

TANGIPAHOA PARISH GOVERNMENT

Amite, Louisiana

ANNUAL FINANCIAL REPORT

As of and for the Year Ended

December 31, 2021

TANGIPAOA PARISH GOVERNMENT

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ANNUAL FINANCIAL REPORT

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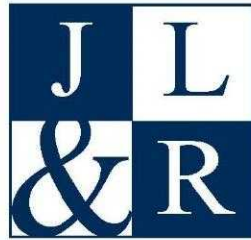
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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tangipahoa Parish Government (the "Parish"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Parish's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse and Unmodified Opinions" section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Parish as of December 31, 2021, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the primary government of the Parish as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parish's internal control. Accordingly, no such opinion is expressed.

Tangipahoa Parish Government

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Parish's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

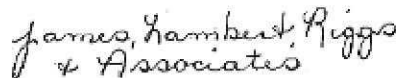
Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 8 – 13; the Budgetary Comparison Schedules on pages 74 – 76; the Schedule of Changes in the Parish's Net OPEB Liability and Related Ratios on page 77; the Schedule of the Parish's Proportionate Share of the Net Pension Liability / (Asset) on page 78; and the Schedule of the Parish's Contribution on page 79 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's basic financial statements. The accompanying Financial Data Schedule – Balance Sheet; Financial Data Schedule – Revenues and Expenses; Schedule of Compensation, Benefits, and Other Payments to Agency Head; Justice System Funding Schedule – Receiving Entity; and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule – Balance Sheet; Financial Data Schedule – Revenues and Expenses; Schedule of Compensation, Benefits, and Other Payments to Agency Head; Justice System Funding Schedule – Receiving Entity; and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 4, 2022, on our consideration of the Parish's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Parish's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Parish's internal control over financial reporting and compliance.

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

James, Lambert, Riggs and Associates, Inc.
Hammond, Louisiana

August 4, 2022

Required Supplementary Information (Part I)

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Tangipahoa Parish Government's (Parish) financial performance provides an overview of the Parish's financial activities for the fiscal year ended December 31, 2021, with comparisons to the prior year, where appropriate.

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

FINANCIAL HIGHLIGHTS

The Parish's net position from government activities increased approximately \$16.2 million as a result of this year's operations.

Total cost of all of the Parish's programs was in excess of \$102 million in 2021.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities

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

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

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2021

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

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law. However, the Parish establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Parish's three kinds of funds, governmental, proprietary, and fiduciary, use different accounting approaches.

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

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

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

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 through 71 of this report.

FINANCIAL ANALYSIS

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

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2021

CONDENSED STATEMENT OF NET POSITION
Governmental Activities
December 31, 2021, and 2020

	2021	2020
<u>Assets</u>		
Current Assets	\$ 89,529,697	\$ 34,943,963
Restricted Assets	26,206,102	14,428,889
Capital Assets	213,946,032	210,016,585
Net Pension Asset	3,904,749	-
Total Assets	333,586,580	259,389,437
 <u>Deferred outflow of resources</u>	 6,063,658	 5,535,309
 <u>Liabilities</u>		
Current Liabilities	50,752,541	6,485,484
Long-Term Liabilities	21,606,963	22,268,215
Net Pension Liability	107,829	663,118
Total Liabilities	72,467,333	29,416,817
 <u>Deferred inflow of resources</u>	 22,411,278	 6,902,185
 <u>Net Position</u>		
Net Investment in Capital Assets	208,007,718	203,795,843
Restricted	47,346,287	39,025,888
Unrestricted(Deficit)	(10,582,378)	(14,215,987)
Total Net Position	\$244,771,627	\$ 228,605,744

Approximately 84.98% of the Parish's net position reflect its investment in capital assets (land, buildings, equipment, and improvements) net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending. Although, the Parish's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

Approximately 19.34% of the Parish's net position represent resources that are subject to external restriction on how they may be used. The Parish's restricted net position consist of cash restricted for the high deductible insurance and health reimbursement plan, cash required to be restricted by grant covenants, sales tax levies, ad valorem tax levies, and contract agreements.

Approximately (4.32)% of the Parish's net position is a deficit and that is attributable to an increase in restricted assets and deferred inflow of resources.

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2021

The table below provides a comparative summary of the changes in net position for the years ended December 31, 2021, and December 31, 2020. An analysis of the primary sources of these changes follows the table. For more detailed information, see Exhibit A-2, the Statement of Activities.

CONDENSED STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
For Years Ended December 31, 2021, and 2020

	Governmental Activites	
	2021	2020
Program Revenues:		
Charges for Services	\$ 9,490,379	\$ 11,581,013
Grants and Contributions		
Operating	57,084,892	13,387,614
Capital	5,380,725	2,570,772
Total Program Revenues	<u>71,955,996</u>	<u>27,539,399</u>
General Revenues:		
Taxes, Licenses, and Revenue Sharing	42,294,787	36,953,392
Investment Earnings	498,863	370,642
Miscellaneous	3,901,512	212,013
Support Revenues	259,360	252,299
Gain from sale of timber	-	63,250
Gain from lease modification	25,380	-
Gain on sale of capital assets	145	-
Total General Revenues	<u>46,980,047</u>	<u>37,851,596</u>
Total Revenues	<u>118,936,043</u>	<u>65,390,995</u>
Program Expenses:		
General Government	8,682,803	8,673,279
Culture and Recreation	368,765	1,148,498
Public Safety	2,639,614	2,366,510
Public Works	76,734,933	33,091,433
Health and Welfare	7,108,331	7,418,683
Economic Development	6,420,537	5,285,142
Interest on long term debt	661,625	215,761
Total Expenses	<u>102,616,608</u>	<u>58,199,306</u>
Excess Before Transfers and Contributions	16,319,435	7,191,689
Transfers & Contributions	<u>(153,552)</u>	<u>71,644</u>
Change in Net Position	<u>16,165,883</u>	<u>7,263,333</u>
Net Position, beginning	<u>228,605,744</u>	<u>221,342,411</u>
Net Position, ending	<u>\$ 244,771,627</u>	<u>\$ 228,605,744</u>

TANGIPAOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2021

Governmental Activities

The Parish's governmental net position increased by \$16,165,883. The increase in Net Position is a result of an increase in taxes and licenses and a reduction in amount of infrastructure expenditures for other governmental entities.

Business Type Activities

The Parish had no business type activities in 2021.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Parish budgets were reviewed quarterly and amended one time during the year to reflect changes in forecasted revenues and expenditures, with the final amendment taking place on December 13, 2021.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Tangipahoa Parish's capital assets for its governmental activities as of December 31, 2021, amount to \$213.9M (net of accumulated depreciation). Capital assets include land, buildings, improvements, vehicles, machinery and equipment, office equipment, roads, and bridges.

The total increase in the Parish's Net investment in capital assets for the current year was 1.87%, or \$3.9M.

CONDENSED STATEMENT OF CAPITAL ASSETS (NET OF DEPRECIATION)
For Years Ended December 31, 2021, and 2020

	Governmental Activities	
	2021	2020
Land	\$ 6,835,615	\$ 6,315,976
Construction in Progress	10,705,912	6,942,950
Buildings and Improvements	34,965,430	35,211,669
Infrastructure	151,491,500	151,312,809
Machinery & Equipment	9,947,575	10,233,181
Capital Asset (Net)	\$ 213,946,032	\$ 210,016,585

Major capital asset events for year ended December 31, 2021, included the following:

1. The Parish entered into eight new capital lease agreements and terminated four existing capital lease agreements.
2. Phase 21 road overlay project was completed.
3. Construction of the new library in Kentwood was started.

TANGIPAHOA PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31,2021

Long-Term Debt

CONDENSED STATEMENT OF LONG-TERM DEBT
For Years Ended December 31, 2021, and 2020

	Governmental Activities	
	2021	2020
General Obligation Bonds	\$ 649,200	\$ 677,900
Landfill Revenue Bonds	4,430,000	4,545,000
Premium Landfill Revenue Bonds	118,314	122,540
GOMESA Revenue Bonds	7,315,000	7,725,000
Capital Leases	740,800	875,302
Estimated Liability for Landfill Closure / Post Closure Care Cost	5,814,392	5,526,722
Total	\$ 19,067,706	\$19,472,464

* The current portion of the debt listed above is \$731,053.

THE PARISH AS A WHOLE

The Parish's combined Net Position changed from a year ago, increasing from approximately \$228 million to \$244 million.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Parish looks forward to 2022 with a cautious optimistic economic outlook of continued expansion and growth within the local economy. The Parish continues to practice the conservative fiscal policy (pay as you go) from which much of the economic success in Tangipahoa Parish has resulted.

REQUEST FOR INFORMATION

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

Basic Financial Statements

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF NET POSITION
December 31, 2021

EXHIBIT A-1

	Governmental Activities
<u>Assets</u>	
Cash and cash equivalents	\$ 30,125,576
Receivables, net	58,844,690
Due from other governments	559,431
Restricted assets - cash	26,206,102
Capital assets (net)	213,946,032
Net pension asset	3,904,749
Total Assets	333,586,580
 <u>Deferred Outflow of Resources</u>	
GASB 68 - pension	4,516,087
GASB 75 - OPEB	1,547,571
Total Deferred Outflow of Resources	6,063,658
 <u>Liabilities</u>	
Accounts, salaries, and other payables	49,487,505
Due to other governments	541,143
Noncurrent liabilities:	
Due within one year	723,893
Due in more than one year	18,343,813
Postemployment healthcare benefits payable	3,263,150
Net pension liability	107,829
Total Liabilities	72,467,333
 <u>Deferred Inflow of Resources</u>	
Grant funds	12,332,179
GASB 68 - pension	8,497,603
GASB 75 - OPEB	1,581,496
Total Deferred Inflow of Resources	22,411,278
 <u>Net Position</u>	
Net investment in capital assets	208,007,718
Restricted for:	
Debt service	10,876,779
Other purposes	36,469,508
Unrestricted	(10,582,378)
Total Net Position	\$ 244,771,627

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
General government	\$ 8,682,803	\$ 1,799,991	\$ 2,188,880	\$ 1,452,263	\$ (3,241,669)
Culture and recreation	368,765	124,931	95,431	14,330	(134,073)
Public safety	2,639,614	660,992	274,846	2,190,200	486,424
Public works	76,734,933	6,896,465	44,776,485	1,723,932	(23,338,051)
Health and welfare	7,108,331	8,000	3,531,046	-	(3,569,285)
Economic development	6,420,537	-	6,218,204	-	(202,333)
Interest on long-term debt	661,625	-	-	-	(661,625)
Total governmental activities	<u>\$ 102,616,608</u>	<u>\$ 9,490,379</u>	<u>\$ 57,084,892</u>	<u>\$ 5,380,725</u>	<u>(30,660,612)</u>
General revenues:					
Taxes:					
					30,667,179
					8,133,423
					797,839
					275,210
					2,910
					1,044,780
					493,179
					880,267
					3,901,512
					498,863
					25,380
					145
					259,360
					(153,552)
					<u>46,826,495</u>
					16,165,883
					<u>228,605,744</u>
					<u>\$ 244,771,627</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

EXHIBIT A-3

	General Fund	Road and Bridge Funds	Garbage District No. 1	Hazard Mitigation	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>						
Cash and cash equivalents	\$ 2,467,962	\$ 18,706,956	\$ 3,187,550	\$ 154,272	\$ 4,901,691	\$ 29,418,431
Receivables, net	3,311,034	43,982,367	5,613,338	519,063	5,105,101	58,530,903
Due from other governments	554,436	-	-	-	4,995	559,431
Due from other funds	192,601	-	-	-	-	192,601
Restricted assets - cash	22,397,231	732,033	2,716,584	56,056	207,712	26,109,616
Total Assets	\$ 28,923,264	\$ 63,421,356	\$ 11,517,472	\$ 729,391	\$ 10,219,499	\$ 114,810,982
<u>Liabilities</u>						
Accounts, salaries, and other payables	\$ 1,728,963	\$ 44,665,110	\$ 607,414	\$ 455,718	\$ 1,855,867	\$ 49,313,072
Due to other governments	58,642	-	131,568	198,475	152,458	541,143
Due to other funds	-	-	-	-	192,601	192,601
Total Liabilities	1,787,605	44,665,110	738,982	654,193	2,200,926	50,046,816
<u>Deferred Inflow of Resources</u>						
Grant Funds	12,272,523	-	-	56,056	3,600	12,332,179
Total Deferred Inflow of Resources	12,272,523	-	-	56,056	3,600	12,332,179
<u>Fund Balances</u>						
Restricted	8,283,655	18,521,512	10,711,668	19,142	7,833,587	45,369,564
Committed	1,284,692	-	-	-	93,904	1,378,596
Assigned	205,063	234,734	66,822	-	176,247	682,866
Unassigned	5,089,727	-	-	-	(88,765)	5,000,962
Total Fund Balances	14,863,136	18,756,246	10,778,490	19,142	8,014,973	52,431,987
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 28,923,264	\$ 63,421,356	\$ 11,517,472	\$ 729,391	\$ 10,219,499	\$ 114,810,982

TANGIPAHOA PARISH GOVERNMENT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 BALANCE SHEET TO THE STATEMENT OF NET POSITION
 December 31, 2021

