

**TANGIPAHOA MOSQUITO ABATEMENT DISTRICT
NUMBER ONE
HAMMOND, LOUISIANA**

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2021



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

A Professional Accounting Corporation

**Tangipahoa Mosquito Abatement District Number One
Annual Financial Statements
As of and for the Year Ended December 31, 2021
With Supplementary Information**

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Annual Financial Statements
As of and for the Year Ended December 31, 2021
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A PROFESSIONAL ACCOUNTING CORPORATION

To the Board of Commissioners
Tangipahoa Mosquito Abatement District Number One
Tangipahoa Parish
Hammond, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Tangipahoa Mosquito Abatement District Number One of the Parish of Tangipahoa, Louisiana a component unit of the Tangipahoa Parish Government, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Tangipahoa Mosquito Abatement District Number One's basic financial statements as listed in the table of contents.

Qualified Opinions

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and the general fund of Tangipahoa Mosquito Abatement District Number One of the Parish of Tangipahoa, Louisiana a component unit of the Tangipahoa Parish Government, as of December 31, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified 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 Tangipahoa Mosquito Abatement District Number One 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 qualified audit opinions.

Matter Giving Rise to Qualified Opinions

We did not observe the taking of the physical inventory as of December 31, 2021, since that date was prior to our appointment as auditors for the District, and we were unable to satisfy ourselves regarding inventory quantities by means of other auditing procedures

Management's Responsibility 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; this includes 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 Tangipahoa Mosquito Abatement District Number One'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 Responsibility 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 omission, 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 Tangipahoa Mosquito Abatement District Number One'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 City of X, State Y'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 Supplemental Information

Accounting principles generally accepted in the United States of America require that Management Discussion and Analysis and the budgetary comparison information on pages 7-13 and page 44, as well as the Schedule of the District's Proportionate Share of the Net Pension Liability (Asset) and Schedule of the District's Contributions on pages 45-47, 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 and 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 Tangipahoa Mosquito Abatement District Number One's basic financial statements. The Schedule of Compensation Paid to Board Members and the Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head 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 relate 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 Paid to Board Members and the Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2022, on our consideration of the Tangipahoa Mosquito Abatement District Number One's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tangipahoa Mosquito Abatement District Number One'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 Tangipahoa Mosquito Abatement District Number One's internal control over financial reporting and compliance.

Sincerely,

Phil Hebert

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Ponchatoula, Louisiana
August 3, 2022

Required Supplemental Information (Part 1)
Management's Discussion and Analysis

Tangipahoa Mosquito Abatement District Number One
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2021

Introduction

Tangipahoa Mosquito Abatement District Number One of the Parish of Tangipahoa (the "District") is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statements No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments* (GASB 34), as amended. The amendment of GASB 34, including the adoption of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and applicable standards are more fully described in Footnote 1 – *Summary of Significant Accounting Policies*.

The District's management discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position, (d) identify any significant variations from the District's financial plan, and (e) identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this Management's Discussion and Analysis should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this Management's Discussion and Analysis.

Financial Highlights

- At December 31, 2021, the District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$7,686,965 (net position). The District's unrestricted net position of \$6,445,841 may be used to meet the District's ongoing obligations for mosquito protection. For the year ended December 31, 2021, the District's total net position increased \$52,970.
- At December 31, 2021, the District's government fund reported an ending fund balance of \$6,186,626 a decrease of \$383,383 for the year. Of this amount, \$3,339,647 is unassigned and available for spending for mosquito protection. \$2,100,000 is committed for future projects.
- For the year ended December 31, 2021, the District's total liabilities increased by \$23,339 or approximately 8% due primarily to an increase in accrued payables and compensated absences.
- Interest income for the year ended December 31, 2021, was \$11,886 a decrease of \$8,363. This decrease is due primarily to lower interest rates.
- Ad valorem taxes for the year ended December 31, 2021, were \$2,683,610 which represents an increase of \$144,697.

Tangipahoa Mosquito Abatement District Number One
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2021

Overview of the Annual Financial Report

The financial statement focus is on both the District as a whole and on its major individual fund. Both perspectives, government-wide and its major fund, allow the user to address relevant questions, broaden a basis for comparison, and enhance the District's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basis financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on the District's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the District's various revenues. This is intended to summarize and simplify the reader's analysis of the cost and/or subsidy of various governmental services.

In both the Government-Wide Financial Statements, the District's activities are of a single type:

- Governmental activities – The District's basic services are reported here and are financed primarily through ad valorem taxes.

The Government-Wide Financial Statements can be found on page 15 and 16 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The District uses a single category of funds to account for financial transactions: governmental funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Tangipahoa Mosquito Abatement District Number One
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2021

Governmental funds are used to account for all the District's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The basic governmental fund financial statement can be found on pages 18 and 20 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the District's more immediate decisions on the current use of financial resources. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliation can be found on pages 19 and 21 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 23 of this report.

**Tangipahoa Mosquito Abatement District Number One
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2021**

Government-Wide Financial Analysis

As stated earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the District's net position for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position on page 15 of this report.

**Condensed Statement of Net Position
2021 and 2020**

	Governmental Activities		\$ Change	% Change
	2021	2020		
Assets:				
Current and Other Assets	\$ 6,939,915	\$ 6,790,455	\$ 149,460	2%
Capital Assets, Net	1,241,124	1,217,001	24,123	2%
Total Assets	8,181,039	8,007,456	173,583	2%
Deferred Outflows of Resources				
Pension Related	168,635	139,840	28,795	21%
Total Deferred Outflows of Resources	168,635	139,840	28,795	21%
Liabilities:				
Due Within One Year	175,501	149,022	26,479	18%
Due in More Than One Year	151,751	154,891	(3,140)	-2%
Total Liabilities	327,252	303,913	23,339	8%
Deferred Inflows of Resources				
Pension Related	335,457	209,388	126,069	60%
Total Deferred Inflows of Resources	335,457	209,388	126,069	60%
Net Position:				
Investment in Capital Assets	1,241,124	1,217,001	24,123	2%
Unrestricted	6,445,841	6,416,994	28,847	0%
Total net Position	\$ 7,686,965	\$ 7,633,995	\$ 52,970	1%

Approximately 16% of the District's net position reflects its investment in capital assets (furniture, equipment, and buildings) net of any outstanding debt used to acquire those assets (no debt in 2021). These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Approximately 84% of the District's net position are unrestricted and may be used to meet the District's ongoing obligations to its citizens.

