

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION,  
STATE OF LOUISIANA  
NAPOLEONVILLE, LOUISIANA**

Annual Financial Statements

July 31, 2024



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## **Independent Auditor's Report**

The Board of Commissioners  
Waterworks District No. 1 of the  
Parish of Assumption, State of Louisiana  
Napoleonville, Louisiana

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of the business-type activities of Waterworks District No. 1 of the Parish of Assumption (the District), a component unit of the Assumption Parish Police Jury, as of and for the year ended July 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District, as of July 31, 2024, and the respective changes in its financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 - 9, and the schedule of the District's proportionate share of net pension liability (asset), the schedule of the District's contributions and the schedule of changes in net OPEB liability and related ratios on pages 39 - 42 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 GAAS, which consists of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation, benefits, and other payments to agency head, the schedule of operating expenses, the schedule of changes in assets restricted for revenue bond debt service, and the schedule of compensation paid to board of commissioners 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 GAAS. In our opinion, the schedule of compensation, benefits, and other payments to agency head, the schedule of operating expenses, the schedule of changes in assets restricted for revenue bond debt service, and the schedule of compensation paid to board of commissioners is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with the *Government Auditing Standards*, we have also issued our report dated January 13, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Baton Rouge, LA  
January 13, 2025

**REQUIRED SUPPLEMENTARY INFORMATION (PART I)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

# **WATERWORKS DISTRICT NO. 1 OF THE PARISH OF ASSUMPTION, STATE OF LOUISIANA**

## **Management's Discussion and Analysis**

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Our discussion and analysis of the financial performance of Assumption Parish Waterworks District No. 1 (the District) provides an overview of the District's financial activities for the fiscal year ended July 31, 2024. Please read it in conjunction with the financial statements.

### **FINANCIAL HIGHLIGHTS**

- The District's net position increased by \$1,150,768.
- The District's total operating revenues were \$6,875,815 for an increase of 8%.
- During the fiscal year ended July 31, 2024, the District had operating expenses of \$5,955,496 for an increase of 6%.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include enterprise fund financial statements that provide both long-term and short-term information about the District's overall financial status.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by sections of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

Table 1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of the financial statements.



**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Management's Discussion and Analysis**

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**Table 1  
Major Features of Assumption Parish Waterworks District No. 1 Financial Statements**

Financial Statements	Enterprise Fund Statements
Scope	Entire Government
Required Financial Statements	Statement of Net Position Statement of Revenues, Expenses, and Changes in Net Position Statement of Cash Flows
Accounting Basis and Measurement Focus	Accrual Accounting and Economic Resources Focus
Type of Assets / Liability Information	All Assets and Liabilities, both Financial and Capital, and Short-Term and Long-Term
Type of Inflow / Outflow Information	All Revenues and Expenses during the Year, Regardless of When Cash is Received or Paid

**Enterprise Fund Financial Statements (Government-Wide)**

The statement of net position and the statement of revenues, expenses, and changes in net position provide information in a way that shows the change in the District's financial condition resulting from the current year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most businesses. All 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 District's net position and the changes in it. Net position - the difference between assets (what the District owns) and liabilities (what the District owes) is a way to measure the financial position of the District. Over time, increases or decreases in the District's net position are an indicator of whether the District's financial position is improving or deteriorating.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Management's Discussion and Analysis**

The statement of cash flows provides information on the changes in cash during the year. This statement reports the net cash provided or used by operating activities, capital and related financing activities, and investing activities.

**FINANCIAL ANALYSIS OF ASSUMPTION PARISH WATERWORKS DISTRICT NO. 1**

**Net Position.** The District's net position increased by \$1,150,768 between fiscal years 2023 and 2024 to \$25,755,396. (See Table 2.)

**Table 2  
Assumption Parish Waterworks District No. 1 Net Position**

	<b>Business-Type Activities</b>	
	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Current Assets	\$ 9,717,315	\$ 8,800,993
Restricted Assets	12,891,318	15,288,456
Capital Assets, Net	21,632,157	19,084,577
<b>Total Assets</b>	<b>44,240,790</b>	<b>43,174,026</b>
<b>Deferred Outflows of Resources</b>	<b>3,071,466</b>	<b>2,517,612</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>47,312,256</b>	<b>45,691,638</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Expenses	1,038,953	295,446
Customer Deposits	341,609	367,745
Revenue Bonds Payable	14,180,000	15,000,000
Net Pension Liability	9,134	214,765
Other Postemployment Benefit Liability	3,014,095	2,404,818
<b>Total Liabilities</b>	<b>18,583,791</b>	<b>18,282,774</b>
<b>Deferred Inflows of Resources</b>	<b>2,973,069</b>	<b>2,804,236</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>21,556,860</b>	<b>21,087,010</b>
<b>Net Position</b>		
Net Investment in Capital Assets	19,255,752	18,315,266
Restricted for Revenue Bond Debt Service	730,161	708,709
Unrestricted	5,769,483	5,580,653
<b>Total Net Position</b>	<b>\$ 25,755,396</b>	<b>\$ 24,604,628</b>

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**Changes in Net Position.** The District's total operating revenues increased by 7.6% to \$6,875,815. (See Table 3.)

The cost of the operating expenses increased by \$346,207, or 6.2%, primarily due to increases in salaries and chemicals.

**Table 3  
Changes in Assumption Parish Waterworks District No. 1 Net Position**

	<b>Business-Type Activities</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating Revenue</b>		
Water Sales	\$ 6,495,565	\$ 6,001,104
Other Water Service Charges	127,395	131,033
Delinquent Charges	125,039	106,718
Billing and Collection Fees	166,137	149,176
<b>Total Operating Revenues</b>	<b>6,914,136</b>	<b>6,388,031</b>
<b>Nonoperating Revenue</b>		
Interest Income	1,164,326	901,306
Other Income	51,953	176,135
<b>Total Nonoperating Revenue</b>	<b>1,216,279</b>	<b>1,077,441</b>
<b>Total Revenue</b>	<b>8,130,415</b>	<b>7,465,472</b>
<b>Expenses</b>		
Operating Expenses	5,993,817	5,609,289
Nonoperating Expenses	985,830	391,847
<b>Total Expenses</b>	<b>6,979,647</b>	<b>6,001,136</b>
<b>Change in Net Position</b>	<b>\$ 1,150,768</b>	<b>\$ 1,464,336</b>

**FINANCIAL ANALYSIS OF THE FUNDS**

As the District completed the year, its enterprise fund reported total assets of \$44,240,790 which is an increase from last year of \$1,066,764.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Management's Discussion and Analysis**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of July 31, 2024, the District had \$21,632,157 net investment in capital assets. (See Table 4.)

