METROPOLITAN HUMAN SERVICES DISTRICT

FINANCIAL REPORT

JUNE 30, 2024

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DHHM
certified public accountants

Duplantier
Hrapmann
Hogan &
Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)
Felix J. Hrapmann, Jr., CPA
(1919-1990)
William R. Hogan, Jr., CPA
(1920-1996)
James Maher, Jr., CPA
(1921-1999)

Lindsay J. Calub, CPA, LLC
Michelle H. Cunningham, CPA
Grady C. Lloyd, III, CPA
Robynn P. Beck, CPA
J. Patrick Butler, III, CPA
Wesley D. Wade, CPA

Heather Jovanovich, CPA
Terri L. Kitto, CPA
Gregory J. Binder, IT Director
Colleen A. Casey, CPA
J. Michael Flynn, III CPA

Michael J. O' Rourke, CPA
William G. Stamm, CPA
Dennis W. Dillon, CPA

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Slidell
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
1340 Tunnel Blvd.,
Suite 412
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Covington
220 Park Place
Suite 101
Covington, LA 70433
Phone: (985) 892-8776
Fax: (985) 892-0952

Metairie
3300 W. Esplanade Ave.
Suite 213
Metairie, LA 70002
Phone: (504) 833-3106
Fax: (504) 838-0262

INDEPENDENT AUDITOR'S REPORT

August 30, 2024

Board of Directors
Metropolitan Human Services District
New Orleans, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Metropolitan Human Services District (the District), a component unit of the State of Louisiana, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Metropolitan Human Services District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Metropolitan Human Services District as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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 omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Metropolitan Human Services District's basic financial statements. The Annual Financial Statement Reporting Packet, presented as other supplementary information, is not a required part of the basic financial statements, but is supplementary information required by Louisiana's Office of Statewide Reporting and Accounting Policy. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Annual Financial Statement Reporting Packet and the schedule of expenditures of federal awards are the responsibilities of management and were 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 Annual Financial Statement Reporting Packet and the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2024 on our consideration of the Metropolitan Human Services District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Metropolitan Human Services District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Metropolitan Human Services District's internal control over financial reporting and compliance.

Duplantier, Hrapmann, Hogan and Maher, LLP

New Orleans, Louisiana

The Management's Discussion and Analysis of the Metropolitan Human Services District's financial performance presents a narrative overview and analysis of the Metropolitan Human Services District's financial activities for the year ended June 30, 2024. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. This analysis should be read in conjunction with the audited financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The total revenues of the Metropolitan Human Services District were $29,666,022 which is an increase of $1,702,683 from the prior year. The increase in revenues was due to an increase in operating grants and contributions.

- The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of fiscal year 2024 by $29,818,553.

- The total expenses of the Metropolitan Human Services District were $29,547,750 which is an increase of $2,644,291. This is primarily due to an increase in administrative and adult behavior expenses.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of three sections: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. Management's discussion and analysis is intended to serve as an introduction to the Metropolitan Human Services District's basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional information to supplement the basic financial statements, such as required supplementary information.

Government-wide Financial Statements

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

The Statement of Net Position presents information on all of the Metropolitan Human Services District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between total assets and deferred outflows and total liabilities and deferred inflows is net position and may provide a useful indicator of whether the financial position of the Metropolitan Human Services District is improving or deteriorating. From the data presented, readers of the Statement of Net Position can determine the assets available to continue the operations of the office. The financial statement readers are also able to determine how much the Metropolitan Human Services District owes vendors and others.

The Statement of Activities presents information showing how the Metropolitan Human Services District's net position changed during the most recent fiscal year. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, transactions may be included that will not affect cash until future fiscal periods.

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 Metropolitan Human Services District uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Metropolitan Human Services District's only fund, the general fund.

The Metropolitan Human Services District uses only one fund type, the governmental fund. The governmental fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Metropolitan Human Services District's near-term financing requirements.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both, the Governmental Fund Balance Sheet and the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between the governmental fund and the governmental activities.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Metropolitan Human Services District's proportionate share of the net pension liability, contributions to the pension plan, proportionate share of the collective total OPEB liability, and notes to the required supplementary information.

Financial Analysis of the Entity

The following is a summary of the Statements of Net Position:

Condensed Statements of Net Position
June 30, 2024 and 2023

	2024	2023	Change	Percentage Change
ASSETS:				
Current assets	$ 7,804,409	$ 10,506,439	$ (2,702,030)	(25.72) %
Capital assets	675,892	670,737	5,155	0.77
Right-of-use lease assets	33,991	50,987	(16,996)	(33.33)
Right-of-use SBITA	175,923	-	175,923	100%
Total assets	8,690,215	11,228,163	(2,537,948)	(22.60)
Deferred outflows of resources	6,382,446	8,252,436	(1,869,990)	(22.66)
LIABILITIES:				
Current liabilities	4,319,704	5,722,146	(1,402,442)	(24.51)
Noncurrent liabilities	36,090,560	38,911,018	(2,820,458)	(7.25)
Total liabilities	40,410,264	44,633,164	(4,222,900)	(9.46)
Deferred inflows of resources	4,480,950	4,784,260	(303,310)	(6.34)
Net investment in capital assets	663,827	670,737	(6,910)	(1.03)
Unrestricted (deficit)	(30,482,380)	(30,607,562)	125,182	0.41
Total net position (deficit)	$ (29,818,553)	$ (29,936,825)	$ 118,272	0.40 %

Financial Analysis of the Entity (Continued)

The following is a summary of the Changes in Net Position:

Condensed Statements of Activities
For the Years Ended June 30, 2024 and 2023

	2024	2022	Change	Percentage Change
REVENUES:				
Program revenues:				
Charges for services	$ 199,364	$ 446,434	$ (247,070)	(55.34) %
Operating grants and contributions	10,992,945	8,131,416	2,861,529	35.19
General revenues:				
State of Louisiana appropriations	18,402,595	19,379,962	(977,367)	(5.04)
Other income	71,118	5,527	65,591	1,186.74
Total revenues	29,666,022	27,963,339	1,702,683	6.09
FUNCTION/PROGRAM EXPENSES:				
Administration	9,453,268	8,315,917	1,137,351	13.68
Adult behavioral health	13,062,288	11,926,938	1,135,350	9.52
Child and youth behavioral health services	1,543,896	1,409,614	134,282	9.53
Developmental disabilities	5,488,298	5,250,990	237,308	4.52
Total expenses	29,547,750	26,903,459	2,644,291	9.83
Change in net position	$ 118,272	$ 1,059,880	$ (941,608)	(88.84) %

Capital Assets

As of June 30, 2024, the District had $675,892 invested in capital assets. This amount represents a net increase of $5,155 or .77% over last year. The increase in capital assets was a result of additions of $90,309 offset by depreciation expense of $85,154.

ECONOMIC FACTORS

The state of Louisiana decreased its funding to the District from $19 million in 2023 to $18 million in 2024. Next year's funding is projected to be approximately $18 million. Despite these struggles, the District continues to review new federal grants possibilities for future use.

CONTACTING THE DISTRICT'S MANAGEMENT

This audit report is designed to provide a general overview of the District and to demonstrate the District's accountability for its finances. If you have any questions about this report or need additional information, please contact the Metropolitan Human Services District, 3100 General de Gaulle Drive, New Orleans, Louisiana 70114.

METROPOLITAN HUMAN SERVICES DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS:		
Cash	$	479,624
Accounts receivable		7,324,785
Capital assets, net of depreciation		675,892
Right-of-use lease assets, net of depreciation		33,991
Right-of-use SBITA, net of amortization		175,923
Total Assets		8,690,215
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows of resources related to OPEB		2,567,036
Deferred outflows of resources related to pensions		3,815,410
Total Deferred Outflows of Resources		6,382,446
LIABILITIES:		
Accounts payable		2,882,924
Accrued expenses		135,843
Accrued interest - SBITA		12,770
Noncurrent liabilities:		
Due within one year		1,288,167
Due in more than one year		36,090,560
Total Liabilities		40,410,264
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows of resources related to OPEB		3,341,015
Deferred inflows of resources related to pensions		1,139,935
Total Deferred Inflows of Resources		4,480,950
NET POSITION:		
Net investment in capital assets		663,827
Unrestricted (deficit)		(30,482,380)
Total Net Position (deficit)	$	(29,818,553)

See accompanying notes.

