

**PARKS AND RECREATION
COMMISSION OF CARENCRO, INC.**
Carencro, Louisiana

Financial Report

Year Ended November 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Parks and Recreation Commission of Carencro, Inc.
Carencro, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Parks and Recreation Commission of Carencro, Inc. (PARC), a component unit of the City of Carencro, Louisiana as of and for the year ended November 30, 2022, and the related notes to the financial statements, which collectively comprise the PARC's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the PARC, as of November 30, 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 Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 PARC'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 judgment made by a reasonable user based on the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 26 and 27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the PARC's basic financial statements. The comparative statements on pages 30-31 and 34-36 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the PARC's 2021 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and, in our opinion were fairly presented in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information is comprised of the budgetary comparison schedule on pages 32-33 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 30, 2023, on our consideration of the PARC's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the PARC's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
May 30, 2023

BASIC FINANCIAL STATEMENTS

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

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Net Position
November 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 890,024	\$ 24,016	\$ 914,040
Receivables	-	400	400
Internal balances	7,673	(7,673)	-
Inventory	-	15,148	15,148
Total current assets	897,697	31,891	929,588
Noncurrent assets:			
Capital assets -			
Land and construction in progress	-	1,315,940	1,315,940
Other capital assets, net	-	3,993,339	3,993,339
Total noncurrent assets	-	5,309,279	5,309,279
Total assets	897,697	5,341,170	6,238,867
LIABILITIES			
Accounts and other payables	-	24,525	24,525
Unearned revenues	-	6,258	6,258
Total liabilities	-	30,783	30,783
NET POSITION			
Net investment in capital assets	-	5,309,279	5,309,279
Restricted for recreation	897,697	-	897,697
Unrestricted	-	1,108	1,108
Total net position	\$ 897,697	\$ 5,310,387	\$ 6,208,084

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

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Activities
For the Year Ended November 30, 2022

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		Total
		Fees and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 27,096	\$ -	\$ -	\$ -	\$ (27,096)	\$ -	\$ (27,096)
Recreation	<u>543,735</u>	<u>2,324</u>	<u>1,364,596</u>	<u>-</u>	<u>823,185</u>	<u>-</u>	<u>823,185</u>
Total governmental activities	<u>570,831</u>	<u>2,324</u>	<u>1,364,596</u>	<u>-</u>	<u>796,089</u>	<u>-</u>	<u>796,089</u>
Business-type activities:							
Pelican Park	1,087,635	467,631	-	-	-	(620,004)	(620,004)
Carencro Sports Complex	<u>440,482</u>	<u>298,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(141,890)</u>	<u>(141,890)</u>
Total business-type activities	<u>1,528,117</u>	<u>766,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(761,894)</u>	<u>(761,894)</u>
Total	<u>\$ 2,098,948</u>	<u>\$ 768,547</u>	<u>\$ 1,364,596</u>	<u>\$ -</u>	<u>796,089</u>	<u>(761,894)</u>	<u>34,195</u>
General revenues:							
Interest and investment earnings					988	45	1,033
Transfers					<u>(687,157)</u>	<u>687,157</u>	<u>-</u>
Total general revenues and transfers					<u>(686,169)</u>	<u>687,202</u>	<u>1,033</u>
Change in net position					109,920	(74,692)	35,228
Net position - December 1, 2021					<u>787,777</u>	<u>5,385,079</u>	<u>6,172,856</u>
Net position - November 30, 2022					<u>\$ 897,697</u>	<u>\$ 5,310,387</u>	<u>\$ 6,208,084</u>

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

FUND FINANCIAL STATEMENTS (FFS)

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Balance Sheet
Governmental Fund
November 30, 2022

	<u>General Fund</u>
ASSETS	
Interest-bearing deposits	\$ 890,024
Due from Park Operating Fund	<u>7,673</u>
Total assets	<u>\$ 897,697</u>
FUND BALANCE	
Fund balance:	
Restricted for recreation	<u>\$ 897,697</u>
Total fund balance	<u>\$ 897,697</u>

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

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Revenues, Expenditures, and Change in Fund Balance -
Governmental Fund
For the Year Ended November 30, 2022