**Table 4**  
**Assumption Parish Waterworks District No. 1 Capital Assets**  
**(Net of Depreciation)**

	<b>Business-Type Activities</b>	
	<b>2024</b>	<b>2023</b>
Land and Right of Way	\$ 298,710	\$ 298,710
Power Pumping and Purification Structures and Equipment	17,580,099	17,355,331
Transmission and Distribution Mains and Accessories	24,104,593	23,714,225
Transportation, Office, and Other Equipment	1,327,663	1,201,030
Construction in Progress	5,457,094	2,491,394.00
Accumulated Depreciation	(27,136,002)	(25,976,113)
<b>Capital Assets, Net</b>	<b>\$ 21,632,157</b>	<b>\$ 19,084,577</b>

**Debt**

As of July 31, 2024, the District had \$14,180,000 in revenue bonds payable outstanding. The District is meeting all of its fund transfer requirements as set out in the bond resolutions. Additional information about the District's debt is presented in the notes to financial statements, Note 6 - Long-Term Obligations.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The District gets all of its revenues from water sales and services provided. The fiscal year ended July 31, 2025 budget has operating revenues budgeted of approximately \$7,157,375 with budgeted expenses of \$5,641,396. The economy is not expected to generate any significant growth.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Bernard J. Francis, Jr., General Manager, 4633 LA Hwy. 1, P.O. Drawer 575, Napoleonville, Louisiana 70390.

## **BASIC FINANCIAL STATEMENTS**

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Statement of Net Position  
July 31, 2024**

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**Assets**

**Current Assets**

Cash and Cash Equivalents	\$ 7,822
Investments	8,382,544
Receivables	
Billed Water Charges, Net of Allowance for Doubtful Accounts of \$407,287	674,474
Unbilled Water Charges	530,973
Other Receivables	21,636
Inventory of Supplies	61,251
Prepaid Expenses	38,615

<b>Total Current Assets</b>	<u>9,717,315</u>
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**Restricted Assets**

Cash and Cash Equivalents	143,609
Investments	<u>12,747,709</u>

<b>Total Restricted Assets</b>	<u>12,891,318</u>
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<b>Capital Assets, Net</b>	<u>21,632,157</u>
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<b>Total Assets</b>	<u>44,240,790</u>
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**Deferred Outflows of Resources**

Other Postemployment Benefits	2,840,473
Pension	<u>230,993</u>

<b>Total Deferred Outflows of Resources</b>	<u>3,071,466</u>
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The accompanying notes are an integral part of these financial statements.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Statement of Net Position (Continued)  
July 31, 2024**

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**Liabilities**

**Current Liabilities**

Accounts Payable	227,590
Accrued Expenses	173,650
Revenue Bonds Payable - Current	<u>855,000</u>

<b>Total Current Liabilities</b>	<u>1,256,240</u>
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**Payable from Restricted Assets**

Customer Deposits	<u>341,609</u>
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**Non-Current Liabilities**

Arbitrage Rebate Liability	637,713
Other Postemployment Benefit Liability	3,014,095
Net Pension Liability	9,134
Revenue Bonds Payable	<u>13,325,000</u>

<b>Total Non-Current Liabilities</b>	<u>16,985,942</u>
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<b>Total Liabilities</b>	<u>18,583,791</u>
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**Deferred Inflows of Resources**

Other Postemployment Benefits	2,949,388
Pension	<u>23,681</u>

<b>Total Deferred Inflows of Resources</b>	<u>2,973,069</u>
--------------------------------------------	------------------

**Net Position**

Net Investment in Capital Assets	19,255,752
Restricted for Revenue Bond Debt Service	730,161
Unrestricted	<u>5,769,483</u>

<b>Total Net Position</b>	<u><u>\$ 25,755,396</u></u>
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The accompanying notes are an integral part of these financial statements.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Year Ended July 31, 2024**

<b>Operating Revenue</b>	
Water Sales	\$ 6,495,565
Other Water Service Charges	166,137
Delinquent Charges	125,039
Solid Waste, Garbage, and Sewerage Collection Fees	127,395
<b>Total Operating Revenues</b>	<b>6,914,136</b>
<b>Operating Expenses</b>	
Waterworks System Expenses	3,441,856
Office, General, and Administrative Expense	1,392,072
Depreciation	1,159,889
<b>Total Operating Expenses</b>	<b>5,993,817</b>
<b>Net Operating Income</b>	<b>920,319</b>
<b>Nonoperating Revenue (Expense)</b>	
Interest Income	1,164,326
Other Income	51,953
Arbitrage Rebate	(637,713)
Interest Expense	(348,117)
<b>Total Nonoperating Revenue (Expense)</b>	<b>230,449</b>
<b>Change in Net Position</b>	<b>1,150,768</b>
<b>Net Position, Beginning of Year</b>	<b>24,604,628</b>
<b>Net Position, End of Year</b>	<b>\$ 25,755,396</b>

The accompanying notes are an integral part of these financial statements.



**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Statement of Cash Flows  
For the Year Ended July 31, 2024**

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**Cash Flows from Operating Activities**

Cash from Customers	\$ 6,866,915
Cash Paid to Suppliers for Goods and Services	(2,750,199)
Cash Paid to Employees	(1,860,978)
Cash from Deposits	<u>(26,136)</u>

<b>Net Cash Provided by Operating Activities</b>	<u>2,229,602</u>
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**Cash Flows from Capital and Related Financing Activities**

Acquisition and Construction of Capital Assets	(3,707,469)
Principal Paid on Revenue Bonds	(820,000)
Interest Paid on Revenue Bonds	(348,117)
Other Nonoperating Revenues	<u>51,953</u>

<b>Net Cash Used in Capital and Related Financing Activities</b>	<u>(4,823,633)</u>
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**Cash Flows from Investing Activities**

Interest on Investments	1,164,326
Sale of Investments, Net	<u>992,608</u>

<b>Net Cash Provided by Investing Activities</b>	<u>2,156,934</u>
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<b>Net Decrease in Cash and Cash Equivalents</b>	(437,097)
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<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>588,528</u>
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<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 151,431</u></u>
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**Reconciliation of Cash and Cash Equivalents to the  
Statement of Net Position**

Cash and Cash Equivalents, Unrestricted	\$ 7,822
Cash and Cash Equivalents, Restricted	<u>143,609</u>

<b>Total Cash and Cash Equivalents</b>	<u><u>\$ 151,431</u></u>
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The accompanying notes are an integral part of these financial statements.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Statement of Cash Flows (Continued)  
For the Year Ended July 31, 2024**

