Financial Report

New Orleans City Park Improvement Association

June 30, 2023

Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

Financial Report

New Orleans City Park Improvement Association

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New Orleans, Louisiana

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
New Orleans City Park Improvement Association,
New Orleans, Louisiana.

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and each major fund of the New Orleans City Park Improvement Association (CPIA), as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the New Orleans City Park Improvement Association's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, and each major fund, of CPIA as of June 30, 2023 and 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CPIA 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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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 CPIA'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CPIA'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 CPIA'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 4 through 15, and the Schedule of Changes in CPIA's Total OPEB Liability and Related Ratios on page 49, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise CPIA's basic financial statements. The accompanying Schedule of Operating Expenses on page 50, and the Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Office, on page 51, 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. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2024 on our consideration of CPIA'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 CPIA'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 CPIA's internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
February 27, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS

New Orleans City Park Improvement Association
New Orleans, Louisiana

June 30, 2023

This section of the New Orleans City Park Improvement Association's (CPIA) financial report presents a discussion and analysis of CPIA's financial performance during the years ended June 30, 2023 and 2022. Please read it in conjunction with CPIA's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

2023 Highlights

Pursuant to Act 569 of the 1989 Regular Session of the Legislature of Louisiana CPIA is authorized to contract with a non-profit corporation for the operation, care, control and management of City Park and its facilities. Effective September 1, 2022, CPIA entered into a fifteen-year Cooperative Endeavor Agreement (CEA) with City Park Conservancy (CPC), a Louisiana 501(c)3 non-profit corporation, which authorizes CPC to manage and operate all day-to-day operations of City Park. All employees of CPIA were terminated effective October 31, 2022 and were hired by CPC on November 1, 2022 with the same titles and responsibilities.

CPC does not receive a management fee for its operation, care and management of City Park on behalf of CPIA. Rather, CPC directly derives revenue from its operation of City Park as well as philanthropic sponsorships, events, memberships, fundraising, and grants. CPIA also transfers tax revenue and existing lease revenue to CPC for its use in operating CPIA. In addition, certain assets of CPIA were transferred to CPC as per the CEA.

Consistent with the CEA, title to all CPIA's moveable or immovable assets shall always be in the name of CPIA.

Since all employees were terminated from CPIA due to the new management arrangement, all accrued vacation pay was distributed to each employee upon termination on October 31 2022 and no liability remains on CPIA's books. This termination also leaves only current retirees as part of the OPEB liability calculation since CPIA no longer manages active employees. Governmental Accounting Standards Board (GASB) 75 reporting from the State of Louisiana is based off a July 1, 2022 measurement date. CPIA employee changes made October 31, 2022, will be reflected for the first time in the July 1, 2023 data used for the fiscal year end 2024 reporting.

FINANCIAL HIGHLIGHTS (Continued)

2023 Highlights (Continued)

CPIA's net position represents approximately 76% of total assets of approximately $74 million as of June 30, 2023. As of June 30, 2022, CPIA's net position approximated 76% of total assets of approximately $91 million.

CPIA's decrease in net position was approximately $13 million for the year ended June 30, 2023 as compared to an increase of approximately $564,000 for the year ended June 30, 2022. In addition, CPIA's cash used in operating activities was approximately $4 million in 2023 as compared to approximately $1.1 million in 2022.

2022 Highlights

CPIA's net position represents approximately 76% of total assets of approximately $91 million as of June 30, 2022. As of June 30, 2021, CPIA's net position approximated 76% of total assets of approximately $91 million.

CPIA's increase in net position was approximately $564,000 for the year ended June 30, 2022 as compared to an increase of approximately $2.8 million for the year ended June 30, 2021. In addition, CPIA's cash used in operating activities was approximately $1.1 million in 2022 as compared to approximately $2.7 million in 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements (including the notes to the financial statements), required supplementary information, and other supplementary information.

The financial statements provide both long-term and short-term information about CPIA'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 a section of required supplemental information and other supplemental information that further explains and supports the information in the financial statements.

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The financial statements provide both long-term and short-term information about CPIA'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 a section of required supplemental information and other supplemental information that further explains and supports the information in the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

CPIA's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Activities. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of CPIA are included in the Statements of Net Position.

FINANCIAL ANALYSIS OF CPIA - 2023

CPIA entered into a fifteen-year CEA with CPC, a Louisiana 501(c)3 non-profit corporation, which authorizes CPC to manage and operate all day-to-day operations of City Park. All employees of CPIA were terminated effective October 31, 2022 and were hired by CPC on November 1, 2022 with the same titles and responsibilities.