At the end of the current fiscal year, the District was able to report positive balances in its sole category of net position, governmental activities. The same held true for the prior fiscal year.

**Tangipahoa Mosquito Abatement District Number One
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2021**

The District's activities increased its net position by \$52,970, the total increase is attributable to its governmental activities.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the District's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities on page 16 of this report.

**Condensed Statement of Activities
For the years ended December 31, 2021 and 2020**

	<u>Governmental Activities</u>		<u>Variance</u>	
	<u>2021</u>	<u>2020</u>	<u>Dollar</u>	<u>Percentage</u>
Revenues:				
Program Revenues:				
Operating Grants and Contributions	\$ 6,740	\$ 7,728	(988)	-13%
General Revenues				
Ad Valorem Taxes	2,683,610	2,538,913	144,697	6%
Intergovernmental	41,796	81,536	(39,740)	-49%
Gain (Loss) on Disposition of Assets	4,552	40,460	(35,908)	-89%
Interest Income	11,886	20,249	(8,363)	-41%
Miscellaneous	19,882	17,672	2,210	13%
Total Revenues	<u>2,768,466</u>	<u>2,706,558</u>	<u>61,908</u>	<u>2%</u>
Expenses:				
Mosquito Abatement	2,715,496	2,260,877	454,619	20%
Total Expenses	<u>2,715,496</u>	<u>2,260,877</u>	<u>454,619</u>	<u>20%</u>
Change in Net Position	52,970	445,681	(392,711)	-88%
Net Position, Beginning	7,633,995	7,188,314	445,681	6%
Net Position, Ending	<u>\$ 7,686,965</u>	<u>\$ 7,633,995</u>	<u>\$ 52,970</u>	<u>1%</u>

Governmental Activities

The District's governmental net position increased by \$52,970, or 1% of the prior year ending net position, to \$7,686,965. Changes in net position decreased by \$392,711 compared to the prior year. Revenues increased by \$61,908 and expenses increased by \$454,619, thus there was a net increase in net position.

The increase in revenues is primarily due to an increase ad valorem tax.

**Tangipahoa Mosquito Abatement District Number One
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2021**

The increase in expenses noted above is primarily comprised of increases in several categories of mosquito abatement expenses, most notably, pension expense, salaries, wages and chemicals.

Fund Financial Analysis

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one fund type, governmental funds.

Government Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the year. The basic governmental fund financial statements can be found on pages 18 and 20 of this report.

At the end of the current year, the District's governmental fund reported ending fund balances \$6,186,626. This represents a decrease of \$383,383 or 6% of the prior year's ending balances.

Major Governmental Fund Budgetary Highlights

Tangipahoa Mosquito Abatement District Number One of the Parish of Tangipahoa adopts an annual operating budget in accordance with requirements of the Local Government Budget Act. As required by state law, actual revenues and other sources were within five percent of budgeted revenues, and actual expenditures did not exceed budgeted expenditures by five percent. The budget provides an estimate for the current fiscal year of the proposed expenditures and the revenues that will finance the operation of the District. A Budget schedule detailing budget compliance is included as required supplementary information, following the footnotes of the financial statements.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2021, and 2020 amounted to \$1,241,124 and \$1,217,001 respectively (net of depreciation). Asset purchases during 2021 and 2020 respectively were \$159,249 and \$101,100.

The following table provides a summary of the District's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information see Note 7 to the financial statements on page 34 of this report.

**Tangipahoa Mosquito Abatement District Number One
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2021**

**Capital Assets (Net of Depreciation)
2021 and 2020**

	Governmental Activities	
	2021	2020
Capital Assets		
Building	\$ 1,333,065	\$ 1,333,065
Equipment	1,181,531	1,078,474
Office Furniture and Equipment	273,640	258,026
	2,788,236	2,669,565
Less Accumulated Depreciation	(1,547,112)	(1,452,564)
Capital Assets Net	\$ 1,241,124	\$ 1,217,001

Long-Term Debt

At December 31, 2021, the District had no long-term debt outstanding, other than net pension liability and compensated absences.

Contacting the District's Financial Management

This financial report is designed to provide the District's users with a general overview of the District's finances and show the District's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to Tangipahoa Mosquito Abatement District Number One of the Parish of Tangipahoa, 15483 Club Deluxe Road, Hammond, Louisiana 70403. The District's telephone number is (985) 543-0454.

Basic Financial Statements
Government-Wide Financial Statements

Tangipahoa Mosquito Abatement District Number One

Statement A

**Statement of Net Position
As of December 31, 2021**

Assets	Governmental Activities
Current Assets:	
Cash and Cash Equivalents	\$ 3,412,409
Receivables, Net	
Ad Valorem Taxes	2,621,489
Inventory	723,892
Prepaid Insurance	23,087
Total Current Assets	<u>6,780,877</u>
Noncurrent Assets:	
Net Pension Asset	<u>159,038</u>
Total Noncurrent Assets	<u>159,038</u>
Capital Assets:	
Capital Assets, Net of Depreciation	<u>1,241,124</u>
Total Capital Assets	<u>1,241,124</u>
Total Assets	<u>8,181,039</u>
Deferred Outflows of Resources	
Pension Related	<u>168,635</u>
Total Deferred Outflows of Resources	<u>168,635</u>
Liabilities	
Current Liabilities:	
Accounts Payable	17,976
Other Accrued Payables	157,525
Total Current Liabilities	<u>175,501</u>
Long Term Liabilities:	
Compensated Absences Payables	<u>151,751</u>
Total Long Term Liabilities	<u>151,751</u>
Total Liabilities	<u>327,252</u>
Deferred Inflows of Resources	
Pension Related	<u>335,457</u>
Total Deferred Inflows of Resources	<u>335,457</u>
Net Position	
Investment in Capital Assets	1,241,124
Unrestricted	6,445,841
Total Net Position	<u>\$ 7,686,965</u>

The accompanying notes are an integral part of this statement.