EXHIBIT A-4

Fund balances - total governmental funds	\$	52,431,987
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		213,946,032
Net Pension (Asset) Liabilities		3,796,920
Some liabilities are not due and payable in the period and, therefore, are not reported in the funds. These liabilities consist of:		
Long-term liabilities, including bonds payable		(19,067,706)
Postemployment healthcare benefits payable		(3,263,150)
The internal service fund is used by management to charge administration costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		942,985
Deferred outflows and inflows are not financial resources or currently payable. These consist of:		
Deferred outflows		6,063,658
Deferred inflows		(10,079,099)
Net position of governmental activities	\$	<u><u>244,771,627</u></u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

EXHIBIT A-5

	General Fund	Road and Bridge Funds	Garbage District No. 1
Revenues			
Taxes:			
Sales	\$ 7,666,795	\$ 23,000,384	\$ -
Ad valorem	1,522,614	-	3,437,285
Franchise	725,346	-	-
Licenses, permits, and rent	2,544,981	-	-
Intergovernmental revenues:			
Federal funds:			
Federal grants	2,334,565	41,047,912	1,201,970
GoMESA Revenue Sharing	880,267	-	-
State funds:			
Parish transportation funds	-	1,055,139	-
State revenue sharing	92,676	-	264,558
Severance tax	275,210	-	-
State appropriations	175,760	-	-
State grants	155,158	255,000	-
2% Fire insurance rebate	526,611	-	-
Alcoholic beverage tax	2,910	-	-
Local funds:			
Fees, charges, and commissions for service	298,490	-	5,978,314
Fines and forfeitures	1,300	-	-
Interest	170,196	186,675	52,596
Other revenues	3,727,857	31,489	86,148
Total Revenues	21,100,736	65,576,599	11,020,871
Expenditures			
General government:			
Legislative	576,571	-	-
Judicial	5,449,527	-	-
Elections	203,088	-	-
Finance and administrative	2,399,643	-	-
Public safety	2,594,395	-	-
Public works	3,841,166	60,773,971	7,196,422
Health and welfare	975,831	-	-
Economic development	478,507	-	-
Culture and recreation	651,256	-	-
Debt service:			
Principal	455,115	140,115	128,377
Interest	422,250	28,804	142,564
Total Expenditures	18,047,349	60,942,890	7,467,363
Excess of Revenues Over (Under) Expenditures	3,053,387	4,633,709	3,553,508
Other Financing Sources (Uses)			
Capital Lease Financing	-	56,290	-
Contribution in	19,398	903,360	-
Sale of capital assets	-	267	-
Operating transfers in (out)	(2,112,713)	(506,138)	(442,500)
Total Other Financing Sources (Uses)	(2,093,315)	453,779	(442,500)
Net Change in Fund Balances	960,072	5,087,488	3,111,008
Fund Balances - Beginning of Year	13,903,064	13,668,758	7,667,482
Fund Balances - End of Year	\$ 14,863,136	\$ 18,756,246	\$ 10,778,490

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

EXHIBIT A-5 (Concluded)

	Hazard Mitigation	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>			
Taxes:			
Sales	\$ -	\$ -	\$ 30,667,179
Ad valorem	-	3,173,524	8,133,423
Franchise	-	72,493	797,839
Licenses, permits, and rent	-	918,151	3,463,132
Intergovernmental revenues:			
Federal funds:			
Federal grants	2,190,200	10,390,847	57,165,494
GoMESA Revenue Sharing	-	-	880,267
State funds:			
Parish transportation funds	-	-	1,055,139
State revenue sharing	-	135,945	493,179
Severance tax	-	-	275,210
State appropriations	-	-	175,760
State grants	-	598,471	1,008,629
2% Fire insurance rebate	-	-	526,611
Alcoholic beverage tax	-	-	2,910
Local funds:	-	75,000	75,000
Fees, charges, and commissions for service	-	680,799	6,957,603
Fines and forfeitures	-	113,124	114,424
Interest	-	78,089	487,556
Other revenues	-	170,322	4,015,816
	<u>2,190,200</u>	<u>16,406,765</u>	<u>116,295,171</u>
<u>Expenditures</u>			
General government:			
Legislative	-	-	576,571
Judicial	-	168,220	5,617,747
Elections	-	-	203,088
Finance and administrative	-	-	2,399,643
Public safety	-	1,241,421	3,835,816
Public works	2,429,274	5,261,470	79,502,303
Health and welfare	-	6,064,922	7,040,753
Economic development	-	6,183,621	6,662,128
Culture and recreation	-	923,946	1,575,202
Debt service:			
Principal	-	92,759	816,366
Interest	-	36,852	630,470
	<u>2,429,274</u>	<u>19,973,211</u>	<u>108,860,087</u>
Excess of Revenues Over (Under) Expenditures	<u>(239,074)</u>	<u>(3,566,446)</u>	<u>7,435,084</u>
<u>Other Financing Sources (Uses)</u>			
Capital Lease Financing	-	104,194	160,484
Contribution in	222,084	880,681	2,025,523
Sale of capital assets	-	-	267
Operating transfers in (out)	19,510	3,041,841	-
	<u>241,594</u>	<u>4,026,716</u>	<u>2,186,274</u>
Net Change in Fund Balances	<u>2,520</u>	<u>460,270</u>	<u>9,621,358</u>
Fund Balances - Beginning of Year	<u>16,622</u>	<u>7,554,703</u>	<u>42,810,629</u>
Fund Balances - End of Year	<u>\$ 19,142</u>	<u>\$ 8,014,973</u>	<u>\$ 52,431,987</u>

TANGIPAHOA PARISH GOVERNMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

EXHIBIT A-6

Net change in fund balances - total governmental funds \$ 9,621,358

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 5,366,312

Some of the capital assets acquired this year were financed with capital leases. Capital leases are not revenues in the statement of activities, but rather constitute long term liabilities in the statement of net position. (160,484)

In the statement of activities, only the loss on the sale of equipment is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the equipment disposed of. (66,241)

Governmental funds report capital outlays as expenditures. This is the total cost of capital assets donated to other governmental agencies during the current period. (1,341,161)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items. 816,366

Internal service funds are used by management to charge the costs of certain activities, such as accounting services, to individual funds. The net revenue (expense) of certain internal funds is reported within governmental activities. 285,969

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

Net change in liability for postemployment healthcare	259,621
Pension expense for GASB 68	1,382,847
Bond premiums are being amortized and recorded to interest expense	4,226

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 284,740

Municipal Solid Waste Landfill closure and postclosure care cost liabilities are not recorded by the governmental fund, but must be recorded as a general long-term liability in the governmental activities in the government-wide financial statements. This is the amount of the decrease of the closure and postclosure care costs liability over the prior year. (287,670)

Change in net position of governmental activities \$ 16,165,883

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	<u>Governmental Activities- Internal Service</u>
<u>Assets</u>	
<u>Current Assets</u>	
Cash and cash equivalents	\$ 707,145
Receivables	313,787
Total Current Assets	<u>1,020,932</u>
<u>Restricted Assets</u>	
Cash and cash equivalents	<u>96,486</u>
<u>Noncurrent Assets</u>	
Capital assets (net of accumulated depreciation)	<u>89,133</u>
Total Assets	<u>1,206,551</u>
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accounts, salaries, and other payables	174,433
Obligation under capital leases	7,160
Total Current Liabilities	<u>181,593</u>
<u>Non-Current Liabilities</u>	
Obligation under capital leases	<u>-</u>
Total Current Liabilities	<u>-</u>
Total Liabilities	<u>181,593</u>
<u>Net Position</u>	
Net Investment in capital assets	81,973
Restricted	96,486
Unrestricted	<u>846,499</u>
Total Net Position	<u>\$ 1,024,958</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	<u>Governmental Activities- Internal Service</u>
<u>Operating Revenues</u>	
Charges for interfund services	\$ 2,220,092
FEMA Reimbursement	316,351
Total Operating Revenues	<u>2,536,443</u>
<u>Operating Expenses</u>	
Personnel services	1,573,430
Materials and supplies	101,646
Professional services	406,349
Repairs and maintenance	40,185
Other expenses	108,813
Depreciation	<u>35,546</u>
Total Operating Expenses	<u>2,265,969</u>
Operating Income	<u>270,474</u>
<u>Nonoperating Revenues (Expenses)</u>	
Interest income	11,307
Interest Expense	(572)
Miscellaneous revenue	4,760
Loss on disposition of assets	<u>(867)</u>
Total Nonoperating Revenues	<u>14,628</u>
Change in Net Position	285,102
Total Net Position - Beginning	<u>739,856</u>
Total Net Position - Ending	<u>\$ 1,024,958</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	<u>Governmental Activities- Internal Service</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from interfund services provided	\$ 1,955,130
Proceeds from government grants	316,351
Payments to suppliers	(656,058)
Payments to employees	(1,557,395)
Net Cash Provided by Operating Activities	<u>58,028</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Miscellaneous Proceeds	<u>4,760</u>
Net Cash Provided by Noncapital Financing Activities	<u>4,760</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Payments on capital assets lease	(19,881)
Interest paid	(572)
Proceeds from Sale of Assets	14,041
Purchases of capital assets	(30,550)
Increase in Capital Lease Liability	<u>23,367</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(13,595)</u>
<u>Cash Flows from Investing Activities</u>	
Interest received	<u>11,307</u>
Net Cash Provided by Investing Activities	<u>11,307</u>
Net Increase in Cash and Cash Equivalents	60,500
Cash and Cash Equivalents, Beginning of Year	<u>646,645</u>
Cash and Cash Equivalents, End of Year	<u>\$ 707,145</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>	
Operating Income	<u>\$ 270,474</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	35,546
(Increase)/decrease in assets-	
Accounts receivable	(264,962)
Restricted Assets	17,582
Increase/(decrease) in liabilities-	
Accounts payable and other payables	(612)
Total Adjustments	<u>(212,446)</u>
Net Cash Provided by Operating Activities	<u>\$ 58,028</u>
<u>Non Cash Capital and Related Financing Activities</u>	
Cost of Vehicle Leased	\$ 65,720
Vehicle Lease Balance	(7,160)
Payments on Lease Liability	<u>\$ 58,560</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2021

	Pension Trust
Assets	
Cash and cash equivalents	\$ 381,273
Investments, at fair value:	
US treasury bonds and notes	1,236,714
Total Assets	1,617,987
Liabilities	
Accounts payable	3,750
Total Liabilities	3,750
 Net Position Reserved for OPEB	 \$ 1,614,237

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH GOVERNMENT
 Amite, Louisiana
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Year December 31, 2021

	Pension Trust
Additions	
Contributions	
Employer contributions	\$ 626,243
Total Contributions	626,243
Investment earnings	
Interest income	24,157
Net income from investing activities	24,157
Total Additions	650,400
Deductions	
Medical benefits payments	161,112
Administrative Expenses	31,506
Net depreciation in the fair value of investments	49,203
Total Deductions	241,821
Change in Position	408,579
Net Position -Beginning of Year	1,205,658
Net Position -End of Year	\$ 1,614,237

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

INTRODUCTION

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

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

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

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

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

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

Blended Component Units

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

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

Component Units Omitted from Financial Statements

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

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

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

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

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

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

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

The parish implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

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

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

The parish reports the following major governmental funds:

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

SPECIAL REVENUE FUNDS:

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

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

CAPITAL PROJECTS FUND:

The Hazard Mitigation Fund accounts for the implementation of grants under the Federal Emergency Management Agency (FEMA) in regards to federally declared disaster relief and disaster mitigation. Major sources of revenue are federal grants.

The parish reports the following fund types:

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

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

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

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

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

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

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

D. DEPOSITS AND INVESTMENTS

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

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

E. RECEIVABLES

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

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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

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

G. INVENTORIES

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

H. RESTRICTED ASSETS

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

I. CAPITAL ASSETS

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

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

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

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

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

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

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

J. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES:

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

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

K. COMPENSATED ABSENCES

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

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

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

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Paragraph 187 of GASB Statement 62 establishes standards of accounting and financial reporting for debt issuance costs. Paragraph 12 of Statement 7 indicates that debt issuance costs include all costs incurred to issue the bonds, including but not limited to insurance costs (net of rebates from the old debt, if any), financing costs (such as rating agency fees), and other related costs (such as printing, legal, administrative, and trustee expenses).

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

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

M. FUND EQUITY

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

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

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

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

The parish has classified the following funds as restricted:

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

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

The following funds are restricted due to constraints of grants:

General Fund	GoMESA Funds and Communities Readiness Initiative Grant
Hazard Mitigation	Disaster and non-Disaster Hazard Mitigation Grant Program.
Section 8 Housing	Housing Choice Voucher Program, Disaster Housing Assistance Program - Katrina, and Disaster Housing Assistance Program – Ike
Rapid Rehousing	Homeless Prevention and Rapid Rehousing Program
Shelter Grant	Emergency Shelter Grant Program
Juror Per Diem	Louisiana Revised Statute No. 13:3049
Witness Fee	Louisiana Revised Statute No. 15:255
Keep Tangipahoa Beautiful	Weyerhauser Donations
Workforce Admin	Workforce Grant

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

The parish has classified the following funds as committed:

General Fund	Rainy Day Fund created by Ordinance No. 13-40
Industrial Development Board	Action taken by Parish Council in 2002 to lease property to Wal-Mart and Elmer Candy Co. Action taken by Parish Council in 2017 to lease property to Intralox, LLC.

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

The parish has classified the following fund as assigned:

Florida Parishes Arena and Keep Tangipahoa Beautiful

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

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

The parish has classified the General Fund as unassigned.

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

Workforce Investment Opportunity Act (Adult, Dislocated Worker, and Youth), Council Chamber Communications, and Animal Shelter.