	<u>General Fund</u>
Revenues:	
Charges for services	\$ 2,324
Intergovernmental -	
Local contribution	1,353,096
Miscellaneous	<u>12,488</u>
Total revenues	<u>1,367,908</u>
 Expenditures:	
Current -	
General government	27,096
Recreation	<u>543,735</u>
Total expenditures	<u>570,831</u>
 Excess of revenues over expenditures	 797,077
 Other financing uses:	
Transfers to Park Operating Fund	<u>(687,157)</u>
 Net change in fund balance	 109,920
 Fund balance, beginning	 <u>787,777</u>
 Fund balance, ending	 <u>\$ 897,697</u>

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

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Net Position
Proprietary Fund
November 30, 2022

	<u>Park Operating Fund</u>
ASSETS	
Current assets:	
Cash	\$ 24,016
Receivables	400
Inventory	<u>15,148</u>
Total current assets	<u>39,564</u>
Noncurrent assets:	
Capital assets -	
Land and construction in progress	1,315,940
Other capital assets, net	<u>3,993,339</u>
Total noncurrent assets	<u>5,309,279</u>
Total assets	<u>5,348,843</u>
LIABILITIES	
Accounts payable	12,000
Accrued liabilities	12,525
Due to General Fund	7,673
Unearned revenues	<u>6,258</u>
Total liabilities	<u>38,456</u>
NET POSITION	
Net investment in capital assets	5,309,279
Unrestricted	<u>1,108</u>
Total net position	<u>\$ 5,310,387</u>

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

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Revenues, Expenses and Change in Fund Net Position -
Proprietary Fund
For the Year Ended November 30, 2022

	Park Operating Fund		
	Pelican Park	Carencro Sports Complex	Total
Operating revenues:			
Charges for services -			
Concession sales	\$ 229,149	\$ 22,945	\$ 252,094
Lounge sales	18,560	-	18,560
League and entry fees	33,939	103,655	137,594
Gate receipts	64,851	14,793	79,644
Sponsorships	8,979	-	8,979
Softball sales	859	-	859
Park rental income	33,325	-	33,325
Events	37,148	60,822	97,970
Other	40,821	96,377	137,198
Total operating revenues	467,631	298,592	766,223
Costs of revenues:			
Purchases -			
Food	135,050	13,435	148,485
Liquor	5,909	-	5,909
Beer	14,673	-	14,673
Softballs	2,308	-	2,308
Uniforms	-	227	227
Total cost of revenues	157,940	13,662	171,602
Gross profit	309,691	284,930	594,621

(continued)

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Revenues, Expenses and Change in Fund Net Position -
Proprietary Fund (Continued)
For the Year Ended November 30, 2022

	Park Operating Fund		
	Pelican Park	Carencro Sports Complex	Total
Operating expenses:			
Salaries	\$ 302,224	\$ 174,114	\$ 476,338
Payroll taxes	21,478	13,105	34,583
Workman's compensation	9,187	-	9,187
Advertising	3,189	1,351	4,540
Awards	2,344	1,480	3,824
Depreciation expense	160,843	102,236	263,079
Insurance	8,060	8,060	16,120
Legal and accounting	8,107	4,053	12,160
Office and postage expenses	4,658	3,142	7,800
Service contracts	29,243	33,770	63,013
Sponsorship fees	45,350	395	45,745
Umpire fees	37,635	23,575	61,210
Utilities and telephone	70,522	28,603	99,125
Repairs, maintenance and supplies	112,644	24,677	137,321
Miscellaneous	17,125	8,259	25,384
Total operating expenses	832,609	426,820	1,259,429
Operating loss	\$ (522,918)	\$ (141,890)	(664,808)
Non-operating revenues (expenses):			
Interest income			45
PARC expenses paid by Pelican Park			(97,086)
Total non-operating expenses			(97,041)
Loss before transfers			(761,849)
Transfers from General Fund			687,157
Change in net position			(74,692)
Net position, beginning			5,385,079
Net position, ending			\$5,310,387

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

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Cash Flows
Proprietary Fund
For the Year Ended November 30, 2022

	<u>Park Operating Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 763,480
Payments to suppliers	(646,479)
Payments to employees	<u>(501,509)</u>
Net cash used by operating activities	<u>(384,508)</u>
Cash flows from noncapital financing activities:	
Cash received from General Fund	694,830
PARC expenses paid by Pelican Park	<u>(97,086)</u>
Net cash provided by noncapital financing activities	<u>597,744</u>
Cash flows from capital and related financing activities:	
Acquisition of property, plant and equipment	<u>(195,660)</u>
Cash flows from investing activities:	
Interest income	<u>45</u>
Net increase in cash and cash equivalents	17,621
Cash and cash equivalents, beginning of period	<u>6,395</u>
Cash and cash equivalents, end of period	<u>\$ 24,016</u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (664,808)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	263,079
Decrease in receivables	879
Increase in inventory	(178)
Increase in accounts payable	10,730
Increase in accrued liabilities	9,412
Decrease in unearned revenues	<u>(3,622)</u>
Net cash used by operating activities	<u>\$ (384,508)</u>