Tangipahoa Mosquito Abatement District Number One

Statement B

**Statement of Activities
For the Year Ended December 31, 2021**

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants & Contributions</u>	<u>Net (Expense) Revenues and Change in Net Position</u>
Governmental Activities				
Mosquito Abatement	\$ 2,715,496	-	6,740	\$ (2,708,756)
Total Government Activities	<u>2,715,496</u>	<u>-</u>	<u>6,740</u>	<u>(2,708,756)</u>
General Revenues:				
Ad Valorem Taxes				2,683,610
Gain on Sale of Capital Assets				4,552
Intergovernmental				41,796
Interest Income				11,886
Miscellaneous				19,882
Total General Revenues				<u>2,761,726</u>
Change in Net Position				52,970
Net Position, Beginning				<u>7,633,995</u>
Net Position, Ending				<u><u>\$ 7,686,965</u></u>

The accompanying notes are an integral part of this statement.

Basic Financial Statements
Fund Financial Statements

Tangipahoa Mosquito Abatement District Number One

Statement C

**Balance Sheet, Governmental Funds
As of December 31, 2021**

	<u>General Fund</u>
Assets	
Cash and Cash Equivalents	\$ 3,412,409
Receivables, Net	
Ad Valorem Taxes	2,621,489
Inventory	723,892
Prepaid Insurance	23,087
Total Assets	<u><u>\$ 6,780,877</u></u>
 Liabilities, Deferred Inflows of Resources, and Fund Balance	
Liabilities:	
Accounts Payable	\$ 17,976
Other Accrued Liabilities	157,525
Total Liabilities	<u>175,501</u>
 Deferred Inflows of Resources	
Ad Valorem Tax Revenue	418,750
Total Deferred Inflows of Resources	<u>418,750</u>
 Fund Balance	
Nonspendable	746,979
Committed	2,100,000
Unassigned	3,339,647
Total Fund Balance	<u><u>6,186,626</u></u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 <u><u>\$ 6,780,877</u></u>

The accompanying notes are an integral part of this statement.

Tangipahoa Mosquito Abatement District Number One

Statement D

**Reconciliation of the Governmental Funds Balance Sheet
to The Government-Wide Financial Statement of Net Position
As of December 31, 2021**

Fund Balances, Total Governmental Funds (Statement C) \$ 6,186,626

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

Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds. These assets consist of:

Governmental capital assets, net of accumulated depreciation 1,241,124

Ad valorem taxes collected after year-end, but not available soon enough to pay for current expenditures are reported as deferred inflows of resources in the governmental funds. 418,750

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Compensated Absences Payable (151,751)

Deferred outflows and inflows or resources pertaining to pension are not reported in governmental funds:

Net Pension Asset 159,038

Deferred Outflows of Resources, Pension Related 168,635

Deferred Inflows of Resources, Pension Related (335,457)

Net Position, Governmental Activities (Statement A) \$ 7,686,965

The accompanying notes are an integral part of this statement.

Tangipahoa Mosquito Abatement District Number One

Statement E

**Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended December 31, 2021**

	General Fund
Revenues	
Ad Valorem Taxes	\$ 2,257,876
Intergovernmental	48,536
Interest	11,886
Miscellaneous	19,941
Total Revenues	2,338,239
Expenditures	
Salaries	732,430
Medical Insurance	144,916
Medical Deductible	20,673
Payroll Taxes	16,305
Retirement	77,482
Chemicals	886,993
Dues	2,969
Insurance	121,285
Internet	6,252
Office Expense	10,346
Other Operating	16,107
Outside Services	242,740
Professional Fees	19,250
Repairs and Maintenance	29,112
Software	7,713
Supplies	42,174
Telephone	18,368
Training	8,649
Travel	4,739
Utilities	17,307
Vehicle Expense	40,647
Statutory Payments to Assessor	100,468
Capital Outlay	159,249
Total Expenditures	2,726,174
Excess (Deficiency) of Revenue Over (Under) Expenditures	(387,935)
Other Financing Sources (Uses)	
Proceed From Sale of Fixed Assets	4,552
Total Other Financing Sources (Uses)	4,552
Net Change in Fund Balance	(383,383)
Fund Balance, Beginning	6,570,009
Fund Balance, Ending	\$ 6,186,626

The accompanying notes are an integral part of this statement.

Tangipahoa Mosquito Abatement District Number One

Statement F

**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2021**

Net Change in Fund Balances, Total Governmental Funds (Statement E) **\$ (383,383)**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlays	159,249
Depreciation Expense	(132,330)

Some expenses do not require the use of current financial resources and, therefore, are not recorded as an expenditure in the governmental funds, but are recorded as an expense in the statement of activities:

Change in Compensated Absences	9,829
Pension Expenses	(19,145)

Some revenues in the statement of activities do not provide current financial resources and are not reported as revenue in the governmental funds:

Ad Valorem Taxes Collected more than 60 days after year end	418,750
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Change in Net Position, Governmental Activities (Statement B) **\$ 52,970**

The accompanying notes are an integral part of this statement.

Basic Financial Statements
Notes to the Financial Statements

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Introduction

The Tangipahoa Mosquito Abatement District No. 1 of the Parish of Tangipahoa (hereinafter referred to as “the District”), was created by the Tangipahoa Parish Council by Tangipahoa Parish Ordinance Number 01-18 on June 25, 2001, under the authority conferred by Chapter 23 of Title 33 of the Louisiana Revised Statutes of 1950, and thereby constitutes a political subdivision of the State of Louisiana. The District is governed by a board of commissioners consisting of seven (7) members. Five (5) of the commissioners are appointed by the Tangipahoa Parish Council, and one (1) commissioner is to be appointed by the governing authority of the City of Hammond, and one (1) commissioner is to be appointed by the governing authority of the City of Ponchatoula. Commissioners receive no compensation for serving on the District board. The board has the authority to purchase, maintain, and operate machinery and equipment necessary or useful in the eradication, abatement, or control of mosquitoes and other arthropods of public health importance, and to maintain an adequate administrative staff.

At December 31, 2021, the District had 12 full-time employees and no part-time employees.

The financial statements of the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

Governmental Accounting Standards Board (GASB) Statement No. 14, as amended, establishes criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Tangipahoa Mosquito Abatement District No. 1 is considered a component unit of the Tangipahoa Parish Government. As a component unit, the accompanying financial statements are to be included within the reporting of the primary government, either blended within those financial statements or separately reported as a discrete component unit. Under provisions of this statement, there are no component units of the District.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management’s Discussion and Analysis, for State and Local Governments*, as amended by GASB Statements some of which are described in the following paragraphs. Statement No. 34 established standards for financial reporting, with presentation requirements originally including a statement of net assets (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The District has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* that require capital contributions to the District to be presented as a change in net position.

