

CAMERON PARISH WASTEWATER DISTRICT NO. 1  
Cameron, Louisiana

ANNUAL FINANCIAL REPORT  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Period Ended December 31, 2023

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

June 27, 2024

Board of Commissioners  
Cameron Parish Wastewater District No. 1  
Cameron, Louisiana

We have reviewed the accompanying financial statements of the business-type activities of the Cameron Parish Wastewater District No. 1, a component unit of the Cameron Parish Policy Jury, as of and for the period ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Cameron Parish Wastewater District No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Other Information**

The accompanying schedule of compensation, benefits, and other payments to chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The other information has been subject to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the other information. We have not audited the other information and do not express an opinion on such information.

### **Required Supplemental Information**

Accounting principles generally accepted in the United States of America required that the following supplemental information be presented to supplement the basic financial statements:

Schedule of Changes in Net OPEB Liability and Related Ratios  
Schedule of Employer's Proportionate Share of Net Pension Liability  
Schedule of Employer Contributions

Such information, although not a required 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. This information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with the accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

In accordance with the Louisiana Government Audit Guide and the provisions of state law, we have issued a report, dated June 27, 2024, on the results of the agreed-upon procedures.

## BASIC FINANCIAL STATEMENTS

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Statement of Net Position

December 31, 2023

ASSETS	
Current Assets	
Cash	\$ 100
Receivables	
Ad valorem taxes, net	78,535
Accounts, net	5,793
Intergovernmental - FEMA	154,077
Intergovernmental - South Cameron	
Consolidated Waterworks District No. 1	786,749
Total Current Assets	<u>1,025,254</u>
Property, plant and equipment	
Buildings	5,261
Distribution system	3,672,988
Furnitures, fixtures and equipment	14,270
	<u>3,692,519</u>
Less accumulated depreciation	<u>2,846,361</u>
	846,158
Land	51,800
	<u>897,958</u>
TOTAL ASSETS	1,923,212
DEFERRED OUTFLOWS OF RESOURCES	<u>113,419</u>
LIABILITIES	
Current Liabilities	
Accounts payable	175
Accrued liabilities	4,508
Total Current Liabilities	<u>4,683</u>
Long-term Liability	
Net pension liability	41,765
Net OPEB Obligation	188,007
TOTAL LIABILITIES	<u>234,455</u>
DEFERRED INFLOWS OF RESOURCES	<u>35,758</u>
NET POSITION	
Net investment in capital assets	897,958
Net position - unrestricted	868,460
TOTAL NET POSITION	<u>\$ 1,766,418</u>

See accompanying notes and independent accountants' review report.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Statement of Revenues, Expenses  
and Changes in Net Position

Period Ended December 31, 2023

OPERATING REVENUES	
Charges for services-sewer	\$ 9,375
Miscellaneous revenue	155
TOTAL OPERATING REVENUES	<u>9,530</u>
OPERATING EXPENSES	
Advertising	84
Auto	361
Depreciation	9,615
Insurance - health	7,768
Insurance - health retirees	483
Maintenance	43
Office supplies	2,506
Per diem	540
Professional fees	50
Rent	2,297
Retirement - employees	1,740
Salaries	18,631
Taxes	235
Telephone	59
Utilities	2,640
TOTAL OPERATING EXPENSES	<u>47,052</u>
OPERATING INCOME (LOSS)	(37,522)
NON-OPERATING REVENUES (EXPENSES)	
Ad valorem taxes, net	\$ 85,371
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>85,371</u>
CHANGE IN NET POSITION	47,849
NET POSITION - BEGINNING	<u>1,718,569</u>
NET POSITION - ENDING	<u>\$ 1,766,418</u>

See accompanying notes and independent accountants' review report.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Statement of Cash Flows

Period Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers and others	\$ 9,875
Payments for supplies and services	1,920
Payments to employees	<u>(18,631)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	(6,836)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Ad valorem taxes	<u>6,836</u>
NET CASH FLOWS FROM FINANCING ACTIVITIES	6,836
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-
CASH FLOWS FROM INVESTING ACTIVITIES	
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>100</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 100</u>

See accompanying notes and independent accountants' review report.