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

N. ESTIMATES

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

O. INTERFUND TRANSACTIONS

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

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

P. ELIMINATION AND RECLASSIFICATION

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

Q. AD VALOREM TAXES

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

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

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

R. SALES TAXES

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

S. NEW ACCOUNTING PRONOUNCEMENTS

In June 2020, the GASB issued Statement No 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code 457 Deferred Compensation Plans. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, Fiduciary Activities, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, Financial Reporting for Pension Plans, or paragraph 3 of Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, respectively. This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan

depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. This Statement supersedes the remaining provisions of Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of all Section 457 plans should be measured as of the end of the plan's reporting period in all circumstances. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

The Parish early adopted for the year ended December 31, 2021.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETS

The parish uses the following budget practices:

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

The original proposed budgets for the General Fund, the special revenue funds and the internal service proprietary fund were made available for public inspection on October 13, 2020 and were published in the official journal on November 5, 2020 and November 19, 2020. A public hearing was held at the parish's headquarters on December 14, 2020. The original budgets were adopted on December 14, 2020.

The budgets of the parish were amended one time during the year with the final amendment taking place on December 13, 2021.

B. REVENUES – ACTUAL AND BUDGET

The following individual funds had actual revenues and other sources that failed to meet budgeted amounts for the year ended December 31, 2021:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>Percent</u>
General Fund	\$33,075,648	\$21,120,134	\$11,955,514	36.14%
Road Lighting District No. 3	500	333	167	33.40
Council Chamber Communications	79,010	72,496	6,514	8.24

The following individual funds had actual expenditures and other uses that exceeded budgeted amounts for the year ended December 31, 2021:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>Percent</u>
General Fund	\$19,035,271	\$20,160,062	\$1,124,791	5.91%
Animal Shelter	1,165,371	1,273,647	108,276	9.29
Florida Parishes Arena	876,132	924,934	48,802	5.57
Shelter Grant	30,500	32,902	2,402	7.88
Workforce – Dislocated Worker	1,457,598	1,569,890	112,292	7.70
Workforce – Youth Out Fund	1,436,206	1,546,825	110,619	7.70
Workforce - DDWG-NEG	444,352	545,590	101,238	22.78

The Louisiana Local Government Budget Act requires a local government to amend its operating budget when the total revenues and other sources fail to meet total budgeted revenues and other sources by 5% or more and when the total expenditures and other uses exceed total budgeted expenditures and other uses by 5% or more. The parish failed to amend the budget for the General Fund, Road Lighting District No. 3, Council Chamber Communications, Animal Shelter, Florida Parishes Arena, Shelter Grant, Workforce – Dislocated Worker, Workforce – Youth Out Fund, and Workforce – DDWG-NEG Fund by an adequate amount for the fiscal year ended December 31, 2021.

C. FUND DEFICITS

The following individual funds have a deficit in unreserved fund equity at December 31, 2021:

Special Revenue Funds:	<u>Deficit Amount</u>
Council Chamber Communications	\$ (124)
Workforce Investment Opportunity Act-Adult	(12,168)
Workforce Investment Opportunity Act-Dislocated Worker	(31,334)
Workforce Investment Opportunity Act-Youth	(24,983)

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

3. DEPOSITS AND INVESTMENTS

A. DEPOSITS

At December 31, 2021, Tangipahoa Parish Government had deposits (book balances) totaling \$56,712,951 (including \$381,273 in the fiduciary fund) as follows:

Cash on hand	\$ 1,360
Non interest-bearing demand deposits	200
Interest-bearing demand deposits	<u>56,711,391</u>
	<u>\$ 56,712,951</u>

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

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

At December 31, 2021, Tangipahoa Parish Government had \$58,369,101 in deposits with a total of \$58,368,901 in interest bearing accounts and \$200 in non-interest bearing accounts. Of these deposits, \$11,143,788 are related to the issuance of the parish's GoMESA Bonds, 2019 Series Bonds, and the OPEB Trust. Under the terms of the agreement with Whitney Bank, the bank maintains control of the funds and distributes funds in accordance with bond documents and the parish's requests. All funds are fully collateralized by the Trust Department of the respective bank. Of the remaining deposits \$47,225,313, \$250,200 is secured from risk by federal deposit insurance and the remaining \$46,975,113 is uninsured but collateralized with securities held by the custodial bank in the name of the fiscal agent bank.

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

Custodial credit risk is the risk that in the event of a bank failure, the parish's deposits may not be returned to it. The parish does not have a deposit policy for custodial credit risk. As of December 31, 2021, \$47,225,313 of the parish's bank balances are exposed to custodial credit risk.

The \$47,225,313 is uninsured but collateralized with securities held by the pledging institution's trust department or agent, but not in the parish's name.

B. INVESTMENTS

At December 31, 2021, the Parish's investment balances are as follows:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1-5	6-10
US Treasury Bonds and Notes	\$ 1,129,284	\$ 100,930	\$ 1,028,354	\$-
Ishares MBS ETF	107,430	-	-	-

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

- Credit Risk and Custodial Credit Risk:

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the issuer or counterparty to a transaction, the Trust will not be able to recover the value of its investments. Credit risk and custodial credit risk are minimized by the purchase of bonds and notes that are issued by the US Treasury. At December 31, 2021, the Trust was not exposed to custodial credit risk.

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

4. RECEIVABLES

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

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total Governmental Funds</u>	<u>Internal Service Fund</u>
Taxes:						
Ad Valorem	\$ 1,518,509	\$ 6,515,534	\$ -	\$ 39,803	\$ 8,073,846	\$ -
Sales and Use	716,916	2,150,749	-	-	2,867,665	-
Intergovernmental:						
State Revenue Sharing	61,784	267,002	-	-	328,786	-
Other	854,346	44,203,484	1,198,445	-	46,256,275	-
Accounts	-	805,922	-	-	805,922	-
Less: allowance for						
Uncollectible accounts	-	(10,000)	-	-	(10,000)	-
Other	159,479	48,930	-	-	208,409	313,787
Total	<u>\$ 3,311,034</u>	<u>\$53,981,621</u>	<u>\$ 1,198,445</u>	<u>\$ 39,803</u>	<u>\$ 58,530,903</u>	<u>\$313,787</u>

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

5. INTERFUND RECEIVABLES AND PAYABLES/TRANSFERS

A. Balances due to/from other funds at December 31, 2021 consist of the following:

Due to the General Fund from the Emergency Shelter Grant Fund to cover necessary expenses	\$ 11,000
Due to the General Fund from the Council Chambers Communication Fund to cover necessary expenses	500
Due to General Fund from the Workforce Fund to cover necessary expenses	16,000
Due to the General Fund from the Library Construction Fund to cover necessary expenses	161,000
Due to the General Fund from the LCDBG-Velma Sewer Fund to cover necessary expenses	4,000
Due to the General Fund from the Long Term Recovery Fund to cover necessary expenses	100
Total	<u>\$ 192,600</u>

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B. Interfund transfers at December 31, 2021, consist of the following:

From the General Fund to the Animal Shelter Fund to subsidize operations	\$ 600,000
From the General Fund to the Florida Parishes Arena Fund to subsidize operations	610,000
From the General Fund to the Workforce Grants to subsidize operations	22,718
From the General Fund to the CIAP Project Fund for the Rock Jetty Shoreline Protection Project	49,514
From the General Fund to the Hazard Mitigation Fund for Small Safe Room costs	111
From General Fund to Hazard Mitigation Fund for Disaster 4277 Costs	121
From General Fund to Hazard Mitigation Fund for 4277 Generator grant costs	13,192
From General Fund to Broadband Fund (ARPA)	807,242
From General Fund to LCDBG Velma	9,816
From Road and Bridge Fund to Keep Tangipahoa Beautiful Fund to subsidize operations	442,500
From the Road and Bridge Fund to Capital Projects Fund for Watershed-Chappapeela Drainage Costs	28,946
From the Road and Bridge Fund to Capital Projects Fund for Watershed-Chappapeela Retention Costs	28,605
From the Road and Bridge Fund to Hazard Mitigation Fund for Small Safe Room costs	90,273
From Garbage Maintenance Fund to Keep Tangipahoa Beautiful Fund to subsidize operations	442,500
From Hazard Mitigation Fund (North Retention Pond Project) to Road and Bridge Fund (State refunded match)	14,070
From Hazard Mitigation Fund (Beaver Creek Project) to Road and Bridge Fund (State refunded match)	17,145
From Hazard Mitigation Fund (Fox Hollow Project) to Road and Bridge Fund (State refunded match)	13,112
From Hazard Mitigation Fund (David Drive Project) to Road and Bridge Fund (State refunded match)	14,770
From Hazard Mitigation Fund (Forrest Lane Project) to Road and Bridge Fund (State refunded match)	14,551
From Hazard Mitigation Fund (Simms Creek Project) to Road and Bridge Fund (State refunded match)	<u>10,538</u>
Total	<u>\$3,229,724</u>

6. CAPITAL ASSETS

The following is a summary of changes in capital assets for the fiscal year ended December 31, 2021:

	Balance 01-01-2021	Increase	Decrease	Balance 12-31-21
Governmental Activities:				
Capital assets not depreciated:				
Land	\$ 6,315,976	\$ 519,639	\$ -	\$ 6,835,615
Infrastructure (Land & Base)	88,467,491	357,491	116,254	88,708,728
Construction in progress	<u>6,942,950</u>	<u>9,379,719</u>	<u>5,616,757</u>	<u>10,705,912</u>
Total capital assets not depreciated	<u>101,726,417</u>	<u>10,256,849</u>	<u>5,733,011</u>	<u>106,250,255</u>

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Capital assets depreciated:

Buildings	56,426,353	1,250,247	-	57,676,600
Infrastructure	139,379,667	5,236,344	1,693,781	142,922,230
Equipment	<u>25,489,588</u>	<u>1,703,794</u>	<u>333,287</u>	<u>26,860,095</u>
Total capital assets depreciated	<u>221,295,608</u>	<u>8,190,385</u>	<u>2,027,068</u>	<u>227,458,925</u>
Less accumulated depreciation for:				
Buildings	21,214,684	1,496,486	-	22,711,170
Infrastructure	76,534,349	4,810,559	1,205,450	80,139,458
Equipment	<u>15,256,407</u>	<u>1,898,692</u>	<u>242,579</u>	<u>16,912,520</u>
Total accumulated depreciation	<u>113,005,440</u>	<u>8,205,737</u>	<u>1,448,029</u>	<u>119,763,148</u>
Total capital assets depreciated, net	<u>108,290,168</u>	<u>(15,352)</u>	<u>579,039</u>	<u>107,695,777</u>
Total governmental activities capital assets, net	<u>\$ 210,016,585</u>	<u>\$ 10,241,497</u>	<u>\$ 6,312,050</u>	<u>\$ 213,946,032</u>

Depreciation was charged to governmental functions as follows:

General government	\$ 645,430
Culture and recreation	313,896
Public safety	329,950
Public works	6,650,752
Health and welfare	<u>265,709</u>
Total depreciation expense - governmental activities	<u>\$8,205,737</u>

7. RESTRICTED ASSET

A. CASH

Governmental Activities/Funds

Employee Withholding

The Tangipahoa Parish Government has a payroll fund in which payroll taxes, retirement contributions, and insurance premiums due to others are withheld from the employee's payroll checks. As of December 31, 2021, the cash balance of this account was \$1,277,510.

High Deductible Insurance and Health Reimbursement Plan

Tangipahoa Parish Government provides to its employees, as an employment benefit, a High Deductible Health Insurance Plan (through Blue Cross Blue Shield) which is supplemented by Individual Health Reimbursement Accounts (administered by Choice Care). In addition to paying the health insurance premium for the employee, the parish is also responsible to pay a portion of the employee's deductible. In order to properly fund this deductible portion, the parish makes monthly deposits equal to 1/12th of the parish portion of the annual deductible into a separate bank account. These funds are then transferred to Choice Care as the employees use the funds for qualifying medical expenses. Any balances remaining after the close of the deductible year are carried over to offset future plan expenses. As of December 31, 2021, the combined cash balance of this fund was \$603,009, which is presented on the Statement of Net Position as Restricted Assets - Cash.

Advanced Cash Receipts

The General Fund has \$12,272,523 of restricted cash resulting from advanced cash receipts as of December 31, 2021. The balance is made of the following amounts:

- \$12,270,523 was advanced to the Parish from the American Rescue Plan Act. The Parish did not begin any projects during the year.
- \$2,000 was advanced for the Parish to start a summer reading program. The Parish has not implemented this program.

Hazard Mitigation Fund has \$56,056 of restricted cash resulting from advanced cash receipts from individuals for flood elevation work as of December 31, 2021. The Parish has not begun the flood elevation work.

The Florida Parishes Arena Fund has \$3,600 of restricted cash resulting from advanced cash receipts for a future rental to occur in 2022.

Ordinance No 13-40: Reserve Fund:

On October 15, 2013, the council adopted an ordinance to establish a reserve fund that shall be kept in a separate bank account. These funds can only be spent upon the specific request of the Parish President and the approval of two-thirds vote of the Tangipahoa Parish Council. As of December 31, 2021, the cash balance of this account was \$1,284,692.

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

On December 10, 2018, the council adopted an ordinance to establish an irrevocable tax-exempt trust pursuant to Section 115 of the Internal Revenue Code and the GASB Statements for the purpose of funding and pre-funding the Parish's share of the OPEB provided under the Retiree Plan in accordance with the GASB Statements. This was done to provide a vehicle for advance funding of such OPEB by the Parish and to offset the OPEB Liability required to be shown on the financial statement by the amount of assets in the trust. As of December 31, 2021, the combined cash balance of this fund was \$381,273.