Tangipahoa Mosquito Abatement District Number One
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As of and for the Year Ended December 31, 2021

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

GASB Concepts Statement No. 4, identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net assets reporting requirements in Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and other pronouncements by incorporating deferred outflows or resources and deferred inflows of resources into the definition of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Note 1J Net Position and Fund Balance*.

Also, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows or resources or inflows or resources, certain items that were previously reported as assets and liabilities. The application of this standard to long-term debt offerings of the District is more fully described in *Note 11 Long Term Obligations*.

The District had deferred outflows and deferred inflows of resources in the governmental activities Statement of Net Position of \$168,635 and \$335,457 respectively, related to pension at December 31, 2021. At December 31, 2021, the District also had deferred inflows of resources in the general fund Balance Sheet of \$418,750 related to accounts receivable not collected within the period of availability.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, a primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The District does not have any business-type activities and reports only governmental activities. The District has only one fund and as such, there is no interfund activity. The District has no component units.

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

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are presented as separate columns in the fund financial statements. The District reports only one fund: a government fund – the general fund.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period if they are measurable and available. Only the portion of special assessment receivable, if any due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Substantially all other revenue items are considered to be measurable and available only when received by the government.

The District reports the following major governmental fund:

General Fund

The *General Fund* is the District's primary operating fund. It accounts for and reports all financial resources of the general government, except those required to be accounted for in another fund (none in the current year).

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

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

C. Cash, Cash Equivalents and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law allows the District to deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits in state banks organized under Louisiana law or national banks having principal offices in Louisiana. State law also limits the District to investments allowed under R.S. 33:2955.

The state investment pool, the Louisiana Asset Management Pool (LAMP), operates in accordance with state laws and regulations and is considered a cash equivalent by the District. Investments for the District are reported at fair value, except any nonparticipating investment contracts which are reported at cost.

D. Receivables and Revenues

Property tax receivables are shown net of an allowance for uncollectible. The District uses approximately one half up to two and a half percent of the property tax receivable as an allowance for uncollectible depending on information available.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The taxes are generally collected in December of the current year, and January and February of the ensuing year. The following is a summary of authorized and levied ad valorem taxes:

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

Authorized Millage	Levied Millage	Expiration Date
5.00	4.98	2026

Mosquito abatement taxes are used for acquiring, purchasing, maintaining and operating machinery, facilities, equipment and materials necessary or useful in the eradication, abatement or control of mosquitoes and other arthropods of public health importance.

E. Inventory and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

Certain proceeds of specific revenue sources that are legally restricted to expenditures for a specified purpose are classified as restricted assets because their use is limited to specific expenditures. Such assets have been restricted by bond indenture, law, or contractual obligations.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

G. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated costs if historical costs are not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$500 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 asset lives are not capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Equipment	5 - 20 Years
Office Furniture and Equipment	5 - 10 Years
Building and Improvements	20 - 40 Years

H. Compensated Absences

The District has the following policy related to annual and sick leave.

All full-time employees are entitled to annual and sick leave as follows:

	<u>Minimum Years of Service</u>		
	<u>1 to 5 Years</u>	<u>5 to 15 Years</u>	<u>15 Years</u>
Employees hired on or before June 13, 2018:			
Annual Leave-hours per two week pay period	4	6	8
Sick leave-hours per two week pay period	4	4	4
Employees hired after June 13, 2018:			
Annual Leave-hours per two week pay period	3.0769	4.6154	6.1538
Sick leave-hours per two week pay period	3.0769	3.0769	3.0769

The following limits are the maximum number of accrued hours which may be carried over to the following year:

Employees hired on or before June 13, 2018:	
Annual Leave-hours per two week pay period	400 hours
Sick leave-hours per two week pay period	600 hours
Employees hired after June 13, 2018:	
Annual Leave-hours per two week pay period	240 hours
Sick leave-hours per two week pay period	360 hours

Tangipahoa Mosquito Abatement District Number One
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As of and for the Year Ended December 31, 2021

At the time of separation from the District, employees are to be paid for any unused annual leave at the straight time rate of pay earned at the time of separation (up to the carryover maximum).

At the time of retirement, unpaid sick leave may be converted to additional service credit subject to the rules of the Parochial Employee Retirement System of Louisiana (PERSLA). There is no provision for the payment of accrued sick leave from the District except as follows: Employees hired on or before June 13, 2018, are allowed the benefit previously in place of paying them for unused sick leave upon retirement (up to the amount of sick leave they had accrued as of June 13, 2018, and at the current rate of pay on June 13, 2018).

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized in the governmental funds as current-year expenditure when leave is actually taken. The compensated absences payable balance is recorded in the government-wide financial statement of net position.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Under GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, debt issuance costs, other than prepaid insurance costs, recorded in the current fiscal year are expensed. Any prepaid insurance costs on any new debt issuance should be reported as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt. If applicable, bond premiums and discounts continue to be amortized over the life of the bonds, using the effective interest method, and bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond insurance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt insurances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. At December 31, 2021, the District had no such debt and no long-term obligations, outstanding, other than compensated absences liability. At December 31, 2021, the compensated absences payable was \$151,751.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

J. Net Position and Fund Balance

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 for the government-wide financial statements requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position.** The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount. The District does not have any capital related debt or capital related deferred inflows of resources, and as such, the component is *investment in capital assets* in the current year.
- **Restricted Component of Net Position.** This component of net position consists of constraints placed on their use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions of enabling legislation.
- **Unrestricted Component of Net Position.** This component of net position consists of net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, Governmental fund equity is classified as fund balance. GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used.

- **Nonspendable.** These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Nonspendable reflects inventory of \$723,892 and prepaid insurance in the amount of \$23,087.
- **Restricted.** These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Tangipahoa Mosquito Abatement District Number One
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- **Committed.** These are amounts that can be used only for specific purposes determined by a formal vote of the Board, which is the highest level of decision-making authority for the District. At December 31, 2021, The District had committed fund balance for the following:
 - Larger aircraft for aerial mosquito control spraying \$800,000
 - Construction of aircraft hangar \$300,000
 - Emergency reserves for mosquito control chemicals \$500,000
 - Emergency aerial spraying \$500,000
- **Assigned.** These are amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes based on the discretion of the board.
- **Unassigned.** These are amounts that have not been assigned to other funds and amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. Also, within other governmental funds, these include expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed or assigned for those purposes.