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

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Parks and Recreation Commission of Carencro, Inc. (PARC) have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to state and local governments. The accounting and reporting framework, and more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The PARC is a component unit of the City of Carencro, Louisiana, the primary government. The PARC is dependent on the City of Carencro for budget approval, approval of debt issuance and appointment of the majority of commission members and is therefore considered a component unit. These financial statements report only the PARC, the component unit.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

Fund Accounting

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

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

The major funds of the PARC are described below:

Governmental Fund -

General Fund

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

Proprietary Fund -

Enterprise fund

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

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

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

Basis of Accounting

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

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the PARC.

For the purpose of the proprietary fund statement of cash flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit with an original maturity of three months or less.

Interfund receivables and payables

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

Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.”

Inventories

Inventories in the proprietary fund are accounted for at the lower of cost or market.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires an entity to delay recognition of decreases in net position as expenditures until a future period. In other instances, entities are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There were no deferred outflows of resources and deferred inflows of resources as of November 30, 2022.

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the business-type activities column in the government-wide financial statements. The governmental activities have no capital assets. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The PARC maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

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

Building and improvements	40 years
Furniture, fixtures, and equipment	5 - 10 years

In the fund financial statements, the governmental fund operations have no capital assets. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Compensated Absences

Sick leave is earned at the rate of one day for each month worked, with a limit of ten days per year. Vacation leave is accumulated as follows:

1-5 years	5 days
6-10 years	10 days
Over 10 years	15 days

Thirty days of sick leave and one week of vacation may be carried over to a subsequent year. Upon termination of employment, employees are to be paid for accumulated vacation leave only. The PARC had no material accumulated leave benefits required to be reported at November 30, 2022.

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

Equity Classifications

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. In the government-wide statements, the PARC reports three components as follows:

1. Net investment in capital assets - This component consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
2. Restricted net position - This component is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The PARC typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project. At November 30, 2022, the PARC reported \$900,339 of restricted net position that was restricted by enabling legislation.
3. Unrestricted net position - This component consists of all other net position that does not meet the definition of the above two components and is available for general use by the PARC.

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

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Board of Commissioners, which is the highest level of decision-making authority for the Parc.

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the PARC’s adopted policy, only the Board of Commissioners may assign amounts for specific purposes.
- e. Unassigned – all other spendable amounts.

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

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

- Governmental Funds - By Character
- Proprietary Fund - By Operating and Nonoperating

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

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers.

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

F. Revenue Restrictions

The PARC has a legal restriction placed over the revenue received from the City of Carencro from the proceeds of the 1993 Sales Tax Fund due to the dedication of the use of the proceeds. See Note 4.

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

G. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

At November 30, 2022, the PARC had cash balances (book balances) totaling \$914,040 as follows:

Cash	\$ 9,200
Interest-bearing deposits	<u>904,840</u>
Total	<u>\$ 914,040</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the PARC's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These 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 bank. 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. Deposit balances (bank balances) in the amount of \$954,999 were fully secured by federal deposit insurance at November 30, 2022.

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Capital Assets

Capital asset activity for the year ended November 30, 2022 was as follows:

	<u>Balance</u> 12/01/21	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 11/30/22
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,275,195	\$ -	\$ -	\$ 1,275,195
Construction in progress	15,992	71,006	46,253	40,745
Other capital assets:				
Building and improvements	4,877,992	135,314	-	5,013,306
Furniture, fixtures and equipment	1,067,987	35,593	-	1,103,580
Total	<u>7,237,166</u>	<u>241,913</u>	<u>46,253</u>	<u>7,432,826</u>
Less: accumulated depreciation				
Building and improvements	1,271,138	185,717	-	1,456,855
Furniture, fixtures and equipment	589,330	77,362	-	666,692
Total accumulated depreciation	<u>1,860,468</u>	<u>263,079</u>	<u>-</u>	<u>2,123,547</u>
Capital assets, net	<u>\$ 5,376,698</u>	<u>\$ (21,166)</u>	<u>\$ 46,253</u>	<u>\$ 5,309,279</u>