Debt Service Requirements:

During 2019, the parish issued Series 2019 Revenue Bonds for the purpose of acquiring, constructing, extending and improving the parish landfill, refunding Series 2013 Revenue Bonds, funding a reserve fund, and paying the costs of issuing the Bonds. Upon the issuance of these bonds, the parish became subject to Debt Service Requirements and other restrictions. \$2,508,197 is restricted related to the issuance and related construction cost of the project.

In December 2018, the parish issued Revenue Bonds for the purpose of financing qualified GoMESA projects. Upon the issuance of these bonds, the parish became subject to Debt Service Requirements. As of December 31, 2021, \$8,200,515 is restricted in the General Fund.

B. INVESTMENTS

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

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

As of December 31, 2021, the combined investments balance of this fund was \$1,236,714.

8. COMPENSATED ABSENCES

At December 31, 2021, employees of Tangipahoa Parish Government have accumulated and vested \$920,696 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$178,517 is recorded as an obligation of the General Fund, and \$675,062 is recorded as an obligation of the Special Revenue Funds. The leave liability for employees of the Internal Service Fund in the amount of \$67,117 is accounted for within these funds.

9. OPERATING LEASES

The parish has no material long-term, noncancellable operating lease commitments at December 31, 2021.

10. LONG-TERM DEBT

A. SUMMARY OF CHANGES IN LONG-TERM DEBT

The following is a summary of the long-term obligation transactions for the year ended December 31, 2021:

<u>Governmental Activities:</u>	<u>Balance 01/01/21</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/21</u>	<u>Due Within One Year</u>
General Obligation Bonds Series 2019 Landfill	\$ 677,900	\$ -	\$ 28,700	\$ 649,200	\$ 29,900
Revenue Bonds Series 2019 Landfill	4,545,000	-	115,000	4,430,000	115,000
Revenue Bonds Premium	122,540	-	4,226	118,314	4,226
GOMESA Revenue Bonds	7,725,000	-	410,000	7,315,000	275,000
Capital Leases	861,202	160,484	288,046	733,640	299,767
Estimated Liability for Landfill Closure/ Postclosure Care Cost	5,526,722	287,670	-	5,814,392	-
Total Governmental Activities	\$ 19,458,364	\$ 448,154	\$ 845,972	\$ 19,060,546	\$ 723,893
<u>Business Type Activities:</u>	<u>Balance 01/01/21</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/21</u>	<u>Due Within One Year</u>
Capital Leases	\$ 14,100	\$ 23,366	\$ 30,306	\$ 7,160	\$ 7,160
Total Business Type Activities	\$ 14,100	\$ 23,366	\$ 30,306	\$ 7,160	\$ 7,160

B. CAPITAL LEASES

The Parish has entered into leases for various vehicles. These leases meet the criteria of a capital lease since the lease term is the same as the useful life of the vehicles. Capital lease payments are reflected as debt service expenditures at the government fund reporting level. The assets acquired through capital leases are as follows:

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Assets:	Governmental Activities	Business Type Activities	Total
Vehicles	\$ 1,409,394	\$ 23,367	\$ 1,432,761
Less Accumulated Depreciation	(700,204)	(3,278)	(703,482)
Capital assets, net	<u>\$ 709,190</u>	<u>\$ 20,089</u>	<u>\$ 729,279</u>

On April 5, 2017, the parish entered into a capital lease agreement at an interest rate between 4.43 to 4.96% with Enterprise FM Trust to purchase vehicles. The lease obligation is effective during the period from December 2017 through November 2023. Monthly payments of principal and interest of \$360 to \$968 began on December 13, 2017. Total payments for 2021 are \$331,945 (principal of \$282,546 and interest of \$49,399).

C. BONDS

Governmental Activities:

Revenue bonds payable are comprised of the following issue:

\$4,600,000 issue of 2019 for the purpose of extending and improving parish landfill, and refunding the Series 2013 Bonds, due in semi-annual installments of \$55,000 to \$230,000 through April 1, 2049 with interest at 2.75 to 4.0 percent. Debt retirement payments are made from the Garbage Maintenance District No. 1 Fund.	\$ 4,430,000
\$7,725,000 issue of 2018 for the purpose of financing qualified GoMESA projects, due in semi-annual installments of \$260,000 to \$655,000 through Nov 1, 2038 with interest at 5.375 percent. Debt retirement payments are made from the General Fund.	<u>7,315,000</u>
Total Revenue Bonds Payable	<u>\$11,745,000</u>

General Obligations bonds payable are comprised of the following issue:

\$392,800 issue of 2017 for the purpose of financing the construction and improvements of public roads, highways and bridges within the district, due in semi-annual installments of \$11,000 to \$27,800 through March 1, 2037 with interest at 3.95 percent. Debt retirement payments are made from the Road District No. 101 Sinking Fund.	\$ 338,500
\$362,300 issue of 2017 for the purpose of financing the construction and improvements of public roads, highways and bridges within the district, due in semi-annual installments of \$12,000 and \$25,600 through March 1, 2037 with interest at 3.95 percent. Debt retirement payments are made from the Sub-Road District No. 1 of Road District No. 101 Sub-Sinking Fund.	<u>310,700</u>
Total General Obligations Bonds Payable	<u>\$ 649,200</u>

D. DEBT SERVICE REQUIREMENTS TO MATURITY

Governmental Activities:

1. The annual requirements to amortize the Revenue Bonds debt outstanding as of December 31, 2021, including principal and interest, are as follows:

<u>Year Ending December 31</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 390,000	\$ 530,106	\$ 920,106
2023	415,000	511,725	926,725
2024	430,000	492,388	922,388
2025	455,000	472,169	927,169
2026	475,000	450,725	925,725
2027-2031	2,740,000	1,891,706	4,631,706
2032-2036	3,520,000	1,136,400	4,656,400
2037-2041	2,140,000	340,438	2,480,438
2042-2046	800,000	107,550	907,550
2047-2049	380,000	17,250	397,250
	<u>\$ 11,745,000</u>	<u>\$ 5,950,457</u>	<u>\$ 17,695,457</u>

2. The annual requirements to amortize the General Obligation Bonds debt outstanding as of December 31, 2021, including principal and interest are as follows:

<u>Year Ending December 31</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 29,900	\$ 25,053	\$ 54,953
2023	31,100	23,848	54,948
2024	32,200	22,598	54,798
2025	33,600	21,298	54,898
2026	34,900	19,945	54,845
2027-2031	196,100	77,525	273,625
2032-2036	238,000	34,780	272,780
2037	53,400	1,055	54,455
	<u>\$ 649,200</u>	<u>\$ 226,102</u>	<u>\$ 875,302</u>

Capital Leases:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 299,767	\$ 26,167	\$ 325,934
2023	226,124	13,954	240,078
2024	160,935	5,261	166,196
2025	41,053	820	41,873
2026	5,761	97	5,858
	<u>\$ 733,640</u>	<u>\$ 46,299</u>	<u>\$ 779,939</u>

Business Type Activities:

Capital Leases:

Year	Principal	Interest	Total
2022	\$ 7,160	\$ 53	\$ 7,213
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026	-	-	-
	\$ 7,160	\$ 53	\$ 7,213

Interest expense of \$630,470 in the fund financial statements for the year consisted of \$422,250 in the general fund, \$28,804 in the road and bridge funds, \$142,564 in the garbage district no.1 fund, and \$36,852 in other governmental funds. Additionally, interest expense for governmental activities of \$661,625 includes \$572 in the internal service fund, \$(4,226) amortization of revenue bond premium, and \$34,809 of capital leases.

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

The parish through its governing authority adopted ordinances 17-02 and 17-03 on February 13, 2017, authorizing the issuance of Road District No. 101 of the Parish of Tangipahoa, Louisiana General Obligation Bonds, Series 2017 and Sub-Road District No. 1 of Road District No. 101 of the Parish of Tangipahoa, Louisiana General Obligation Bonds, Series 2017 in the amount of \$392,800 and \$362,300, respectively, for the purpose of (i) financing the construction and improvements of public roads, highways and bridges; (ii) funding capitalized interest on the Series 2017 Bonds, and (iii) paying the costs of issuing the Series 2017 Bonds. Per the ordinances, the Bonds will be payable from ad valorem taxes to be levied and collected in the manner provided by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, and statutory authority supplemental thereto with an estimated three (3) mills for each district to be levied in the first year to provide for the payment of principal and interest on said bonds. Certain funds are required to be established and maintained with the Paying Agent for the receipt and disbursement of Bond Proceeds. An analysis of these accounts is provided as follows:

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

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

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

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

An analysis of these accounts is provided as follows:

Construction Fund- The bond ordinance requires that the cost of the project be paid from this fund. When the construction of the Project is complete, the remaining balance in the Construction Fund shall be transferred to the Debt Service Fund. The balance in this account is \$7,341,831.18 as of December 31, 2021.

At December 31, 2021, the parish was in **compliance** with this covenant. The construction of the Project is not complete.

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

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

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

At December 31, 2021, the parish was in **compliance** with this covenant.

The Project Fund-The bond ordinance requires that the Project Fund be established and maintained to receive the immediate transfer of the balance of the proceeds of the bonds as provided by the requirements of the Bond Ordinance. Monies in the Project Fund shall be applied to the payment of the costs of the 2019 Project, and pending such application, shall be subject to a lien and charge in favor of the Bondholders for the further security of such Bondholders until paid out or transferred as provided in the ordinance. The ordinance requires that the money in the Project Fund be applied to the payment of the costs of the Project, except to the extent required to be transferred to the Rebate Fund in accordance with the Tax Certificate and, pending such application, shall be held as trust funds under this Ordinance until paid out or transferred. Money held in the project fund shall be paid out within three business days by Whitney Bank in order to pay, or to reimburse the Issuer for the payments made, for the costs of the 2019 Project upon receipt by Whitney Bank of the

written request of the parish in substantially the form included within the ordinance. Upon certification of an Executive Officer that all costs incurred in connection with the Project and in connection with the issuance, sale and delivery of the Bonds have been paid, any balance remaining in the Project Fund shall be deposited into the Debt Service Fund. As of December 31, 2021, the Project as defined by T.P. Ordinance No. 19-45 was not complete. The balance remaining in the Project Fund as of December 31, 2021 is \$2,508,195.

At December 31, 2021, the parish was in **compliance** with this covenant.

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

At December 31, 2021, the parish was in **compliance** with this covenant.

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

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

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

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

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

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

Pledge of Full Faith and Credit; Tax Levy- The Bonds shall constitute general obligations of the Issuer, and the full faith and credit of the Issuer is hereby pledged to the punctual payment of the Bonds in accordance with the authority of Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, and constitutional and statutory authority supplemental thereto. The Issuer obligates itself and is bound under the terms and provisions of law and the election authorizing the Bond to impose and collect annually in excess of

all other taxes the Tax on all property subject to taxation within the territorial limits of the Issuer sufficient to pay principal of and interest on the Bonds falling due in each year, said Tax to be levied and collected by the same officers, in the same manner and at the same time as other taxes are levied and collected within the territorial limits of the Issuer. The proceeds of such Tax shall be devoted and applied to the payment of said interest and principal as such shall become due and without further action on the part of the Governing Authority, the proper officer or officers are hereby authorized and directed, beginning with the year 2017, to include in the annual levy of taxes upon, and to extend upon the assessment rolls against, all taxable property situated within the territorial limits of the Issuer, a sum sufficient to pay the principal of, premium, if any, and interest on the Bonds becoming due the ensuing year.

The parish was in compliance with this covenant.

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

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

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

Posting on EMMA- In accordance with the designation of the bonds as "Green Bonds", the Parish plans to post voluntary annual updates on the use of proceeds of the Bonds annually on EMMA. Once the proceeds have been expended, no further updates will be provided.

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

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

The Parish complied with the covenants contained in the bond resolution and agreement are for the fiscal year ended December 31, 2021.

17. LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require Tangipahoa Parish Government to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. In addition to operating expenses relating to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these

landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs is \$5,814,392 as of December 31, 2021, which is based on 63.41 percent usage (filled) of the landfill. The percentage usage reflects an update in the engineering estimate of percentage usage, and the related estimated liability for landfill closure and postclosure costs required by the Louisiana Department of Environmental Quality (LDEQ) regulations for postclosure care of solid waste facilities. It is estimated that \$4,360,000 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity in 11.7 years (August 2033). The estimated total current cost of the landfill closure and postclosure care costs of \$9,170,000 is based on the amount that would be paid (with year 2017 dollars) if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2021. However, the actual cost of closure and postclosure care may be higher due to inflation or deflation, changes in technology, or changes in landfill laws and regulations. In addition, total closure and postclosure costs, as well as estimates of percentage usage of the landfill, will change as any additional cells are permitted to accept additional waste. The aforementioned dollar amounts are based on information provided by Fourrier & de Abreu Engineers, L.L.C.

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

18. EMPLOYEE RETIREMENT SYSTEMS

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

Part-time employees of the parish are members of the social security system. In addition to employee payroll deductions, parish funds are remitted to match the employee contributions. Aggregate contributions to the social security system for the year ended December 31, 2021, were \$116,899 of which \$58,450 was contributed by the parish.

A. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA.