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

When restricted, committed, assigned, or unassigned fund balances are available for use, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds as needed, unless it has been provided for otherwise in the restriction, commitment, or assignment action.

K. Comparative Data/Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

L. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 expenses during the reported period. Actual results could differ from those estimates.

Tangipahoa Mosquito Abatement District Number One
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N. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

2. Stewardship, Compliance, and Accountability

Budget Information

The Tangipahoa Mosquito Abatement District Number One uses the following budget practices:

1. The District prepares budgets on the modified accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).
2. The District's director prepares the proposed budget and submits it to the board of commissioners no later than fifteen (15) days prior to the beginning of each fiscal year. The proposed budget for 2021 was presented to the board of commissioners on October 14, 2020.
3. The proposed budget for 2021 was adopted on October 14, 2020.
4. Budgetary amendments require the approval of the Board of Commissioners. The amended budget was adopted on December 15, 2021.
5. All budgetary appropriations lapse at year-end.
6. Periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in accompanying financial statements include the originally adopted budget amounts and all subsequent amendments legally adopted prior to year-end.
7. There were no budget variances that would result in unfavorable variances in violation of the Local Government Budget Act for the fiscal year ended December 31, 2021.

3. Cash and Cash Equivalents

At December 31, 2021, the District had cash and cash equivalents (book balances) totaling \$3,412,409 as follows:

Interest bearing demand deposits	\$ 2,873,378
Louisiana Asset Management Pool	539,031
	<u>\$ 3,412,409</u>

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

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

Custodial credit risk as it relates to cash deposits is the risk that in the event of bank failure, the government's deposits may not be returned. The District does not have a formal policy for custodial credit risk. At December 31, 2021, the District had \$2,877,578 in bank deposit other than LAMP (collected bank balances) in one financial institution consisting entirely of interest-bearing demand deposits. These demand deposits are secured from risk by \$250,000 of federal deposit insurance and the remaining \$2,627,578 is secured by pledged securities. The \$2,627,578 is exposed to custodial credit risk because while the amount is secured by pledged securities, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

At December 31, 2021, the District had additional cash equivalents considered to be a demand deposit in the Louisiana Asset Management Pool (LAMP) of \$539,031.

Even though the pledged securities are considered uncollateralized (category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

Custodial credit risk as it relates to cash deposits is the risk that in the event of bank failure, the government's deposits may not be returned. The District does not have a formal policy for custodial credit risk.

At December 31, 2021, the District had additional cash equivalents considered to be a demand deposit in the Louisiana Asset Management Pool (LAMP) of \$539,031.

4. Investments

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the District or its agent in the District's name.
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name.
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the District's name.

Interest Rate Risk: The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates. The District's investments are carried at fair value, except any nonparticipating investment contracts, which

Tangipahoa Mosquito Abatement District Number One
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are reported as cash. The District's only investments at December 31, 2021, are deposits in LAMP carried as cash and cash equivalents as noted in Note 3. The District reports its investment in LAMP as cash equivalents due to the highly liquid nature of these deposits.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB Statement 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

1. Credit risk: LAMP is rated AAAM by Standard and Poor's.
2. Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
3. Concentration of Credit Risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: LAMP is designed to be highly liquid to give participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 47 days (from LAMP's monthly Portfolio Holding) as of December 31, 2021.
5. Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, please feel free to contact LAMP administrative offices at 800-249-5267.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

5. Receivables

The following is a summary of receivables at December 31, 2021:

Ad Valorem Taxes	\$ 2,640,657
Less Allowance for Uncollectible	<u>(19,168)</u>
Net Receivable	<u><u>\$ 2,621,489</u></u>

All receivable amounts are current.

6. Interfund Receivable/Payable

Interfund receivables and payables are recorded when one fund overpays or underpays its portion of an expenditure. The District had no interfund receivables and payables since it had only one fund.

7. Capital Assets

Capital assets and depreciation for governmental activities as of and for the year ended December 31, 2021, is as follows:

	Balance 12/31/2020	Increases	Decreases	Balance 12/31/2021
Capital Assets Being Depreciated				
Building	\$ 1,333,065	\$ -	\$ -	\$ 1,333,065
Equipment	1,078,474	129,293	26,236	1,181,531
Office Furniture and Equipment	<u>258,026</u>	<u>29,956</u>	<u>14,342</u>	<u>273,640</u>
Total Capital Assets Being Depreciated	2,669,565	159,249	40,578	2,788,236
Less Accumulated Depreciation For:				
Building	359,674	34,181	-	393,855
Equipment	862,737	83,583	23,438	922,882
Office Furniture and Equipment	<u>230,153</u>	<u>14,566</u>	<u>14,344</u>	<u>230,375</u>
Total Accumulated Depreciation	<u>1,452,564</u>	<u>132,330</u>	<u>37,782</u>	<u>1,547,112</u>
Capital Assets Being Depreciated, Net	<u><u>\$ 1,217,001</u></u>	<u><u>\$ 26,919</u></u>	<u><u>\$ 2,796</u></u>	<u><u>\$ 1,241,124</u></u>

Depreciation expenses of \$132,330 for the year ended December 31, 2021, were charged to the Governmental activities.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

8. Accounts, Salaries and Other Payables

The payables at December 31, 2021, are as follows:

Accounts Payable	\$ 17,976
Accrued Salaries	14,939
Payroll Taxes and Related Withholdings	42,118
Deductions From Ad Valorem Taxes	100,468
Total Liabilities	<u>\$ 175,501</u>

9. Long-Term Obligations

The District has no long-term debt outstanding at December 31, 2021. Long-term obligations include compensated absences in the amount of \$151,751.

10. Retirement System

Substantially all full-time employees of Tangipahoa Mosquito Abatement District Number One are members of the Parochial Employees' Retirement System of Louisiana (System), a multi-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

The District previously implemented Governmental Accounting Standards Board (GASB) Statement 68 on *Accounting and Financial Reporting for Pensions* and Statement 71 on *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB 68. These standards require the District to record its proportional share of each of the pension plans' net pension liability and report the following disclosures:

Plan Description: Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employers defined benefit pension plan. The System was established and provided for by R.S. 11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system, and which elects to become members of the System.

Substantially all full-time employees of the District are members of the Parochial Employees' Retirement System of Louisiana (System). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the District are members of Plan A.

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2020. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Eligibility Requirements:

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace and parish presidents, may no longer join the Retirement System.