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**Reconciliation of Net Operating Income to Net Cash**

**Provided by Operating Activities**

Net Operating Income	\$ 920,319
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities	
Depreciation	1,159,889
Bad Debt Expense	50,382
(Increase) Decrease in:	
Accounts Receivable	(97,603)
Prepaid Expenses	71,185
Inventory	27,147
Increase (Decrease) in:	
Accounts Payable	197,145
Net Pension Liability and Deferred Inflows and Outflows	(55,753)
OPEB Liability and Related Deferred Inflows and Outflows	74,378
Other Accrued Expenses	(91,351)
Customer Deposits	<u>(26,136)</u>

<b>Net Cash Provided by Operating Activities</b>	<b><u>\$ 2,229,602</u></b>
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The accompanying notes are an integral part of these financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies**

On July 10, 1956, in accordance with the provisions of Chapter 8 of Title 33 of the Louisiana Revised Statutes of 1950, the Police Jury of the Parish of Assumption (the Police Jury) created Waterworks District No. 1 of the Parish of Assumption, State of Louisiana (hereinafter referred to as the District). The District, as created by the Police Jury, encompasses the identical area as the Parish of Assumption (the Parish).

**Basis of Presentation**

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

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999. The following is a summary of the District's significant policies:

**Reporting Entity**

As the governing authority of the Parish, for reporting purposes, the Assumption Parish Police Jury is the financial reporting entity for Assumption Parish. The financial reporting entity consists of (a) the primary government (Assumption Parish Police Jury), (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.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Assumption Parish Police Jury 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:

- Appointing a voting majority of an organization's governing body, and the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Police Jury.
- Organizations for which the Police Jury does not appoint a voting majority but which are fiscally dependent on the Police Jury.
- Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Reporting Entity (Continued)**

Even though the District is legally separate from the Police Jury, the Police Jury appoints a majority of the District's governing body, and the Police Jury has the ability to impose its will on the District. The District also has the potential to provide specific benefits to, or impose specific financial burdens on, the Police Jury. Because of these reasons, the management of the District's office has determined that the District is a component unit of the Assumption Parish Police Jury.

**Measurement Focus/Basis of Accounting**

The enterprise fund statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operation. The operating revenues of the District are water sales, connections and reconnection fees, late charges, and other miscellaneous operating revenues. Operating expenses for enterprise funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Cash and Cash Equivalents**

All highly liquid investments (including restricted assets) with a maturity of three months or less are considered to be cash and cash equivalents for purposes of reporting cash flows.

**Inventory**

The District values its inventory of supplies at the lower of cost or market using the first-in, first-out method.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

All capital assets are capitalized in the enterprise fund and stated at historical cost less accumulated depreciation. Additions, improvements, or other capital outlays that with an expected useful life of more than one year and with a cost over \$2,500 are capitalized.

Depreciation of all exhaustible capital assets used by the enterprise fund is charged as an expense against the District's operations. Depreciation has been provided over the estimated useful lives (five to forty-four years) using the straight-line method. (See Note 5).

**Long-Term Liabilities**

Long-term debt such as revenue bonds payable is reported as liabilities on the statement of net position.

**Contributions for Meters**

Contributions received from customers for new meter services are treated as income. The cost of installing new meter services is expensed in the year incurred.

**Vacation and Sick Leave**

The District's employees earn one to five weeks of vacation annually based on number of years of employment. Employees can accumulate a maximum of 40 hours of unused vacation which can be carried forward and taken in subsequent periods. Upon termination, employees are paid for any unused current year and any accumulated vacation hours. Employees are allowed ten days of sick leave annually that may be used for sickness only. The sick leave plan is coupled with a disability insurance policy. No payment is made for sick leave not used upon termination or retirement; therefore, no accrual for sick leave is made.

**Estimates**

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

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Equity Classifications**

In the enterprise fund, equity is classified as net position and displayed in three components:

*Net Investment in Capital Assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Net Position* - Consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

**Pension Plan**

The District is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 10. For purposes of measuring the net position asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial 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 (expenditure) until then. The District has two items that qualify for this category: pension and other postemployment benefits (OPEB), which are reported in the basic financial statements.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial 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 then. The District has two items that qualify for this category: pension and other postemployment benefits, which are reported in the basic financial statements. The amounts deferred are recognized as an inflow of resources in the period that the amounts become available.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Adoption of New Accounting Standards**

The GASB issued Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*. The primary objective of the Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections. The adoption of the Statement did not have an effect on the District's financial statements for the year ending July 31, 2024.

**New Upcoming Accounting Pronouncements**

The GASB issued Statement No. 101, *Compensated Absences*. The Statement updates the recognition and measurement guidance for compensated absences. The Statement is effective for fiscal years beginning after December 15, 2023.

**Note 2. Cash and Cash Equivalents**

Cash includes demand deposits and interest-bearing demand deposits. Under state laws, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any state in the union, or the laws of the United States. Further, the District may deposit funds in time deposits or certificates of deposit with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Also, state law requires that 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.

Custodial credit risk is the risk that, in the event of a financial institution failure, the District's deposits may not be recovered. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. At year-end, the carrying amount of the District's deposits was \$151,431 and the bank balance was \$562,584. Of the bank balance, \$250,000 was covered by federal deposit insurance and \$312,584 was covered by collateral held by the pledging bank's agent in the bank's name (Category 3).



**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Cash and Cash Equivalents (Continued)**

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute (R.S.) 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

**Note 3. Investments**

As of July 31, 2024, the District had \$21,130,253 invested in the Louisiana Asset Management Pool, Inc. (LAMP) which is included in the total investments balance. The LAMP portfolio includes only securities and other obligations in which local governments are authorized to invest in accordance with R.S. 33:2955.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

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

*Credit Risk:* LAMP is rated AAAm by Standard & Poor's.

*Custodial Credit Risk:* LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

*Interest Rate Risk:* LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method.