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

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

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

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

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

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

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

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

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

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and Tangipahoa Parish Government is required to contribute at an actuarially determined rate. The rate for 2021 is 12.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and Tangipahoa Parish Government are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Tangipahoa Parish Government's contributions to the System under Plan A for the years ending December 31, 2021, 2020, and 2019 were \$1,928,978, \$1,822,266, and \$1,609,128 respectively, equal to the required contributions for each year.

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

At December 31, 2021, the parish reported an (asset) of \$(3,904,749) for its proportionate share of the net pension asset. The net pension (asset) was measured as of December 31, 2020, and the total pension (asset) used to calculate the net pension (asset) was determined by an actuarial valuation as of that date. The parish's proportion of the net pension (asset) was based on a projection of the parish's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At December 31, 2020, the parish's proportion was 2.226941 percent.

For the year ended December 31, 2021, the parish recognized pension expense of \$529,700. At December 31, 2021, the parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 950,674	\$ 466,054
Changes of assumptions	1,277,512	-
Net difference between projections and actual earnings on pension plan investments	-	7,620,936
Changes in proportion and difference between parish contributions and proportionate share of contributions	100,260	-
Parish contributions subsequent to the measurement date	<u>1,928,978</u>	<u>-</u>
Total	<u>\$4,257,424</u>	<u>\$8,086,990</u>

\$1,928,978 reported as deferred outflows of resources related to pensions resulting from parish contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/ (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2021	\$(1,579,186)
2022	(518,399)
2023	(2,415,950)
2024	(1,245,009)
2025	-
Thereafter	-

Actuarial assumptions. The total pension (asset) in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	December 31, 2020
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	6.40% (Net of investment expense including inflation)
Projected salary increase	4.75% (including merit, and 2.3% inflation)
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Expected remaining service lives	4 years
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.

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The actuarial assumptions used in the December 31, 2020, valuation (excluding Mortality) was based on actuarial funding valuation and results of an actuarial experience study for the period January 1, 2013, to December 31, 2017, unless otherwise specified.

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

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

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed Income	33%	.86%
Equity	51%	3.36%
Alternatives	14%	.67%
Real assets	<u>2%</u>	<u>.11%</u>
Total	<u>100%</u>	5.00%
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>7.00%</u>

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

Sensitivity to Changes in Discount Rate:

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

	Changes in Discount Rate 2020		
	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net Pension Liability(Asset)	\$8,187,118	\$(3,904,749)	\$(14,031,434)

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

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

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

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

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

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

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

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

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

According to state statute, contribution requirements for all employers are actuarially determined each year. For the years ending/ended June 30, 2021 and 2020, the actual employer contribution rates were 18.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the Parish for the years ending December 31, 2021, 2020, and 2019 were \$16,266, \$18,946, and \$19,513.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2021.

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

At December 31, 2021, the parish reported a liability of \$21,540 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The parish's proportion of the net pension liability was based on a projection of the parish's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At December 31, 2021, the parish's proportion was .679024 percent.

For the year ended December 31, 2021, the parish recognized pension expense of \$1,798.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 9,927	\$ 12,449
Changes of assumptions	23,701	-
Net difference between projections and actual earnings on pension plan investments	-	105,828
Changes in proportion and difference between parish contributions and proportionate share of contributions	4,495	23,257
Parish contributions subsequent to the measurement date	<u>7,373</u>	<u>-</u>
Total	<u>\$ 45,496</u>	<u>\$ 141,534</u>

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

\$7,373 reported as deferred outflows of resources related to pensions resulting from parish contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2022	\$(24,647)
2023	(26,333)
2024	(23,381)
2025	(29,050)
2026	-
Thereafter	-

Actuarial assumptions. The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2021
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	6.25% (Net of investment expense)
Inflation Rate	2.30 % per annum
Projected salary increase	5.25%

Mortality rates

RP-2010 Public Retirement Plans Mortality Table for general employees multiplied by 120% for males and 120% for females each with full generational projection using the appropriate MP-2019 improvement scale – Employees, Annuitant and Beneficiaries.

RP-2010 Public Retirement Plans Mortality Table for general disabled retirees multiplied by 120% for males and 120% for females each with full generational projection using the appropriate MP-2019 improvement scale – Disabled Annuitants.

Expected remaining service lives
Cost of living adjustments

5 years

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.75% for the year ended June 30, 2021.

Best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Domestic equities	37.5%	2.81%
International equities	20%	1.70%
Domestic fixed income	12.5%	0.31%
International fixed income	10%	0.35%
Alternative investments	10%	0.63%
Real assets	<u>10%</u>	<u>0.45%</u>
Total	<u>100%</u>	6.25%
Inflation		<u>2.50%</u>
Expected Nominal Return		<u>8.75%</u>

Discount Rate. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of each of the system's actuary. Based on those assumptions, each of the system's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability was 6.25% for the year ended June 30, 2021.

Sensitivity to Changes in Discount Rate:

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

	Changes in Discount Rate		
	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net Pension Liability(Asset)	\$122,861	\$21,540	\$(64,700)

C. DISTRICT ATTORNEY'S RETIREMENT SYSTEM.

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

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

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

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

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

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

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

According to state statute, contribution requirements for all employers are actuarially determined each year. For the years ending/ended June 30, 2022 and 2021, the actual employer contribution rates were 9.50% and 4.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the Parish for the years ending December 31, 2021, 2020, and 2019 were \$21,127, \$11,783, and \$8,129.

In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2021.

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

At December 31, 2021, the parish reported a liability of \$86,289 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The parish's proportion of the net pension liability was based on a projection of the parish's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At December 31, 2021, the parish's proportion was .484681 percent.

For the year ended December 31, 2021, the parish recognized pension expense of \$52,713. At December 31, 2021, the parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 27,683	\$ 26,496
Changes of assumptions	162,836	-
Net difference between projections and actual earnings on pension plan investments	-	234,685
Changes in proportion and difference between parish contributions and proportionate share of contributions	7,781	7,898
Parish contributions subsequent to the measurement date	<u>14,867</u>	<u>-</u>
Total	<u>\$ 213,167</u>	<u>\$ 269,079</u>

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

\$14,867 reported as deferred outflows of resources related to pensions resulting from parish contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2022	\$(9,452)
2023	(918)
2024	(26,081)
2025	(34,328)
2026	-
Thereafter	-

Actuarial assumptions. The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2021
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	6.10% (Net of pension plan investment expense)
Inflation Rate	2.20 % per annum
Projected salary increase	5.00% (2.80% Merit, 2.20% Inflation)
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using MP 2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale.
Expected remaining service lives	5 years
Cost of living adjustments	Only those previously granted

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expected and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.25% for the year ended June 30, 2021.

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Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Target Asset Allocation</u>	<u>Real Rate of Return</u>
Fixed Income	30.19%	.94%
Equities	57.11%	6.43%
Alternatives	12.67%	.89%
Cash	.03%	.00%
Total	<u>100.00%</u>	5.80%
Inflation		<u>2.45%</u>
Expected Arithmetic Nominal Return		<u>8.25%</u>

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

Sensitivity to Changes in Discount Rate:

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

	<u>Changes in Discount Rate</u>		
	<u>1% Decrease 5.10%</u>	<u>Current Discount Rate 6.10%</u>	<u>1% Increase 7.10%</u>
Net Pension Liability(Asset)	<u>\$423,092</u>	<u>\$86,289</u>	<u>\$(195,880)</u>

19. DEFERRED COMPENSATION PLAN

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

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

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

During 2021, the parish contributed a total of \$98,991 to the State of Louisiana Deferred Compensation Plan.

20. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description. In accordance with Ordinance 06-26 adopted on May 8, 2006, employees who retire from the parish with at least 7 years of service may qualify for participation in the Retirement Group Insurance Plan (RGIP). RGIP is a self-administered, single-employer, defined benefit plan. RGIP provides medical benefits to eligible retirees and their spouses. The participant must also have been covered under the Employee Group Insurance Plan for at least one year prior to retirement. A plan participant may only select coverage up to the extent that the participant had coverage under the Employee Group Insurance Plan prior to retirement. The participant may reduce coverage but may not increase coverage. RGIP does not issue stand-alone financial reports, but includes the RGIP Net Position in the fiduciary fund statements and presents the Net OPEB Liability in the noncurrent liabilities section of the statement of Net Position.

Employees covered

As of the January 1, 2020 actuarial valuation, the following current and former employees were covered by the benefit terms under the RGIP Plan:

Active employees	270
Retirees	32
Beneficiaries	0
Spouses of retirees	<u>17</u>
Total	<u>319</u>

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

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

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

For the fiscal year ended December 31, 2021, the Parish’s cash contributions were \$626,243 in payments to the trust. In Fiscal Year 2018, the Parish created the Tangipahoa Parish Retiree Benefits Funding Trust with Hancock Whitney Trust and Asset Management for the purpose of prefunding obligations for past services.

Actuarial Methods and Assumptions:

The Net OPEB liability in the December 31, 2021 valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.06%
Salary Increases	4.25%, including inflation
Inflation	2.2%
Medical Trend Rate	3.9% to 5.8%
Mortality	Sex distinct PubG.H-2010 projected forward (fully generational) with MP-2021. Pub-2010 tables for disabled lives and contingent survivors are also used.

The discount rate for calculating the net OPEB liability is equal to the long-term expected rate of return.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Changes in Net OPEB Liability:

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability (a) – (b)
Balances as of December 31, 2020	\$4,679,958	\$1,205,658	\$3,474,300
Changes for the year:			
Service Cost	211,798	-	211,798
Interest on total OPEB liability	102,006	-	102,006
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	-	-	-
Effect of assumptions changes or inputs	48,487	-	48,487
Benefit payments	(161,112)	(161,112)	-
Employer contributions	-	626,243	(626,243)
Net investment income	-	(25,046)	25,046
Administrative expenses	-	(27,756)	27,756
Balances as of December 31, 2021	\$4,881,137	\$1,617,987	\$3,263,150

Sensitivity Analysis

The following presents the parish's net OPEB liability calculated using the discount rate of 2.06%, as well as what the parish's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.06%) or 1 percentage-point-higher (3.06%) than the current discount rate:

	1% Decrease 1.06%	Current Discount Rate 2.06%	1% Increase 3.06%
Net OPEB Liability	\$3,904,815	\$3,263,150	\$2,730,332

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

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

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	\$3,205,151	\$3,263,150	\$3,319,180

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

The parish's net OPEB liability of \$3,263,150 was measured as of December 31, 2021 and was determined by an actuarial valuation as of January 1, 2020.

For the year ended December 31, 2021, the parish recognized OPEB expense of \$366,622.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

As of December 31, 2021, the parish reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ (1,491,454)	\$ -
Changes of assumptions	(90,042)	1,511,771
Net difference between projected and actual earnings	-	35,800
Total	\$ (1,581,496)	\$ 1,547,571

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

Year ended December 31:	
2022	\$55,233
2023	55,039
2024	54,883
2025	57,841
2026	(132,010)
Thereafter	(124,911)

21. FUND BALANCES

Fund balances for governmental funds as of December 31, 2021, consist of the following:

	General Fund	Road and Bridge Funds	Garbage District No. 1 Fund	Hazard Mitigation Fund	Other Governmental Funds
Restricted:					
Grant provisions	\$ 83,140	\$ -	\$ -	\$ 19,142	\$ 1,975,088
Property tax millage	-	-	8,203,472	-	5,645,925
Sales tax levy	-	18,521,512	-	-	-
Debt Service	8,200,515	-	2,508,197	-	168,068
Juror and Witness Fees	-	-	-	-	41,206
Weyerhauser Donations	-	-	-	-	3,300
Committed:					
Rainy Day Fund	1,284,691	-	-	-	-
Industrial Dev. Board	-	-	-	-	93,904
Assigned:					
Health Reimbursement	205,063	234,734	66,821	-	65,451
Florida Parishes Arena	-	-	-	-	49,481
Keep Tangipahoa Beautiful	-	-	-	-	61,315
Unassigned:	5,089,727	-	-	-	(88,765)
	\$14,863,136	\$18,756,246	\$ 10,778,490	\$ 19,142	\$ 8,014,973

22. LITIGATION AND CLAIMS

At December 31, 2021, the parish is involved in litigation or is aware of various claims totaling an undetermined amount. Legal counsel for Tangipahoa Parish Government has determined that the losses (if any) cannot be reasonably estimated at this time; accordingly, no liability has been recorded in these financial statements.

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

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

Compensation paid to the Parish President and Council members for the year ended December 31, 2021, is as follows:

Robby Miller, President	\$ 161,324
Trent Forest	19,200
Louis Joseph	19,200
Carlo Bruno	19,200
Buddy Ridgel	19,200
Joey Mayeaux	19,200
Lionel Wells	19,200
David Vial	19,200
Kimberly Coates	19,200
Bridget Hyde	19,200
John Ingraffia	19,200
	<u>\$ 353,324</u>

24. RESTRICTED NET POSITION

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

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

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

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

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

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

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

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

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

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

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

26. RISK MANAGEMENT

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

27. INDUSTRIAL DEVELOPMENT BOARD

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

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

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

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

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

The term of the lease is from December 21, 2017, through December 31, 2042. The premises revert back to Intralox, LLC after all sums due to the Board have been paid under the lease.

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Under the PILOT program, Intralox, LLC is to pay an annual administrative fee of \$10,000 beginning in December 2018. There will also be an annual PILOT payment beginning in December 2018 calculated using the agreed upon formula.

As of December 31, 2021, the Board had not issued any bonds for this project.

