

**SIXTH WARD AND CROWLEY
DRAINAGE DISTRICT**

FINANCIAL REPORT

DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of
Sixth Ward and Crowley Drainage District
Crowley, Louisiana

Report of the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Sixth Ward and Crowley Drainage District, a component unit of Acadia Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Sixth Ward and Crowley Drainage District as of December 31, 2022, and the respective changes in financial position 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 District, 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 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 District'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.

Auditors' 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 and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Management has omitted 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 missing 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.

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule and note to the budgetary comparison schedule, on pages 24 and 25 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation, benefits and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 schedule of compensation, benefits and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2023, on our consideration of the District'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 of the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Broussard Roche, LLP

Lafayette, Louisiana
June 22, 2023

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

STATEMENT OF NET POSITION

December 31, 2022

ASSETS	<u>Governmental Activities</u>
Cash	\$ 396,502
Certificates of deposit	252,759
Due from sheriff	370,044
Ad valorem taxes receivable	40,526
State revenue sharing receivable	17,648
Capital assets:	
Non-depreciable	1,500
Depreciable, net	<u>153,828</u>
Total assets	<u>\$ 1,232,807</u>
LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts payable	\$ 5,919
Accrued liabilities	<u>2,713</u>
Total liabilities	<u>\$ 8,632</u>
NET POSITION	
Net investment in capital assets	\$ 155,328
Net position - unrestricted	<u>1,068,847</u>
Total net position	<u>\$ 1,224,175</u>
Total liabilities and net position	<u>\$ 1,232,807</u>

See Notes to Financial Statements.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

	<u>Governmental Activities</u>
Expenses:	
Governmental activities –	
Public works	\$ <u>506,623</u>
General revenues:	
Ad valorem taxes	\$ 480,227
State revenue sharing	26,472
Investment earnings	<u>1,995</u>
Total general revenues	\$ <u>508,694</u>
Change in net position	\$ 2,071
Net position, beginning	<u>1,222,104</u>
Net position, ending	<u>\$ 1,224,175</u>

See Notes to Financial Statements.

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FUND FINANCIAL STATEMENTS

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

BALANCE SHEET
GOVERNMENTAL FUND
December 31, 2022

ASSETS	<u>General Fund</u>
Cash	\$ 396,502
Certificates of deposit	252,759
Due from sheriff	370,044
Ad valorem tax receivable	40,526
State revenue sharing receivable	<u>17,648</u>
Total assets	<u>\$ 1,077,479</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 5,919
Accrued liabilities	<u>2,713</u>
Total liabilities	\$ 8,632
FUND BALANCE	
Unassigned	<u>1,068,847</u>
Total liabilities and fund balance	<u>\$ 1,077,479</u>

See Notes to Financial Statements.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

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

December 31, 2022

Total fund balance – governmental fund	\$ 1,068,847
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the fund.	
Capital assets, net	<u>155,328</u>
Net position of governmental activities	<u>\$ 1,224,175</u>

See Notes to Financial Statements.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

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

For the Year Ended December 31, 2022

	<u>General Fund</u>
Revenues:	
Taxes –	
Ad valorem	\$ 480,227
Intergovernmental –	
State revenue sharing	26,472
Investment earnings	<u>1,995</u>
Total revenues	\$ 508,694
Expenditures:	
Current –	
General government:	
Public works	\$ 470,568
Capital outlay	<u>122,494</u>
Total expenditures	\$ <u>593,062</u>
Net change in fund balance	\$ (84,368)
Fund balance, beginning	<u>1,153,215</u>
Fund balance, ending	<u>\$ 1,068,847</u>

See Notes to Financial Statements.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

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

For the Year Ended December 31, 2022

Net change in fund balance – total governmental fund		\$ (84,368)
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlay	\$ 122,494	
Depreciation expense	<u>(36,055)</u>	<u>86,439</u>
Change in net position of governmental activities		<u>\$ 2,071</u>

See Notes to Financial Statements.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the Sixth Ward and Crowley Drainage District (the "District") have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the District are described below.

Reporting entity:

As provided by Louisiana Revised Statute 38:1607, the District is governed by five commissioners. These five commissioners are referred to as the Board of Commissioners and are appointed by the Acadia Parish Police Jury. The District was created under the authority of Louisiana Revised Statutes 38:1601-1707 and was established for the purpose of draining and reclaiming the undrained or partially drained marsh, swamp, and overflowed lands in the district that must be levied and pumped in order to be drained and reclaimed.

