council
Tangipahoa Parish Government
Amite, Louisiana

Louisiana Legislative Auditor
Baton Rouge, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2022 through December 31, 2022. The Tangipahoa Parish Government's (the "Parish") management is responsible for those C/C areas identified in the SAUPs.

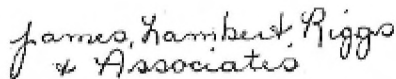
The Parish has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are detailed in Schedule "A."

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

We are required to be independent of the Parish 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.



James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

August 31, 2023

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - **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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - **Disbursements**, including processing, reviewing, and approving.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - **Receipts / Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency 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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - **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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - **Credit Cards (and debit cards, fuel cards, P-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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.

- **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 entity's ethics policy.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure / EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- **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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- **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.
 - **Results:** Tangipahoa Parish has a policy on Prevention of Sexual Harassment; however, it does not have the above listed requirements for (2) annual employee training and (3) annual reporting.

Board or Finance Committee

2. Obtain and inspect the board / finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - Observe that the board / finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - **Results:** No exceptions were noted as a result of the above listed procedures.

- 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 unassigned fund balance in the general fund.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - 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);
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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 (e.g., initialed and dated, electronically logged); and
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
 - **Results:** For one of the five bank accounts selected for testing, one account contained one check that was outstanding for more than 12 months from the statement closing date. There was no documentation reflecting that management has researched this reconciling item.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash / checks / money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if 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:

- Employees responsible for cash collections do not share cash drawers / registers.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Each employee responsible for collecting cash is not responsible for preparing / making bank deposits, unless another employee / official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - The employee(s) responsible for reconciling cash collections to the general ledger and / or subsidiary ledgers, by revenue source and / or agency fund additions, are not responsible for collecting cash, unless another employee / official verifies the reconciliation.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
6. 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.
- **Results:** No exceptions were noted as a result of the above listed procedures.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for “Bank Reconciliations” procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- Observe that receipts are sequentially pre-numbered.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Trace the deposit slip total to the actual deposit per the bank statement.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

- Observe 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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- Trace the actual deposit per the bank statement to the general ledger.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - At least two employees are involved in processing and approving payments to vendors.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe whether the disbursement documentation included evidence (e.g., initial / date, electronic logging) of segregation of duties tested under #9, as applicable.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
11. Using the entity's main operating account and the month selected in "Bank Reconciliations" procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and / or account for testing that does include electronic disbursements.
- **Results:** No exceptions were noted as a result of the above listed procedures.

Credit Cards / Debit Cards / Fuel Cards / P-Cards

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- **Results:** No exceptions were noted as a result of the above listed procedures.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
- 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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe that finance charges and late fees were not assessed on the selected statements.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business / public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, 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.
- **Results:** Three out of the five randomly sampled credit cards, bank debit cards, fuel cards, and purchase cards (cards) had individual transactions that did not have the written documentation of the business / public purpose. Out of a total of 25 individual transactions tested for these selected cards, 5 transactions did not contain adequate documentation of the business / public purpose of the transaction.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements 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:
- If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe 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 #1.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

Contracts

16. Obtain from management a listing of all agreements / contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe whether the contract was approved by the governing body / board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - 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 the invoice and related payment agreed to the terms and conditions of the contract.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

Payroll and Personnel

17. 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.
- **Results:** No exceptions were noted as a result of the above listed procedures.
18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #17 above, obtain attendance records and leave documentation for the pay period, and:
- Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - **Results:** No exceptions were noted as a result of the above listed procedures.

- Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe the rate paid to the employees or officials agree to the authorized salary / pay rate found within the personnel file.
 - **Results:** Two of the five randomly sampled employees did not have an authorized salary / pay rate found within their personnel files to agree to the actual rate paid to the employees.
19. 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 and obtain related documentation of the hours and pay rates used in management's termination payment calculations, and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- **Results:** No exceptions were noted as a result of the above listed procedures.
20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
- **Results:** No exceptions were noted as a result of the above listed procedures.