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

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission (SEC) as an investment company.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

**Note 4. Receivables**

The following is a summary of receivables at July 31, 2024:

	Amount	%
<b>Accounts Receivable</b>		
<b>Billed</b>		
Current	\$ 644,110	60%
31 - 60 Days Past Due	30,364	3%
61 - 90 Days Past Due	16,392	2%
Over 90 Days Past Due	390,895	35%
Subtotal	1,081,761	
Allowance for Uncollectible Accounts	(407,287)	
<b>Net Accounts Receivable</b>	674,474	
<b>Other Receivables</b>		
Unbilled Water Charges	530,973	
Other	21,636	
<b>Total Other Receivables</b>	552,609	
<b>Total Receivables, Net</b>	\$ 1,227,083	

**Note 5. Capital Assets**

A summary of capital assets at July 31, 2024 follows:

	Balance July 31, 2023	Increases	Decreases	Balance July 31, 2024
<b>Non-Depreciable Assets</b>				
Land	\$ 298,710	\$ -	\$ -	\$ 298,710
Construction in Progress	2,491,394	3,101,478	(135,778)	5,457,094
<b>Total Non-Depreciable Assets</b>	2,790,104	3,101,478	(135,778)	5,755,804
<b>Depreciable Assets</b>				
Power, Pumping, and Purification Structures and Equipment, Including Main Plant Building	17,355,331	224,768	-	17,580,099
Transmission and Distribution Mains and Accessories	23,714,225	390,368	-	24,104,593
Transportation, Office, and Other Equipment	1,201,030	126,633	-	1,327,663
<b>Total Depreciable Assets</b>	42,270,586	741,769	-	43,012,355
Less: Accumulated Depreciation	(25,976,113)	(1,159,889)	-	(27,136,002)
<b>Total Depreciable Assets, Net</b>	16,294,473	(418,120)	-	15,876,353
<b>Total Capital Assets, Net</b>	\$ 19,084,577	\$ 2,683,358	\$ (135,778)	\$ 21,632,157

For the year ended July 31, 2024, depreciation expense was \$1,159,889.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

**Note 6. Long-Term Obligations**

The following is a summary of bond transactions for the year ended July 31, 2024:

	<b>Balance July 31, 2023</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance July 31, 2024</b>	<b>Due Within One Year</b>
<b>Long-Term Debt</b>					
Revenue Bonds Payable	\$ 15,000,000	\$ -	\$ (820,000)	\$ 14,180,000	\$ 855,000
<b>Total Long-Term Debt</b>	<b>\$ 15,000,000</b>	<b>\$ -</b>	<b>\$ (820,000)</b>	<b>\$ 14,180,000</b>	<b>\$ 855,000</b>

Revenue bonds payable at July 31, 2024 are comprised of the following individual issues:

\$15,000,000 Revenue Bonds, Series 2022, dated March 11, 2022 due in annual installments of \$820,000 to \$1,365,000, excluding interest, through November 1, 2036, interest at 2.42%	<u>\$ 14,180,000</u>
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The annual requirements to amortize all debt outstanding at July 31, 2024 are as follows:

<b>Year Ending July 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 855,000	\$ 332,811	\$ 1,187,811
2026	885,000	311,757	1,196,757
2027	920,000	289,916	1,209,916
2028	960,000	267,168	1,227,168
2029	1,000,000	243,452	1,243,452
2030 - 2034	5,620,000	827,277	6,447,277
2035 - 2036	3,940,000	145,563	4,085,563
<b>Total</b>	<b>\$ 14,180,000</b>	<b>\$ 2,417,944</b>	<b>\$ 16,597,944</b>

**Note 7. Arbitrage**

In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to 1.103-15 of the related Treasury Regulations, the District must rebate to the Federal government "arbitrage profits" earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on the borrowings. At July 31, 2024 the District estimated that an arbitrage is likely to be due on November 1, 2026 in the amount of \$637,613.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 8. Flow of Funds - Restrictions on Use**

Under the terms of the Revenue Bonds, Series 2022 (see Note 6), dated March 11, 2022, the bonds shall be secured by and payable solely from a pledge and dedication of the net revenues of Assumption Parish Waterworks District No. 1 above statutory, necessary, and usual charges in each of the fiscal years. The agreement also requires that until the bonds have been paid in full in principal and interest, the District must budget annually a sum of money sufficient to pay the principal and interest on the bonds.

For the payment of the principal and the interest on the bonds and any additional parity bonds, there is hereby created a special fund known as "Waterworks District No. 1 of the Parish of Assumption, State of Louisiana, Revenue Bond and Interest Sinking" Fund (Sinking Fund) being maintained with the designated fiscal agent bank of the Issuer. The District shall deposit in the Sinking Fund monthly on or before the 20<sup>th</sup> day of each month of each year, a sum equal to one-sixth of the interest falling due on the next interest payment date and one-twelfth of the principal falling due on the next principal payment date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. Said fiscal agent bank shall transfer from the Sinking Fund to the Paying Agent funds fully sufficient to pay promptly the principal and/or interest falling due on such date.

On July 17, 1989, the Board of Commissioners (the Board) of the District created the "Waterworks Utility Revenue Fund - Capital Improvements". Said fund was to receive monies in excess of \$50,000 shown in the annual audit report remaining in the Waterworks Utility Revenue Fund at July 31<sup>st</sup> of each year after making all required payments into the Sinking, Reserve, and Depreciation and Contingency Funds. The excess shall be considered surplus and shall be deposited in this fund. Said fund is to be used by the District for the purpose of retiring outstanding bonds in advance of their maturities, or any other legal purpose determined by the Board to be in the best interest of the District and not in violation of the 2006 Certificate of Indebtedness issue requirements. On October 25, 2004, a resolution was passed by the Board to increase the reserve in the Waterworks Utility Revenue Fund - Capital Improvements from \$50,000 to \$150,000. The required transfers to the Waterworks Utility Revenue Fund - Capital Improvements through the year ended July 31, 2024 were \$2,030,346.

**Note 9. Contributions from Assumption Parish**

On June 10, 1958, the District entered into an agreement with the Parish whereby, in order to afford fire protection to the Parish and in order to provide adequate finances for construction of the waterworks system, the Parish agreed to issue \$1,065,000 ad valorem tax bonds to acquire necessary facilities and equipment for fire protection. Of this amount, \$935,000 was pledged to be used for construction of the joint waterworks and fire protection system.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 10. Pension Plan**

Assumption Parish Waterworks District No. 1 is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan. This plan is administered by the Parochial Employees' Retirement System of Louisiana (PERS or the System). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. The System is administered by a separate board of trustees.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. This report may be obtained by writing, calling, or downloading the reports as follows:

PERS  
7905 Wrenwood Blvd.  
Baton Rouge, LA 70809  
(225) 928-1361  
[www.persla.org](http://www.persla.org)

The District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB 68*. These standards require the District to record its proportional share of the pension plan's net pension asset and report the following disclosures:

**Plan Description**

The Parochial Employees' Retirement System of Louisiana is the administrator of a cost-sharing, multiple-employer defined benefit pension plan. The System was originally established by R.S. 11:1901.

The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have its own retirement system and which elects to become a member of the System. Assumption Parish Waterworks District No. 1 is a participant in Plan B.

The following is a description of the plan and its benefits and is provided for general information purposes only.