METROPOLITAN HUMAN SERVICES DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net Revenue (Expense) and Changes in Net Position
Governmental Activities:				
Administration	$ 9,453,268	$ -	$ 2,398,417	$ (7,054,851)
Adult behavioral health services	13,062,288	175,167	7,852,029	(5,035,092)
Child and youth behavioral health services	1,543,896	24,197	742,499	(777,200)
Developmental disabilities	5,488,298	-	-	(5,488,298)
Total Governmental Activities	$ 29,547,750	$ 199,364	$ 10,992,945	(18,355,441)
General Revenues:				
State of Louisiana appropriations				18,402,595
Other income				71,118
Total general revenues				18,473,713
Change in net position:				118,272
Net position (deficit), beginning of year				(29,936,825)
Net position (deficit), end of year				$ (29,818,553)

See accompanying notes.

METROPOLITAN HUMAN SERVICES DISTRICT
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2024

ASSETS:		
Cash	$	479,624
Accounts receivable		7,324,786
TOTAL ASSETS	$	7,804,410
LIABILITIES:		
Accounts payable	$	2,882,924
Accrued expenses		135,843
Total liabilities		3,018,767
FUND BALANCE:		
Unassigned		4,785,643
TOTAL LIABILITIES AND FUND BALANCE	$	7,804,410

See accompanying notes.

METROPOLITAN HUMAN SERVICES DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total fund balance as reflected on the governmental fund balance sheet	$	4,785,643
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds		675,892
Right-of-use lease assets used in governmental activities are not financial resources and, therefore are not reported in governmental funds		33,991
Right-of-use subscription arrangements used in governmental activities are not financial resources and, therefore are not reported in governmental funds		175,923
All liabilities, current and noncurrent, are recorded in the statement of net position:		
Deferred outflows of resources related to pensions and OPEB are applicable to future reporting periods and, therefore, are not reported in the governmental fund.		6,382,445
Deferred inflows of resources related to pensions and OPEB are applicable to future reporting periods and, therefore, are not reported in the governmental fund.		(4,480,950)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund balance sheet:		
Other post employment benefits payable		(14,544,218)
Compensated absences		(725,146)
Net pension liability		(21,900,153)
Lease liability		(40,345)
SBITA liability		(168,865)
SBITA accrued interest		(12,770)
Net position (deficit), as reflected on the statement of net position	$	(29,818,553)

See accompanying notes.

METROPOLITAN HUMAN SERVICES DISTRICT
STATEMENT OF GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2024

REVENUES:	
State appropriations	$ 18,402,595
Grants and contributions	10,992,945
Patient services	270,482
Total revenues	29,666,022
EXPENDITURES:	
Operating services	2,770,125
Personnel services	12,766,842
Professional fees	14,516,306
Supplies	242,964
Travel	232,308
Capital outlay	90,309
Debt service:	
Principal	111,819
Interest	1,980
Total expenditures	30,732,653
Excess (deficiency) of revenues over expenditures	(1,066,631)
Fund balance, beginning of year	5,852,274
Fund balance, end of year	$ 4,785,643

See accompanying notes.

METROPOLITAN HUMAN SERVICES DISTRICT
RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Change in fund balance as reflected on the statement of governmental fund revenues, expenditures, and changes in fund balance.	$ (1,066,631)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays and right-of-use assets as expenditures. In the statement of activities, the cost of these assets should be allocated over the estimated useful lives and reported as depreciation and amortization expense:	
Capital outlays	90,309
Professional fees - Subscription base IT technology	95,019
Depreciation and amortization expense	(190,111)
The governmental fund reports payments for leased equipment as expenditures. However, in the Statement of Activities, the lease payments are not reported as expenditures as they reduce the liability on the Statement of Net Position.	16,800
Accrued interest on subscription leases is recorded in the statement of activities when inccured; it is not recorded in governmental funds until it is paid.	(12,770)
Expenses related to compensated absences do not require the use of current financial resources; therefore, are not reported as expenditures in the governmental fund.	39,799
Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.	892,961
OPEB benefit, which is the change in the OPEB liability adjusted for changes in deferred outflows and inflows of resources related to OPEB, is reported in the statement of activities.	252,896
Change in net position as reflected on the statement of activities	$ 118,272

See accompanying notes.

Nature of Operations:

The Metropolitan Human Services District (the District) is a component unit of the State of Louisiana created under the provisions of Louisiana Revised Statute 28:862. The District is responsible for directing the operation and management of mental health, addictive disorders and developmental disability services in the parishes of Orleans, Plaquemines, and St. Bernard. In particular, the District serves residents who are uninsured or Medicaid eligible, though developmental disability services do not have income restrictions. Operations of the District are primarily funded by state appropriations. The District also bills Medicaid, Medicare, and some private insurance providers as part of its clinic operations. The District also receives federal and state grants. The District is governed by a board of nine members appointed by the chief executive officer of each respective parish subject to the approval of the parish governing authority.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Financial Reporting Entity:

Due to its fiscal dependency on the State of Louisiana, the District is considered a component unit of the reporting entity of the State of Louisiana. The accompanying financial statements present information only on the fund maintained by the District and do not present information from the State of Louisiana, the general government services provided by that governmental unit, or the other governmental units that comprise the State of Louisiana’s financial reporting entity. Annually, the State of Louisiana issues basic financial statements, which includes the activity contained in the accompanying financial statements. The District has no component units.

Basis of Presentation:

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

Basis of Accounting:

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The District maintains only one fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Government-Wide Financial Statements:

The government-wide financial statements are reported on the full accrual basis of accounting and the economic resources measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net position and financial position. All assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources associated with the government's activities are reported. The statement of net position and statement of activities present revenues, expenses, and capital assets as follows: revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property and equipment are accounted for as capital assets. All capital assets are valued at historical cost, except for donated assets which are recorded at their estimated fair value at the date of donation.

In addition, the government-wide statement of activities reports both gross and net cost of each of the District's functions. The functions are supported by general government revenues, including appropriations from the State of Louisiana and government grants. The statement of activities reduces gross expenses by related program revenues and grants, and program revenues must be directly associated with the function. Program revenues include charges for services which report fees and other charges to patients/clients of the District and operating grants and contributions which fund annual operating activities. These revenues may be subject to externally imposed restrictions to these program uses.

Fund Financial Statements:

Fund financial statements are accounted for using the modified accrual basis of accounting and a current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Management considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. In addition, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net position. Expenditures are generally recorded when the related liability is incurred. However, compensated absences, pension liability, and other post-employment benefits (OPEB) are recorded when paid. Principal and interest on general long-term debt is recognized when due.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Deferred Outflows and Inflows of Resources:

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resource (expenditure/expense) until that future time. The District has two items that qualify for reporting in this category, which are deferred amounts related to pensions and deferred amounts related to other postemployment benefits.

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. The District has one item that qualifies for reporting in this category, which are deferred amounts related to other postemployment benefits.

Budget:

The District does not qualify as a political subdivision which is required to adopt a budget as prescribed by Louisiana Revised Statute 39:1301-15.

Cash:

For financial reporting purposes, cash includes demand deposits. Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Compensated Absences:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees are compensated for up to 300 hours of unused annual leave at the employee’s hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits. Compensated absences are recognized as an expense and liability in the financial statements when incurred in the government-wide statement of net position.

Because accrued compensated absences do not require the use of current financial resources, no liability is recorded within the governmental funds. Only the compensated absences payable to current terminating employees are included in wages and benefits payable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Accounts Receivable:

Accounts receivable consist of amounts due from the state and federal government for services provided by the District but have not been collected at year-end. Management monitors the receivable balances and assesses the collectability at year-end based upon the historical collections and knowledge of the entity. Management has determined an allowance for doubtful accounts is unnecessary.

Capital Assets:

For the government-wide financial statements, capital assets with a cost of $5,000 or more are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of 5 to 15 years for leasehold improvements and 5 to 10 years for machinery and equipment. In the fund financial statements, capital assets are recorded as expenditures in the governmental fund at the time purchased. Expenditures for maintenance and repairs, which do not materially extend the useful life of the asset, are charged to expense as incurred.

The State of Louisiana provides four buildings for the District's use in the provision of behavioral health and developmental disabilities services in the three-parish service area. The District has possession and operating control of these four buildings and is responsible for all operating costs and capital improvements.

Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and changes in LASERS's fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance:

Fund balance is classified in the following components:

- *Nonspendable* includes fund balance amounts that cannot be spent either because it is in nonspendable form (such as inventory) or because of legal or contractual constraints.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Fund Balance: (Continued)

- *Restricted* includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers (such as grantors, bondholders and higher levels of government) or amounts constrained due to constitutional provisions or enabling legislation.
- *Committed* includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District itself, using its highest level of decision-making authority, the Board of Directors. To be reported as *committed*, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.
- *Assigned* includes fund balance amounts that the District intends to use for specific purposes as determined by the Board of Directors that are neither considered restricted nor committed.
- *Unassigned* fund balance amounts include the residual amounts of fund balance which do not fall into one of the other components. Positive amounts are reported only in the General Fund.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The District does not have a formal minimum fund balance policy.