Retirement Benefits:

Any member of Plan A can retire providing her/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service
2. Age 62 with 10 years of service
3. Age 67 with 7 years of service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to 3% of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit as outlined in the statutes.

Deferred Retirement Option Plan (DROP) Benefits:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, true annuity based upon his account balance in that fund or roll over the fund to an Individual Retirement Account.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan (DROP) on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or at the option of the Systems, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007 has seven years of creditable service, and is not eligible for normal retirement and has been certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age 60.

Cost of Living Increases:

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 12.25% of annual covered payroll. Contributions to the System include one-fourth (1/4) of one (1%) percent of the ad valorem taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-contributing entities.

Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2021. During the year ending December 31, 2021, the District recognized revenue as a result of support received from non-employer contributing entities of \$47,330 for its participation in Parochial Employees' Retirement System of Louisiana – Plan A.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

The District's contributions to the System under Plan A for the years ending December 31, 2021, and 2020 were \$76,403 and \$73,609 respectively, each equal to the required contributions for that year.

Pension Liabilities, Pension Expense, and Deferred Outflows and Resources and Deferred Inflows of Resources:

At December 31, 2021, the District reported an asset of \$159,038 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation of that date. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, the District's proportion was 0.090742%, which was a decrease of 0.004753% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the District recognized pension expense of \$19,533 less amortization of deferred amounts from changes in proportion of \$388, for a net pension expense of \$19,145.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 38,720	\$ (18,982)
Change in Assumptions	52,032	-
Net difference between projected and actual earnings on pension plan investments	-	(310,396)
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,084	(5,664)
Employer contributions subsequent to the measurement date	76,403	-
Total	<u>\$ 169,239</u>	<u>\$ (335,042)</u>

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

The District reported a total of \$169,239 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2020, which will be recognized as a reduction in net pension liability for the year ended December 31, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	
2022	\$ (67,180)
2023	(23,709)
2024	(100,607)
2025	(50,710)
	\$ (242,206)

Actuarial Assumptions:

A summary of actuarial methods and assumptions used in determining the total net pension liability as of December 31, 2020, is as follows:

Valuation Date	31-Dec-2020
Actuarial Cost Method Plan A	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 Years
Investment Rate of Return	6.50% net of Investment expense
Projected Salary Increases	4.75%
Inflation Rate	2.30%

Mortality

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

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

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk returns and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2020.

Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of December 31, 2020, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	33%	0.86%
Equity	51%	3.36%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
Totals	100%	5.00%
Inflation		2%
Expected Arithmetic Normal Return		7%

Mortality Rate:

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013, through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants' mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table represents the District's proportionate share of the net pension liability (NPL) using the discount rate of 6.40% as well as the District's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate:

	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net Pension Liability	\$ 335,457	\$ (159,038)	\$ (571,492)

Payables to the Pension Plans:

At December 31, 2021, payables to the Parochial Employees' Retirement System were \$32,188 for the month of December 2021 employee and employer legally required contributions.

12. Tax Abatements

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers attractive tax incentives for manufacturers within the state. The program abates, for up to ten years, local property taxes (ad valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. The exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and/or personal property items covered by the exemption. There are currently thirty-five tax abatements in Tangipahoa Parish, related to fourteen companies, under the Louisiana ITEP. For the 2021 calendar year, the estimated forgone ad valorem taxes in the District due to this abatement program was \$13,874.

13. Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District attempts to minimize risk from significant losses through the purchase of commercial insurance.

14. Contingent Liabilities

At December 31, 2021, the District was not involved in any outstanding litigation or claims.

Tangipahoa Mosquito Abatement District Number One
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

15. COVID-19 Pandemic

In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic and this pandemic has resulted in federal, state, and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders, and quarantining of people that may have been exposed to the virus.

COVID-19 and actions taken to mitigate it had and are expected to continue to have adverse effects on the economy. As the COVID-19 pandemic is complex and rapidly evolving, we cannot reasonably estimate the duration or severity of this pandemic nor its full impact on the entity, its financial position, change in financial position, or cash flows.

16. Subsequent Events

Subsequent events have been evaluated by management through August 3, 2022, the date the financial statements were available to be issued. No events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2021.

**REQUIRED SUPPLEMENTAL INFORMATION
(PART II)**

Tangipahoa Mosquito Abatement District Number One

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) to Actual
General Fund
For The Year Ended December 31, 2021

	Original	Final	Actual Amounts GAAP Basis	Variance Favorable (Unfavorable)
Revenues				
Ad Valorem Taxes	\$ 2,385,642	\$ 2,385,642	\$ 2,257,876	\$ (127,766)
Intergovernmental	-	-	48,536	48,536
Interest	15,000	15,000	11,886	(3,114)
Miscellaneous	20,000	20,000	19,941	(59)
Total Revenue	<u>2,420,642</u>	<u>2,420,642</u>	<u>2,338,239</u>	<u>(82,403)</u>
Expenditures				
Personnel Services and Benefits	1,055,322	1,055,322	992,902	62,420
Materials and Supplies	600,000	650,000	886,993	(236,993)
Other Charges	740,505	890,505	686,973	203,532
Capital Outlays	181,000	181,000	159,249	21,751
Total Expenditures	<u>2,576,827</u>	<u>2,776,827</u>	<u>2,726,117</u>	<u>50,710</u>
Net Change in Fund Balance	(156,185)	(356,185)	(387,878)	(133,113)
Other Financing Sources (Uses)				
Proceeds from Sales of Fixed Assets	15,000	15,000	4,495	(10,505)
Total Other Financing Sources (Uses)	<u>15,000</u>	<u>15,000</u>	<u>4,495</u>	<u>(10,505)</u>
Net Change in Fund Balance	(141,185)	(341,185)	(383,383)	(143,618)
Fund Balance, Beginning	<u>6,570,009</u>	<u>6,570,009</u>	<u>6,570,009</u>	-
Fund Balance, Ending	<u>6,428,824</u>	<u>6,228,824</u>	<u>6,186,626</u>	<u>(143,618)</u>

See Independent Auditor's Report.