**Eligibility Requirements**

All permanent District employees who work at least 28 hours per week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 10. Pension Plan (Continued)**

**Plan Description (Continued)**

Retirement Benefits

Any member of Plan B who was hired before January 1, 2007 can retire providing the member meets one of the following criteria:

1. Age 55 with thirty (30) years of creditable service
2. Age 60 with a minimum of ten (10) years of creditable service
3. Age 65 with a minimum of seven (7) years of creditable service

For employees hired after January 1, 2007:

1. Age 55 with thirty (30) years of creditable service
2. Age 62 with ten (10) years of creditable service
3. Age 67 with seven (7) years of creditable service

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

Survivor Benefits

Plan B members need ten (10) years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty (20) or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50, and until remarriage, if the remarriage occurs before age 55.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement allowance, any member of Plan B who is eligible to retire may elect to participate in DROP for up to three years and defer the receipt of benefits. During participation in DROP, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 10. Pension Plan (Continued)**

**Plan Description (Continued)**

Deferred Retirement Option Plan (Continued)

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

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

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

Disability Benefits

For Plan B, a member shall be eligible to retire and receive a disability benefit if he/she was hired prior to January 1, 2007 and has at least five years of creditable service or, if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of an amount equal to 2% of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or an amount equal to what the member's normal benefit would be based on the member's current final compensation but assuming the member remained in continuous service until his earliest normal retirement age.

Cost-of-Living Increases

The board of trustees is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the board may provide an additional cost-of-living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977 (or the member's retirement date, if later). Also, the board may provide a cost-of-living increase up to 2.5% for retirees 62 and older (R.S. 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost-of-living adjustment commencing at age 55.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

**Note 10. Pension Plan (Continued)**

**Funding Policy**

Contributions to PERS are required and determined by state statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended July 31, 2024 for the District and covered employees were as follows:

	<b>Employer</b>	<b>Employee</b>
Parochial Employees' Retirement System Plan B	7.50%	3.00%

The contributions made to the System for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Parochial Employees' Retirement System Plan B	\$ 95,566	\$ 76,183	\$ 75,967

During the year ended July 31, 2024, non-employer contributions was \$16,035.

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

The following schedule lists the District's proportionate share of the Net Pension Liability allocated by the pension plan based on the December 31, 2023 measurement date. The District used this measurement to record its Net Pension Liability and associated amounts as of July 31, 2024 in accordance with GASB Statement No. 68. The schedule also includes the proportionate share allocation rate used at December 31, 2023, along with the change compared to the December 31, 2022 rate.

The District's proportion of the Net Pension Liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	<b>Net Pension Liability July 31, 2024</b>	<b>Rate at July 31, 2024</b>	<b>Increase over July 31, 2023 Rate</b>
Parochial Employees' Retirement System Plan B	\$ 9,134	0.91054%	0.0085%

During the year ended July 31, 2024, the District recognized a pension expense of \$58,940.



**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

**Note 10. Pension Plan (Continued)**

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

At July 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 29,556	\$ 22,985
Changes of Assumptions	15,950	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	123,895	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	1,227	696
District Contributions Subsequent to the Measurement Date	60,365	-
<b>Total</b>	<b>\$ 230,993</b>	<b>\$ 23,681</b>

The District reported a total of \$60,365 as deferred outflows of resources related to pension contributions made subsequent to the measurement date of December 31, 2023, which will be recognized as a reduction in Net Pension Asset in the year ended July 31, 2025.

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

<b>Year Ending July 31,</b>	<b>PERS (Plan B)</b>
2024	\$ 11,475
2025	75,351
2026	112,790
2027	(52,669)
<b>Total</b>	<b>\$ 146,947</b>

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

**Note 10. Pension Plan (Continued)**

**Actuarial Methods and Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability for the pension plan as of December 31, 2023 is as follows:

	<b>PERS (Plan B)</b>
Valuation Date	December 31, 2023
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.40%, Net of Investment Expense, Including Inflation
Expected Remaining Service Lives	4 Years
Projected Salary Increases	4.25% (1.95% Merit/2.30% Inflation)
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 increases not yet authorized by the board of trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for health retirees multiplied by 130% for males and 125% for females. For employees, the Pub-2010 Public Retirement Plans Mortality Table for general employees multiplied by 130% for males and 125% for females. Pub-2010 Public Retirement Plans Mortality Table for Disabled Retirees multiplied by 130% for males and 125% for females
Inflation Rate	2.30%

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk 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 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.50% for the year ended December 31, 2023.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 10. Pension Plan (Continued)**

**Actuarial Methods and Assumptions (Continued)**

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, 2023 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Portfolio Real Rate of Return</b>
Fixed Income	33%	1.12%
Equity	51%	3.20%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
	<u>100%</u>	<u>5.10%</u>
Inflation		<u>2.40%</u>
Expected Arithmetic Nominal Return		<u>7.50%</u>

**Discount Rate**

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension asset was 6.40% for the year ended December 31, 2023.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 10. Pension Plan (Continued)**

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following table presents the District's proportionate share of the Net Pension Liability (Asset) using the discount rate of the System as well as what the District's proportionate share of the 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%) than the current rate used by the System:

	<b>1.0% Decrease (5.40%)</b>	<b>Current Discount (6.40%)</b>	<b>1.0% Increase (7.40%)</b>
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 522,665</u>	<u>\$ 9,134</u>	<u>\$ (420,658)</u>

**Payables to the Pension Plan**

The District recorded accrued liabilities to the System for the year ended July 31, 2024. The amounts due are included in liabilities under the amounts reported as accounts, salaries, and other payables. The balance due to the System at July 31, 2024 was \$15,628.

**Note 11. Postemployment Health Care and Life Insurance Benefits**

**Plan Description**

The District provides certain continuing health care and life insurance benefits for its retired employees. The District's OPEB Plan (the OPEB Plan) is a single employer defined benefit OPEB plan administered by the District. The authority to establish and/or amend the obligation of the employer, employees, and retirees rests with the District. No assets are accumulated in a trust that meets the criteria in GASB Codification Section P52, *Postemployment Benefits Other Than Pensions - Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

**Benefits Provided**

Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement providing they have at least 15 years of service. Employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (DROP entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or age 65 and 7 years of service. For employees hired on and after January 1, 2007, retirement eligibility (DROP entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or age 67 and 7 years of service.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 11. Postemployment Health Care and Life Insurance Benefits (Continued)**

**Employees Covered by Benefit Terms**

At July 31, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	8
Inactive Employees Entitled to but not yet Receiving Benefit Payments	-
Active Employees	<u>28</u>
<b>Total</b>	<u><u>36</u></u>

**Total OPEB Liability**

The District's total OPEB liability of \$3,014,095 was measured as of July 31, 2024 and was determined by an actuarial valuation as of July 31, 2024.