CPC does not receive a management fee for its operation, care and management of City Park on behalf of CPIA. Rather, CPC directly derives revenue from its operation of City Park as well as philanthropic sponsorships, events, memberships, fundraising, and grants. City Park also transfers tax revenues and existing lease revenue to CPC for its use in operating CPIA. This CEA will greatly reduce the financial activity throughout the year for New Orleans City Park Improvement Association moving forward.

The Statements of Net Position reports CPIA's net position. Net position, the difference between CPIA's assets, liabilities and deferred inflows of resources, is one way to measure CPIA's financial health or position. CPIA's net position decreased approximately $13 million in 2023 compared to an increase of $564,000 million in 2022. This decrease is directly related to the transfer of current year funds and reserves to City Park Conservancy, per the CEA. Current assets exceed current liabilities by approximately $6.5 million as of June 30, 2023.

FINANCIAL ANALYSIS OF CPIA - 2023 (Continued)

Condensed Statements of Net Position

	As of June 30,		
	2023	2022	Increase (Decrease)
ASSETS			
Current assets	$ 7,715,693	$ 19,530,020	$ (11,814,327)
Capital assets	66,433,083	71,232,373	(4,799,290)
Total assets	74,148,776	90,762,393	(16,613,617)
Deferred outflows of resources	366,059	543,875	(177,816)
Total assets and deferred outflows	$ 74,514,835	$ 91,306,268	$ (16,791,433)
LIABILITIES			
Current liabilities	$ 1,188,719	$ 3,134,872	$ (1,946,153)
Long-term liabilities	3,264,597	5,586,451	(2,321,854)
Total liabilities	4,453,316	8,721,323	(4,268,007)
Deferred inflows of resources	13,445,967	12,931,453	514,514
Net position:			
Net investment in capital assets	65,664,261	70,067,422	(4,403,161)
Restricted	977,096	798,057	179,039
Unrestricted (deficit)	(10,025,805)	(1,211,987)	(8,813,818)
Total net position	56,615,552	69,653,492	(13,037,940)
Total liabilities, deferred inflows, and net position	$ 74,514,835	$ 91,306,268	$ (16,791,433)

Net Position

CPIA's total net position as of June 30, 2023 decreased approximately $13 million to approximately $56.6 million. Total assets decreased approximately $16.8 million to approximately $74.5 million, and total liabilities decreased approximately $4.3 million to approximately $4.5 million. In addition, CPIA reported deferred inflows of resources of approximately $13.4 million as of June 30, 2023, which represents an approximate $515,000 increase from the amount reported as of June 30, 2022. The deferred inflows of resources relates to capital contribution made by the Bayou District Foundation (BDF) to fund a portion of the improvements to the South Course at Bayou Oaks under a service concession arrangement between CPIA and the BDF (Note 12), the implementation of GASB Statement No. 75 related to the accounting for other postretirement benefits (Note 9), and the implementation of GASB Statement No. 87 related to leases (Note 7).

FINANCIAL ANALYSIS OF CPIA - 2023 (Continued)

Net Position (Continued)

Total current assets decreased by approximately $11.8 million and current liabilities increased by approximately $1.9 million which resulted in an decrease in working capital of approximately $9.9 million. Receivables decreased approximately $1.6 million compared to 2022 due to disaster payments to be reimbursed from FEMA and the State Office of Risk Management related to Hurricane Ida, collections of daily Park operation being received by CPC, and the transfer of funds to CPC in accordance with the CEA.

Sales tax collected by the City Park Taxing District (TIF), a blended component unit of CPIA (Note 1), exceeded funds used for equipment and infrastructure projects by CPIA, resulting in a decrease of approximately $179,000 in restricted cash. Non-current assets decreased by approximately $4.8 million.

Total liabilities decreased by approximately $4.27 million, attributed to the transfer of the unearned income balance to CPC, the payout of accrued vacation leave liability to employees on October 31, 2022, the reduction in other post-employee benefits, and the reduction of the golf course complex equipment lease liability.

Net investments in capital assets reflect capital assets, net of accumulated depreciation. Restricted assets reflect assets restricted by a donor and/or contractual agreements for specific purposes.

Changes in Net Position

The change in net position for the year ended June 30, 2023 was a decrease of approximately $13 million compared to an increase in net position of approximately $564,000 for the year ended June 30, 2022.