Net Position:

Net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

(a) *Net investment in capital assets* consists of the District's total investment in capital assets, net of accumulated depreciation.

(b) *Restricted* consists of resources restricted by external sources such as creditors, grantors, contributors, or by law.

(c) *Unrestricted* consists of all other amounts that do not meet the definition of "restricted" or "net investment in capital assets." These resources are used for transactions relating to general operations of the District and may be used at its discretion to meet current expenses and for any purpose.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Use of Estimates:

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

Leases and Subscription-based IT Arrangements (SBITA):

Lessee/subscriber: The District is a lessee for noncancelable leases/subscriptions of equipment and IT arrangements. The District recognizes a lease liability and an intangible right-of-use lease asset in the government-wide financial statements. The District recognizes a SBITA liability and an intangible right-to-use SBITA asset in the government-wide financial statements.

At the commencement of a lease/subscription, the District initially measures the lease/SBITA liability at the present value of payments expected to be made during the lease/SBITA term. Subsequently, the lease/SBITA liability is reduced by the principal portion of lease/SBITA payments made. The lease/SBITA asset is initially measured as the initial amount of the lease/SBITA liability, adjusted for lease/SBITA payments made at or before the lease/ SBITA commencement date, plus certain initial direct costs. Subsequently, the lease/SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases included how the District determines (1) the discount rate it uses to discount the expected lease/SBITA payments to present value, (2) lease/SBITA term, and (3) lease/SBITA payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate or the bank's prime rate as the discount rate for leases/SBITA.

The lease/SBITA term includes the noncancelable period of the lease/subscription. Lease/SBITA payments included in the measurement of the lease/SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Leases and Subscription-based IT Arrangements (SBITA): (Continued)

The District monitors changes in circumstances that would require a remeasurement of its lease/SBITA and will remeasure the lease/SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/SBITA liability.

Lease/SBITA assets are reported with other capital assets and lease/SBITA liabilities are reported with long-term obligations on the statement of net position.

2. CASH:

As June 30, 2024, the District had cash deposits with financial institutions totaling $479,274 (book balances). Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or collateralized by the pledge of securities owned by the fiscal agent bank. As of June 30, 2024, the District had $1,068,806 in deposits (bank balances), all of which was insured by the Federal Deposit Insurance Corporation or pledged securities held by the Federal Reserve Bank in joint custody.

3. CAPITAL ASSETS AND RIGHT-OF-USE ASSETS:

Capital Assets:

The following is a summary of the changes in capital assets during the year ended June 30, 2024:

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Leasehold improvements	$ 1,170,347	$ -	$ -	$ 1,170,347
Machinery and equipment	670,483	90,309	-	760,792
Construction in progress	-	-	-	-
Less: accumulated depreciation	(1,170,093)	(85,154)	-	(1,255,247)
Capital assets, net	$ 670,737	$ 5,155	$ -	$ 675,892

Depreciation expense for the year ended June 30, 2024 totaled $85,154.

Right-of-Use Assets:

Right-of-use assets of the District are included in the Statement of Net Position, net of accumulated depreciation/amortization. Right-of-use assets activity for the year ended June 30, 2024, was as follows:

3. CAPITAL ASSETS AND RIGHT-OF-USE ASSETS: (Continued)

Right-of-Use Assets: (Continued)

Right- of-use lease assets:

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Right-of-use lease assets	$ 84,978	$ -	$ -	$ 84,978
Less: accumulated depreciation	(33,991)	(16,996)	-	(50,987)
Right-of-use of lease asset, net	$ 50,987	$ (16,996)	$ -	$ 33,991

Right-of-use subscription asset:

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Right-of-use subscription asset	$ -	$ 263,884	$ -	$ 263,884
Less: accumulated amortization	-	(87,961)	-	(87,961)
Right-of-use of subscription asset, net	$ -	$ 175,923	$ -	$ 175,923

Right-of-use depreciation and amortization expense for the year ended June 30, 2024 totaled $16,996 and $87,961, respectively.

4. DEFINED BENEFIT PENSION PLAN:

Plan Description:

Employees of the District are provided with pension through a cost-sharing, multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS)'s Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan.

Benefits Provided:

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information

4. DEFINED BENEFIT PENSION PLAN: (Continued)

Benefits Provided: (Continued)

Retirement Benefits

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The substantial majority of members may retire with full benefits at any age upon completing 30 years of creditable service and at age 60 upon completing 10 years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with 12 years of creditable service at age 55, 25 years of creditable service at any age, or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

4. DEFINED BENEFIT PENSION PLAN: (Continued)

Benefits Provided: (Continued)

Retirement Benefits (Continued)

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS's Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than LASER's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

All members with 10 or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

4. DEFINED BENEFIT PENSION PLAN: (Continued)

Benefits Provided: (Continued)

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of 20 years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is 10 years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

Contributions:

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Members are required by State Statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2006 and 8.0% of their annual covered salaries if hired after July 1, 2006, and the District is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2024 was 41.30% of annual covered payroll. The District's contributions to the System for the year ended June 30, 2024 were $3,216,137.

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

As of June 30, 2024, the District reported a liability of $21,900,153 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability 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. As of June 30, 2024, the District's proportion was 0.32718%, which was a decrease of 0.01494% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized pension expense of $2,323,176. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

4. DEFINED BENEFIT PENSION PLAN: (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 474,074	$ -
Net difference between projected and actual earnings on pension plan investments	125,199	-
Changes in assumptions	-	-
Changes in proportion and differences between employer contributions and proportionate share contributions	-	1,139,935
Employer contributions subsequent to the measurement date	3,216,137	-
Total	$ 3,815,410	$ 1,139,935

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date of $3,216,137 will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

Year ending	Amount
2025	$ (541,313)
2026	(790,891)
2027	1,078,649
2028	(287,107)
Total	$ (540,662)

Actuarial Assumptions:

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

4. DEFINED BENEFIT PENSION PLAN: (Continued)

Actuarial Assumptions: (Continued)

Actuarial cost method	Entry Age Normal
Expected remaining service lives	2 years
Inflation rate	2.3% per annum
Salary Increases	2.6%-13.8%, including inflation, varies by plan and length of service
Investment rate of return	7.25%, per annum
Mortality rates	Non-disabled members - RP-2014 Blue Collar (males/females) and White Collar (females) Healthy annuitant Tables projected on a fully generational by Mortality Improvements Scale MP-2018. Disabled members - RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by LASERS and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Termination, Disability, and Retirements	Termination, disability, and retirement assumptions were based on a five-year (2014-2018) experience study of the LASERS' members

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study of the years 2014-2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate

4. DEFINED BENEFIT PENSION PLAN: (Continued)

Actuarial Assumptions: (Continued)

of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.19% for 2023.

The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.80%
Domestic Equity	34%	4.45%
International Equity	18%	5.44%
Domestic Fixed Income	3%	2.04%
International Fixed Income	17%	5.33%
Alternative Investments	28%	8.19%
Total	100%	

Discount Rate:

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at actuarially determined rates. Based on those assumptions, the pension plan'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.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the District's proportionate share of the net pension liability using the discount rate of 7.25%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower, 6.25%, or one percentage-point higher, 8.25%, than the current rate:

4. DEFINED BENEFIT PENSION PLAN: (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: (Continued)

	1.0% Decrease 6.25%	Current Discount Rate 7.25%	1.0% Increase 8.25%
District's proportionate share of the net pension liability	$ 28,676,444	$ 21,900,153	$ 16,159,204

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued Louisiana State Employees' Retirement System 2023 Comprehensive Annual Financial Report at www.lasersonline.org.

Payables to the Pension Plan:

As of June 30, 2024, the District reported a payable of $293,212 for the outstanding amount of contributions to the pension plan.

5. OTHER POSTEMPLOYMENT BENEFITS:

Substantially all employees become eligible for postemployment health care and life insurance benefits if they reach normal retirement age while working for the District. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the District. At June 30, 2024, one hundred twenty-five retirees and beneficiaries were receiving post-employment benefits.

Plan Description:

Employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), a multiple-employer defined benefit OPEB Plan that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The State administers the plan through the Office of Group Benefits (OGB). LRS 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75 to pay related benefits.

Benefits Provided:

The OPEB Plan provides benefits such as: death benefits, life insurance, disability, and long-term care that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment. The OPEB plan does not provide termination benefits or termination payments for sick leave.

5. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

Contributions:

The contribution requirements of plan members and the District are established and may be amended by LRS 42:801-883. The OPEB Plan is currently funded on a pay-as-you-go basis through a combination of retiree and District contributions. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving post-employment benefits. The retirees contribute to the cost of their postemployment benefits based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. Employer contributions to the OPEB Plan from the District were $624,196 for the year ended June 30, 2024.