CAMERON PARISH WASTEWATER DISTRICT NO. 1

Statement of Cash Flows - Continued

Period Ended December 31, 2023

RECONCILIATION OF OPERATING LOSS TO	
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (37,522)
Adjustments to reconcile operating income (loss) to	
net cash from operating activities	
Depreciation	9,615
(Increase) decrease in	
Accounts receivable	345
Intergovernmental receivable	18,559
Deferred outflows	-
Increase (decrease) in	
Accounts payable	-
Accrued liabilities	2,167
Net pension liability	-
Net OPEB obligation	-
Deferred inflows	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ (6,836)</u>

See accompanying notes and independent accountants' review report.

# CAMERON PARISH WASTEWATER DISTRICT NO. 1

## Notes to Financial Statements

December 31, 2023

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Cameron Parish Wastewater District No. 1 was created by the Cameron Parish Police Jury under the provisions of Louisiana Revised Statutes 33:3811 for the purpose of providing wastewater services to the Cameron areas of the Parish. The District is governed by a board of commissioners composed of five members.

#### 1. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity for Cameron Parish Wastewater District No. 1. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Cameron 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. This criteria includes:

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

Because the police jury appoints a voting majority to the board and has the ability to impose its will, the District was determined to be a component unit of the Cameron Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

# CAMERON PARISH WASTEWATER DISTRICT NO. 1

## Notes to Financial Statements

December 31, 2023

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### 2. Basis of Presentation

The accompanying financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments", issued in June 1999.

The financial statements of the District are prepared on the accrual basis of accounting. Whereby revenues are recognized when earned and expenses are recognized when incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The operating revenues of the District come from metered and nonmetered sales to residential and commercial customers as well as service connection charges and penalties from late payment of bills. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### 3. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2023, the District has \$100 in deposits (collected bank balances). These deposits are secured from risk by \$100 of federal deposit insurance.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Receivables

The District utilizes the allowance method to recognize doubtful accounts. The allowance for doubtful accounts at December 31, 2023 was \$8,314.

There appears to be concentration of credit risk with regard to general accounts receivable and more specifically accounts receivable for water and sewer user fees. The District's ability to collect the amounts due from the users of the District system and others (as reflected on the financial statements) may be affected by significant economic fluctuations, natural disasters or other calamity in this one concentrated geographic location.

Intergovernmental – FEMA receivable of \$154,077 at December 31, 2023 represents expected FEMA and Insurance reimbursements from the 2020 Hurricane damages. In the period of November 9, 2023 through December 31, 2023, the District has not received any related FEMA funds.

5. Compensated Absences

The District has the following policy relating to vacation and sick leave:

Vacation – 5-25 days per year depending on length of service

Sick Leave – 12-18 days per year, depending on length of service

The District's recognition and measurement criteria for compensated absences follow:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 also provides that a liability for sick leave should be accrued using one of the following termination approaches:

- a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

At December 31, 2023, the District had an accrual for compensated absences of \$4,508.

6. Statement of Cash Flow

For purpose of the statement of cash flows, the District considers all highly liquid debt instruments purchased with a maturity of three months or less when purchased to be cash equivalents.

7. Net Position

In the financial statements, equity is classified as net assets and displayed in three components:

- a. Net investment in capital assets – Consist 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.
- b. Restricted net position – Consists of net position with constraints placed on use either by (1) external groups such as creditors, grantors, contributors, laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When an expenditure is incurred for the purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the District to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the District the committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Estimates

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

9. Subsequent Events

Management has evaluated subsequent events through June 27, 2024, the date the financial statements were available to be issued.

10. Formation of Cameron Parish Wastewater District No. 1

Effective November 9, 2023, the Cameron Parish Police Jury legally separated Cameron Parish Wastewater District No. 1 from Cameron Parish Water and Wastewater District No. 1. On November 9, 2023, the net position allocable to the new district of Cameron Parish Wastewater District No. 1 was determined to be \$1,718,569. Included in this amount is the allocation of cash funds of \$786,749, recorded as a receivable at December 31, 2023.

NOTE B – AD VALOREM TAXES

For the period ended December 31, 2023, there were no ad valorem taxes assessed by the District. However, due to the division on November 8, 2023 of the Cameron Parish Water and Wastewater District No. 1, property taxes subsequently collected are allocated equally between the District and the taxing district of Cameron Parish Water and Wastewater District No. 1's until it's millage expires.