FINANCIAL ANALYSIS OF CPIA - 2023 (Continued)

Statements of Revenues, Expenses and Changes in Net Position

	Year Ended June 30, 2023	Year Ended June 30, 2022	Increase (Decrease)
Operating Revenues			
Amusements, concerts, and other events	$ 1,658,222	$ 6,844,076	$ (5,185,854)
Catering and concessions	1,291,501	3,325,368	(2,033,867)
Golf operations	340,765	743,360	(402,595)
Botanical garden	508,521	1,138,275	(629,754)
Athletic services	482,627	1,212,064	(729,437)
Total operating revenues	4,281,636	13,263,143	(8,981,507)
Operating Expenses			
Amusements, concerts, and other events	1,194,782	3,374,069	(2,179,287)
Catering and concessions	1,116,317	2,495,653	(1,379,336)
Botanical garden	469,460	1,043,366	(573,906)
Athletic services and tennis	555,560	977,898	(422,338)
General park	3,215,897	6,198,412	(2,982,515)
Depreciation	4,553,444	4,669,184	(115,740)
Amortization - leases	396,129	396,129	-
Other postretirement benefit expense	(453,338)	50,294	(503,632)
Total operating expenses	11,048,251	19,205,005	(8,156,754)
Net operating loss	(6,766,615)	(5,941,862)	(824,753)
Nonoperating income	2,323,612	6,505,611	(4,181,999)
Special item	(8,594,937)	-	(8,594,937)
Changes in net position	(13,037,940)	563,749	(13,601,689)
Total net position, beginning of the year	69,653,492	69,089,743	563,749
Total net position, end of the year	$ 56,615,552	$ 69,653,492	$ (13,037,940)

Total operating revenues decreased by approximately $9 million to $4.3 million for the year ended June 30, 2023, compared to approximately $13.3 million in the year ended June 30, 2022. Amusements, concerts, and other special events revenue decreased by $5.2 million, and catering and concessions revenue decreased $2 million mainly due to the CEA with CPC. Operations of CPIA began with CPC, in November 2022, resulting in all transactions going through CPC, not NOCPIA. This decrease in revenue was offset by a decrease in amusements, concerts, and special events, and catering and concession expenses totaling $3.55 million. CPIA's total operating expenses decreased by approximately $8.2 million mainly due to the transfer of operations over to CPC. Under GASB 94, CPIA accounts for its CEA with BDF as a service concessions arrangement. Consequently, CPIA recognizes only its share of the net revenue.

FINANCIAL ANALYSIS OF CPIA - 2023 (Continued)

There were no capital contributions in 2023 or 2022.

Schedules of Operating Expenses

	Year Ended June 30, 2023	Year Ended June 30, 2022	Increase (Decrease)
Administrative	$ 260,123	$ 588,922	$ (328,799)
Advertising	18,817	70,303	(51,486)
Amortization - leases	396,129	396,129	-
Contract labor	104,527	353,155	(248,628)
Contract services	911,111	1,552,040	(640,929)
Cost of goods sold	335,722	1,140,167	(804,445)
COVID-19 expenses	-	4,782	(4,782)
Depreciation	4,553,444	4,669,184	(115,740)
Disposal of fixed assets	-	8,626	(8,626)
Fuel	30,996	66,009	(35,013)
Insurance	449,123	569,097	(119,974)
Other post-employment benefits	(453,338)	50,294	(503,632)
Payroll	2,548,795	6,263,606	(3,714,811)
Payroll benefits	487,768	1,161,707	(673,939)
Rentals	1,528	9,462	(7,934)
Repairs and maintenance	591,905	707,035	(115,130)
Supplies	408,878	710,522	(301,644)
Training and education	20,937	91,870	(70,933)
Uniforms	3,850	30,961	(27,111)
Utilities	324,389	718,198	(393,809)
Write-offs	53,547	42,936	10,611
Total operating expenses	$ 11,048,251	$ 19,205,005	$ (8,156,754)

Operating expenses decreased by approximately $8.2 million in fiscal year 2023. This decrease is attributable CPIA's transfer of operating reserves and current year operations over to CPC. CPIA entered into a CEA with CPC with daily operations management beginning November 1, 2022. At this time, most expenses became the responsibility of CPC. Also, the transfer of reserve funds to CPC were made through Contract Services.

Non-operating income decreased by approximately $4.2 million. The main factors contributing to this include additional earned interest, and revenue of State support and City millage collected for 2023. In addition, the current transfers to CPC for operations is netted against this revenue.

FINANCIAL ANALYSIS OF CPIA - 2022

The Statements of Net Position reports CPIA's net position. Net position, the difference between CPIA's assets, liabilities and deferred inflows and outflows of resources, is one way to measure CPIA's financial health or position. CPIA's net position increased approximately $564,000 in 2022 compared to an increase of $2.8 million in 2021. Current assets exceed current liabilities by approximately $16.4 million as of June 30, 2022.