Employer contributions are based on plan premiums and the employer contribution percentage. This percentage is based on the date of participation in an OGB plan (before or after January 1, 2002) and employee years of service at retirement. Employees who began participation or rejoined the plan before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of the total retiree contribution is based on the following schedule:

OGB Participation	Retiree Share	State Share
Under 10 years	81%	19%
10-14 years	62%	38%
15-19 years	44%	56%
20+ years	25%	75%

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retiree and spouses of retirees, subject to maximum values. The retiree pays 50% of the Prudential Company of America Premium. The retiree pays 100% of the Prudential Company of America premium for spousal coverage. The employer pays the remaining amount.

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

At June 30, 2024 the District reported a liability of $14,544,218 for its proportionate share of the collective total OPEB liability. The collective total OPEB liability was measured as of July 1, 2023 and was determined by an actuarial valuation as of that date. The District's proportion of the total OPEB liability was based on a projection of the District's total OPEB liability relative to the projected total OPEB liability of all participating employers, actuarially determined. As of July 1, 2023, the District's proportion was 0.2035%.

5. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: (Continued)

For the year ended June 30, 2024, the District recognized OPEB expense/(benefit) of $371,299. As of June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 293,525	$ -
Changes in assumptions	916,891	3,041,774
Changes in proportion and differences between employer contributions and proportionate share contributions	665,647	246,985
Differences between employer contributions and proportionate share of contributions	66,777	52,256
Employer contributions subsequent to the measurement date	624,196	-
Total	$ 2,567,036	$ 3,341,015

Deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date of $624,196 will be recognized as a reduction of the net OPEB liability during the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

Year ending June 30:	Amount
2025	$ (456,780)
2026	(754,797)
2027	(305,635)
2028	119,037
Total	$ (1,398,175)

5. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

Actuarial Assumptions:

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	Consistent with the pension valuation assumptions
Investment Rate of Return	4.13%, based on the S&P 20-year municipal bond index rate
Healthcare Cost Trend	7.00% - 4.50%
Mortality Rates	For healthy retiree lives, the RP-2014 Blue Collar Healthy Annuitant Table, adjusted by 1.280 for males and RP-2014 White Collar Healthy Annuitant Table, adjusted by 1.417 for females, projected from 2014 on a fully generational basis by Mortality Improvement Scale MP-2018. For disabled retirees, the RP-2000 Disabled Retiree Mortality Table, adjusted by 1.009 for males and 1.043 for females, not projected with mortality improvements.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience studies performed for the Statewide Retirement Systems.

Discount Rate:

The discount rate used to measure the total OPEB liability was 4.13%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at contractually required rates. Based on this assumption and as the OPEB Plan is unfunded, the OPEB plan's fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was determined using a discount rate that reflects the 20-year tax-exempt municipal bond yield or index rate.

The discount rate used to measure the total OPEB liability was increased to 4.13% in the July 1, 2023 valuation from 4.09% as of July 1, 2022.

5. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

Sensitivity of the District's Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate:

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

	1.0% Decrease 3.13%	Current Discount Rate 4.13%	1.0% Increase 5.13%
Proportionate Share of the Collective Total OPEB Liability	$ 16,641,762	$ 14,544,218	$ 12,830,211

Sensitivity of the District's Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rates:

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

	1.0% Decrease	Current Trend Rate	1.0% Increase
Proportionate Share of the Collective Total OPEB Liability	$ 12,816,661	$ 14,544,218	$ 16,664,298

Payables to the OPEB Plan:

As of June 30, 2024, the District reported a liability of $32,623 for the outstanding amount of contributions to the OPEB plan.

6. LONG-TERM LIABILITIES:

The following is a summary of changes in the District's long-term liabilities for the year ended June 30, 2024:

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Amounts due within one year
Compensated absences	$ 764,945	$ 597,941	$ 637,740	$ 725,146	$ 565,399
OPEB liability	13,293,446	1,812,470	561,698	14,544,218	624,196
Net pension liability	25,863,463	3,297,004	7,260,314	21,900,153	-
Lease liability	57,145	-	16,800	40,345	17,484
SBITA liability	-	263,884	95,019	168,865	81,088
	$ 39,978,999	$ 5,971,299	$ 8,571,571	$ 37,378,727	$ 1,288,167

7. LEASES:

During the fiscal year ended June 30, 2022, the District entered into a financed purchase agreement for three copy machines. The original lease agreement commenced on September 21, 2021 through September 31, 2026, at a monthly payment $1,565. The original net present value of the copy machines under the agreement was $84,978, using the District's incremental borrowing rate of 4%. Under the terms of the agreement, the ownership of the equipment will transfer to the District at the end of the agreement, if the District exercises its purchase option. The assets area being amortized over five years. The principal and interest expense for the year ended June 30, 2024 was $16,780 and $2,000, respectively. As of June 30, 2024, the balance of the right-of-use asset, net of depreciation, was $33,991 and the lease liability was $40,345.

Future payments on the agreement of June 30, 2024, are as follows:

Year ending June 30,	Principal	Interest	Total
2025	$ 17,484	$ 1,296	$ 18,780
2026	18,196	583	18,779
2027	4,665	31	4,696
	$ 40,345	$ 1,910	$ 42,255

7. LEASES (Continued):

During the year ended June 30, 2024, the District had several leases in effect consisting of office space and land. These leases do not meet the criteria of GASB Statement No. 87. Future minimum lease payments under the non-cancelable operating leases as of June 30, 2024 were as follows:

Year Ending June 30:	Lease Payments
2025	$ 10
2026	10
2027	10
2028	10
Thereafter	470
Total	$ 510

Expenditures relating to the District's leases were $259,217 for the year ended June 30, 2024.

The lease agreements have non-appropriation exculpatory clauses that allow for lease cancellation if the Louisiana Legislature does not make an appropriation for their continuation during any future fiscal period.

8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA):

The Company has adopted the guidelines of the Louisiana Office of Statewide Reporting and Accounting Policy for the GASB 96 reporting of SBITAs. SBITAs with a total contract value (the gross (undiscounted) aggregate value of fixed and fixed-in-substance cash flows remaining over the term of the contract, including reasonably certain renewal periods) of $100,000 are evaluated for SBITA reporting under GASB 96. SBITAs with a total contract value under $100,000 are recorded in the same manner as a short-term SBITA with SBITA payments reported as expense or revenue in the statement of revenues, expenses, and changes in fund net position as those payments are due based on the terms of the SBITA.

The Company recognized a SBITA with Guidewire Software, Inc. for the use of software subscription services. The term of the agreement is three years commencing on July 1, 2023 and ending on June 30, 2026. The original net present value of the SBITA under the agreement was $263,884, using the bank's prime rate of 8.25% at the time of commencement. There is no option to purchase the software. This asset will be amortized over the agreement term of three years. As of June 30, 2024, a right-of-use asset, net of amortization, of $175,923, a SBITA liability of $168,865, and SBITA accrued interest of $12,770 was included in the District's Statement of Net Position.

8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA): (Continued)

Remaining annual principal and interest amounts for the SBITA obligation is as follows:

Year ending June 30:	Principal	Interest	Total
2025	$ 81,088	$ 13,931	$ 95,019
2026	87,777	7,242	95,019
	$ 168,865	$ 21,173	$ 190,038

9. RISK MANAGEMENT:

The Metropolitan Human Services District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District participates in the State of Louisiana's Office of Risk Management Insurance Fund. The District pays insurance premiums to the State of Louisiana, Office of Risk Management to cover risks that may occur in normal operations. The state pays premiums to the state's self-insurance program and to various insurance agencies for stop-loss coverages. Information related to risk management is reported in the State of Louisiana Comprehensive Annual Financial Report.

REQUIRED SUPPLEMENTARY INFORMATION

METROPOLITAN HUMAN SERVICES DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
FOR THE TEN YEARS ENDED JUNE 30, 2024

	District's proportion of the net pension liability	District's proportion share of the net pension liability	District's covered - payroll	District's proportionate share of the net pension liability as a percentage of its covered - payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.32718%	$ 21,900,153	$ 6,219,426	352.12%	68.40%
2023	0.34212%	25,863,463	7,581,231	341.15%	63.70%
2022	0.33826%	18,617,858	7,275,651	255.89%	72.80%
2021	0.34910%	28,873,066	7,265,421	397.40%	58.00%
2020	0.38035%	27,555,737	7,725,043	356.71%	62.90%
2019	0.40876%	27,876,793	7,511,239	371.13%	64.30%
2018	0.33327%	23,458,097	6,471,499	362.48%	62.50%
2017	0.32524%	25,539,403	5,929,314	430.73%	57.70%
2016	0.32492%	22,099,397	6,913,130	319.67%	62.70%
2015	0.35720%	22,338,079	6,814,043	327.82%	65.02%

The amounts presented for each fiscal year were determined as of the prior fiscal year ended.