Tangipahoa Mosquito Abatement District Number One

Schedule 2

**Schedule of The District's Proportionate
Share of Net Pension Liability (Asset)
For the Year Ended December 31, 2021**

Year Ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position As a Percentage of the Total Pension Liability
2015	0.088522%	\$ 24,203	\$ 517,892	4.6734%	99.15%
2016	0.090051%	237,040	516,319	45.9096%	92.23%
2017	0.090610%	186,612	537,372	34.7268%	94.15%
2018	0.088566%	(65,738)	545,137	-12.0590%	101.98%
2019	0.093538%	415,155	552,690	75.1153%	88.86%
2020	0.095495%	4,495	605,517	0.7423%	99.89%
2021	0.090702%	(159,038)	623,702	-25.4990%	-103.99%

The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditor's Report.

Tangipahoa Mosquito Abatement District Number One

Schedule 3

**Schedule of the District's Contributions
For the Year Ended December 31, 2021**

<u>Year Ended December 31</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2015	\$ 74,866	\$ 74,866	\$ -	\$ 517,892	14.50%
2016	\$ 69,858	\$ 69,858	\$ -	\$ 537,372	13.00%
2017	\$ 68,142	\$ 68,142	\$ -	\$ 545,137	12.50%
2018	\$ 63,559	\$ 63,559	\$ -	\$ 552,690	11.50%
2019	\$ 69,634	\$ 69,634	\$ -	\$ 605,513	11.50%
2020	\$ 73,609	\$ 73,609	\$ -	\$ 600,892	12.25%
2021	\$ 76,403	\$ 76,403	\$ -	\$ 623,702	12.25%

The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditor's Report.

Tangipahoa Mosquito Abatement District Number One

Notes to the Required Supplemental Information As of and for the Year Ended December 31, 2021

1. Pension Plan Schedules

A. Changes of Benefit Terms

There were no changes in benefit terms during any of the years presented.

B. Changes of Assumptions

Fiscal Year Ended December 31,	Measurement Date December 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
2015	2014	7.25%	7.25%	3.00%	4	5.75%
2016	2015	7.00%	7.00%	2.50%	4	5.25%
2017	2016	7.00%	7.00%	2.50%	4	5.25%
2018	2017	6.75%	6.75%	2.50%	4	5.25%
2019	2018	6.50%	6.50%	2.40%	4	4.75%
2020	2019	6.50%	6.50%	2.40%	4	4.75%
2021	2020	6.40%	6.40%	2.30%	4	4.75%

Additionally, the following mortality tables were used to develop mortality rates:

Fiscal Year Ended December 31,	Measurement Date December 31,	Mortality
2015	2014	RP-2000 Employee Mortality Table for active employees; RP-2000 Healthy Annuitant Mortality Table for healthy annuitants and beneficiaries; and RP-2000 Disabled Lives Mortality Table for disabled annuitants.
2016	2015	RP-2000 Employee Sex Distinct Table for employees; RP-2000 Healthy Annuitant Sex Distinct Tables for annuitants and beneficiaries; and RP-2000 Disabled Lives Mortality Table for disabled annuitants.
2017	2016	RP-2000 Employee Sex Distinct Table for employees; RP-2000 Healthy Annuitant Sex Distinct Tables for annuitants and beneficiaries; and RP-2000 Disabled Lives Mortality Table for disabled annuitants.
2018	2017	RP-2000 Employee Sex Distinct Table for employees; RP-2000 Healthy Annuitant Sex Distinct Tables for annuitants and beneficiaries; and RP-2000 Disabled Lives Mortality Table for disabled annuitants.
2019	2018	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% males and 125% for females using MP2018 scale for employees; Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitants and beneficiaries; and Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
2020	2019	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% males and 125% for females using MP2018 scale for employees; Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitants and beneficiaries; and Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
2021	2020	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% males and 125% for females using MP2018 scale for employees; Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitants and beneficiaries; and Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

See Independent Auditor's Report.

OTHER SUPPLEMENTAL SCHEDULES

Tangipahoa Mosquito Abatement District Number One

Schedule 4

**Schedule of Compensation Paid to Board Members
For the Year Ended December 31, 2021**

Board Member	Title	Compensation	Term Expires
Debbie Edwards	Vice Chairman	\$ -	July 2022
Sunny Ryerson	Member	\$ -	July 2021
James Harper	Member	\$ -	July 2024
Deek Deblieux	Member	\$ -	July 2022
Ricky Mannino	Secretary	\$ -	July 2022
Bill Wheat	Member	\$ -	July 2021
Phillip Bankston	Member	\$ -	July 2024
Jimmy Wolfe	Chairman	\$ -	July 2022
Erin Horzelski	Member	\$ -	July 2022

See Independent Auditor's Report.

Tangipahoa Mosquito Abatement District Number One

Schedule 5

Schedule of Compensation Reimbursements, Benefits, and Other Payments to
Agency Head
For the Year Ended December 31, 2021

Agency Head: Dennis Walette, Jr. Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 111,430
Benefits - Retirement	13,650
Benefits - Insurance	11,122
Benefits - Medicare	1,703
Benefits - Car Allowance	6,000
Travel	4,984
Meeting Registrations	919
Cell Phone, Ipad, MIFI	1,739
	<u>\$ 151,547</u>

See Independent Auditor's Report.

CHARLES P. HEBERT, CPA

CHRISTOPHER S. JOHNSON, CPA, MBA

ADAM C. HEBERT, CPA

MEMBER

American Institute of Certified Public Accountants

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A PROFESSIONAL ACCOUNTING CORPORATION

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Tangipahoa Mosquito Abatement District Number One
Tangipahoa Parish
Hammond, LA 70404

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Tangipahoa Mosquito Abatement District Number One, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Tangipahoa Mosquito Abatement District Number One's basic financial Statements, and have issued our report dated August 3, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tangipahoa Mosquito Abatement District Number One'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 Tangipahoa Mosquito Abatement District Number One's internal control. Accordingly, we do not express an opinion on the effectiveness of Tangipahoa Mosquito Abatement District Number One's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management, 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 entity's financial statements will not be presented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for limited purpose described in the preceding paragraph and was designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tangipahoa Mosquito Abatement District Number One's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2021-1 and 2021-2.

Tangipahoa Mosquito Abatement District Number One's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Tangipahoa Mosquito Abatement District Number One's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Tangipahoa Mosquito Abatement District Number One'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 on 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.