*Actuarial Assumptions and Other Inputs* - The total OPEB liability in the July 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	4.25%, Including Inflation
Prior Discount Rate	3.73%
Discount Rate	3.90% Annually
Healthcare Cost Trend Rates	Getzen model, initial trend of 5.5%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of July 31, 2024, the end of the applicable measurement period.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Table for General Employees.

The actuarial assumptions used in the July 31, 2024 valuation were based on the results of ongoing evaluations of the assumptions from August 1, 2023 to July 31, 2024.

**Changes in the Total OPEB Liability**

Balance at July 31, 2023	\$ 2,404,818
Changes for the Year	
Service Cost	62,240
Interest	90,707
Difference between Expected and Actual Experience	(326,765)
Changes in Assumptions	854,199
Benefit Payments	<u>(71,104)</u>
<b>Balance at July 31, 2024</b>	<u><u>\$ 3,014,095</u></u>

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

**Note 11. Postemployment Health Care and Life Insurance Benefits (Continued)**

**Changes in the Total OPEB Liability (Continued)**

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* - The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.90%) or one percentage point higher (4.90%) than the current discount rate:

	<b>1.0% Decrease (2.90%)</b>	<b>Discount Rate (3.90%)</b>	<b>1.0% Increase (4.90%)</b>
Total OPEB Liability	\$ 3,491,348	\$ 3,014,095	\$ 2,626,403

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* - The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.50%) or one percentage point higher (6.50%) than the current healthcare cost trend rates:

	<b>1.0% Decrease (4.50%)</b>	<b>Current Trend (5.50%)</b>	<b>1.0% Increase (6.50%)</b>
Total OPEB Liability	\$ 2,578,074	\$ 3,014,095	\$ 3,574,073

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended July 31, 2024, the District recognized OPEB expense of \$145,482. At July 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 989,005	\$ 2,240,353
Changes in Assumptions	1,851,468	709,035
<b>Total</b>	<b>\$ 2,840,473</b>	<b>\$ 2,949,388</b>

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 11. Postemployment Health Care and Life Insurance Benefits (Continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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

<b>Year Ending July 31,</b>	<b>Amount</b>
2025	\$ (7,465)
2026	(7,465)
2027	(7,465)
2028	(7,465)
2029	(7,465)
Thereafter	(71,590)

**Note 12. Deferred Compensation Plan**

Employees of the District may participate in the deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457, *Deferred Compensation Plans with Respect to Service for State and Local Governments*.

The deferred compensation plan is available to all employees of the District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by the Public Employees Benefit Services Corporation (PEBSCO), an independent entity. All assets of the plan are reported at fair market value and are administered by an independent entity. As part of its fiduciary role, the District has an obligation of due care in selecting the third-party administrator.

The deferred compensation plan laws and related plan provisions were amended so that the plan assets are no longer subject to the claims of the Police Jury creditors. The plan assets belong only to the employees and are held in trust for the employees' exclusive benefit. Therefore, GASB Statement No. 32 no longer requires the assets of the plan to be reported in the combined balance sheet as a fiduciary fund.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Financial Statements**

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**Note 13. Additional Billing and Collection**

The District has entered into formal contracts with the Assumption Parish Police Jury, the Village of Napoleonville, and St. Martin, Back Marais, Aysenne, RDG Developers, Worldwide Environmental Solutions, Ridgeway Waste, and Cypress Village whereby the District, as an agent, bills and collects for solid wastes services rendered by the Police Jury and the Village of Napoleonville and the sewerage services rendered by the Village of Napoleonville and the sewerage districts. The Police Jury, the Village of Napoleonville, and St. Martin, Back Marais, Aysenne, RDG Developers, Worldwide Environmental Solutions, Ridgeway Waste, and Cypress Village pay 5% of collections of charges to its residents.

**Note 14. Self-Insurance Health Program**

The District participates in a self-insurance health program for employees of the District. A third-party administrator processes the claims and maintains records of the allowable costs, deductible costs, etc., with the activity of this program being reported in the District's waterworks system expenses. Under the program, the District maintains a specific stop loss policy which pays all claims exceeding \$30,000 per year per person with an aggregate deductible of \$308,269 for all employees. There are no lifetime or annual maximum dollar amounts on the plan. Claims liabilities at July 31, 2024 were \$20,742.

**Note 15. Supplemental Cash Flows Disclosure**

During the year ended July 31, 2024, the enterprise fund paid \$349,771 in interest on certificates of indebtedness outstanding. No amounts were paid for income taxes as the District is a component unit of the Assumption Parish Police Jury and governmental agencies are exempt from federal and Louisiana income taxes.

**Note 16. Related-Party Transactions**

The District is a component unit of the Assumption Parish Police Jury. As described in Note 13, the District, as an agent, bills and collects for solid wastes services rendered by the Police Jury. In exchange for the service, the Police Jury pays the District 5% of collections of charges to its residents.

At July 31, 2024, the amount paid from the District to the Police Jury and collections paid from the Police Jury to the District totaled \$2,596,564 and \$100,974, respectively.

**Note 17. Commitments**

At July 31, 2024, the District had active construction projects in the amount of \$3,865,490, of which \$2,579,314 has been incurred and \$1,286,177 is remaining at July 31, 2024. Furthermore, subsequent to July 31, 2024, the District entered into a construction project with a commitment on the contract of \$10,825,500.



## **REQUIRED SUPPLEMENTARY INFORMATION (PART II)**

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of the District's Proportionate Share of Net Pension Liability (Asset)  
For the Year Ended July 31, 2024**

**Schedule 1**

	2024	2023	2022	2021	2020	2019	2018	2017	2016
	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)
District's Proportion of the Net Pension Liability (Asset)	0.9105%	0.9020%	0.9166%	0.8986%	0.9247%	0.9223%	0.9370%	0.9427%	0.9042%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 9,134	\$ 214,765	\$ (512,211)	\$ (230,685)	\$ (66,902)	\$ 249,186	\$ (117,889)	\$ 122,459	\$ 160,989
District's Covered Payroll	\$ 1,089,844	\$ 1,009,552	\$ 1,046,938	\$ 1,030,902	\$ 995,804	\$ 963,969	\$ 952,706	\$ 936,756	\$ 918,971
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.8381%	21.2733%	-48.9247%	-22.3770%	-6.7184%	25.8500%	-12.3741%	13.0727%	17.5184%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.7731%	94.2565%	114.2000%	106.7562%	102.0457%	91.9310%	104.0192%	99.8906%	99.8906%