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

Pelican Park	\$ 160,843
Carencro Sports Complex	<u>102,236</u>
Total depreciation expense	<u>\$ 263,079</u>

(4) External Transactions

Most of the revenues from PARC's General Fund are derived from transfers from the City of Carencro, the primary government. The transfers are made from one-third (1/3) of the 1993 sales and use tax levied by the City. The funds are dedicated for recreational purposes. These transactions are classified as operating grants and contributions on the government-wide statement of activities. During the fiscal year ended November 30, 2022, external transactions consisted of \$1,353,096 of contributions received from the City for operating and capital expenditures, and \$372,000 paid to the City for debt service payments. The amount paid to the City is included in recreation expenditures.

(5) Risk Management

PARC is exposed to risks of loss in the area of general liability. These risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to Basic Financial Statements (Continued)

(6) Litigation

There was no litigation pending against PARC at November 30, 2022.

(7) Interfund Transactions

Transfers of \$687,157 were made from the General Fund to the Park Operating Fund in order to properly charge the expenditures of the monies to the fund to which they were applicable in accordance with budgetary authorizations and to properly transfer capital assets to the Park Operating Fund.

(8) Schedule of Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to Todd Olivier, Parks and Recreation Chairman from December 1, 2021 through November 30, 2022 follows:

	<u>Todd Olivier</u>
Salary	<u>\$ 15,600</u>

**REQUIRED SUPPLEMENTARY
INFORMATION**

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

General Fund
Budgetary Comparison Schedule
For the Year Ended November 30, 2022

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services -				
Registration fees	\$ 3,500	\$ 2,460	\$ 2,324	\$ (136)
Intergovernmental -				
Local contribution	1,200,000	1,380,523	1,353,096	(27,427)
Miscellaneous -				
Sponsor income	79,750	13,500	11,500	(2,000)
Interest income	1,000	883	988	105
Other	1,000	-	-	-
Total revenues	<u>1,285,250</u>	<u>1,397,366</u>	<u>1,367,908</u>	<u>(29,458)</u>
Expenditures:				
Current -				
General government:				
Parc per diem	26,000	26,688	27,096	(408)
Recreation:				
Salaries	27,000	26,840	26,840	-
CAYSI appropriation	12,000	-	-	-
Appropriation to City - for bond payments	390,000	377,097	372,000	5,097
Other park appropriations - boxing	2,000	1,305	1,305	-
Summer recreation program expenditures	2,500	407	990	(583)
Total	<u>433,500</u>	<u>405,649</u>	<u>401,135</u>	<u>4,514</u>
Pelican Park North expenditures:				
Legal and accounting	16,000	15,144	12,339	2,805
Office expenditures and supplies	1,000	215	2,694	(2,479)
Park insurance	29,200	28,932	10,611	18,321
Utilities	12,000	11,854	12,147	(293)
Park concert program	60,000	58,812	54,089	4,723
Repairs and maintenance	35,000	32,396	40,833	(8,437)
Travel and meetings	5,000	5,000	987	4,013
Outside service contracts	6,500	6,148	5,969	179
Miscellaneous	2,000	1,253	2,931	(1,678)
Total Pelican Park North expenditures	<u>166,700</u>	<u>159,754</u>	<u>142,600</u>	<u>17,154</u>
Total recreation	<u>600,200</u>	<u>565,403</u>	<u>543,735</u>	<u>21,668</u>
Total expenditures	<u>626,200</u>	<u>592,091</u>	<u>570,831</u>	<u>21,260</u>
Excess of revenues over expenditures	<u>659,050</u>	<u>805,275</u>	<u>797,077</u>	<u>(8,198)</u>

See notes to the required supplementary information.

(continued)

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

General Fund
Budgetary Comparison Schedule (Continued)
For the Year Ended November 30, 2022

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Other financing uses:				
Transfers to Park Operating Fund	(463,500)	(514,872)	(687,157)	(172,285)
Change in fund balance	195,550	290,403	109,920	(180,483)
Fund balance, beginning	787,777	787,777	787,777	-
Fund balance, ending	<u>\$ 983,327</u>	<u>\$ 1,078,180</u>	<u>\$ 897,697</u>	<u>\$ (180,483)</u>

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Notes to the Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

- a. The treasurer prepares a proposed budget and submits it to the Parks and Recreation Commission for the fiscal year no later than fifteen days prior to the beginning of each fiscal year
- b. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
- e. Budgetary amendments involving the transfers of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Commission.
- f. All budgetary appropriations lapse at the end of each fiscal year.
- g. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Commission.