NOTE C – PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are valued at historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Buildings	9-40 years
Distribution system	40-50 years
Furniture and equipment	5-10 years

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE C – PROPERTY, PLANT AND EQUIPMENT- CONTINUED

A summary of changes in fixed assets for the period ended December 31, 2023 are as follows:

	Fixed Assets			End of Period
	Beginning of Period	Additions	Deletions	
Buildings	\$ 5,261	\$ -	\$ -	\$ 5,261
Distribution system	3,672,988	-	-	3,672,988
Equipment and furniture	14,270	-	-	14,270
Land	51,800	-	-	51,800
	<u>3,744,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>3,744,319</u>
Less accumulated depreciation	<u>2,836,746</u>			<u>2,846,361</u>
<b>TOTALS</b>	<b><u>\$ 907,573</u></b>			<b><u>\$ 897,958</u></b>

Depreciation expense was \$9,615 for the period ended December 31, 2023.

NOTE D - RETIREMENT COMMITMENTS

The District participates in a state-administered cost-sharing multiple-employer retirement systems, which together cover substantially all of the District's full-time employees. Although separately administered by their respective boards of trustees, these systems are established and regulated by acts of the Louisiana Legislature with respect to membership and contribution requirements, plan benefits, and actuarial determination of funding requirements as provided by the state constitution. Additional disclosures with respect to the District's participation in these systems are provided below.

Parochial Employees' Retirement System

The System is composed of two district plans, Plan A and Plan B with separate assets and benefit provisions. Employees of the District are members of Plan A. Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least twenty-eight hours per week and not participating in another public funded retirement system. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the system. Under Plan A, employees hired prior to January 1, 2007 can retire at any age with 30 or more years of creditable service, age 55 with 25 years of creditable service, age 60 with 10 years of creditable service, or age 65 with 7 years of creditable service. Employees hired after January 1, 2007 can retire at age 55 with 30 or more years of creditable service, age 62 with 10 years of creditable service, or age 67 with 7 years of creditable

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2022

NOTE D - RETIREMENT COMMITMENTS – CONTINUED

service. Retirees are entitled to a retirement benefit, payable monthly for life, equal to 3percent of their final average compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or jointed months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Parochial Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, LA 70898.

Plan members are required to contribute 9.5% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 11.50% of annual covered payroll. The contribution requirements of plan members and the District are established and may be amended by the System's Board of Trustees. The District's contributions to the System for the period ended December 31, 2023 totaled \$1,740.

At December 31, 2023, the District reported an net pension liability of \$41,765 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to their pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2023, the District's proportion was .0108500%.

For the period ended December 31, 2023, the District recognized pension expense of \$0 including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$0. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:



CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE D - RETIREMENT COMMITMENTS – CONTINUED

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,544	\$ 4,602
Difference between expected and actual assumption	1,333	-
Difference between expected and actual investment	44,091	-
Changes in proportion and differences between:		
Contributions and proportionate share of contributions	669	1,227
Contributions subsequent to the measurement date	<u>11,703</u>	<u>-</u>
 Total	 <u>\$ 59,340</u>	 <u>\$ 5,829</u>

\$11,703 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the period ended December 31, 2023. Other accounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31:</u>	<u>Amount</u>
2024	\$ 1,572
2025	6,686
2026	13,909
2027	19,641
2028	-
Thereafter	-

*Actuarial methods and assumption.* The total pension liability in the December 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE D - RETIREMENT COMMITMENTS - CONTINUED

Valuation Date	December 31, 2022
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	Plan A – 4.75%
Cost of Living Adjustments	The present values 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 amortized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Healthy retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scales for disabled annuitants.

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

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE D - RETIREMENT COMMITMENTS - CONTINUED

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations and 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 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

Best estimates of arithmetic real rates of return for major asset class included in the System's target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income	33%	1.17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real assets	2%	0.12%
Total	100%	5.60%
Inflation		2.10%
Expected Arithmetic Nominal Return		7.70%

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

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE D - RETIREMENT COMMITMENTS - CONTINUED

*Sensitivity to changes in discount rate.* The following presents the net pension liability of the District calculated using the discount rate of 6.40%, as well as what the employers' net pension liability 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.

	Changes in Discount Rate Plan A		
	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
	Net Pension Liability (Asset)	\$ 103,286	\$ 41,765

NOTE E - PER DIEM

In accordance with Louisiana Revised Statute 33:3819, per diem is allowed not to exceed \$60 per meeting attended, up to twenty-four regular meetings and twelve special meetings. The Board has approved per diem at \$60.