**Notes:**

*PERS (Plan B) - Parochial Employees' Retirement System of Louisiana*

*The amounts presented have a measurement date of the previous fiscal year-end.*

*GASB 68 requires this schedule to show information for 10 years. Additional years will be displayed as they become available.*

See independent auditor's report.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of the District's Contributions  
For the Year Ended July 31, 2024**

**Schedule 2**

	2024	2023	2022	2021	2020	2019	2018	2017	2016
	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)	PERS (Plan B)
Contractually Required Contribution	\$ 95,566	\$ 76,183	\$ 75,967	\$ 81,597	\$ 78,144	\$ 74,174	\$ 75,627	\$ 74,901	\$ 77,139
Contributions in Relation to Contractually Required Contribution	95,566	76,183	75,967	81,597	78,144	74,174	75,627	74,901	77,139
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 1,274,209	\$ 1,015,773	\$ 1,012,889	\$ 1,087,952	\$ 1,041,925	\$ 947,294	\$ 941,700	\$ 936,256	\$ 806,578
Contributions as a Percentage of Covered Payroll	7.50%	7.50%	7.50%	7.50%	7.50%	7.83%	8.03%	8.00%	9.56%

**Notes:**

*PERS (Plan B) - Parochial Employees' Retirement System of Louisiana*

*The amounts presented have a measurement date of the previous fiscal year-end.*

*GASB 68 requires this schedule to show information for 10 years. Additional years will be displayed as they become available.*

See independent auditor's report.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of Changes in Net OPEB Liability and Related Ratios  
For the Year Ended July 31, 2024**

**Schedule 3**

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service Cost	\$ 62,240	\$ 36,548	\$ 64,108	\$ 62,241	\$ 187,145	\$ 104,454	\$ 106,989
Interest	90,707	81,977	40,918	39,996	111,673	102,442	100,962
Changes of Benefit Terms	-	-	-	-	-	-	-
Differences between Expected and Actual Experience	(326,765)	64,733	949,180	27,260	(2,749,492)	92,762	177,939
Changes of Assumptions	854,199	(133,894)	(567,772)	19,166	1,198,452	312,168	(257,302)
Benefit Payments	(71,104)	(58,821)	(55,754)	(38,523)	(36,515)	(37,661)	(35,698)
<b>Net Change in Total OPEB Liability</b>	609,277	(9,457)	430,680	110,140	(1,288,737)	574,165	92,890
<b>Total OPEB Liability - Beginning</b>	2,404,818	2,414,275	1,983,595	1,873,455	3,162,192	2,588,027	2,495,137
<b>Total OPEB Liability - Ending</b>	<u>\$ 3,014,095</u>	<u>\$ 2,404,818</u>	<u>\$ 2,414,275</u>	<u>\$ 1,983,595</u>	<u>\$ 1,873,455</u>	<u>\$ 3,162,192</u>	<u>\$ 2,588,027</u>
Covered-Employee Payroll	\$ 1,130,569	\$ 946,722	\$ 919,148	\$ 1,252,120	\$ 1,215,650	\$ 925,283	\$ 898,333
Net OPEB Liability as a Percentage of Covered-Employee Payroll	266.60%	254.02%	262.66%	158.42%	154.11%	341.75%	288.09%

**Notes:**

*Benefit Changes. There were no changes of benefit terms for the year ended July 31, 2024.*

*Changes of Assumptions. There were no changes of assumptions for the year ended July 31, 2024.*

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

See independent auditor's report.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA**

**Notes to Required Supplementary Information**

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**Note 1. Pension Plan Schedules**

**Changes of Benefit Terms**

There was no change of benefit terms noted for the 2023 - 2024 fiscal year for the pension plan.

## **OTHER SUPPLEMENTARY INFORMATION**

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of Compensation, Benefits, and Other Payments  
to Agency Head  
For the Year Ended July 31, 2024**

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**Schedule 4**

**Agency Head**  
Bernard Francis Jr.

<b>Purpose</b>	<b>Amount</b>
Salary	\$111,883
Benefits - Insurance	\$18,239
Benefits - Retirement	\$8,391
Benefits - Other	\$2,400
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$92
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor's report.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of Operating Expenses  
For the Year Ended July 31, 2024**

**Schedule 5**

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**Waterworks System Expenses**

**Purification and Plant Expenses (Benefits)**

Chemicals and Purification Supplies	\$ 1,289,489
Salaries - Plant Personnel	574,468
Utilities	313,035
Repairs and Maintenance	213,948
Regulatory Fees	128,779
Payroll Taxes	39,457
Retirement Plan	23,869
Janitorial	14,553
Professional Services	6,938
Disability Insurance	6,340
Travel and Education	5,778
Communication	5,090

<b>Total Purification and Plant Expenses</b>	<b>2,621,744</b>
----------------------------------------------	------------------

**Distribution, Operation, and Maintenance Expenses (Benefits)**

Salaries	388,375
Repairs and Maintenance	105,863
Other Expenses (Income)	84,701
Supplies	75,663
Utilities	49,835
Water Use Fees	35,208
Transportation Expenses	30,479
Payroll Taxes	27,555
Retirement Plan	17,030
Disability Insurance	4,403
Travel and Education	1,000

<b>Total Distribution, Operation, and Maintenance Expenses (Benefits)</b>	<b>820,112</b>
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<b>Total Waterworks System Expenses</b>	<b>\$ 3,441,856</b>
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See independent auditor's report.



**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of Operating Expenses (Continued)  
For the Year Ended July 31, 2024**

**Schedule 5**

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<b>Office, General, and Administrative Expenses (Benefits)</b>	
Group Insurance	\$ 427,130
Salaries	342,351
Insurance	284,189
Stationary and Office Supplies	96,606
Bad Debt	50,382
Professional Services, Legal, and Accounting	30,103
Payroll Taxes	24,356
Software Subscription	24,180
Uniform Reimbursements	16,532
Bank Charges	16,380
Retirement Plan	15,012
Disability Insurance	12,353
Communications	10,710
Repairs and Maintenance	10,385
Deposit Delivery Charge	9,600
Per Diem Paid to Board Members	7,140
Other	6,960
Dues and Fees	3,711
Collections	1,469
Travel and Education	1,349
Unemployment Compensation Insurance	713
Substance Abuse Testing	341
Transportation	120
	<hr/>
<b>Total Office, General, and Administrative Expenses (Benefits)</b>	<b>\$ 1,392,072</b>
	<hr/>

See independent auditor's report.