(2) Excess of Expenditures Over Appropriations

For the year ended November 30, 2022, the following fund had actual expenditures over appropriations, at the fund level, as follows:

<u>Fund/Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
General Government	\$ 26,688	\$ 27,096	\$ (408)

**OTHER SUPPLEMENTARY
INFORMATION**

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Statement of Net Position
November 30, 2022

With Comparative Totals for November 30, 2021

	2022			2021 Total
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 890,024	\$ 24,016	\$ 914,040	\$ 796,966
Receivables, net	-	400	400	1,290
Internal balances	7,673	(7,673)	-	-
Inventory	-	15,148	15,148	14,970
Total current assets	<u>897,697</u>	<u>31,891</u>	<u>929,588</u>	<u>813,226</u>
Noncurrent assets:				
Capital assets -				
Land and construction in progress	-	1,315,940	1,315,940	1,291,187
Other capital assets, net	-	3,993,339	3,993,339	4,085,511
Total noncurrent assets	<u>-</u>	<u>5,309,279</u>	<u>5,309,279</u>	<u>5,376,698</u>
Total assets	<u>897,697</u>	<u>5,341,170</u>	<u>6,238,867</u>	<u>6,189,924</u>
LIABILITIES				
Cash overdraft	-	-	-	2,805
Accounts and other payables	-	24,525	24,525	4,383
Unearned revenues	-	6,258	6,258	9,880
Total liabilities	<u>-</u>	<u>30,783</u>	<u>30,783</u>	<u>17,068</u>
NET POSITION				
Net investment in capital assets	-	5,309,279	5,309,279	5,376,698
Restricted for recreation	897,697	-	897,697	787,777
Unrestricted	-	1,108	1,108	8,381
Total net position	<u>\$ 897,697</u>	<u>\$ 5,310,387</u>	<u>\$ 6,208,084</u>	<u>\$ 6,172,856</u>

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

General Fund
Comparative Balance Sheet
November 30, 2022 and 2021

	2022	2021
ASSETS		
Interest-bearing deposits	\$ 890,024	\$ 787,766
Accrued interest receivable	-	11
Due from Park Operating Fund	7,673	-
Total assets	\$ 897,697	\$ 787,777
FUND BALANCE		
Fund balance:		
Restricted for recreation	\$ 897,697	\$ 787,777
Total fund balance	\$ 897,697	\$ 787,777

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

General Fund
Budgetary Comparison Schedule
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022		Actual	Variance - Positive (Negative)	2021 Actual
	Budget				
	Original	Final			
Revenues:					
Charges for services -					
Registration fees	\$ 3,500	\$ 2,460	\$ 2,324	\$ (136)	\$ 2,880
Intergovernmental -					
Local contribution	1,200,000	1,380,523	1,353,096	(27,427)	1,389,305
Miscellaneous -					
Sponsor income	79,750	13,500	11,500	(2,000)	3,500
Interest income	1,000	883	988	105	795
Other	1,000	-	-	-	25,050
Total revenues	<u>1,285,250</u>	<u>1,397,366</u>	<u>1,367,908</u>	<u>(29,458)</u>	<u>1,421,530</u>
Expenditures:					
Current -					
General government:					
Parc per diem	<u>26,000</u>	<u>26,688</u>	<u>27,096</u>	<u>(408)</u>	<u>26,975</u>
Recreation:					
Salaries	27,000	26,840	26,840	-	21,080
CAYSI appropriation	12,000	-	-	-	-
Appropriation to City - for bond payments	390,000	377,097	372,000	5,097	372,000
Other park appropriations - boxing	2,000	1,305	1,305	-	1,020
Summer recreation program	<u>2,500</u>	<u>407</u>	<u>990</u>	<u>(583)</u>	<u>-</u>
Total	<u>433,500</u>	<u>405,649</u>	<u>401,135</u>	<u>4,514</u>	<u>394,100</u>
Pelican Park North expenditures:					
Legal and accounting	16,000	15,144	12,339	2,805	12,498
Office expenditures and supplies	1,000	215	2,694	(2,479)	3,812
Park insurance	29,200	28,932	10,611	18,321	21,930
Utilities	12,000	11,854	12,147	(293)	9,448
Park concert program	60,000	58,812	54,089	4,723	48,563
Repairs and maintenance	35,000	32,396	40,833	(8,437)	32,223
Travel and meetings	5,000	5,000	987	4,013	52
Outside service contracts	6,500	6,148	5,969	179	5,603
Miscellaneous	<u>2,000</u>	<u>1,253</u>	<u>2,931</u>	<u>(1,678)</u>	<u>14,792</u>
Total Pelican Park North expenditures	<u>166,700</u>	<u>159,754</u>	<u>142,600</u>	<u>17,154</u>	<u>148,921</u>
Total recreation	<u>600,200</u>	<u>565,403</u>	<u>543,735</u>	<u>21,668</u>	<u>543,021</u>
Total expenditures	<u>626,200</u>	<u>592,091</u>	<u>570,831</u>	<u>21,260</u>	<u>569,996</u>
Excess of revenues over expenditures	<u>659,050</u>	<u>805,275</u>	<u>797,077</u>	<u>(8,198)</u>	<u>851,534</u>