In conformance with GASB Codification Section 2100, the Drainage District is a component unit of the Acadia Parish Police Jury, the governing body of the Parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general governmental services provided by that governmental unit, and other governmental units that comprise the governmental reporting entity.

Basis of presentation:

The District's basic financial statements consist of the government-wide statements and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-wide financial statements -

The government-wide financial statements include the statement of net position and the statement of activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions.

In the government-wide statement of net position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets, restricted and unrestricted.

The government-wide statement of activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues

NOTES TO FINANCIAL STATEMENTS

must be directly associated with the function. Operating grants include operating specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The District had no program or grant revenues for the year ended December 31, 2022.

The District reports all direct expenses by function in the government-wide statement of activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is included as a direct expense. The net cost (by function) is normally covered by general revenue (property taxes, intergovernmental revenues, investment income, etc.)

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Fund financial statements -

The fund financial statements provide information about the District's funds. The emphasis of the fund financial statements is on major governmental funds.

The District reports the following major governmental fund:

General fund – This fund is the District's only fund and it accounts for all activities of the District.

Basis of accounting:

Government-wide financial statements -

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows takes place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the year for which they are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Fund financial statements -

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are recognized in the year for which they are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. All other receivables collected within 60 days after year-end are considered available and recognized as revenue of the current year.

Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent that they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

NOTES TO FINANCIAL STATEMENTS

Cash:

Cash includes amounts in demand deposits.

Investments:

State statutes authorize the District to invest in United States bonds, treasury note or certificates and time deposits of state banks having their principal office in the state of Louisiana, or any other federally insured investment.

The District's investments at December 31, 2022 consisted of time certificates of deposit purchased from local financial institutions. These certificates of deposits are stated at cost.

Capital assets:

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

Government-wide financial statements -

The District's property and equipment with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives for depreciable assets are as follows:

	<u>Years</u>
Equipment	3 - 7
Furniture and fixtures	5
Other improvements	10

Fund financial statements -

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

Compensated absences:

The District does not have a formal policy on vacation and sick leave. Accordingly, no liability has been recorded in the financial statements.

NOTES TO FINANCIAL STATEMENTS

Use of estimates:

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

Deferred outflows/inflows of resources:

In addition to assets/liability, the statement of financial position will sometimes report a separate section for deferred outflows/inflows of resources. This separate financial statement element, deferred outflows/inflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow/inflow of resources (expenditure) until then. The District does not currently have any items that qualify for reporting in this category.

Net position flow assumption:

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumptions must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumption:

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumptions must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Equity classifications:

Government-wide statements –

Equity is classified as net position and displayed in three components: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

The District has no restricted net position at December 31, 2022.

Fund financial statements –

Beginning with fiscal year 2011, the District implemented GASB Statement 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund

NOTES TO FINANCIAL STATEMENTS

balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board of Commissioners establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Commissioners through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Budgets and budgetary accounting:

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget is employed as a management control device during the year that assists its users in financial activity analysis. All budget appropriations lapse at year end.

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits

Custodial Credit Risk – The custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may result in a loss of those assets. The District’s policy to ensure that there is no exposure to this risk is to require the financial institutions to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage.

At December 31, 2022, the carrying amount of the District’s deposits, including demand deposit accounts and certificates of deposit, was \$649,261. Of the bank balance, \$502,759 was secured from risk by federal deposit insurance and the remainder by pledged securities held by the custodial banks in the name of the District.

Note 3. Ad Valorem Taxes

Government-wide financial statements –

Ad valorem taxes are recognized in the year for which they are levied net of uncollectible amounts, as applicable.

Fund financial statements –

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. Taxes are budgeted and the revenue is recognized in the year they are levied. The taxes are based on assessed values determined by the Tax Assessor of Acadia Parish and are collected by the Sheriff. The taxes are remitted to the District net of deductions for Pension Fund contributions.

The District authorized and levied general corporate taxes of 5.00 mills on property with assessed valuations totaling \$96,045,155 for the year ended December 31, 2022.

Total taxes levied, exclusive of homestead exemptions, was \$480,227 for 2022. Due from governmental agencies in the amount of \$377,238 includes total ad valorem taxes collected by the sheriff, but not remitted to the District until January 2023. Included in due from governmental agencies are state revenue sharing taxes collected by the Acadia Parish Sheriff’s Office of \$8,824 in December 2022 and not remitted until January 2023. Remaining ad valorem taxes receivable at December 31, 2022 were \$40,526, all of which is considered collectible.