**WATERWORKS DISTRICT NO. 1 OF THE**  
**PARISH OF ASSUMPTION, STATE OF LOUISIANA**  
**Schedule of Changes in Assets Restricted for**  
**Revenue Bond Debt Service**  
**For the Year Ended July 31, 2024**

**Schedule 6**

	<b>Waterworks Utility Revenue Bond and Interest Sinking Fund - 2022</b>
<b>Cash and Investments, Beginning of Year</b>	\$ 708,709
Increase in Cash and Investments	
Interest Earned	28,150
Transfers from Other Accounts	<u>1,194,367</u>
Total Cash Available	<u>1,931,226</u>
Decrease in Cash and Investments	
Principal Payment	820,000
Interest Payments	353,078
Transfers to Other Accounts	<u>27,987</u>
Total Decreases	<u>1,201,065</u>
<b>Cash and Investments, End of Year</b>	<u><u>\$ 730,161</u></u>

See independent auditor's report.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of Compensation Paid to Board of Commissioners  
For the Year Ended July 31, 2024**

**Schedule 7**

<b>Board Members</b>	<b>Number of Meetings</b>	<b>Per Diem</b>
Adam Mayon	9	\$ 540
Scott Sternfels	10	600
Jerome Bougere	12	720
Travis Daigle	12	720
Wayne Arboneaux	11	660
Calvin Steward	11	660
Kenneth Dupaty	7	420
Jamie Boudreaux	11	660
Blaine Mabile	12	720
Paul J. Lewis	12	720
Charles Brown, Jr.	12	720
<b>Total</b>		<b>\$ 7,140</b>

See independent auditor's report.

**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**

Independent Auditor's Report

The Board of Commissioners  
Waterworks District No. 1 of the  
Parish of Assumption, State of Louisiana  
Napoleonville, 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 accompanying financial statements of the business-type activities of Waterworks District No. 1 of the Parish of Assumption, State of Louisiana (the District), a component unit of the Assumption Parish Police Jury, as of and for the year ended July 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, and have issued our report thereon dated January 13, 2025.

**Report on Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 over financial reporting 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 the District'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "LaPorte".

A Professional Accounting Corporation

Baton Rouge, LA  
January 13, 2025

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Schedule of Findings and Responses  
For the Year Ended July 31, 2024**

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**Part I - Summary of Auditor's Results**

Financial Statements

- |                                                                                  |            |
|----------------------------------------------------------------------------------|------------|
| 1. Type of auditor's report                                                      | Unmodified |
| 2. Internal control over financial reporting                                     |            |
| a. Material weaknesses identified?                                               | No         |
| b. Significant deficiencies identified not considered to be material weaknesses? | None       |
| c. Noncompliance material to the financial statements noted?                     | None       |

Federal Awards

Not applicable.

**Part II - Findings Related to the Financial Statements**

None.

**Part III - Compliance and Other Matters**

None.

**WATERWORKS DISTRICT NO. 1 OF THE  
PARISH OF ASSUMPTION, STATE OF LOUISIANA  
Summary Schedule of Prior Year Findings  
For the Year Ended July 31, 2024**

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**Part IV - Prior Year Findings**

None.

## **AGREED-UPON PROCEDURES REPORT**

Assumption Parish Waterworks District No. 1

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period August 1, 2023 - July 31, 2024**

To the Board of Commissioners  
Assumption Parish Waterworks District No.1  
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period August 1, 2023 through July 31, 2024. Assumption Parish Waterworks District No.1 (the District) management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period August 1, 2023 through July 31, 2024. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### **1) *Written Policies and Procedures***

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- A. 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:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
  - iii. **Disbursements**, including processing, reviewing, and approving.



- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **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 rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **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.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Results:** No exceptions were noted in the performance of these procedures.

## **2) Board or Finance Committee**

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- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - ii. 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. *Alternatively, for those entities reporting on the not-for-profit 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.*
  - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
  - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

**Results:** No exceptions were noted in the performance of these procedures.

## **3) Bank Reconciliations**

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- A. 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:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
  - iii. 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:** For two (2) of the five (5) bank reconciliations sampled, we noted no documentation reflecting that management had researched reconciling items that have been outstanding for more than 12 months from the statement closing date. No other exceptions were noted.

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

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- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - i. Employees responsible for cash collections do not share cash drawers/registers;
  - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
  - iii. Each employee responsible for collecting cash is not also 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; and
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, 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:
  - i. Observe that receipts are sequentially pre-numbered.
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - iii. Trace the deposit slip total to the actual deposit per the bank statement.

- v. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- vi. Trace the actual deposit per the bank statement to the general ledger.

**Results:** No exceptions were noted in the performance of these procedures.

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

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- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;
  - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
  - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

*[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]*
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
  - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

**Results:** No exceptions were noted in the performance of these procedures.

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

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- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
  - i. Observe 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 (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B 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 (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe 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 in the performance of these procedures.

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

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- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and 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:
- i. If reimbursed using a per diem, observe that 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](http://www.gsa.gov));
  - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
  - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii). ; and
  - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Results:** No exceptions were noted in the performance of these procedures.

**8) Contracts**

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- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, 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:
- i. 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;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
  - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Results:** No exceptions were noted in the performance of these procedures.

**9) Payroll and Personnel**

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- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:
  - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and 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's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

**Results:** No exceptions were noted in the performance of these procedures.

**10) Ethics**

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:
  - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

**Results:** No exceptions were noted in the performance of these procedures.

#### **11) Debt Service**

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- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**Results:** No exceptions were noted in the performance of these procedures.

#### **12) Fraud Notice**

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

**Results:** No exceptions were noted in the performance of these procedures.

#### **13) Information Technology Disaster Recovery/Business Continuity**

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- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.



- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
  - Hired before June 9, 2020 - completed the training; and
  - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment

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

#### **14) *Prevention of Sexual Harassment***

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

**Results:** No exceptions were noted in the performance of these procedures.

We were engaged by Assumption Parish Waterworks District No. 1 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 Assumption Parish Waterworks District No. 1 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.



A Professional Accounting Corporation

Baton Rouge, LA  
January 13, 2025

## Assumption Parish Waterworks District No. 1

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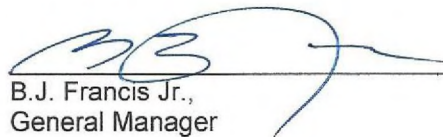
Mr. Michael J. Waguespack  
Louisiana Legislative Auditor  
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RE: SAUP Agreed-Upon Procedures

The management of the Assumption Parish Waterworks District No. 1 wishes to provide the following responses relative to the results of the 2024 statewide agreed-upon procedures engagement:

- 1) The District will investigate outstanding checks that are older than 12 months.

Sincerely,

  
B.J. Francis Jr.,  
General Manager