Ethics

21. Using the 5 randomly selected employees / officials from "Payroll and Personnel" procedure #17 obtain ethics documentation from management, and:
- 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
22. Inquire and / or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
- **Results:** No exceptions were noted as a result of the above listed procedures.

Debt Service

23. Obtain a listing of bonds / notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- **Results:** No new debt issued for January 1, 2022 through December 31, 2022.
24. Obtain a listing of bonds / notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond / note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
- **Results:** No exceptions were noted as a result of the above listed procedures.

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- **Results:** No exceptions were noted as a result of the above listed procedures.
26. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
- **Results:** No exceptions were noted as a result of the above listed procedures.

Information Technology Disaster Recovery / Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - **Results:** We performed the procedure and discussed the results with management.
 - Obtain and inspect the entity's most recent documentation that it has tested / verified that its backups can be restored (if no written documentation, then inquire of personnel responsible for testing / verifying backup restoration) and observe evidence that the test / verification was successfully performed within the past 3 months.
 - **Results:** We performed the procedure and discussed the results with management.

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

- **Results:** We performed the procedure and discussed the results with management.

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #17. Observe evidence that the selected terminated employees have been removed or disabled from the network.

- **Results:** We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

29. Using the 5 randomly selected employees / officials from "Payroll and Personnel" procedure #17, obtain sexual harassment training documentation from management, and observe that 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.

- **Results:** No exceptions were noted as a result of the above listed procedures.

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

- **Results:** No exceptions were noted as a result of the above listed procedures.

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

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

- **Results:** The Parish prepared the annual sexual harassment report with the required information; however, the report was dated February 9, 2023.

- Number of sexual harassment complaints received by the agency;

- **Results:** The Parish prepared the annual sexual harassment report with the required information; however, the report was dated February 9, 2023.

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

- **Results:** The Parish prepared the annual sexual harassment report with the required information; however, the report was dated February 9, 2023.

- Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - **Results:** The Parish prepared the annual sexual harassment report with the required information; however, the report was dated February 9, 2023.

- Amount of time it took to resolve each complaint.
 - **Results:** The Parish prepared the annual sexual harassment report with the required information; however, the report was dated February 9, 2023.



POST OFFICE BOX 215
AMITE, LOUISIANA 70422

OFFICE (985) 748-3211
FAX (985) 748-7576

ROBBY MILLER
PARISH PRESIDENT

August 29, 2023

James, Lambert, Riggs & Associates, Inc.
401 E. Thomas St.
Hammond, LA 70401

As a result of the Independent Accountant's Report on Applying Agreed -Upon Procedures for the Fiscal Year Ended December 31, 2022, the Parish respectfully submits the following response:

Written Policies and Procedures – The parish will revise its Sexual Harassment Policy to include the requirements of R.S. 42:342-344 regarding annual employee training and reporting.

Bank Reconciliations - The parish will ensure that documentation is maintained when researching old outstanding checks that are more than 12 months from the statements closing date.

Credit Cards/Debit Cards/Fuel Cards/P-Cards – The parish will ensure that written documentation of the business/public purpose is documented for each transaction.

Payroll and Personnel – The parish will ensure that the employees authorized salaries/pay rates are filed in each personnel file and not just approved on a spreadsheet as a group.

Prevention of Sexual Harassment – The parish will ensure that the annual sexual harassment report will be turned in, on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344.

Sincerely,


Melissa R. Cowart, CPA
Director of Finance

COUNCIL

TRENT FORREST
DISTRICT 1
EMILE "JOEY" MAYEAUX
DISTRICT 6

JOHN INGRAFFIA
DISTRICT 2
LIONELL WELLS
DISTRICT 7

LOUIS "NICK" JOSEPH
DISTRICT 3
DAVID P. VIAL
DISTRICT 8

CARLO S. BRUNO
DISTRICT 4
BRIGETTE HYDE
DISTRICT 9

H. G. "BUDDY" RIDGEL
DISTRICT 5
KIM LANDRY COATES
DISTRICT 10