NOTES TO FINANCIAL STATEMENTS

Note 4. Capital Assets

Capital assets activity for the year ended December 31, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated –				
Land	\$ 1,500	\$ -	\$ -	\$ 1,500
Capital assets being depreciated –				
Equipment	\$ 427,205	\$ 122,494	\$ -	\$ 549,699
Furniture and fixtures	1,275	-	-	1,275
Other improvements	<u>15,441</u>	<u>-</u>	<u>-</u>	<u>15,441</u>
Total capital assets being depreciated	<u>\$ 443,921</u>	<u>\$ 122,494</u>	<u>\$ -</u>	<u>\$ 566,415</u>
Less accumulated depreciation for –				
Equipment	\$ (370,785)	\$ (34,684)	\$ -	\$ (405,469)
Furniture and fixtures	(1,275)	-	-	(1,275)
Other improvements	<u>(4,472)</u>	<u>(1,371)</u>	<u>-</u>	<u>(5,843)</u>
Total accumulated depreciation	<u>\$ (376,532)</u>	<u>\$ (36,055)</u>	<u>\$ -</u>	<u>\$ (412,587)</u>
Total capital assets being depreciated, net	<u>\$ 67,389</u>	<u>\$ 86,439</u>	<u>\$ -</u>	<u>\$ 153,828</u>
Total capital assets, net	<u>\$ 68,889</u>	<u>\$ 86,439</u>	<u>\$ -</u>	<u>\$ 155,328</u>

Depreciation was charged to functions as follows:

Governmental activities:	
General government	<u>\$ 36,055</u>

Note 5. Per Diem Paid to the Board of Commissioners

Compensation paid to the Commissioners for the year ended December 31, 2022 is as follows:

Terry Istre	\$ 1,000
Brad Core	2,400
Wayne Baronet	1,100
Reece Guillot	1,100
Chris Sarver	<u>1,200</u>
	<u>\$ 6,800</u>

NOTES TO FINANCIAL STATEMENTS

Note 6. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to cover any claims related to these risks.

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REQUIRED SUPPLEMENTARY INFORMATION

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

For the Year Ended December 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive <u>(Negative)</u>
Revenues:				
Taxes –				
Ad valorem	\$ 450,000	\$ 476,600	\$ 480,227	\$ 3,627
Intergovernmental –				
State revenue sharing	29,000	29,000	26,472	(2,528)
Investment earnings	<u>2,200</u>	<u>2,200</u>	<u>1,995</u>	<u>(205)</u>
Total revenues	<u>\$ 481,200</u>	<u>\$ 507,800</u>	<u>\$ 508,694</u>	<u>\$ 894</u>
Expenditures:				
Current –				
General Government -				
Public works:				
Salaries and taxes	\$ 157,000	\$ 162,100	\$ 156,917	\$ 5,183
Equipment rental	4,000	6,000	6,296	(296)
Parts and repairs	52,000	47,500	47,481	19
Fuel	11,700	20,000	20,141	(141)
Telephone and utilities	7,000	7,000	8,454	(1,454)
Office supplies	2,875	2,875	2,237	638
Office rent	4,000	4,000	4,200	(200)
Insurance	72,000	57,000	56,441	559
Chemicals	17,000	25,000	27,397	(2,397)
Project expenses	75,000	106,000	106,175	(175)
Per diem	7,200	6,900	6,800	100
Pension deduction	15,000	13,400	16,019	(2,619)
Professional fees	7,000	6,200	6,200	-
Licenses	125	125	25	100
Advertisement	2,700	2,700	2,135	565
Uncollectible taxes	1,300	1,300	3,650	(2,350)
Capital Outlay	<u>45,300</u>	<u>122,500</u>	<u>122,494</u>	<u>6</u>
Total expenditures	<u>\$ 481,200</u>	<u>\$ 590,600</u>	<u>\$ 593,062</u>	<u>\$ (2,462)</u>
Net change in fund balance	\$ -	\$ (82,800)	\$ (84,368)	\$ (1,568)
Fund balance, beginning	<u>1,153,215</u>	<u>1,153,215</u>	<u>1,153,215</u>	<u>-</u>
Fund balance, ending	<u>\$1,153,215</u>	<u>\$1,070,415</u>	<u>\$ 1,068,847</u>	<u>\$ (1,568)</u>

See Note to Budgetary Comparison Schedule.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

NOTE TO BUDGETARY COMPARISON SCHEDULE

Note 1. Budgets and Budgetary Accounting

The District uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The Secretary-Treasurer submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. The budget is then legally enacted through passage of an ordinance.
4. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. The budget is employed as a management control device during the year that assists its users in financial activity analysis.