METROPOLITAN HUMAN SERVICES DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS TO THE PENSION PLAN
FOR THE TEN YEARS ENDED JUNE 30, 2024

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered - payroll	Contributions as a percentage of covered - employee payroll
2024	$ 3,216,137	$ 3,216,137	$ -	$ 6,732,426	47.77%
2023	$ 2,955,739	$ 2,955,739	$ -	$ 6,219,426	47.52%
2022	$ 3,003,629	$ 3,003,629	$ -	$ 7,581,231	39.62%
2021	$ 2,924,322	$ 2,924,322	$ -	$ 7,275,651	40.19%
2020	$ 2,942,677	$ 2,942,677	$ -	$ 7,265,421	40.50%
2019	$ 2,915,177	$ 2,915,177	$ -	$ 7,725,043	37.74%
2018	$ 2,843,332	$ 2,843,332	$ -	$ 7,511,239	37.85%
2017	$ 2,367,283	$ 2,367,283	$ -	$ 6,471,499	36.58%
2016	$ 2,212,440	$ 2,212,440	$ -	$ 5,929,314	37.31%
2015	$ 2,557,952	$ 2,557,952	$ -	$ 6,913,130	37.00%

The amounts presented for each year were determined as of June 30th of each year noted.

METROPOLITAN HUMAN SERVICES DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE COLLECTIVE TOTAL OPEB LIABILITY
FOR THE SEVEN YEARS ENDED JUNE 30, 2024

Fiscal Year	Percentage of the Collective Total OPEB Liability	District's Proportionate Share of the Collective Total OPEB Liability	Covered Payroll	Proportionate Share of the Collective Total OPEB Liability as a % of Covered-Payroll
2024	0.2035%	$ 14,544,218	$ 6,680,153	217.72%
2023	0.1970%	13,293,446	6,837,182	194.43%
2022	0.1939%	17,754,980	6,325,754	280.68%
2021	0.2024%	16,770,937	6,935,203	241.82%
2020	0.1925%	14,865,787	7,067,556	210.34%
2019	0.1911%	16,317,009	6,585,585	247.77%
2018	0.1975%	17,164,564	5,824,774	294.68%

The amounts presented for each fiscal year were determined as of the prior fiscal year ended.

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

1. Schedule of the District's Proportionate Share of the Collective Total Other Post-employment Benefit Liability in the State of Louisiana Post-employment Benefits Plan:

This schedule reflects the participation of the District's employees in the State of Louisiana Post-employment Benefits Plan and its proportionate share of the collective total other post-employment liability, and the proportionate share of the collective total other post-employment benefits liability as a percentage of its covered employee payroll. The employers' collective total other post-employment benefit liability is the liability of the District's employees for benefits provided through the State of Louisiana Post-employment Benefits Plan. Covered employee payroll is the payroll of all employees that are provided with benefits through the plan. The amounts in the schedule for each fiscal year were determined as the prior fiscal year ended.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of the Governmental Accounting Standards Board Statement No. 75 to pay related benefits.

2. Schedule of the District's Proportionate Share of the Net Pension Liability in the Louisiana State Employees' Retirement System:

This schedule reflects the participation of the District's employees in Louisiana State Employees' Retirement System and its proportionate share of the net pension liability, the proportionate share of the net pension liability as a percentage of its covered employee payroll, and the plan fiduciary net position as a percentage of the total pension liability. The employers' net pension liability is the liability of the District's employees for benefits provided through Louisiana State Employees' Retirement System. Covered employee payroll is the payroll of all employees that are provided with benefits through the plan. The amounts in the schedule for each fiscal year were determined as the prior fiscal year ended.

3. Schedule of the District's Pension Contributions:

The difference between actuarially determined employer contributions and employer contributions received, and the percentage of employer contributions received to covered payroll, is presented in this schedule. The amounts presented in the schedule were determined as of the end of each fiscal year.

4. Changes in Benefit Terms:

Pension Plan

Act 656 of 2022 provided a one-time supplemental payment equal to the lesser of the retiree's or beneficiary's monthly benefit, or $2,000. Eligibility was based on the current statutory COLA eligibility requirements.

4. Changes in Benefit Terms: (Continued)

Pension Plan (Continued)

During the reporting period 2017, a Cost of Living Adjustment (COLA) was granted by LASERS of 1.5%.

Act 37 of 2021 provided a monthly benefit increase to LASERS retirees that on June 30, 2021 have attained age 60, have 30 or more years of service, have been retired 15 or more years, receive a monthly benefit less than $1,450, and have not participated in DROP or IBO.

OPEB Plan

There were no changes of benefit terms for the OPEB Plan during any of the years presented.

5. Changes in Assumptions:

Pension Plan

Louisiana State Employees' Retirement System (LASERS)

Valuation Date	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Salary Increases	Mortality Rate - Active & Retired Members	Termination, disability, and retirement assumptions
June 30, 2023	7.25%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2022	7.25%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2021	7.40%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study

5. Changes in Assumptions: (Continued)

Pension Plan (Continued)

June 30, 2020	7.55%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2019	7.60%	2.50%	2 Years	2.8% - 14.0%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2018	7.65%	2.75%	3 Years	2.8% - 14.3%	Mortality rates based on the RP-2000 mortality tables for non-disabled members and disabled members	Projected on a 5 year (2009-2013) experience study
June 30, 2017	7.75%	3.00%	3 Years	3.0% - 14.5%	Mortality rates based on the RP-2000 mortality tables for non-disabled members and disabled members	Projected on a 5 year (2009-2013) experience study
June 30, 2016	7.75%	3.00%	3 Years	3.0% - 14.5%	Mortality rates based on the RP-2000 mortality tables for non-disabled members and disabled members	Projected on a 5 year (2009-2013) experience study
June 30, 2015	7.75%	3.00%	3 Years	3.0% - 14.5%	Mortality rates based on the RP-2000 mortality tables for non-disabled members and disabled members	Projected on a 5 year (2009-2013) experience study

5. Changes in Assumptions: (Continued)

OPEB Plan

The discount rate changed from 2.71% as of July 1, 2016 to 3.13% as of July 1, 2017, for the State of Louisiana OPEB Plan.

The discount rate changed from 3.13% as of July 1, 2017 to 2.98% as of July 1, 2018, for the State of Louisiana OPEB Plan.

Other changes in assumptions as of July 1, 2018 were as follows:

1. Baseline per capita costs were updated to reflect 2018 claims and enrollment and retiree contributions were updated based on 2019 premiums. The impact of the High Cost Excise Tax was revisited, reflecting updated plan premiums.

2. The mortality assumption for the Louisiana State Employees' Retirement System was updated from the RP-2014 Healthy Annuitant and Employee tables for males and females with generational projections using projection scale MP-2017 to the RP-2014 Healthy Annuitant and Employee tables for males and females using projection scale MP-2018.

The discount rate changed from 2.98% as of July 1, 2018 to 2.79% as of July 1, 2019, for the State of Louisiana OPEB Plan.

Other changes in assumptions as of July 1, 2019 were as follows:

1. Baseline per capita costs were updated to reflect 2019 claims and enrollment and retiree contributions were updated based on 2020 premiums. Plan claims and premiums increased less than had been expected, which decreased the Plan's liability. In addition, the estimate of future EGWP savings was increased, based on an analysis of recent EGWP experience. This further reduced the Plan's liability.

2. Life insurance contributions were updated based on updated schedules for 2020 monthly premium rates, which reduced the Plan's liability.

3. The impact of the High Cost Excise Tax was removed. The High Cost Excise Tax was repealed in December 2019. This reduced the Plan's liability.

4. Demographic assumptions were revised for the Louisiana State Employees' Retirement System to reflect the recent experience study.

5. Changes in Assumptions: (Continued)

OPEB Plan (Continued)

The discount rate changed from 2.79% as of July 1, 2019 to 2.66% as of July 1, 2020, for the State of Louisiana OPEB Plan.

Other changes in assumptions as of July 1, 2020 were as follows:

1. Baseline per capita costs were updated to reflect 2020 claims and enrollment for the prescription drug costs and retiree contributions were updated based on 2021 premiums. Plan claims and premiums increased less than had been expected, which decreased the Plan's liability. In addition, the estimate of future EGWP savings was increased, based on an analysis of recent EGWP experience. This further reduced the Plan's liability.

2. Economic assumptions were updated to reflect the updated salary scale assumptions adopted by LASERS and TRSL. This slightly increased the Plan's liability.

3. The impact of the High Cost Excise Tax was removed. The High Cost Excise Tax was repealed in December 2019. This reduced the Plan's liability.