Per diem paid commissioners for the period ended December 31, 2023 were as follows:

Jerry Dockins	\$ 60
Anthony Theriot	120
Vickie Conner	120
Tammy Vincent	120
Donnie LeJeune	120
	<u>\$ 540</u>

NOTE F - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past four fiscal years.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE G – LAND LEASE

On January 1, 1982, the District leased 7 acres for sewer pond use for a period of 40 years. The District agreed to care for and maintain the grounds and improvements of the leased premises and to use the leased premises specifically for such activities as related to matters of the District in the area served by the lease. The initial lease was for \$3,555 per year, to increase each year by the CPI. For the period ended December 31, 2023, lease expense was \$2,297.

NOTE H – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

**General Information about the OPEB Plan**

*Plan description* – Cameron Water provides certain continuing health care and life insurance benefits for its retired employees. Cameron Water’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by Cameron Water. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with Cameron Water. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (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 and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: Employees are covered by the Parochial Employees’ Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. 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 (D.R.O.P. 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.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. A level \$20,000 amount of insurance coverage while active is continued after retirement.

Employees covered by benefit terms – At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>1</u>
	<u><u>3</u></u>

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE H – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS -  
CONTINUED

**Total OPEB Liability**

Cameron Wastewater’s total OPEB liability of \$188,007 was measured as of December 31, 2023 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	3.0%, including inflation
Discount rate	3.26% annually
Healthcare cost trend rates	Getzen model, with initial trend of 5.5%
Mortality	Pub-2010/2021

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation Index as of December 31, 2023, the end of the applicable measurement period.

Mortality rates were based on the SOA RP-2014 Combined Mortality Table.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2010 to December 31, 2023.

**Changes in the Total OPEB Liability**

Balance at November 8, 2023	\$ 188,007
Changes for the period:	
Service cost	-
Interest	-
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments and net transfers	-
Net changes	-
Balance at December 31, 2023	\$ 188,007

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE H – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS -  
CONTINUED

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of Cameron Wastewater, as well as what Cameron Wastewater’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current discount rate:

	<b>1.0% Decrease (2.26%)</b>	<b>Current Discount Rate (3.26%)</b>	<b>1.0% Increase (4.26%)</b>
Total OPEB liability	\$ 205,871	\$ 188,007	\$ 172,563

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of Cameron Wastewater, as well as what Cameron Wastewater’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	<b>1.0% Decrease (4.5%)</b>	<b>Current Trend (5.5%)</b>	<b>1.0% Increase (6.5%)</b>
Total OPEB liability	\$ 182,985	\$ 188,007	\$ 193,309

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

For the period ended December 31, 2023, Cameron Wastewater recognized OPEB expense of \$0. At December 31, 2023, Cameron Wastewater 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	\$ 25,092	\$ (2,235)
Changes in assumptions	28,987	(27,694)
Total	\$ 54,079	\$ (29,929)

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Notes to Financial Statements

December 31, 2023

NOTE H – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS -  
CONTINUED

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

<u>Years ending December 31:</u>	<u>Amount</u>
2024	3,412
2025	3,412
2026	3,412
2027	3,412
2028	3,412
Thereafter	7,094



REQUIRED SUPPLEMENTAL INFORMATION

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Schedule of Changes in Net OPEB Liability and Related Ratios

Period Ended December 31, 2023

<b>Total OPEB Liability</b>		
Service cost	\$	-
Interest		-
Changes of benefit terms		
Differences between expected and actual experience		-
Changes of assumptions		-
Benefit payments		-
<b>Net change in total OPEB Liability</b>		-
<b>Total OPEB liability - beginning</b>		188,007
<b>Total OPEB liability - ending (a)</b>		\$ 188,007
Covered-employee payroll	\$	18,631
Net OPEB liability as a percentage of covered-employee payroll		1009.11%
 <b>Notes to Schedule:</b>		
<i>Benefit Changes.</i>		None
 <i>Changes of Assumption.</i>		
Discount rate		3.26%
Mortality		Pub-2010/2021
Trend		Getzen model

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

See independent accountants' review report.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Schedule of Employer's Proportionate Share of Net Pension Liability

Period Ended December 31, 2023

Parochical Employees' Retirement System of Louisiana

<u>Date</u>	<u>Employer's portion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension liability (asset)</u>	<u>Employer's covered payroll</u>	<u>Employers' proportionate share of the net pension liability (asset) as a percentage of it's covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
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Municipal Employees Retirement System of Louisiana (System):

2023	0.01085%	\$ 41,765	\$ 18,631	224.17%	91.74%
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Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

\*The amounts presented have a measurement date of December 31, 2022.