All budget appropriations lapse at year-end. The final budget presented is as amended by the Board of Commissioners.

Note 2. Stewardship, Compliance and Accountability

The General Fund's expenditures exceeded budgeted expenditures by \$2,462 in 2022.

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OTHER SUPPLEMENTARY INFORMATION

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD
For the Year Ended December 31, 2022

Agency Head Name: Wayne Baronet

Purpose:

Amount

Per diem

\$ 1,100

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

To the Board of Commissioners of
Sixth Ward and Crowley Drainage District
Crowley, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Sixth Ward and Crowley Drainage District as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 22, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the 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 District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Broussard Poche', LLP

Lafayette, Louisiana

June 22, 2023

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES

Year Ended December 31, 2022

We have audited the basic financial statements of Sixth Ward and Crowley Drainage District as of and for the year ended December 31, 2022, and have issued our report thereon dated June 22, 2023. 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 audit of the financial statements as of December 31, 2022 resulted in an unmodified opinion.

Section I - Summary of Auditors' Reports

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

Internal Control

Material weaknesses	_____	Yes	<u> X </u>	No
Control deficiencies identified that are not considered to be material weaknesses	_____	Yes	<u> X </u>	None reported

Compliance

Compliance material to financial statements	_____	Yes	<u> X </u>	No
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Section II - Financial Statement Findings

No matters are reported.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

SCHEDULE OF PRIOR FINDINGS

Year Ended December 31, 2022

Section I. Internal Control and Compliance Material to the Financial Statements

None reported.

Section II. Internal Control and Compliance Material to Federal Awards

None reported.

Section III. Management Letter

The prior year's report did not include a management letter.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To Sixth Ward & Crowley Drainage District 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 January 1, 2022 through December 31, 2022. The District's management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal year 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 as follows:

1. **Written Policies and Procedures**

A. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

We obtained a copy of their budgeting policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

ii. **Purchasing**: including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

We obtained a copy of their purchasing policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

iii. **Disbursements**, including processing, reviewing, and approving

We obtained a copy of their disbursements policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

- iv. **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).

We obtained a copy of their receipts/collections policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

- v. **Payroll/Personnel**, including (1) payroll processing, and (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.

We obtained a copy of their payroll/personnel policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

We obtained a copy of their contracting policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

- vii. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

We obtained a copy of their travel and expense reimbursement policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

- viii. **Credit cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).

The District did not have a written policy or procedure addressing these items because they do not have credit cards.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:111-1121, (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.

The client did not have a written policy or procedure addressing these items. The District is in the process of developing an employee manual which would include a policy statement and code of conduct to address the items noted above.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The client did not have a written policy or procedure addressing these items because the District does not have any debt.

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

We obtained a copy of their information technology disaster recovery/business continuity policy effective for the fiscal year ended December 31, 2022. Items noted above are addressed by the policy.

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

The client did not have a written policy or procedure addressing these items. The District is in the process of developing a sexual harassment policy and appointed the Bookkeeper as the designated person for reporting purposes.

2. **Board or Finance Committee**

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

We obtained copies of the District's board minutes for the fiscal year ended December 31, 2022. Items noted above are addressed in the minutes.

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

We obtained a copy of the District's board minutes for the fiscal year ended December 31, 2022. Items noted above are addressed in the minutes.

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

This is not applicable to the District for the fiscal year ended December 31, 2022.

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

This is not applicable to the District for the fiscal year ended December 31, 2022.

3. **Bank Reconciliations**

- A. Obtain a listing of client 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 selected each account, and observe that:

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

We verified bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date.

- ii. Bank reconciliations include 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

Bank reconciliations include evidence of dual review by board members. Reconciliations had initials but were not dated.

- iii. 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.

There were no reconciling items that were outstanding more than 12 months from the statement closing date.

4. **Collections (excluding electronic funds transfers)**

- A. 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).