28. COMMITMENTS AND CONTINGENCIES

The parish is self-insured for unemployment claims. A payroll liability of \$20,969 has been recorded at December 31, 2021. Unemployment expenses of \$4,384 were paid from the fund during the year ending December 31, 2021. No additional resources were set aside during 2021.

The parish had eight active construction projects as of December 31, 2021. At year end, the commitments were with the following contractors:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Barriere Construction (Mill and Overlay Stateline Road)	\$ -	\$ 940,920
Clearwater Utilities (Jail Lift Station and Force Main Improvements)	61,603	136,277
Frank A Anzalone General Contractor (Gordon Burgess Building)	42,000	200,620
Gray Construction Corp (Sister's Road Bridge Replacement)	-	1,843,382
Gulf South Piling & Constructions, Inc. (Pate Lane Bridge)	561,323	364,769
Mitchell Contracting, Inc. (Velma Sewer System)	500,582	622,038
RJ Daigle & Sons Contractors, Inc. (Overlay Program Phase 22)	4,064,207	750
Stuart & Company General Contractors (Kentwood Library)	1,436,671	1,388,462
	<u>\$ 6,666,386</u>	<u>\$ 5,497,218</u>

The parish had fifty-eight professional services contracts as of December 31, 2021. At year end the commitments with the contractors are as follows:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
5 Stones Media (Urban Transit Outreach / Media Outreach)	\$ 10,000	\$ 15,000
Apex Waterproof of Louisiana (Courthouse Façade Repaid)	295,375	181,625
Castle of Dreams, LLC (Workforce Consulting Service)	48,000	48,000
C.H. Fenstermaker & Associates, LLC (Traffic Impact Analysis)	4,050	130,950
Closing the Gap Consulting (Workforce Consulting Service)	40,000	30,000
Dana Brown & Associates (Stormwater Mgmt Facility Site Design)	23,299	34,182
DRC Emergency Services, Inc. (Debris Removal – Hurricane Ida)	37,291,563	17,708,437
Duplantis Design Group (Ponchatoula Pedestrian Improvements)	33,653	18,026
Dykees Electric (Hood Memorial Hospital Generator)	91,170	34,410
ECM Consultants, Inc. (Simms Creek - Task Order #3)	-	83,695
Elos Environmental, LLC (Geographic Information System)	10,301	35

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Elos Environmental, LLC (Tangi River Flood Risk Reduction)	4,306	16,024
Elos Environmental (CDBG Watershed Initiative – Task Order #1)	57,190	8,071
Elos Environmental (Arena Road)	-	43,500
Elos Environmental (Storm Services)	62,157	358,543
Forte & Tablada (Forrest Lane Task Order #4)	14,475	525
Frank A Anzalone General Contractor (Remove Remediate Organic Growth)	-	13,611
Franklin Engineers & Consultants, LLC (19-056 Air Comp/ Eng. Assist.)	12,500	8,961
Franklin Engineers & Consultants, LLC (21-044 Waste Facility)	3,500	2,960
Franklin Engineers & Consultants, LLC (21-046 Air Comp/Eng. Assist.)	25,861	3,000
Grass Master Maintenance & Landscaping (Monthly Maintenance)	12,982	35,170
HDR Engineering, Inc. (Ponchatoula Breakwater – Task Order 1)	-	14,819
HDR Engineering, Inc. (Ponchatoula Breakwater – Task Order 2)	2,698	3,138
HDR Engineering, Inc. (Ponchatoula Breakwater – Task Order 4)	18,164	54,493
Hunt, Guillot & Associates, LLC (Forrest Lane)	1,164	20,605
Hunt, Guillot & Associates, LLC (Fox Hollow)	-	42,523
Hunt, Guillot & Associates, LLC (Simms Creek - Havens)	1,609	36,547
Hunt, Guillot & Associates, LLC (Retention Pond)	-	199,356
Hunt, Guillot & Associates, LLC (Will Richardson)	-	25,243
Hunt, Guillot & Associates, LLC (Beaver Creek)	2,737	48,903
Kyle and Associates, LLC (Task Order #3)	-	9,021
Kyle and Associates, LLC (Env. Permitting)	7,000	7,000
Land Trust for Louisiana (Stormwater Management)	-	42,247
Laurie Mosher Administrative and Grant Writing Service (Velma Sewerage)	22,941	15,059
Lisa Aranyosi (Workforce Monitoring and Evaluation Service)	12,500	12,500
Meyer Engineers, LTD (Task Order 1 & 2)	-	2,160
Meyer Engineers, LTD (Task Order 3)	34,751	41,859
Meyer Engineers, LTD (Retention Pond Phase 1)	40,156	170,904
Milton Fence (Animal Shelter)	-	9,900
Milton Fence (Safe Room)	-	24,800
Nortech Downtown (SecureNet)	45,000	45,000
Osprey Initiatives (Litter Gitter)	6,000	18,000
Principal Engineering, Inc (Sister’s Road)	58,948	120,624
Quality Engineering & Surveying (Skinner Dr, David Dr, River Rd)	-	88,510
Richard C. Lambert Consultants, LLC (E. Minnesota Park Sidewalk)	63,799	51,315
Siltech, LLC (Workforce IT Support)	18,000	18,000
Smith & Purvis Carpet One (Hammond Registrar Office)	-	13,241

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

Southeastern Louisiana University (DBE)	-	16,200
Spangler Engineering, LLC (Hoover Road)	49,503	79,346
Spangler Engineering, LLC (Jail Lift Station)	-	10,955
Spangler Engineering, LLC (Task Order 5 Pate Lane Bridge)	65,351	19,401
Spangler Engineering, LLC (Task Order 6 Pate Lane Roadway)	21,590	24,854
Spangler Engineering, LLC (Roundabout – US190E at Industrial Park Rd)	92,410	227,140
Spangler Engineering, LLC (Roundabout – Club Deluxe Rd @ N Oaks Dr)	-	38,380
Strategic Demographics (Reapportionment / Redistricting)	8,000	8,000
Tetra Tech, Inc. (Debris Monitoring – Hurricane Ida)	4,380,496	2,188,508
TDC2 (Broadband Engineering Services)	16,548	433
TDC2 (Broadband Management and Engineering)	807,242	985,726
	<u>\$43,816,989</u>	<u>\$ 23,509,435</u>

29. CHERRY POINT DEVELOPMENT, LLC

Tangipahoa Parish Housing Authority (“TPHA”), through its governing entity, Tangipahoa Parish Government, formed a Louisiana Limited Liability Company as a member of Cherry Point Development, LLC as a 51% member on February 11, 2013. Cherry Point Development, LLC is the Developer of a project located in Hammond, Tangipahoa Parish, Louisiana, and to be known as Cherry Point Subdivision. Tangipahoa Parish Government will receive 51% of the payable developer fee. As per the definition in the 2013 Qualified Allocation Plan, Cherry Point does qualify as a Public Housing Agency project. Tangipahoa Parish Government did not receive developer fees for FYE December 31, 2021.

30. TAX ABATEMENTS

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers attractive tax incentive for manufacturers within the state. The program abates, for up to ten years, local property taxes (ad valorem) on a manufacturer’s new investment and annual capitalized additions related to the manufacturing site. This exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and / or personal property items covered by the exemption. There are currently sixty-six tax abatements in Tangipahoa Parish, related to seventeen companies, under the Louisiana ITEP. For the 2021 calendar year, the estimated forgone ad valorem taxes due to this abatement program was \$30,373.

31. SUBSEQUENT EVENTS

Subsequent to December 31, 2021, the following events occurred:

- On January 24, 2022, Council accepted the low bid of \$396,598 from Mustang Extreme Environmental Services for the HDPE Geomembrane Installation for Alternate Synthetic Final Cover at Landfill Cell 12.
- On April 25, 2022, Council accepted the low bid of \$5,171,320 from Coastal Dredging Company, Inc. for the construction of Landfill Cell 15.
- On May 23, 2022, Council accepted the low bid of \$590,000 from Kelly Construction Group for the new Courthouse elevator.
- On June 13, 2022, Council approved Change Order No. 1 for Landfill Cell 15 construction which

Tangipahoa Parish Government
Notes to the Financial Statements
As of and for the Year Ended December 31, 2021

deleted an overhead electrical system that was not needed. The change order reduced the cost by \$165,000.

- On June 27, 2022, Council approved the purchase of nine Kubota M5-111HDC-1 Tractors with side mowers for a total of \$109,484 each and four Kubota M6-111DTC-F Tractors with boom mowers for a total of \$162,536 each.

Subsequent events have been evaluated by management through August 4, 2022, the date the financial statements were available to be issued. No other events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2021.

Required Supplementary Information (Part II)

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
BUDGET COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Taxes:				
Sales	\$ 6,300,000	\$ 7,500,000	\$ 7,666,795	\$ 166,795
Ad valorem	1,472,200	1,472,200	1,522,614	50,414
Franchise	880,000	880,000	725,346	(154,654)
Licenses, permits, and rent	2,438,300	2,756,400	2,544,981	(211,419)
Intergovernmental revenues:				
Federal funds:				
Federal grants	370,000	13,931,000	2,334,565	(11,596,435)
GoMESA Revenue Sharing	1,250,000	1,250,000	880,267	(369,733)
State funds:				
State revenue sharing	92,000	92,000	92,676	676
Severance tax	150,000	165,000	275,210	110,210
State appropriations	124,000	176,000	175,760	(240)
State grants	70,000	160,000	155,158	(4,842)
2% fire insurance rebate	570,000	570,000	526,611	(43,389)
Alcoholic beverage tax	7,000	7,000	2,910	(4,090)
Fees, charges, and commissions for services	151,000	151,000	298,490	147,490
Fines and forfeitures	5,000	5,000	1,300	(3,700)
Interest	90,000	105,000	170,196	65,196
Other revenues	3,482,721	3,854,871	3,727,857	(127,014)
Total Revenues	17,452,221	33,075,471	21,100,736	(11,974,735)
<u>Expenditures</u>				
General government:				
Legislative	636,785	665,125	576,571	88,554
Judicial	5,326,396	5,482,496	5,449,527	32,969
Elections	210,050	221,575	203,088	18,487
Finance and administrative	2,083,332	2,650,577	2,399,643	250,934
Public safety	3,065,203	3,527,203	2,594,395	932,808
Public works	2,982,627	3,190,797	3,841,166	(650,369)
Health and welfare	948,310	968,310	975,831	(7,521)
Economic Development	455,754	457,972	478,507	(20,535)
Culture and recreation	502,066	631,216	651,256	(20,040)
Debt Service: Principal	-	-	455,115	(455,115)
Debt Service: Interest	-	-	422,250	(422,250)
Total Expenditures	16,210,523	17,795,271	18,047,349	(252,078)
Excess of Revenues Over Expenditures	1,241,698	15,280,200	3,053,387	(12,226,813)
<u>Other Financing Sources (Uses)</u>				
Capital lease financing	-	-	-	-
Contributions in	177	177	19,398	19,221
Sale of Capital Assets	-	-	-	-
Operating transfers in (out)	(840,000)	(1,240,000)	(2,112,713)	(872,713)
Total Other Financing Sources (Uses)	(839,823)	(1,239,823)	(2,093,315)	(853,492)
Net Change in Fund Balance	401,875	14,040,377	960,072	(13,080,305)
Fund Balance, Beginning of Year,	12,558,269	13,903,062	13,903,064	2
Fund Balance at End of Year	\$ 12,960,144	\$ 27,943,439	\$ 14,863,136	\$ (13,080,303)

See independent auditor's report.

TANGIPAOHA PARISH GOVERNMENT
Amite, Louisiana
BUDGET COMPARISON SCHEDULE
ROAD AND BRIDGE FUNDS
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Taxes:				
Sales	\$ 19,000,000	\$ 22,800,000	\$ 23,000,384	\$ 200,384
Ad valorem	-	-	-	-
Intergovernmental revenues:				
Federal funds:				
Federal grants	99,000	30,099,000	41,047,912	10,948,912
State funds:				
State grants	-	360,000	255,000	(105,000)
Parish transportation funds	970,000	970,000	1,055,139	85,139
Local funds	-	500,000	-	(500,000)
Interest	124,000	124,000	186,675	62,675
Other revenues	19,000	66,000	31,489	(34,511)
Total Revenues	<u>20,212,000</u>	<u>54,919,000</u>	<u>65,576,599</u>	<u>10,657,599</u>
<u>Expenditures</u>				
Public works	21,013,026	66,031,751	60,773,971	5,257,780
Debt service: Principal	-	-	140,115	(140,115)
Debt service: Interest	-	-	28,804	(28,804)
Total Expenditures	<u>21,013,026</u>	<u>66,031,751</u>	<u>60,942,890</u>	<u>5,088,861</u>
Excess of Revenues Over Expenditures	<u>(801,026)</u>	<u>(11,112,751)</u>	<u>4,633,709</u>	<u>15,746,460</u>
<u>Other Financing Sources (Uses)</u>				
Capital lease financing	-	-	56,290	56,290
Contributions In	-	4,000	903,360	899,360
Sale of Capital Assets	-	300	267	(33)
Operating Transfers (out)	-	(1,350,000)	(506,138)	843,862
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,345,700)</u>	<u>453,779</u>	<u>1,799,479</u>
Net Change in Fund Balance	(801,026)	(12,458,451)	5,087,488	17,545,939
Fund Balance, Beginning of Year	<u>11,433,261</u>	<u>13,667,973</u>	<u>13,668,758</u>	<u>785</u>
Fund Balance at End of Year	<u>\$ 10,632,235</u>	<u>\$ 1,209,522</u>	<u>\$ 18,756,246</u>	<u>\$ 17,546,724</u>

See independent auditor's report.