See independent accountants' review report.

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Schedule of Employer Contributions

Period Ended December 31, 2023

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
Parochical Employees' Retirement System of Louisiana					
2023	\$ 1,740	\$ 1,740	\$ -	\$ 18,631	9.3%

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

See independent accountants' review report.

## OTHER INFORMATION

CAMERON PARISH WASTEWATER DISTRICT NO. 1

Schedule of Compensation, Benefits and Other Payments  
To Chief Executive Officer

Period Ended December 31, 2023

Chief Executive Officer: Tammy Vincent, Board President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Benefits-cell phone	-
Car allowance	-
Vehicle provided by government	-
Per diem	120
Reimbursements	-
Travel	-
Registration fees	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing Unvouchered expenses	-
Special meals	-

See independent accountants' review report.

INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

June 27, 2024

Board of Commissioners  
Cameron Parish Wastewater District No. 1  
Cameron, Louisiana

We have performed the procedures enumerated below on the Cameron Parish Wastewater District No. 1's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the period ended December 31, 2023, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

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 District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the period ended December 31, 2023. Additionally, the Louisiana Legislative Auditor 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:

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$60,000, and public works exceeding \$500,000. Compare the documentation for these expenditures to the Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code); R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

The expenditures made during the year for materials and supplies exceeding \$60,000, or for public works exceeding \$500,000 were made in accordance to public bid law.

#### Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics).

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with a list of all employees paid during the period.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None were immediate family members of board members.

5. Obtain a list of all disbursements made during the year; and a list of outside business interest of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

#### Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

The District is an enterprise fund and a budget adoption is not required. The District did not adopt a budget.

7. Trace the budget adoption and amendments to the minute book.

The District is an enterprise fund and a budget adoption is not required. The District did not adopt a budget.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted amounts by 5% or more.

The District is an enterprise fund and a budget adoption is not required. The District did not adopt a budget.

#### Accounting and Reporting

9. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;



We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account.

The payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

The payments received proper approvals.

#### Meetings

- 10. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the meeting place, a public place. We found no evidence of noncompliance.

#### Debt

- 11. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

#### Advances and Bonuses

- 12. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the District and a review of payroll records indicated no payments for any bonuses, advances or gifts.

#### State Audit Law

- 13. Report whether the District provided for a timely report in accordance with R.S. 24:513.

2023 is the first year of the District.

- 14. Inquire of management and report whether the District entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

The District did not enter into any contracts that utilized state funds.

Prior -Year Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and /or comments have been resolved.

The prior year report did not include any suggestions, exceptions, recommendations, or comments.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to, and did not; perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely for the use of management of the Cameron Parish Wastewater District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

CAMERON PARISH WASTEWATER DISTRICT No. 1  
126 Ann St  
Cameron, Louisiana 70631

LOUISIANA ATTESTATION QUESTIONNAIRE

June 27, 2024

Gragson, Casiday & Guillory  
P.O. Drawer 1847  
Lake Charles, LA 70602

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2023 and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212-2296, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14), R.S. 39:33, or the budget requirements of LSA-RS 39:34.

Yes  No

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with LSA-RS 24:514 and 33:463, as applicable.

Yes [ ] No [X]

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [X] No [ ]

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [X] No [ ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [X] No [ ]

We have complied with R.R. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [X] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:28.

Yes [X] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [X] No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution LSA-RS 14:138, and AG opinion 79-729.

Yes [X] No [ ]

**Prior-Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes [X] No [ ]

**General**

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations

Yes [ X ] No [ ]

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes [ X ] No [ ]

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [ X ] No [ ]

We have provided you with all relevant information and access under the terms of our agreement.

Yes [ X ] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [ X ] No [ ]

We are not aware of any material misstatements in the information we have provided to you.

Yes [ X ] No [ ]

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or the other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [ X ] No [ ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [ X ] No [ ]

The previous responses have been made to the best of our belief and knowledge.

By Kim Murphy  
Title Secretary/Treas.