Statements of Net Position

Current assets	$19,530,020	$14,608,298	$4,921,722
Capital assets	71,232,373	75,862,406	(4,630,033)
Total assets	90,762,393	90,470,704	291,689
Deferred outflows of resources	543,875	223,139	320,736
Total assets and deferred outflows	$91,306,268	$90,693,843	$ 612,425
LIABILITIES			
Current liabilities	$ 3,134,872	$ 2,950,021	$ 184,851
Long-term liabilities	5,586,451	6,199,933	(613,482)
Total liabilities	8,721,323	9,149,954	(428,631)
Deferred inflows of resources	12,931,453	12,454,146	477,307
Net position:			
Net investment in capital assets	70,067,422	74,301,326	(4,233,904)
Restricted	798,057	436,116	361,941
Unrestricted	(1,211,987)	(5,647,699)	4,435,712
Total net position	69,653,492	69,089,743	563,749
Total liabilities, deferred inflows, and net position	$91,306,268	$90,693,843	$ 612,425

Net Position

CPIA's total net position as of June 30, 2022 increased approximately $564,000 to approximately $69.7 million. Total assets increased approximately $292,000 to approximately $90.8 million, and total liabilities decreased approximately $429,000 to approximately $8.7 million. In addition, CPIA reported deferred inflows of resources of approximately $12.9 million as of June 30, 2022, which represents an approximate $477,000 increase from the amount reported as of June 30, 2021. The deferred inflow of resources relates to capital contribution made by the BDF to fund a portion of the improvements to the South Course at Bayou Oaks under a service concession arrangement between CPIA and the BDF (Note 12), the implementation of GASB Statement No. 75 related to the accounting for other post-retirement benefits (Note 9), and the implementation of GASB Statement No. 87 related to leases (Note 7).

FINANCIAL ANALYSIS OF CPIA - 2022 (Continued)

Net Position (Continued)

Total current assets increased by approximately $4.9 million and current liabilities increased by approximately $185,000 which resulted in an increase in working capital of approximately $4.7 million. Receivables increased approximately $1.2 million compared to 2022 due to disaster payments to be reimbursed from FEMA and the State Office of Risk Management related to Hurricane Ida. Unrestricted bank account cash increased by approximately $3 million due to successful fundraising events, and revenue generating programs open for a complete year without Coronavirus (COVID-19) restrictions.

Sales tax collected by the TIF, a blended component unit of CPIA (Note 1), exceeded funds used for capital projects by CPIA, resulting in an increase of approximately $362,000 in restricted cash. Non-current assets decreased by approximately $4.6 million.

Total liabilities decreased by approximately $429,000, attributed to the reduction of the golf course complex equipment lease liability.

Net investments in capital assets reflect capital assets, net of accumulated depreciation. Restricted assets reflect assets restricted by a donor and/or contractual agreements for specific purposes.

Changes in Net Position

The change in net position for the year ended June 30, 2022 was an increase of approximately $564,000 compared to an increase in net position of approximately $2.8 million for the year ended June 30, 2021.

FINANCIAL ANALYSIS OF CPIA - 2022 (Continued)

Statements of Revenues, Expenses, and Changes in Net Position

	Year Ended June 30, 2022	2021 (As Restated)	Increase (Decrease)
Operating Revenues			
Amusements, concerts, and other events	$ 6,844,076	$ 3,552,966	$ 3,291,110
Catering and gift shop	3,325,368	906,343	2,419,025
Golf operations	743,360	520,180	223,180
Horticulture, grounds and pavilion rental	1,138,275	869,983	268,292
Athletic services and tennis	1,212,064	1,016,536	195,528
Total operating revenues	13,263,143	6,866,008	6,397,135
Operating Expenses			
Amusements, concerts, and other events	3,374,069	1,888,354	1,485,715
Catering, restaurant, and gift shop	2,495,653	965,082	1,530,571
Horticulture, grounds and pavilion rental	1,043,366	964,273	79,093
Athletic services and tennis	977,898	846,168	131,730
General park	6,198,412	6,069,482	128,930
Depreciation	4,669,184	4,651,208	17,976
Amortization - leases	396,129	126,180	269,949
Other postretirement benefit expense	50,294	201,066	(150,772)
Total operating expenses	19,205,005	15,711,813	3,493,192
Net operating loss	(5,941,862)	(8,845,805)	2,903,943
Nonoperating income	6,505,611	10,074,264	(3,568,653)
Capital contributions	-	1,618,956	(1,618,956)
Changes in net position	563,749	2,847,415	(2,283,666)
Total net position, beginning of the year	69,089,743	66,242,328	2,847,415
Total net position, end of the year	$69,653,492	$69,089,743	$ 563,749