Sincerely,

Phil Hebert

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Ponchatoula, Louisiana
August 3, 2022

Tangipahoa Mosquito Abatement District Number One
Schedule of Findings and Responses
For the Year Ended December 31, 2021

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Qualified

Disclaimer Adverse

Internal Control over financial reporting:

Material Weakness identified? Yes No

Significant Deficiency identified? Yes No

Noncompliance Material to Financial Statements Noted? Yes No

Federal Awards - NA

Internal Control over major federal programs:

Material Weakness (es) identified? Yes No

Significant Deficiency (es) identified? Yes No

Type of auditor report issued on compliance for major federal programs:

Unmodified Qualified

Disclaimer Adverse

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?

Yes No

Identification of Major Federal Programs:

Assistance Listing Number (s) Name of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs: \$ _____

Auditee qualified a "low-risk" auditee? Yes No

**Tangipahoa Mosquito Abatement District Number One
Schedule of Findings and Responses
For the Year Ended December 31, 2021**

Section II Financial Statement Finding

Finding Number: 2021-001 Late Filing of Audit Report

Criteria:

RS 24:513 – Such audits shall be completed within six months of the close of the entity’s fiscal year.

Condition:

The audit was not completed within six months of the close of the entity’s fiscal year.

Cause:

The entity’s outside accountant did not have the financial statements available to audit until June 16, 2022. This did not allow enough time to complete the audit by June 30, 2022.

Effect:

The Audit report was submitted to the Legislative Auditor’s Office after June 30, 2022.

Recommendation:

Management should discuss with the outside accounting firm the necessity to prepare the financial statements in a timely manner to allow the audit to be completed by June 30.

Management Response:

The District’s director will discuss this matter with the entity’s outside accounting firm to ensure that the financial statements are prepared in a timely manner. Responsible party Dennis Walette, Director.

Finding Number 2021-002 Budget Violation

Criteria:

The official responsible for the budget preparation must complete the budget, submit it to the governing authority (e.g., council, board of aldermen), and make it available for public inspection. Public notice must be given in the official journal if total proposed expenditures are \$500,000 or more for the General Fund or any Special revenue Fund. The governing authority must hold a public hearing if total proposed expenditures are \$500,000 or more for the General Fund or any special revenue fund. The public hearing must not be sooner than 10 days after publication (of notice that budget is available for public inspection) for other entities.

Condition:

The District gave a public notice that the 2021 operating budget was available for inspection on October 13, 2020. The District adopted the budget on October 14, 2020, in a public meeting. The adoption of the budget was sooner than ten days after notice that budget was available for public inspection.

Cause:

Management was not aware of this rule at the time.

**Tangipahoa Mosquito Abatement District Number One
Schedule of Findings and Responses
For the Year Ended December 31, 2021**

Section II Financial Statement Finding

Effect:

The District was in violation of the Budget act.

Recommendation:

I recommend Management obtain a copy of the Best Practices in Budgeting and follow the budget act.

Management Response:

Management will obtain a copy of the Best Practices in Budgeting and follow the budget act.
Responsible party Dennis Walette, Director.

**TANGIPAHOA MOSQUITO ABATEMENT DISTRICT
NUMBER ONE
HAMMOND, LOUISIANA**

AGREED-UPON PROCEDURES

For the Year Ended December 31, 2021



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

A Professional Accounting Corporation

CHARLES P. HEBERT, CPA

CHRISTOPHER S. JOHNSON, CPA, MBA

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A P R O F E S S I O N A L A C C O U N T I N G C O R P O R A T I O N

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of
Tangipahoa Mosquito Abatement District Number. One
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, 2021, through December 31, 2021. Tangipahoa Mosquito Abatement District's management is responsible for those C/C areas identified in the SAUPs.

Tangipahoa Mosquito Abatement District Number One has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021, through December 31, 2021. 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. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - 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 (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- 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 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.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results:

No exceptions were noted as a result of these procedures.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) 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.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results:

No exceptions were noted as a result of these procedures.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain, and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) 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)
 - b) 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
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results:

The District included evidence that the reconciliations selected were prepared within two months of the related closing date. The District did not have any reconciling items that were outstanding for more than 12 months from the statement closing date. There is no evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

Recommendation:

We recommend that you have a board member who is not a check signer review the bank reconciliation and reconciling items that have been outstanding for more than 12 months from the statement closing date.

Management's Response:

The District will have a board member who is not a check signer review the bank reconciliation and reconciling items that have been outstanding for more than 12 months from the statement closing date.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if 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:
 - a) Employees 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/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

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

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results:

The business office manager is responsible for processing payments and is not prohibited from adding/ modifying vendor files. No other employees are responsible for periodically reviewing changes to the vendor files.

The director signs the checks and gives them to the Business Office Manager to mail. The Business Office Manager is responsible for processing payments.

Recommendation:

We recommend that you have a board member who is not a check signer review the contents of the bank statements. Specific items that management should be alert to include:

Missing Checks
Checks issued out of sequence
Unknown Payees
Checks that appear to be altered
Checks not signed by authorized signatories
Other unusual items

Management Response:

Management concurs with this recommendation.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results:

No exceptions were noted as a result of these procedures.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe 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.

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

11. Obtain 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. Obtain management's representation that the listing is complete.
12. 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:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe 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, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Result:

No exceptions were noted as a result of these procedures.

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

14. 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:

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

Results:

No exceptions were noted as a result of these procedures.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe whether 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), observe 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) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results:

No exceptions were noted as a result of these procedures.

Payroll and Personnel

16. 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.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. 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's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, 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.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results:

Employees approved pay rates/ salaries are not recorded in their personnel files. No exceptions noted otherwise.

Recommendation:

We recommend that each employee's approved rate of pay be filed in the employee's folder.

Management's Response:

We send a signed letter to our accountant anytime an employee's rate of pay is changed, and we keep a copy of each letter in our files. We will begin placing documentation indicating their current rate of pay in their personnel folder as well.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results:

No exceptions were noted as a result of these procedures.

Debt Service

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

Results:

No exceptions were noted as a result of these procedures.

Fraud Notice

23. 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.
24. Observe the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results:

No exceptions were noted as a result of these procedures.

Information Technology Disaster Recovery/Business Continuity

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

Results:

We performed the procedures and discussed the results with management.

Sexual Harassment

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

Results:

No exceptions were noted as a result of these procedures.

We were engaged by Tangipahoa Mosquito Abatement District No. One 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 Tangipahoa Mosquito Abatement District No. One 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.

Sincerely,

Phil Hebert

Hebert Johnson & Associates, Inc.

A Professional Accounting Corporation

Ponchatoula, Louisiana