(continued)

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

General Fund
Budgetary Comparison Schedule (Continued)
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022			Variance - Positive (Negative)	2021 Actual
	Budget		Actual		
	Original	Final			
Other financing uses:					
Transfers to Park Operating Fund	<u>(463,500)</u>	<u>(514,872)</u>	<u>(687,157)</u>	<u>(172,285)</u>	<u>(468,843)</u>
Change in fund balance	195,550	290,403	109,920	(180,483)	382,691
Fund balance, beginning	<u>787,777</u>	<u>787,777</u>	<u>787,777</u>	<u>-</u>	<u>405,086</u>
Fund balance, ending	<u>\$ 983,327</u>	<u>\$ 1,078,180</u>	<u>\$ 897,697</u>	<u>\$ (180,483)</u>	<u>\$ 787,777</u>

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Park Operating Fund
Comparative Statement of Net Position
November 30, 2022 and 2021

	2022	2021
ASSETS		
Current assets:		
Cash	\$ 24,016	\$ 9,200
Interest-bearing deposits		
Receivables	400	1,279
Inventory	15,148	14,970
Total current assets	39,564	25,449
Noncurrent assets:		
Capital assets -		
Land and construction in progress	1,315,940	1,291,186
Other capital assets, net	3,993,339	4,085,512
Total noncurrent assets	5,309,279	5,376,698
Total assets	5,348,843	5,402,147
LIABILITIES		
Cash overdraft	-	2,805
Accounts payable	12,000	1,270
Accrued liabilities	12,525	3,113
Due to general fund	7,673	-
Unearned revenues	6,258	9,880
Total liabilities	38,456	17,068
NET POSITION		
Net investment in capital assets	5,309,279	5,376,698
Unrestricted	1,108	8,381
Total net position	\$ 5,310,387	\$ 5,385,079

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Park Operating Fund
Comparative Statement of Revenues, Expenses and Changes in Fund Net Position
For the Years Ended November 30, 2022 and 2021

	Carencro					
	Pelican Park		Sports Complex		Total	
	2022	2021	2022	2021	2022	2021
Operating revenues:						
Charges for services -						
Concession sales	\$ 229,149	\$ 247,217	\$ 22,945	\$ 22,435	\$ 252,094	\$ 269,652
Lounge sales	18,560	57,805	-	-	18,560	57,805
League and entry fees	33,939	32,511	103,655	91,470	137,594	123,981
Gate receipts	64,851	50,486	14,793	16,287	79,644	66,773
Sponsorships	8,979	29,308	-	-	8,979	29,308
Softball sales	859	1,693	-	-	859	1,693
Park rental income	33,325	27,531	-	-	33,325	27,531
Events	37,148	37,459	60,822	56,090	97,970	93,549
Other	40,821	29,304	96,377	90,567	137,198	119,871
Total operating revenues	<u>467,631</u>	<u>513,314</u>	<u>298,592</u>	<u>276,849</u>	<u>766,223</u>	<u>790,163</u>
Costs of revenues:						
Purchases -						
Food	135,050	112,830	13,435	11,080	148,485	123,910
Liquor	5,909	11,993	-	-	5,909	11,993
Beer	14,673	24,954	-	-	14,673	24,954
Softballs	2,308	2,867	-	-	2,308	2,867
Uniforms	-	176	227	-	227	176
Total cost of revenues	<u>157,940</u>	<u>152,820</u>	<u>13,662</u>	<u>11,080</u>	<u>171,602</u>	<u>163,900</u>
Gross profit	<u>309,691</u>	<u>360,494</u>	<u>284,930</u>	<u>265,769</u>	<u>594,621</u>	<u>626,263</u>