Total operating revenues increased by approximately $6.4 million to $13.3 million for the year ended June 30, 2022, compared to approximately $6.9 million in the year ended June 30, 2021. Amusements, concerts, and other special events revenue increased by $3.3 million, and catering and gift shop revenue increased $2.4 million mainly due to a full calendar year of events without COVID-19 closures and cancellations. This increase in revenue was offset by an increase in amusements, concerts, and special events, and catering, restaurant, and gift shop expenses totaling $3 million. CPIA's total operating expenses increased by approximately $3.5 million mainly due to a full year of operating expenses without COVID-19 closures and cancellations. Under GASB 60, CPIA accounts for its CEA with BDF as a service concessions arrangement. Consequently, CPIA recognizes only its share of the net revenue.

FINANCIAL ANALYSIS OF CPIA - 2022 (Continued)

Capital contributions decreased by approximately $1.6 million primarily due to the construction of Botanical Garden outdoor kitchen and new maintenance building in 2021. There were no capital contributions in 2022.

Schedules of Operating Expenses

	Year Ended June 30, 2022	2021	Increase (Decrease)
Administrative	$ 588,922	$ 526,661	$ 62,261
Advertising	70,303	135,749	(65,446)
Amortization - leases	396,129	126,180	269,949
Contract labor	353,155	110,893	242,262
Contract services	1,552,040	934,689	617,351
Cost of goods sold	1,140,167	360,583	779,584
COVID-19 expenses	4,782	133,427	(128,645)
Depreciation	4,669,184	4,651,208	17,976
Disposal of fixed assets	8,626	629,417	(620,791)
Fuel	66,009	46,767	19,242
Insurance	569,097	529,860	39,237
Other postemployment benefits	50,294	201,066	(150,772)
Payroll	6,263,606	4,592,247	1,671,359
Payroll benefits	1,161,707	982,396	179,311
Rentals	9,462	1,879	7,583
Repairs and maintenance	707,035	542,752	164,283
Supplies	710,522	523,390	187,132
Training and education	91,870	18,788	73,082
Uniforms	30,961	9,700	21,261
Utilities	718,198	504,647	213,551
Write-offs	42,936	149,514	(106,578)
Total operating expenses	$ 19,205,005	$ 15,711,813	$ 3,493,192

Operating expenses increased by approximately $3.5 million in fiscal year 2022. This increase is attributable to a full year of programming and events during 2022 compared to the cost cutting measures taken by management due to the COVID-19 CPIA closures during 2021. Contract labor increased approximately $617,000, cost of goods sold increased approximately $780,000, utilities increased approximately $214,000, contract services increased approximately $242,000, and payroll increased by approximately $1.67 million. There were approximately $630,000 of assets disposed of for the year 2021. COVID-19 related expenses also decreased in 2022 by approximately $128,000.

Non-operating income decreased by approximately $3.5 million. The main factors contributing to this includes one-time revenue of state COVID-19 support of $2.5 million and state insurance support of $1.9 million for the year 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION

2023 Capital Assets

As of June 30, 2023, CPIA's investment in capital assets approximated $65.7 million, net of accumulated depreciation of approximately $60.5 million. This investment consists principally of buildings and related improvements, ground improvements, and equipment. As of June 30, 2023, CPIA has construction in progress of approximately $932,000 relating to projects throughout CPIA.

2022 Capital Assets

As of June 30, 2022, CPIA's investment in capital assets approximated $70 million, net of accumulated depreciation of approximately $56 million. This investment consists principally of buildings and related improvements, ground improvements, and equipment. As of June 30, 2022, CPIA had construction in progress of approximately $851,000 relating to projects throughout CPIA.

ECONOMIC FACTORS AND OUTLOOK - 2023

The new management structure of City Park made through the CEA between CPIA and CPC will affect where management of daily operations occur. CPC now directly derives revenue from its operation of City Park as well as philanthropic sponsorships, events, memberships, fundraising, and grants. CPIA now transfers tax revenue and existing lease revenue to CPC for its use in operating CPIA. The ability to host corporate and wedding events, stadium rentals, several fundraising events, and programming throughout City Park will continue as usual, with the exception that these events will flow through CPC. CPIA has also begun the process of a new Master Plan.