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
BUDGET COMPARISON SCHEDULE
GARBAGE MAINTENANCE FUND
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Taxes:				
Ad valorem	\$ 700	\$ 700	\$ 3,437,285	\$ 3,436,585
Sales	3,240,000	3,240,000		(3,240,000)
Intergovernmental revenues:				
Federal funds:				
Federal grants	-	30,000	1,201,970	1,171,970
State funds:				
State revenue sharing	259,570	265,000	264,558	(442)
Fees, charges, and commissions for services	4,798,500	5,607,000	5,978,314	371,314
Interest	57,000	57,000	52,596	(4,404)
Other revenues	30,000	31,000	86,148	55,148
Total Revenues	8,385,770	9,230,700	11,020,871	1,790,171
<u>Expenditures</u>				
Public works	12,002,610	11,742,260	7,196,422	4,545,838
Debt Service - Principal	115,000	115,000	128,377	(13,377)
Debt Service - Interest	140,375	140,375	142,564	(2,189)
Total Expenditures	12,257,985	11,997,635	7,467,363	4,530,272
Excess (Deficiencies) of Revenues Over Expenditures	(3,872,215)	(2,766,935)	3,553,508	6,320,443
<u>Other Financing Sources (Uses)</u>				
Capital lease financing	-	-	-	-
Operating Transfer (Out)	-	(450,000)	(442,500)	7,500
Sale of Timber	-	-	-	-
Total Other Financing Sources (Uses)	-	(450,000)	(442,500)	-
Net Change in Fund Balance	(3,872,215)	(3,216,935)	3,111,008	6,320,443
Fund Balance at Beginning of Year	6,332,855	7,667,480	7,667,482	(2)
Fund Balance at End of Year	\$ 2,460,640	\$ 4,450,545	\$ 10,778,490	\$ 6,320,441

See independent auditor's report.

Tangipahoa Parish Government
Amite, Louisiana
SCHEDULE OF CHANGES IN THE PARISH'S NET
OPEB LIABILITY AND RELATED RATIOS
For the Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:				
Service cost	\$ 211,798	\$ 155,468	\$ 224,161	\$ 99,528
Interest on total OPEB liability	102,006	150,490	144,546	119,165
Effect of plan changes	-	541,475	-	-
Effect of economic/demographic (gains) or losses	-	(2,014,770)	-	-
Effect of assumption changes or inputs	48,487	578,029	1,787,183	(177,890)
Benefit payments	(161,112)	(134,262)	(106,348)	(101,871)
Net change in total OPEB liability	201,179	(723,570)	2,049,542	(61,068)
Total OPEB Liability- beginning	4,679,958	5,403,528	3,353,986	3,415,054
Total OPEB Liability- ending (a)	\$4,881,137	\$4,679,958	\$5,403,528	\$3,353,986
Fiduciary Net Position				
Employer contributions	\$ 626,243	\$ 542,160	\$ 523,565	\$ 467,961
Net investment income	(25,046)	41,336	21,970	5,060
Benefit payments	(161,112)	(134,262)	(106,348)	(101,871)
Administrative expenses	(27,756)	(19,413)	(22,500)	(12,000)
Net change in plan fiduciary net position	412,329	429,821	416,687	359,150
Fiduciary net position- beginning	1,205,658	775,837	359,150	-
Fiduciary net position- ending (b)	1,617,987	1,205,658	775,837	359,150
Net OPEB liability- ending = (a) – (b)	\$3,263,150	\$3,474,300	\$4,627,691	\$2,994,836
Fiduciary net position as a % of total OPEB liability	33.15%	25.76%	14.36%	10.71%
Covered payroll	\$11,470,198	\$11,002,588	\$11,687,646	\$11,104,652
Net OPEB liability as a % of covered payroll	28.45%	31.58%	39.59%	26.97%

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

See independent auditor's report.

Tangipahoa Parish Government
Amite, Louisiana
SCHEDULE OF PARISH'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
For the Year Ended December 31, 2021

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

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

See independent auditor's report.

Tangipahoa Parish Government
Amite, Louisiana
SCHEDULE OF PARISH'S CONTRIBUTIONS
For the Year Ended December 31, 2021

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

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

See independent auditor's report.

Other Supplementary Information

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2021

Exhibit C-1

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal ALN Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Direct Program:			
Section 8 Housing Choice Vouchers	14.871	-	\$ 3,459,998
Passed through Louisiana Division of Administration, Office of Community Planning and Development			
Louisiana Community Development Block Grant	14.228	-	527,082
Emergency Solutions Grant - Shelter Grant 2017-2019	14.231	679223	<u>43,611</u>
Total U.S. Department of Housing and Urban Development			<u>4,030,691</u>
<u>U.S. Department of Homeland Security:</u>			
Passed through U.S. Department of Housing and Urban Development			
Disaster Housing Assistance Program	97.109	-	93,867
Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness			
Winter Storm	97.036		17,261
Hurricane Zeta	97.036		37,082
Hurricane Sally	97.036		115,949
Hurricane Ida	97.036		43,112,191
Flood Mitigation Assistance	97.029	FMA-PJ-06-LA-2016-014	1,650
Flood Mitigation Assistance	97.029	FMA-PJ-06-LA-2017-001	234,289
Flood Mitigation Assistance	97.029	FMA-PJ-06-LA-2018-001	1,136,815
Hazard Mitigation Grant Program-Chappapeela Drainage	97.039	1786-105-0001	-
Hazard Mitigation Grant Program - March 2016 Flood Elevations	97.039	4263-105-0002	109,227
Hazard Mitigation Grant Program - August 2016 Flood Elevations	97.039	4277-105-0028	140,537
Hazard Mitigation Grant Program - Beaver Creek	97.039	4263-105-0033	54,753
Hazard Mitigation Grant Program - Fox Hollow	97.039	4277-105-0013	20,232
Hazard Mitigation Grant Program - Forrest Lane	97.039	4277-105-0016	39,360
Hazard Mitigation Grant Program - 4277 North Retention Pond	97.039	4277-105-0015	56,147
Hazard Mitigation Grant Program - Sims Creek Flood Mitigation	97.039	4277-105-0017	23,252
Hazard Mitigation Grant Program - Small Safe Room	97.039		270,160
Hazard Mitigation Grant Program - Generator	97.039	4277-105-0085	852
Hazard Mitigation Grant Program - Generator	97.039	1786-	88,025
Hazard Mitigation Grant Program - 4277 Will Richardson	97.039		-
Hazard Mitigation Grant Program - 4277 David Drive	97.039		14,770
Hazard Mitigation Grant Program - 4277 Skinner Drive	97.039		-
Hazard Mitigation Grant Program - 4277 River Road	97.039		-
Emergency Management Preparedness Grant	97.039	2019	5,865
Emergency Management Preparedness Grant	97.039	2020	31,532
Emergency Management Preparedness Grant	97.039	2021	18,267
State Homeland Security Program	97.067	2018	1,239
State Homeland Security Program	97.067	2019	19,660
State Homeland Security Program	97.067	2020	6,417
State Homeland Security Program	97.067	2021	<u>2,140</u>
Total U.S. Department of Homeland Security			<u>45,651,539</u>
<u>U.S. Department of Health and Human Services:</u>			
Direct from Center for Disease Control			
	93.276	1NH28CE003398-01-00	13,972
Passed through Louisiana Department of Health and Hospitals			
Centers for Disease Control and Prevention	93.283	2020	9,236
Centers for Disease Control and Prevention	93.283	2021	<u>5,023</u>
Total U.S. Department of Health and Human Services			<u>28,231</u>

(Continued)

TANGIPAHOA PARISH GOVERNMENT
Amite, Louisiana
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2021

Exhibit C-1

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal ALN Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Transportation:</u>			
Direct Program:			
Federal Transit - Formula Grants	20.507	LA-90-X430-00	11,073
Federal Transit - Formula Grants	20.507	LA-90-X438-00	20,841
Federal Transit - Formula Grants	20.507	LA-90-X483-00	95,261
Federal Transit - Formula Grants	20.507	LA-2020-023-00	678,631
Passed through State of Louisiana Department of Transportation & Development			
Formula Grants for Rural Areas	20.509	LA-90-x430-000	157,892
Passed through Louisiana Department of Public Safety and Corrections			
Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	2021-10-10	19,693
Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	2021-55-14	560
Total U.S. Department of Transportation			983,951
<u>Restore Act:</u>			
Direct Program:			
Rock Jetty Study	21.015	RDCGR440051	-
Total U.S. Department of Treasury			-
<u>U.S. Department of Labor</u>			
Passed through the Louisiana Workforce Commission			
WIA Adult Program	17.258	-	1,953,532
WIA Youth Program	17.259	-	1,538,442
WIA Dislocated Worker Program	17.278	-	1,567,148
WIA DDWG Program	17.277		545,590
Admin			613,493
Total U.S. Department of Labor			6,218,205
<u>U.S. Environmental Protection Agency</u>			
Passed through Lake Pontchartrain Basin Foundation			
Stormwater Prevention Study	66.125	-	18,000
Total U.S. Environmental Protection Agency			18,000
<u>U.S. Department of the Interior</u>			
Direct Program:			
GoMESA	15.435		469,231
Total U.S. Department of Interior			469,231
<u>U.S. Department of Treasury</u>			
State and Local Fiscal Recovery Funds	21.027		817,058
Total U.S. Department of Treasury			817,058
Total Expenditures of Federal Awards			\$ 58,216,906

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

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

(Concluded)

Tangipahoa Parish Government
Amite, Louisiana

EXHIBIT C-2

FINANCIAL DATA SCHEDULE
BALANCE SHEET
December 31, 2021

Line Item #	Account Description	Housing Choice Voucher 14,871	Disaster Housing Assistance Program 97,109	Disaster Housing Assistance Program DH.IKE	TOTAL
ASSETS:					
CURRENT ASSETS:					
111	Cash-unrestricted	\$ 29,327	\$ 377,911	\$ 1,144,621	\$ 1,551,859
113	Cash-other restricted	10,463	-	-	10,463
115	Cash-restricted for payment of current liabilities	4,949	-	-	4,949
100	Total Cash	44,739	377,911	1,144,621	1,567,271
121	Accounts receivable - PHA Projects	25,060	-	-	25,060
125	Accounts receivable - miscellaneous	0	-	-	0
120	Total Receivables	25,060	-	-	25,060
150	TOTAL CURRENT ASSETS	69,799	377,911	1,144,621	1,592,331
190	TOTAL ASSETS	\$ 69,799	\$ 377,911	\$ 1,144,621	\$ 1,592,331
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND EQUITY:					
LIABILITIES:					
CURRENT LIABILITIES					
312	Accounts payable ≤ 90 days	\$ 4,949	\$ -	\$ -	\$ 4,949
313	Accounts payable > 90 days	7,097	-	-	7,097
321	Accrued wage/payroll taxes payable	37,381	-	1,074	38,455
331	Accounts payable - HUD PHA programs	7,778	-	-	7,778
310	TOTAL CURRENT LIABILITIES	57,205	-	1,074	58,279
300	TOTAL LIABILITIES	57,205	-	1,074	58,279
EQUITY:					
509.3	Restricted Fund Balance	10,463	377,911	1,143,547	1,531,921
512.3	Unassigned Fund Balance	2,131	-	-	2,131
513	TOTAL EQUITY/NET POSITION	12,594	377,911	1,143,547	1,534,052
600	TOTAL LIABILITIES AND EQUITY/NET POSITION	\$ 69,799	\$ 377,911	\$ 1,144,621	\$ 1,592,331

See independent auditor's report

Tangipahoa Parish Government
Amite, Louisiana

EXHIBIT C-3

FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSES
For the Year Ended December 31, 2021

<u>Line</u> <u>Item #</u>	<u>Account Description</u>	<u>Housing</u> <u>Choice</u> <u>Voucher</u> <u>14,871</u>	<u>Disaster</u> <u>Housing</u> <u>Assistance</u> <u>Program</u> <u>97,109</u>	<u>Disaster</u> <u>Housing</u> <u>Assistance</u> <u>Program</u> <u>DH.IKE</u>	<u>TOTAL</u>
REVENUE:					
70600	HUD PHA operating grants	\$ 3,276,834	\$ -	\$ -	\$ 3,276,834
71100	Investment income - unrestricted	786	4,949	14,919	20,654
71400	Fraud recovery	788	-	-	788
71500	Other revenue	81,925	-	-	81,925
70000	TOTAL REVENUE	<u>3,360,333</u>	<u>4,949</u>	<u>14,919</u>	<u>3,380,201</u>
EXPENSES:					
91100	Administrative salaries	233,773	-	78,445	312,218
91200	Auditing fees	7,500	-	-	7,500
91310	Bookkeeping fee	6,820	-	-	6,820
91500	Employee benefit contributions-administrative	92,416	-	15,318	107,734
91600	Office expenses	20,593	-	-	20,593
91800	Travel	343	-	-	343
94200	Ordinary maint & operations-materials & other	26,690	-	-	26,690
96110	Property insurance	1,063	-	-	1,063
96130	Workmen's compensation	392	-	104	496
96140	All other insurance	1,052	-	-	1,052
96200	Other general expenses	5,117	-	-	5,117
96900	TOTAL OPERATING EXPENSES	<u>395,759</u>	<u>-</u>	<u>93,867</u>	<u>489,626</u>
97000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) OPERATING EXPENSES	<u>2,964,574</u>	<u>4,949</u>	<u>(78,948)</u>	<u>2,890,575</u>
97300	Housing assistance payments	2,997,473	-	-	2,997,473
97350	HAP portability in	66,766	-	-	66,766
90000	TOTAL EXPENSES	<u>3,459,998</u>	<u>-</u>	<u>93,867</u>	<u>3,553,865</u>
OTHER FINANCING SOURCES					
10030	Operating transfers from primary government	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
10000	EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	<u>(99,665)</u>	<u>4,949</u>	<u>(78,948)</u>	<u>(173,664)</u>
11030	Beginning equity	112,259	372,962	1,222,495	1,707,716
11040	Prior period adjustments	-	-	-	-
	TOTAL EQUITY	<u>\$ 12,594</u>	<u>\$ 377,911</u>	<u>\$ 1,143,547</u>	<u>\$ 1,534,052</u>
11170	Administrative fee equity	\$ 2,131			
11180	Housing assistance payments equity	10,463			
	TOTAL EQUITY	<u>\$ 12,594</u>			
11190	Unit months available	7,704			
11210	Number of unit months leased	5,183			