(continued)

PARKS AND RECREATION COMMISSION OF CARENCRO
Carencro, Louisiana

Park Operating Fund
Comparative Statement of Revenues, Expenses and Changes in Fund Net Position (Continued)
For the Years Ended November 30, 2022 and 2021

	Carencro					
	Pelican Park		Sports Complex		Total	
	2022	2021	2022	2021	2022	2021
Operating expenses:						
Salaries	\$ 302,224	\$ 220,797	\$ 174,114	\$ 171,405	\$ 476,338	\$ 392,202
Payroll taxes	21,478	20,400	13,105	12,967	34,583	33,367
Workman's compensation	9,187	8,611	-	-	9,187	8,611
Advertising	3,189	900	1,351	1,609	4,540	2,509
Awards	2,344	1,049	1,480	1,969	3,824	3,018
Depreciation expense	160,843	155,846	102,236	104,634	263,079	260,480
Insurance	8,060	-	8,060	-	16,120	-
Legal and accounting	8,107	5,637	4,053	5,233	12,160	10,870
Office and postage	4,658	17,794	3,142	2,508	7,800	20,302
Service contracts	29,243	29,428	33,770	23,292	63,013	52,720
Events and sponsorships	45,350	4,552	395	424	45,745	4,976
Umpire fees	37,635	20,179	23,575	21,610	61,210	41,789
Utilities and telephone	70,522	50,683	28,603	23,409	99,125	74,092
Repairs and supplies	112,644	157,997	24,677	24,997	137,321	182,994
Miscellaneous	17,125	10,694	8,259	4,481	25,384	15,175
Total operating expenses	<u>832,609</u>	<u>704,567</u>	<u>426,820</u>	<u>398,538</u>	<u>1,259,429</u>	<u>1,103,105</u>
Operating loss	<u>\$ (522,918)</u>	<u>\$ (344,073)</u>	<u>\$ (141,890)</u>	<u>\$ (132,769)</u>	<u>(664,808)</u>	<u>(476,842)</u>
Non-operating income (expenses):						
Interest income					45	62
PARC expenses paid by Pelican Park					<u>(97,086)</u>	<u>(74,027)</u>
Total non-operating expenses					<u>(97,041)</u>	<u>(73,965)</u>
Loss before transfers					(761,849)	(550,807)
Transfers from General Fund					<u>687,157</u>	<u>468,843</u>
Change in net position					(74,692)	(81,964)
Net position, beginning					<u>5,385,079</u>	<u>5,467,043</u>
Net position, ending					<u>\$ 5,310,387</u>	<u>\$ 5,385,079</u>

**INTERNAL CONTROL,
COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

Board of Commissioners
Parks and Recreation Commission, Inc.
Carencro, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, and each major fund of the Parks and Recreation Commission of Carencro, Inc. (PARC), a component unit of the City of Carencro, Louisiana, as of and for the year ended November 30, 2022, and the related notes to the financial statements, which collectively comprise the PARC's basic financial statements and have issued our report thereon dated May 30, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the PARC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the PARC's internal control. Accordingly, we do not express an opinion on the effectiveness of the PARC'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, internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2022-001 and 2022-002 that we consider to be material weaknesses.

Compliance and Other Matters

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

PARC's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the PARC's response to the findings identified in our audit and described in the accompanying summary schedule of current and prior year audit findings and management's corrective action . PARC'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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
May 30, 2023

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended November 30, 2022

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

A. Internal Control Over Financial Reporting

2022-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 1994

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

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

CAUSE: Due to the small number of employees, the bookkeeper handles accounts payable, disbursements, and performs bank reconciliations.

EFFECT: Failure to adequately segregate these duties increases the risk that errors and/or irregularities, including fraud and/or defalcations, may occur and not be prevented and/or detected.