We obtained a list of all 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. There is only 1 deposit site.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, 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:

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

There is only one employee responsible for collections. All collections are checks, no cash is collected therefore no cash drawer/register is used.

- ii. 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.

The District does not collect cash. The Bookkeeper is responsible for all collections and she also prepares/makes the bank deposits. The Board reviews all collections and deposits.

- iii. 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.

The District does not collect cash. The Bookkeeper posts all collection entries to the general ledgers and subsidiary ledgers and is responsible for collections. The Board reviews all collections/deposits during monthly meetings before the Bookkeeper posts entries.

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

The District does not collect cash. The Bookkeeper reconciles the cash account on a monthly basis and she is responsible for collections. The Board reviews the monthly bank reconciliation.

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

The District does not collect cash (only checks) therefore none of the employees are covered by a bond or insurance policy for theft.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

The District has one deposit site.

- i. Observe that receipts are sequentially pre-numbered.

Receipts are not issued.

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

No exceptions noted.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions noted.

- v. Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

The District has one location that processes payment. We obtained management's representation.

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Board members review all invoices. Two signatures are required on all disbursements..

- ii. At least two employees are involved in processing and approving payments to vendors.

Board members review all invoices. Two signatures are required on all disbursements..

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

The Board approves all new vendors. The Bookkeeper adds approved vendors to the approved vendors listing. Two Board members sign all checks.

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The Treasurer and a second Board member sign all checks then give them to the Bookkeeper to mail out.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

The Bookkeeper handles payments after the Board approves them in monthly meetings, then the Treasurer and a second Board member sign all checks.

- C. For each location selected under procedures #5A 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:

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exceptions noted.

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

The Board approved all invoices. Two board members signed all checks.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure # 3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disperse 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.

No exceptions noted.

6. **Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)**

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

The client did not have any cards for the fiscal period. Obtained management representation.

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

- i. Observe 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, and

The client did not have any cards for the fiscal period.

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

The client did not have any cards for the fiscal period.

- C. Using the monthly statements or combined statements selected under procedures #7B 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 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, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

The client did not have any cards for the fiscal period.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, 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:

The District did not have travel and travel-related expenses in the fiscal period.

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

The District did not have travel and travel-related expenses in the fiscal period.

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

The District did not have travel and travel-related expenses in the fiscal period.

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

The District did not have travel and travel-related expenses in the fiscal period.

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

The District did not have travel and travel-related expenses in the fiscal period.

8. Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. 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:

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

No exceptions noted.

- ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exceptions noted.

- iii. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).

No exceptions noted.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted.

9. **Payroll and Personnel**

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

We obtained a listing of employees and officials during the fiscal year and management's representation that this listing is complete.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedures #9A above, obtain attendance records and leave documentation for the pay period, and:

- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

No exceptions noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

- iv. Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, and agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

We obtained management representation that no termination payments were made during the fiscal year.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Management representations were obtained that all such payments have been paid and forms have been filed by the required deadlines.

10. **Ethics**

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:

i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and.

Three employees selected did not complete the one hour of ethics training during the calendar year as required by R.S. 42:1170.

ii. Observe that 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.

The District does not have a written ethics policy.

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

The District did not appoint an ethics designee for the fiscal year.

11. **Debt Service**

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution..

Obtained management's representation that the District did not have any bonds/notes or other debt instruments issued during the fiscal period.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Obtained management's representation that the District did not have any bonds/notes outstanding at the end of the fiscal period.

12. **Fraud Notice**

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

Obtained management's representation that there was no misappropriations of public funds and assets during the fiscal period.

- B. 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.

The District posted the notice on its premises as required by R.S. 24:523.1. The District does not have a website.

13. **Information Technology Disaster Recovery/Business Continuity**

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

- i. Obtain and inspect the 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 observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect 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 observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- iii. 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.

We performed the procedure and discussed the results with management.

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

The District did not have any terminated employees during the fiscal year.

14. **Prevention of Sexual Harassment**

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, 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.

Three employees selected did not take one hour of sexual harassment training for the calendar year as required by R.S. 42:343.

- B. 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).

The District posted its sexual harassment policy and complaint procedures on the premises. The District does not have a website.

- C. 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 it includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

The District did not have an annual sexual harassment report for the fiscal period.

Management's response/corrective actions: *The District concurs with the exceptions identified above. The District will work to address all exceptions.*

We were engaged by the District 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Broussard Pache', LLP

Lafayette, Louisiana
June 22, 2023