4. Several demographic assumptions were updated based on a review of OPEB experience from July 1, 2017 through June 30, 2020:

    1) Medical participation rates were decreased, decreasing the Plan's liability.

    2) The life participation rate was decreased from 52% to 36%, decreasing the Plan's liability.

    3) The age difference between future retirees and their spouses was updated, increasing the Plan's liability.

    4) The assumed percent of participants assumed to be Medicare-eligible upon reaching age 65 was updated, increasing the Plan's liability.

    5) Medical plan election percentages were updated which contributed to a decrease in the Plan's liability associated with updating baseline per capita costs (PCCs) and premiums.

5. Changes in Assumptions: (Continued)

OPEB Plan (Continued)

The discount rate changed from 2.66% as of July 1, 2020 to 2.18% as of July 1, 2021, for the State of Louisiana OPEB Plan.

Other changes in assumptions as of July 1, 2021 were as follows:

1) Baseline per capita costs were updated to reflect 2021 claims and enrollment.

2) Medical plan election percentage have been updated since the previous valuation.

3) The healthcare cost trend assumption has been revised since the previous valuation.

4) Inflation rate changed from 2.80% as of July 1, 2020 to 2.40% as of July 1, 2021.

The discount rate changed from 2.18% as of July 1, 2021 to 4.09% as of July 1, 2022, for the State of Louisiana OPEB Plan.

Other changes in assumptions as of July 1, 2022 were as follows:

1. Baseline per capita costs and medical plan elections percentages were updated to reflect 2022 claims and enrollment.

2. Medical plan election percentages were updated based on the coverage election of recent retirees.

3. The withdrawal assumption for LASERS Wildlife participants and the morality rate assumptions for LASERS Public Safety participants have been updated.

The discount rate changed from 4.09% as of July 1, 2022 to 4.13% as of July 1, 2023, for the State of Louisiana OPEB Plan.

Other changes in assumptions as of July 1, 2023 were as follows:

1. Baseline per capita costs (PCCs) were updated to reflect 2023 claims and enrollment.

2. Medical plan election percentages were updated based on the coverage election of recent retirees.

5. Changes in Assumptions: (Continued)

OPEB Plan: (Continued)

3. The mortality, retirement, termination, disability, and salary increase rates for the TRSL, LSERS, and LSPRS groups were updated. Additionally, all TRSL assumptions that were based on the Regular plan assumptions only have been updated to vary by sub-plan as applicable (Regular, Higher Ed, and Lunch).

4. The healthcare cost trend was updated.

DHHM
certified public accountants

Duplantier
Hrapmann
Hogan &
Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)
Felix J. Hrapmann, Jr., CPA
(1919-1990)
William R. Hogan, Jr., CPA
(1920-1996)
James Maher, Jr., CPA
(1921-1999)

Lindsay J. Calub, CPA, LLC
Michelle H. Cunningham, CPA
Grady C. Lloyd, III, CPA
Robynn P. Beck, CPA
J. Patrick Butler, III, CPA
Wesley D. Wade, CPA

Heather Jovanovich, CPA
Terri L. Kitto, CPA
Gregory J. Binder, IT Director
Colleen A. Casey, CPA
J. Michael Flynn, III CPA

Michael J. O' Rourke, CPA
William G. Stamm, CPA
Dennis W. Dillon, CPA

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Slidell
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
1340 Tunnel Blvd.,
Suite 412
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Covington
220 Park Place
Suite 101
Covington, LA 70433
Phone: (985) 892-8776
Fax: (985) 892-0952

Metairie
3300 W. Esplanade Ave.
Suite 213
Metairie, LA 70002
Phone: (504) 833-3106
Fax: (504) 838-0262

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*

August 30, 2024

Board of Directors
Metropolitan Human Services District
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Metropolitan Human Services District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Metropolitan Human Services District's basic financial statements, and have issued our report thereon dated August 30, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hrapmann, Hogan and Maher, LLP

New Orleans, Louisiana

DHHM
certified public accountants

Duplantier
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New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Slidell
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
1340 Tunnel Blvd.,
Suite 412
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Covington
220 Park Place
Suite 101
Covington, LA 70433
Phone: (985) 892-8776
Fax: (985) 892-0952

Metairie
3300 W. Esplanade Ave.
Suite 213
Metairie, LA 70002
Phone: (504) 833-3106
Fax: (504) 838-0262

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY *THE UNIFORM GUIDANCE*

August 30, 2024

Board of Directors
Metropolitan Human Services District
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The Metropolitan Human Services District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibility for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hrapmann, Hogan and Maher, LLP

New Orleans, Louisiana

METROPOLITAN HUMAN SERVICES DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

FEDERAL GRANTOR / PASS-THROUGH GRANTOR / PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH IDENTIFYING NUMBER	TOTAL FEDERAL EXPENDITURE
DEPARTMENT OF HEALTH & HUMAN SERVICES			
Passed-through Louisiana Department of Health and Hospitals:			
Projects for Assistance in Transition from Homelessness	93.150	N/A	$ 165,806
Community Mental Health Services Block Grant			
Mental Health Block Grant	93.958	N/A	555,356
Mental Health Block Grant - COVID Supplement	93.958	N/A	186,756
Total Community Mental Health Service Block Grant			742,112
Substance Abuse, Prevention and Treatment Grant			
Substance Abuse, Prevention and Treatment Grant (SAPT)	93.959	N/A	4,572,383
SAPT - COVID Supplement	93.959	N/A	1,820,642
Total Substance Abuse, Prevention and Treatment Grant *			6,393,025
State Opiod Response	93.788	N/A	392,670
Hurricane Ida - Counseling Regular Services Program (CCP RSP)	93.982	N/A	95,648
Substance Abuse and Mental Health Service Administration Center forf Mental Health Service - Certified Community Behavioral Health Clinics*	93.696	N/A	1,171,332
Total Department of Health & Human Services			8,960,593
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Program:			
Continuum of Care	14.267	N/A	1,431,966
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 10,392,559

* Major program

See accompanying notes to schedule of expenditures of federal awards.

METROPOLITAN HUMAN SERVICES DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Metropolitan Human Services District under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Schedule of Expenditures of Federal Awards of the Metropolitan Human Services District has been prepared in conformity with accounting principles generally accepted in the United States of America. Expenditures are recognized when incurred. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (*Uniform Guidance*), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. INDIRECT COST RATE:

The Metropolitan Human Services District has elected not to use the 10% de minims indirect cost rate allowed under the Uniform Guidance.

4. SUBRECIPIENTS:

There were no awards passed through to sub-recipients.

METROPOLITAN HUMAN SERVICES DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

SUMMARY OF AUDITOR'S RESULTS:

Financial Statements:

Type of auditor's report issued: unmodified

Internal control over financial reporting:

* Material weakness(es) identified?	__yes	X no
* Control deficiencies identified that are not considered to be material weaknesses?	__yes	X no

Noncompliance material to financial statements noted?	__yes	X no

Federal Awards:

Internal control over major programs:

* Material weakness(es) identified?	__yes	X no
* Significant deficiencies considered to be material weaknesses?	__yes	X no

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance:	__yes	X no

Identification of major programs:

Name of Program	Assistance Listing No.	Expenditures
Substance Abuse, Prevention and Treatment Grant	93.959	$6,393,025
Certified Community Behavioral Health Clinics	93.696	1,171,332

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee?	X yes	__no

METROPOLITAN HUMAN SERVICES DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

FINDINGS REQUIRED TO BE REPORTED UNDER GOVERNMENTAL AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA:

NONE

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

NONE

METROPOLITAN HUMAN SERVICES DISTRICT
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

STATUS OF PRIOR YEAR AUDIT FINDINGS:

No findings in prior year.