RECOMMENDATION: Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

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

2022-002 Inadequate Controls Over Financial Statement Preparation

Fiscal year finding initially occurred: 2021

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

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

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

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

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

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

PARKS AND RECREATION COMMISSION OF CARENCRO, INC.
Carencro, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (Continued)
Year Ended November 30, 2022

Part II. Prior Year Findings

A. Internal Control Over Financial Reporting

2021-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 1994

CONDITION: Due to the small number of employees, the Commission did not have adequate segregation of functions withing the accounting system.

RECOMMENDATION: Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

CURRENT STATUS: Unresolved. See finding 2022-001.

2021-002 Inadequate Controls over Financial Statement Preparation

Fiscal year finding initially occurred: 2021

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

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

CURRENT STATUS: Unresolved. See finding 2022-002.

**PARKS AND RECREATION
COMMISSION OF CARENCRO, INC.**

Carencro, Louisiana

Agreed-Upon Procedures Report

Year Ended November 30, 2022

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Parks and Recreation Commission of Carencro, Inc.
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period December 1, 2021 through November 30, 2022. The Parks and Recreation Commission of Carencro, Inc.'s (The Entity) management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 December 1, 2021 through November 30, 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 as follows:

Written Policies and Procedures

1. We obtained and inspected the Entity's written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the Entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or 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).

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

Board or Finance Committee

- 2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
 - c) Obtained the prior year audit report and observed 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, observed 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.

Bank Reconciliations

3. We obtained a listing of the Entity's bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the Entity's main operating account. We selected the Entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected accounts, and observed that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections (excluding electronic fund transfers)

4. We obtained 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. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed the bond or insurance policy for theft was enforced during the fiscal period.

7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected 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.* We obtained supporting documentation for each of the 10 deposits and:
 - a) Observed that receipts are sequentially pre-numbered.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.
 - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Traced the actual deposit per the bank statement to the general ledger.

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

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. We randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and we observed that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, we obtained the Entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and we obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, we obtained supporting documentation for each transaction and:
 - a) We observed whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) We observed that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

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

12. Using the listing prepared by management, we randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, we randomly selected one monthly bank statement), we obtained supporting documentation, and:
 - a) We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - b) We observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, we observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

14. We obtained 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. We randomly selected 5 reimbursements, we obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, we observed the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. We obtained 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.* We obtained management's representation that the listing is complete. We randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) We observed that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

- c) If the contract was amended (e.g., change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) We randomly selected one payment from the fiscal period for each of the 5 contracts, we obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

- 16. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees/officials, we obtained related paid salaries and personnel files, and we agreed paid salaries to authorized salaries/pay rates in the personnel files.
- 17. We randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, we obtained attendance records and leave documentation for the pay period, and:
 - a) We observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) We observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) We observed that any leave accrued or taken during the pay period is reflected in the Entity's cumulative leave records.
 - d) We observed the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- 18. We obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. We randomly selected two employees/officials, we obtained related documentation of the hours and pay rates used in management's termination payment calculations and the Entity's policy on termination payments. We agreed the hours to the employee or officials' cumulate leave records, agreed the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agreed the termination payment to entity policy.
- 19. We obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
 - a) We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) We observed 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.

Debt Service

21. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued.
22. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the Entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Entity is domiciled.

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

24. Observe that 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.

Information Technology Disaster Recovery/Business Continuity

25. We performed the following procedures, **verbally discussed the results with management, and reported "We performed the procedure and discussed the results with management."**
 - a) We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), we observed evidence that backups are encrypted before being transported.
 - b) We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.
 - c) We obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. We randomly selected 5 computers and observed 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.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, we obtained sexual harassment training documentation from management, and observed the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

27. We observed 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).
28. We obtained the Entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed it includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Exceptions:

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

Written Policies and Procedures:

1. The Entity does not have adequate policies and procedures regarding receipts, payroll/personnel, contracting, and ethics.

Bank Reconciliations

2. Of the two corresponding bank statements and reconciliations selected, two accounts have no evidence of management review. Additionally, one account has no evidence of researching items greater than 12 months.

Non-Payroll Related Disbursements

3. The employee responsible for processing payments is also responsible for adding/modifying vendor files.

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

4. Of the five travel reimbursements selected, one reimbursement did not have written review and approval from someone other than the person receiving the reimbursement, nor was the charge supported by an itemized receipt.

Sexual Harassment

5. The Entity did not have its sexual harassment policy posted on its website.

Management's Response:

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

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
May 30, 2023