ECONOMIC FACTORS AND OUTLOOK - 2022

This year differed from the two prior years in that there were no significant disasters that affected business operations, and the effects of the pandemic were minimal. The ability to host corporate and wedding events, stadium rentals, and programming throughout City Park without restrictions allowed multiple departments to meet budgeted expectations. Golf and Tennis operations maintained moderate success as outdoor recreation opportunities to the community. CPIA also continued to host several events including City Park's biggest fundraiser, Celebration in the Oaks, which again exceeded expectations.

CONTACTING CPIA'S FINANCIAL MANAGEMENT

This financial report is designed to provide our patrons and other interested parties with a general overview of CPIA's finances and to demonstrate CPIA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the New Orleans City Park Improvement Association at (504) 482-4888.

STATEMENTS OF NET POSITION

New Orleans City Park Improvement Association
New Orleans, Louisiana

June 30, 2023 and 2022

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	2023	2022
Current		
Cash and cash equivalents:		
Unrestricted	$ 711,128	$ 6,021,881
Restricted	977,096	798,057
Total cash and cash equivalents	1,688,224	6,819,938
Investments with Louisiana Asset Management Pool	763,776	5,038,728
Receivables, net of allowances:		
Friends of City Park	-	30,861
Bayou District Foundation	535,280	928,413
Tenant leases	160,375	90,947
Federal grant receivable	226,331	1,138,889
City of New Orleans:		
Tax increment financing	75,866	147,875
Millage	18,885	46,806
State of Louisiana	204,210	295,224
Leases	4,028,145	4,509,663
Other	9,601	177,767
Inventories	-	281,909
Prepaid and other assets	5,000	23,000
Total current assets	7,715,693	19,530,020
Long-Term Assets		
Capital assets, net	65,664,261	70,067,422
Right of use asset	768,822	1,164,951
Total long-term assets	66,433,083	71,232,373
Total assets	74,148,776	90,762,393
Deferred Outflow of Resources - Pensions	366,059	543,875
Total assets and deferred outflow of resources	$ 74,514,835	$ 91,306,268

See notes to financial statements.

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

	2023	2022
Current		
Accounts payable	$ 250,082	$ 401,375
Payroll withholdings	169	23,560
Accrued salaries	-	255,550
Restricted liabilities	500,000	500,000
Unearned revenue	-	1,127,009
Other	13,750	13,750
Lease liability, current portion	424,718	424,718
Accrued vacation leave	-	388,910
Total current liabilities	1,188,719	3,134,872
Long-Term		
Lease liability, long-term portion	372,761	764,628
Other postemployment benefits	2,891,836	4,821,823
Total liabilities	4,453,316	8,721,323
Deferred Inflows of Resources		
Service concession arrangement	7,114,874	7,388,523
Other postemployment benefits	2,722,500	1,423,667
Leases	3,608,593	4,119,263
Total deferred inflows of resources	13,445,967	12,931,453
Total liabilities and deferred inflow of resources	17,899,283	21,652,776
Net Position		
Net investment in capital assets	65,664,261	70,067,422
Restricted	977,096	798,057
Unrestricted (deficit)	(10,025,805)	(1,211,987)
Total net position	56,615,552	69,653,492
Total liabilities, deferred inflows of resources, and net position	$ 74,514,835	$ 91,306,268

STATEMENTS OF ACTIVITIES

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the years ended June 30, 2023 and 2022

	2023	2022
Operating Revenues		
Amusements, concerts, and other events	$ 1,658,222	$ 6,844,076
Catering and concessions	1,291,501	3,325,368
Golf operations	340,765	743,360
Botanical garden	508,521	1,138,275
Stadium rentals and concessions	263,882	534,730
Tennis	218,745	677,334
Total operating revenues	4,281,636	13,263,143
Operating Expenses		
Amusements, concerts, and other events	1,194,782	3,374,069
Catering and concessions	1,116,317	2,495,653
Botanical garden	469,460	1,043,366
Athletic services and tennis	555,560	977,898
General park	3,215,897	6,198,412
Depreciation	4,553,444	4,669,184
Amortization - leases	396,129	396,129
Other postemployment benefits	(453,338)	50,294
Total operating expenses	11,048,251	19,205,005
Net operating loss	(6,766,615)	(5,941,862)
Nonoperating Income (Expense)		
Donations	979,915	1,150,914
Support for capital projects from City Park Conservancy	32,117	-
Restricted donations	-	169
Interest income	150,319	13,993
Federal grants	12,687	-
State revenue	3,063,391	1,192,499
City revenue	3,028,921	2,819,477
Lease revenue	921,190	844,388
Transfer to City Park Conservancy for operations	(6,346,630)	-
Other revenue	481,702	484,171
Total nonoperating revenue	2,323,612	6,505,611

	2023	2022
Special Items		
Net transfer of certain assets and liabilities to City Park Conservancy, per the CEA	(8,594,937)	-
Change in net position before capital contributions	(13,037,940)	563,749
Capital Contributions	-	-
Change in net position after capital contributions	(13,037,940)	563,749
Net Position		
Beginning of the year	69,653,492	69,089,743
End of the year	$ 56,615,552	$ 69,653,492

See notes to financial statements.