See independent auditor's report

Tangipahoa Parish Government
 Amite, Louisiana
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
 For the Year Ended December 31, 2021

Agency Head: Robby Miller, Parish President

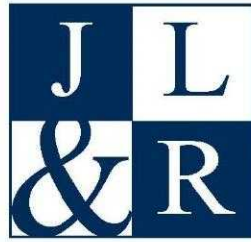
<u>Purpose</u>	<u>Amount</u>
Salary	\$ 161,324
Benefits-Insurance	12,275
Benefits-Retirement (12.25%)	19,762
Benefits-Medicare	2,353
Telephone	2,218
Vehicle Usage taxed on W-2	7,213
Registration fees to conferences	3,133
Travel (hotels, parking fees, lodging, and meals)	<u>2,031</u>
	<u>\$ 210,309</u>

Tangipahoa Parish Government
 Amite, Louisiana
 JUSTICE SYSTEM FUNDING SCHEDULE – RECEIVING ENTITY
 For the Year Ended December 31, 2021

	First Six- Month Period Ended 6/30/2021	Second Six- Month Period Ended 12/31/2021
Receipts From:		
21 st JDC Criminal Court Fund, Criminal Court Costs / Fees	\$ 105,419	\$ 80,264
	\$ 105,419	\$ 80,264
 Ending Balance of Amounts Assessed but Not Received	 \$ -	 \$ -

See independent auditor's report

Other Independent Auditor's Reports and Findings



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tangipahoa Parish Government as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Tangipahoa Parish Government's basic financial statements, and have issued our report thereon dated August 4, 2022.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tangipahoa Parish Government's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters

Tangipahoa Parish Government

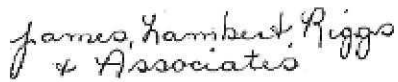
that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2021-001.

Tangipahoa Parish Government's Response to Findings

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

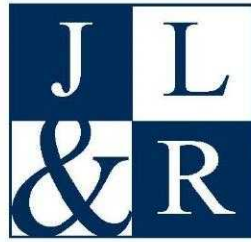
Purpose of This Report

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



James, Lambert, Riggs and Associates, Inc.
Hammond, Louisiana

August 4, 2022



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Tangipahoa Parish Government's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tangipahoa Parish Government's major federal programs for the year ended December 31, 2021. Tangipahoa Parish Government's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Tangipahoa Parish Government complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

Tangipahoa Parish Government

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

*James Lambert Riggs
& Associates*

James, Lambert, Riggs and Associates, Inc.
Hammond, Louisiana

August 4, 2022

Tangipahoa Parish Government

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021**

We have audited the basic financial statements of Tangipahoa Parish Government as of and for the year ended December 31, 2021 and have issued our report thereon dated August 4, 2022. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Uniform Guidance.

Section I – Summary of Auditor’s Reports

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

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

2. Federal Awards

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

3. Identification of Major Programs

<u>CFDA Number</u>	<u>Name of Federal Program (or Cluster)</u>
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and Type B Programs: \$1,746,507

Is the auditee a “low-risk” auditee, as defined by the Uniform Guidance?

 Yes
 No

Tangipahoa Parish Government

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021**

Section II – Financial Statement Findings

Internal Control over Financial Reporting

None

Compliance and Other Matters

2021-001 – Local Government Budget Act

Condition:

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

This is a repeat finding from the prior audit year.

Criteria:

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

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

The following funds had budget vs actual variances over the allowable limits as of December 31, 2021:

<u>Fund</u>	<u>Revenues</u>		<u>Variance</u>	<u>Percent</u>
	<u>Budget</u>	<u>Actual</u>		
General Fund	\$ 33,075,648	\$ 21,120,134	\$ (11,955,514)	-36.15%
Road Lighting District No. 3	500	333	(167)	-33.40%
Council Chamber Communications	79,010	72,496	(6,514)	-8.24%

Tangipahoa Parish Government

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021**

<u>Fund</u>	<u>Expenditures</u>		<u>Variance</u>	<u>Percent</u>
	<u>Budget</u>	<u>Actual</u>		
General Fund	\$ 19,035,271	\$ 20,160,062	\$ (1,124,791)	-5.91%
Animal Shelter	1,165,371	1,273,647	(108,276)	-9.29%
Florida Parishes Arena	876,132	924,934	(48,802)	-5.57%
Shelter Grant	30,500	32,902	(2,402)	-7.88%
Workforce - Dislocated Worker	1,457,598	1,569,890	(112,292)	-7.70%
Workforce - Youth Out Fund	1,436,206	1,546,825	(110,619)	-7.70%
Workforce - DDWG-NEG	444,352	545,590	(101,238)	-22.78%

Cause:

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

Effect:

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

Recommendation:

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

Management's Response:

See management's response dated August 4, 2022.

Section III – Federal Award Findings and Questioned Costs

None

Tangipahoa Parish Government

**Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2020**

Internal Control over Financial Reporting

None

Compliance and Other Matters

2020-001 – Local Government Budget Act (repeated from prior year)

Condition:

Tangipahoa Parish Government failed to amend the budgets for the Workforce – Administration and the Road Lighting #5 Fund by an adequate amount for the fiscal year ended December 31, 2020.

Prior Year Recommendation:

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

Resolution:

Not Resolved – Finding to be repeated in the current year

Compliance and Other Matters – Federal Financial Assistance

None



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FAX (985) 748-7576

ROBBY MILLER
PARISH PRESIDENT

August 4, 2022

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

Management's Response for 2021 Financial Audit:

2021-001 – Local Government Budget Act

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

Sincerely,

Jeff McKneely
Director of Finance

COUNCIL

TRENT FORREST
DISTRICT 1
EMILE "JOEY" MAYEAUX
DISTRICT 6

JOHN INGRAFFIA
DISTRICT 2
LIONELL WELLS
DISTRICT 7

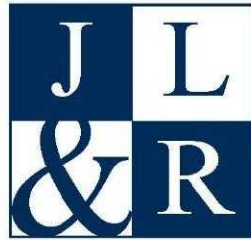
LOUIS "NICK" JOSEPH
DISTRICT 3
DAVID P. VIAL
DISTRICT 8

CARLO S. BRUNO
DISTRICT 4
BRIGETTE HYDE
DISTRICT 9

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

TANGIPAHOA PARISH GOVERNMENT
STATEWIDE AGREED UPON PROCEDURES ENGAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2021

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



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


Member of
American Institute of CPAs
Society of Louisiana CPAs

Independent Accountants' Report on Applying Agreed-Upon Procedures

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

Louisiana Legislative Auditor
Baton Rouge, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The Tangipahoa Parish Government's (the "Parish") management is responsible for those C/C areas identified in the SAUPs.

The Parish has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and findings are detailed in Schedule "A."

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

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

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

*James Lambert Riggs
& Associates*

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

August 4, 2022

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - d) ***Receipts / Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - e) ***Payroll / Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - **Results:** No exceptions were noted as a result for the above listed procedures.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- **Results:** No exceptions were noted as a result for the above listed procedures.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure / EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- **Results:** No exceptions were noted as a result for the above listed procedures.
- k) **Information Technology Disaster Recovery / Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing / verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches / updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- **Results:** No exceptions were noted as a result for the above listed procedures.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
- **Results:** Tangipahoa Parish does have a policy that covers Sexual Harassment however, it does not have the above listed requirements for :(2) annual employee training and (3) annual reporting.

Board or Finance Committee

2. Obtain and inspect the board / finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- a) Observe that the board / finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- **Results:** No exceptions were noted as a result for the above listed procedures.
- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- **Results:** No exceptions were noted as a result for the above listed procedures.

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

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

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

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

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

- b) Bank reconciliations include evidence that a member of management / board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

- **Results:** For one of the five bank accounts selected for testing, no evidence was noted that a member of management / board member who does not handle cash, post ledgers, or issue checks has reviewed the bank reconciliation.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

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

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash / checks / money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers / registers.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) Each employee responsible for collecting cash is not responsible for preparing / making bank deposits, unless another employee / official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee / official is responsible for reconciling ledger postings to each other and to the deposit.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and / or subsidiary ledgers, by revenue source and / or agency fund additions, are not responsible for collecting cash, unless another employee / official verifies the reconciliation.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - **Results:** No exceptions were noted as a result for the above listed procedures.

- c) Trace the deposit slip total to the actual deposit per the bank statement.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - **Results:** No exceptions were noted as a result for the above listed procedures.
- e) Trace the actual deposit per the bank statement to the general ledger.
 - **Results:** No exceptions were noted as a result for the above listed procedures.

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

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order / making the purchase.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - c) The employee responsible for processing payments is prohibited from adding / modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - d) Either the employee / official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - **Results:** No exceptions were noted as a result for the above listed procedures.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial / date, electronic logging) of segregation of duties tested under #9, as applicable.
 - **Results:** No exceptions were noted as a result for the above listed procedures.

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- **Results:** No exceptions were noted as a result for the above listed procedures.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit / debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business / public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.
- **Results:** No exceptions were noted as a result for the above listed procedures.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms / prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - c) Observe each reimbursement is supported by documentation of the business / public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
 - **Results:** No exceptions were noted as a result for the above listed procedures.

Contracts

15. Obtain from management a listing of all agreements / contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) Observe whether the contract was approved by the governing body / board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - **Results:** No exceptions were noted as a result for the above listed procedures.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- **Results:** No exceptions were noted as a result for the above listed procedures.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.
- **Results:** No exceptions were noted as a result for the above listed procedures.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries / pay rates in the personnel files.
- **Results:** No exceptions were noted as a result for the above listed procedures.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and / or contract, the official should document his / her daily attendance and leave.)
- **Results:** No exceptions were noted as a result for the above listed procedures.
- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
- **Results:** No exceptions were noted as a result for the above listed procedures.
- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- **Results:** No exceptions were noted as a result for the above listed procedures.
- d) Observe the rate paid to the employees or officials agree to the authorized salary / pay rate found within the personnel file.
- **Results:** No exceptions were noted as a result for the above listed procedures.

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

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

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

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

Ethics

20. Using the 5 randomly selected employees / officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

a) Observe whether the documentation demonstrates each employee / official completed one hour of ethics training during the fiscal period.

- **Results:** For one of the five selected employees, no documentation existed that the employee / official completed one hour of ethics training during the fiscal period.

b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

Debt Service

21. Obtain a listing of bonds / notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

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

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

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

Fraud Notice

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

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

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

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

Information Technology Disaster Recovery / Business Continuity

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

a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

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

b) Obtain and inspect the entity's most recent documentation that it has tested / verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing / verifying backup restoration) and observe evidence that the test / verification was successfully performed within the past 3 months.

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

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

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

Sexual Harassment

26. Using the 5 randomly selected employees / officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee / official completed at least one hour of sexual harassment training during the calendar year.
- **Results:** For three of the five selected employees, no documentation existed that the employee / official completed at least one hour of sexual harassment training during the calendar year.
27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).
- **Results:** No exceptions were noted as a result for the above listed procedures.
28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - b) Number of sexual harassment complaints received by the agency;
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - **Results:** No exceptions were noted as a result for the above listed procedures.
 - e) Amount of time it took to resolve each complaint.
 - **Results:** No exceptions were noted as a result for the above listed procedures.



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ROBBY MILLER
PARISH PRESIDENT

August 4, 2022

As a result of the Independent Accountant's Report on Applying Agreed -Upon Procedures for the Fiscal Year Ended December 31, 2021, the Parish respectfully submits the following response:

Written Policies and Procedures:

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

Bank Reconciliations:

b) The parish will ensure that all bank reconciliations are signed by a designated member of management.


Ethics

20 a) All employees are required to take ethics training annually. The parish will ensure that documentation of attendance is received.

Sexual Harassment

26. All employees are required to take sexual harassment training annually. The parish will ensure that documentation of attendance is received.

Sincerely,


Robby Miller
Parish President

COUNCIL

TRENT FORREST
DISTRICT 1
EMILE "JOEY" MAYEAUX
DISTRICT 6

JOHN INGRAFFIA
DISTRICT 2
LIONELL WELLS
DISTRICT 7

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

CARLO S. BRUNO
DISTRICT 4
BRIGETTE HYDE
DISTRICT 9

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