ANNUAL FISCAL REPORT (AFR)
FOR 2024

AGENCY: 304 - Metropolitan Human Services Authority
PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

STATEMENT OF NET POSITION

ASSETS	
CURRENT ASSETS:	
CASH AND CASH EQUIVALENTS	479,624.00
RESTRICTED CASH AND CASH EQUIVALENTS	0.00
INVESTMENTS	0.00
RESTRICTED INVESTMENTS	0.00
DERIVATIVE INSTRUMENTS	0.00
OTHER DERIVATIVE INSTRUMENTS	0.00
RECEIVABLES (NET)	7,324,785.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
P3 RECEIVABLE (NET) (Only relates to Transferor)	0.00
AMOUNTS DUE FROM PRIMARY GOVERNMENT	0.00
DUE FROM FEDERAL GOVERNMENT	0.00
INVENTORIES	0.00
PREPAYMENTS	0.00
NOTES RECEIVABLE	0.00
OTHER CURRENT ASSETS	0.00
TOTAL CURRENT ASSETS	**$7,804,409.00**
NONCURRENT ASSETS:	
RESTRICTED ASSETS:	
CASH	0.00
INVESTMENTS	0.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
OTHER	0.00
INVESTMENTS	0.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
P3 RECEIVABLE (NET) (Only relates to Transferor)	0.00
CAPITAL ASSETS (NET OF DEPRECIATION & AMORTIZATION)	
LAND	0.00
BUILDINGS AND IMPROVEMENTS	675,892.00
MACHINERY AND EQUIPMENT	0.00
INFRASTRUCTURE	0.00
OTHER INTANGIBLE ASSETS	0.00
CONSTRUCTION IN PROGRESS	0.00
INTANGIBLE RIGHT-TO-USE ASSETS:	
LEASED LAND	0.00
LEASED BUILDING & OFFICE SPACE	33,991.00
LEASED MACHINERY & EQUIPMENT	0.00
SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)	175,923.00
PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIP ARRANGEMENTS (P3) (Only relates to Operator)	0.00
OTHER NONCURRENT ASSETS	0.00
TOTAL NONCURRENT ASSETS	**$885,806.00**
TOTAL ASSETS	**$8,690,215.00**

DEFERRED OUTFLOWS OF RESOURCES

ANNUAL FISCAL REPORT (AFR)
FOR 2024

AGENCY: 304 - Metropolitan Human Services Authority
PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
LEASE RELATED	0.00
P3-RELATED (Only relates to Operator)	0.00
GRANTS PAID PRIOR TO MEETING TIME REQUIREMENTS	0.00
INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEREE)	0.00
LOSSES FROM SALE-LEASEBACK TRANSACTIONS	0.00
DIRECT LOAN ORIGINATION COSTS FOR MORTGAGE LOANS HELD FOR SALE	0.00
ASSET RETIREMENT OBLIGATIONS	0.00
OPEB-RELATED	2,567,036.00
PENSION-RELATED	3,815,410.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**$6,382,446.00**
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$15,072,661.00**
LIABILITIES	
CURRENT LIABILITIES:	
ACCOUNTS PAYABLE AND ACCRUALS	3,018,767.00
ACCRUED INTEREST	0.00
DERIVATIVE INSTRUMENTS	0.00
OTHER DERIVATIVE INSTRUMENTS	0.00
AMOUNTS DUE TO PRIMARY GOVERNMENT	0.00
DUE TO FEDERAL GOVERNMENT	0.00
AMOUNTS HELD IN CUSTODY FOR OTHERS	0.00
UNEARNED REVENUES	0.00
OTHER CURRENT LIABILITIES	0.00
CURRENT PORTION OF LONG-TERM LIABILITIES:	
CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	565,399.00
LEASE LIABILITY	17,484.00
SBITA LIABILITY	93,858.00
P3 LIABILITY (Only relates to Operator)	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
OPEB LIABILITY	624,196.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
TOTAL CURRENT LIABILITIES	**$4,319,704.00**
NONCURRENT PORTION OF LONG-TERM LIABILITIES:	
CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	159,747.00
LEASE LIABILITY	22,861.00
SBITA LIABILITY	87,777.00
P3 LIABILITY (Only relates to Operator)	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
OPEB LIABILITY	13,920,022.00
NET PENSION LIABILITY	21,900,153.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
UNEARNED REVENUE	0.00

ANNUAL FISCAL REPORT (AFR)
FOR 2024

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PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

TOTAL NONCURRENT LIABILITIES	**$36,090,560.00**
TOTAL LIABILITIES	**$40,410,264.00**
DEFERRED INFLOWS OF RESOURCES	
ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
LEASE RELATED	0.00
P3-RELATED (Only relates to Transferor)	0.00
GRANTS RECEIVED PRIOR TO MEETING TIME REQUIREMENTS	0.00
SALES/INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEROR)	0.00
GAINS FROM SALE-LEASEBACK TRANSACTIONS	0.00
SPLIT INTEREST AGREEMENTS	0.00
POINTS RECEIVED ON LOAN ORIGINATION	0.00
LOAN ORIGINATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
OPEB-RELATED	3,341,015.00
PENSION-RELATED	1,139,935.00
TOTAL DEFERRED INFLOWS OF RESOURCES	**$4,480,950.00**
NET POSITION:	
NET INVESTMENT IN CAPITAL ASSETS	663,827.00
RESTRICTED FOR:	
CAPITAL PROJECTS	0.00
DEBT SERVICE	0.00
NONEXPENDABLE	0.00
EXPENDABLE	0.00
OTHER PURPOSES	0.00
UNRESTRICTED	**$(30,482,380.00)**
TOTAL NET POSITION	**$(29,818,553.00)**

ANNUAL FISCAL REPORT (AFR)
FOR 2024

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SUBMITTAL DATE: 09/03/2024 02:13 PM

STATEMENT OF ACTIVITIES

	PROGRAM REVENUES			
EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	**NET (EXPENSE) REVENUE**
29,547,750.00	199,364.00	10,992,945.00	0.00	**$(18,355,441.00)**

GENERAL REVENUES	
PAYMENTS FROM PRIMARY GOVERNMENT	18,402,595.00
OTHER	71,118.00
ADDITIONS TO PERMANENT ENDOWMENTS	0.00
CHANGE IN NET POSITION	**$118,272.00**
NET POSITION - BEGINNING	**$(29,936,825.00)**
NET POSITION - RESTATEMENT - ERROR CORRECTION	0.00
NET POSITION - RESTATEMENT - CHANGE IN ACCOUNTING PRINCIPLE	0.00
NET POSITION - RESTATEMENT - CHANGE IN REPORTING ENTITY	0.00
NET POSITION - ENDING	**$(29,818,553.00)**

ANNUAL FISCAL REPORT (AFR)
FOR 2024

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EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

DUES AND TRANSFERS

Account Type Amounts due from Primary Government	Intercompany (Fund)	Amount
	Total	**$0.00**

Account Type Amounts due to Primary Government	Intercompany (Fund)	Amount
	Total	**$0.00**

ANNUAL FISCAL REPORT (AFR)
FOR 2024

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SUBMITTAL DATE: 09/03/2024 02:13 PM

SCHEDULE OF BONDS PAYABLE

Series Issue	Date of Issue	Original Issue Amount	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY	Interest Outstanding CFY
		0.00	0.00	0.00	$ 0.00	0.00
		Totals	**$0.00**	**$0.00**	**$0.00**	**$0.00**

Series - Unamortized Premiums:

Series Issue	Date of Issue		Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY	
			0.00	0.00	$ 0.00	
		Totals	**$0.00**	**$0.00**	**$0.00**	

Series - Unamortized Discounts:

Series Issue	Date of Issue		Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY	
			0.00	0.00	$ 0.00	
		Totals	**$0.00**	**$0.00**	**$0.00**	

ANNUAL FISCAL REPORT (AFR)
FOR 2024

AGENCY: 304 - Metropolitan Human Services Authority
PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

SCHEDULE OF BONDS PAYABLE AMORTIZATION

Fiscal Year Ending:	Principal	Interest
2025	0.00	0.00
2026	0.00	0.00
2027	0.00	0.00
2028	0.00	0.00
2029	0.00	0.00
2030	0.00	0.00
2031	0.00	0.00
2032	0.00	0.00
2033	0.00	0.00
2034	0.00	0.00
2035	0.00	0.00
2036	0.00	0.00
2037	0.00	0.00
2038	0.00	0.00
2039	0.00	0.00
2040	0.00	0.00
2041	0.00	0.00
2042	0.00	0.00
2043	0.00	0.00
2044	0.00	0.00
2045	0.00	0.00
2046	0.00	0.00
2047	0.00	0.00
2048	0.00	0.00
2049	0.00	0.00
2050	0.00	0.00
2051	0.00	0.00
2052	0.00	0.00
2053	0.00	0.00
2054	0.00	0.00
2055	0.00	0.00
2056	0.00	0.00
2057	0.00	0.00
2058	0.00	0.00
2059	0.00	0.00
Premiums and Discounts	**$0.00**	
Total	**$0.00**	**$0.00**

ANNUAL FISCAL REPORT (AFR)
FOR 2024

AGENCY: 304 - Metropolitan Human Services Authority
PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

Other Postemployment Benefits (OPEB)

If your agency has active or retired employees who are members of the Office of Group Benefits (OGB) Health Plan, please provide the following information: (Note: OGB has a 6/30/2023 measurement date for their OPEB valuation)

Benefit payments made subsequent to the measurement date of the **OGB** Actuarial Valuation Report until the employer's fiscal year end. (Benefit payments are defined as the employer payments for retirees' health and life insurance premiums). For agencies with a 6/30 year end this covers the current fiscal year being reported. For calendar year end agencies, it covers the period 7/1 to 12/31 for the current year being reported.	626,196.00
Covered Employee Payroll for the **PRIOR** fiscal year (not including related benefits)	6,680,153.00
For calendar year-end agencies only: Benefit payments or employer payments for retirees' health and life insurance premiums made for the next year's valuation reporting period (7/1/2023 - 6/30/2024). This information will be provided to the actuary for the valuation report early next year.	0.00

For agencies that have employees that participate in the **LSU Health Plan**, provide the following information: (Note: The LSU Health Plan has a measurement date of 6/30/2024 for their OPEB valuation report.)