STATEMENTS OF CASH FLOWS PROPRIETARY FUNDS

New Orleans City Park Improvement Association

New Orleans, Louisiana

For the years ended June 30, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Cash received from user fees and other park activities	$ 3,388,730	$ 12,868,729
Cash payments to suppliers for goods and services	(2,822,012)	(5,176,262)
Cash payments to employees for services	(4,592,134)	(8,764,305)
Net cash used in operating activities	(4,025,416)	(1,071,838)
Cash Flows From Noncapital and Related Financing Activities		
Cash received from State of Louisiana	3,154,405	992,118
Cash received from sales tax and property tax mileage	3,128,851	2,766,969
Cash received from donations	1,010,776	1,199,154
Cash received from lease revenue	822,610	758,433
Net transfer of certain assets and liabilities to City Park Conservancy, per the CEA	(8,198,495)	-
Transfer to City Park Conservancy for operations	(6,346,630)	-
Net cash provided by (used in) noncapital and related financing activities	(6,428,483)	5,716,674
Cash Flows From Capital and Related Financing Activities		
Contributed by others for capital improvements	912,558	(895,578)
Payments on capital lease obligations	(391,867)	(379,353)
Acquisition and construction of capital assets	(118,166)	(443,906)
Net cash provided by (used in) capital and related financing activities	402,525	(1,718,837)
Cash Flows From Investing Activities		
Purchase of investments	(5,051,945)	(11,632)
Sale of investments	9,326,897	-
Interest received on investments	150,319	13,993
Other revenue	494,389	484,171
Net cash provided by investing activities	4,919,660	486,532
Net increase (decrease) in cash and cash equivalents	(5,131,714)	3,412,531

Exhibit C
(Continued)

	2023	2022
Cash and Cash Equivalents		
Beginning of the year	6,819,938	3,407,407
End of the year	$ 1,688,224	$ 6,819,938
Reconciliation of Net Operating Loss to Net Cash Provided By Operating Activities		
Operating loss	$ (6,766,615)	$ (5,941,862)
Adjustments to reconcile net operating loss to net cash provided by operating activities:		
Depreciation	4,553,444	4,669,184
Amortization - leases	396,129	396,129
Loss on disposal of capital assets	-	8,626
Bad debts	53,547	42,936
(Increase) decrease in assets and deferred outflows or resources:		
Receivables	507,752	(175,566)
Inventories	(114,533)	(121,546)
Prepaid expenses and other assets	18,000	22,010
Deferred outflows	177,816	(320,736)
Increase (decrease) in liabilities and deferred inflows of resources:		
Trade payables and insurance payable	(151,293)	60,308
Accrued liabilities and other liabilities	(667,851)	136,497
Other postemployment benefits	(1,929,987)	(234,129)
Deferred inflows of resources	1,025,184	331,510
Unearned income	(1,127,009)	54,801
Net cash used in operating activities	$ (4,025,416)	$ (1,071,838)
Non-Cash Items		
Contributions of capital assets from City Park Conservancy	$ 32,117	$ -
Transfer of certain noncash assets and liabilities to City Park Conservancy	$ 396,442	$ -

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

New Orleans City Park Improvement Association
New Orleans, Louisiana

June 30, 2023 and 2022

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The State of Louisiana legislature passed Act 84 of 1870 which established a public park in the City of New Orleans (the "City") and created the New Orleans Park Board of Commissioners ("Board"). By Act 87 of 1877, the Board was abolished, and the powers and duties were transferred to the City Council of New Orleans. In 1896, Act 84 of 1870 was repealed and Act 130 gave recognition to an organization called the New Orleans City Park Improvement Association (the "CPIA"), an agency of the State, which was to manage and supervise the City's park (City Park). Act 865 of 1982 transferred CPIA to the State Department of Culture, Recreation and Tourism. CPIA shall be used for park, educational, and cultural purposes.