Covered Employee Payroll for the **CURRENT** fiscal year (not including related benefits)	0.00

ANNUAL FISCAL REPORT (AFR)
FOR 2024

AGENCY: 304 - Metropolitan Human Services Authority
PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

FUND BALANCE/NET POSITION RESTATEMENT

ERROR CORRECTIONS

For each beginning net position restatement resulting from a correction of an error, select the SNP account and the SOA account affected by the error. Only material errors should be restated. Immaterial errors should be corrected through current period revenue or expenses, as applicable. In the description field, explain the nature of the error, and its correction, including periods affected by the error.

Account Name/Description	Beginning Net Position Restatement Amount
Total Restatement - Error Corrections	**$0.00**

CHANGES IN ACCOUNTING PRINCIPLE

For each beginning net position restatement resulting from the application of a new accounting principle, select the SNP account and the SOA account that are affected by the change in accounting principle. In the description field explain the nature of the change in accounting principle and the reason for the change. If the change is due to the implementation of a new GASB pronouncement, identify the pronouncement that was implemented.

Account Name/Description	Beginning Net Position Restatement Amount
Total Restatement - Changes in Accounting Principle	**$0.00**

CHANGES IN REPORTING ENTITY

Describe the nature and reason for the change to or within the finanical reporting entity and list the effect (amount) on beginning net position.

Description	Effect on Beginning Net Position
	0.00
Total Restatement - Changes in Reporting Entity	**$0.00**

ANNUAL FISCAL REPORT (AFR)
FOR 2024

AGENCY: 304 - Metropolitan Human Services Authority
PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:13 PM

SUBMISSION

Before submitting, ensure that all data (statements, notes, schedules) have been entered for the agency.

Once submitted no changes can be made to any of the agency data for the specified year.

By clicking 'Submit' below you certify that the financial statements herewith given present fairly the financial position and the results of operations for the year ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

Reminder: You must send Louisiana Legislative Auditors an electronic copy of the AFR report in a pdf, tiff, or some other electronic format to the following e-mail address: LLAFileroom@lla.la.gov.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)
FOR 2024

AGENCY: 304 - Metropolitan Human Services Authority
PREPARED BY: Traci Brown
PHONE NUMBER: 504-535-2936
EMAIL ADDRESS: traci.brown@mhsdla.org
SUBMITTAL DATE: 09/03/2024 02:35 PM

SEFA FORM INFORMATION

Assistance Listing	Other Identifying Number	Program Name	Federal Awarding Agency	ARRA or COVID-19 ?	Research & Development ?	Direct Award or Pass-through ?	Type of Assistance	Expenditure Amount	Amount Provided to Non-state Subrecipients
						Totals		$10,392,559.00	$0.00
14.267	14.267	Continuum of Care Program	U.S. Department of Housing and Urban Development	No	No	Direct	Cash Awards	$1,431,966.00	$0.00
93.150	93.150	Projects for Assistance in Transition from Homelessness (PATH)	U.S. Department of Health and Human Services	No	No	Pass-through	Cash Awards	$165,806.00	$0.00
93.696	93.696	Certified Community Behavioral Health Clinic Expansion Grants	U.S. Department of Health and Human Services	No	No	Direct	Cash Awards	$1,171,332.00	$0.00
93.788	93.788	Opioid STR	U.S. Department of Health and Human Services	No	No	Pass-through	Cash Awards	$392,670.00	$0.00
93.958	93.958	Block Grants for Community Mental Health Services	U.S. Department of Health and Human Services	No	No	Pass-through	Cash Awards	$555,356.00	$0.00
93.958	93.958	Block Grants for Community Mental Health Services	U.S. Department of Health and Human Services	COVID-19	No	Pass-through	Cash Awards	$186,756.00	$0.00
93.959	93.959	Block Grants for Prevention and Treatment of Substance Abuse	U.S. Department of Health and Human Services	No	No	Pass-through	Cash Awards	$4,572,383.00	$0.00
93.959	93.959	Block Grants for Prevention and Treatment of Substance Abuse	U.S. Department of Health and Human Services	COVID-19	No	Pass-through	Cash Awards	$1,820,642.00	$0.00
93.982	93.982	Mental Health Disaster Assistance and Emergency Mental Health	U.S. Department of Health and Human Services	No	No	Pass-through	Cash Awards	$95,648.00	$0.00

PASS-THROUGH ENTITIES INFORMATION

Entity Name	Assistance Listing	Other Identifying Number	ARRA or COVID-19 ?	Research & Dev ?	Assistance Type	Expenditure Amount
Office of Behavioral Health	93.150	93.150	No	No	Cash Awards	$165,806.00
Office of Behavioral Health	93.788	93.788	No	No	Cash Awards	$392,670.00
Office of Behavioral Health	93.958	93.958	No	No	Cash Awards	$555,356.00
Office of Behavioral Health	93.958	93.958	COVID-19	No	Cash Awards	$186,756.00
Office of Behavioral Health	93.959	93.959	No	No	Cash Awards	$4,572,383.00
Office of Behavioral Health	93.959	93.595	COVID-19	No	Cash Awards	$1,820,642.00
Office of Behavioral Health	93.982	93.982	No	No	Cash Awards	$95,648.00
Total						**$7,789,261.00**

UNIQUE ENTITY IDENTIFIER (UEI)

Agency No	Agency Name	Unique Entity Identifier (UEI)
304	Metropolitan Human Services Authority	JT9BKN527LJ4

EXCLUDING LOAN ACTIVITY

		ASSISTANCE LISTING OR OTHER NUMBER	AMOUNT EXPENDED	AMOUNTS PROVIDED TO NON-STATE SUBRECIPIENTS
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Continuum of Care Program		14.267		
Direct Awards				
Metropolitan Human Services Authority		14.267	$1,431,966.00	
			$1,431,966.00	$0.00
Total for U.S. Department of Housing and Urban Development			$1,431,966.00	$0.00
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Projects for Assistance in Transition from Homelessness (PATH)		93.150		
Through: Office of Behavioral Health (93.150)				
Metropolitan Human Services Authority	93.150		$165,806.00	
			$165,806.00	$0.00
Certified Community Behavioral Health Clinic Expansion Grants		93.696		
Direct Awards				
Metropolitan Human Services Authority		93.696	$1,171,332.00	
			$1,171,332.00	$0.00
Opioid STR		93.788		
Through: Office of Behavioral Health (93.788)				
Metropolitan Human Services Authority	93.788		$392,670.00	
			$392,670.00	$0.00
COVID-19 - Block Grants for Community Mental Health Services		93.958		
Through: Office of Behavioral Health (93.958)				
Metropolitan Human Services Authority	93.958		$186,756.00	
			$186,756.00	$0.00
Block Grants for Community Mental Health Services		93.958		
Through: Office of Behavioral Health (93.958)				
Metropolitan Human Services Authority	93.958		$555,356.00	
			$555,356.00	$0.00
			$742,112.00	$0.00
COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse		93.959		
Through: Office of Behavioral Health (93.595)				
Metropolitan Human Services Authority	93.595		$1,820,642.00	
			$1,820,642.00	$0.00
Block Grants for Prevention and Treatment of Substance Abuse		93.959		
Through: Office of Behavioral Health (93.959)				
Metropolitan Human Services Authority	93.959		$4,572,383.00	

			$4,572,383.00	$0.00
			$6,393,025.00	$0.00
Mental Health Disaster Assistance and Emergency Mental Health		93.982		
Through: Office of Behavioral Health (93.982)				
Metropolitan Human Services Authority	93.982		$95,648.00	
			$95,648.00	$0.00
Total for U.S. Department of Health and Human Services			$8,960,593.00	$0.00
TOTAL EXPENDITURES OF FEDERAL AWARDS EXCLUDING LOAN ACTIVITY			**$10,392,559.00**	**$0.00**

LOAN ACTIVITY

	ASSISTANCE LISTING OR OTHER NUMBER	AMOUNT EXPENDED	AMOUNTS PROVIDED TO NON-STATE SUBRECIPIENTS
TOTAL EXPENDITURES OF FEDERAL AWARDS INCLUDING LOANS		**$10,392,559.00**	**$0.00**