Act 13 of 1998 authorized CPIA to contract with a not-for-profit entity for the operation, care, control, and management of CPIA, including contracting for employment, procurement of goods and services and entering into lease arrangements. Additionally, the entity was specifically exempted from Title 38 relative to public contracts, Title 39 relative to procurement of professional, personal, consulting and social services and Title 41 relative to the lease of public lands. In 2001, CPIA entered into a cooperative endeavor agreement with CPIA Employment and Procurement Corporation (PEPCO) for the purposes stated in Act 13. PEPCO has no assets or liabilities and neither receives, nor expends any funds.

Pursuant to Act 569 of the 1989 Regular Session of the Legislature of Louisiana, CPIA is authorized to contract with a non-profit corporation for the operation, care, control and management of City Park and its facilities. Effective September 1, 2022, CPIA entered into a fifteen-year Cooperative Endeavor Agreement (CEA) with City Park Conservancy (CPC), a Louisiana 501(c)3 non-profit corporation, which authorizes CPC to manage and operate all day-to-day operations of City Park, subject to the reserved rights and responsibilities of CPIA. All employees of CPIA were terminated effective October 31, 2022 and were hired by CPC on November 1, 2022 with the same titles and responsibilities.

CPC does not receive a management fee for its operation, care and management of City Park on behalf of CPIA. Rather, CPC directly derives revenue from its operation of City Park as well as philanthropic sponsorships, events, memberships, fundraising, and grants. CPIA also transfers tax revenue and existing lease revenue to CPC for its use in operating CPIA.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consistent with the CEA, title to all CPIA's moveable or immovable assets shall always be in the name of CPIA.

Since all employees were terminated from CPIA due to the new management arrangement, all accrued vacation pay was distributed to each employee upon termination on October 31, 2022, and no longer recorded as accrued salaries. This termination also leaves only current retirees included in the current Other post-employment benefit obligation (see Note 9) calculation since CPIA no longer has active employees.

As part of the implementation of this agreement, CPIA transferred certain assets and liabilities related to operations and management of City Park facilities to CPC totaling $8,594,937, net.

The following are the main items in the Agreement with financial reporting impacts.

It is the intent of both parties that "Earned Revenue" (defined as admission fees, special event fees, special event rental fees, contractual income, food and merchandise revenue, and other fees collected attributable to CPIA), "Other Revenue" (defined as qualifying philanthropic sponsorships, grants specific to CPC), and "NOCPIA Revenue" (defined as tax revenue, intergovernmental grants, or CPIA real estate revenue) will be used for the benefit of all of City Park, in furtherance of the missions of both CPIA and CPC and will cover all necessary expenses related to operation, maintenance, upgrade and development of City Park.

CPC, in order to achieve and continue the public purpose of the Agreement and its management obligations set forth herein, shall retain its own accounts, Earned Revenue and Other Revenue, for the operation, maintenance, and development of City Park. Such Earned Revenue and Other Revenue shall be administered by CPC and deposited in an account to be used for the operation of Park facilities (CPC Operating Account). For the avoidance of doubt, it is the understanding of the parties that in no event shall Earned Revenue or Other Revenue be considered public funds.

Necessary expenses of CPC relating to operation, maintenance, upgrade and development of City Park shall be paid by CPIA through transfer of NOCPIA Revenue, including tax revenue, intergovernmental grants, and the Commission real estate lease revenue and other NOCIA Revenue due to CPIA. All existing NOCPIA Revenue at the time of the CEA shall be transferred over to the CPC operating bank account, and all future NOCPIA Revenue shall be transferred to the CPC operating bank account in accordance with the annual budget.

CPC shall prepare an annual CPC operating budget, a CPIA operating budget, and CPIA's capital budget related to the revenue and expenses relating to the operation, maintenance, and development of City Park. These budgets must be approved by both CPIA and CPC boards.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All tax revenues, intergovernmental grants, CPIA real estate lease revenue and any other Park Revenue due to CPIA for the operation, maintenance, upgrade and development of City Park shall be administered by CPC on behalf of and in the name of CPIA and deposited in an account administered by CPC on behalf of and in the name of CPIA. For the avoidance of doubt, it is the understanding of the parties that funds maintained in these accounts are considered public funds.

a. Reporting Entity

For financial reporting purposes and in accordance with Governmental Accounting Standards Board's definition of a reporting entity, CPIA has only one fund, an enterprise fund, which accounts for all assets, liabilities and operations of CPIA, and, as such, is considered a primary government.

Of the 20 authorized Board members, 5 are appointed by various governmental units and nonprofit organizations. The remaining Board members serve limited staggered terms and are appointed by the current Board members of CPIA. CPIA's Board members have decision-making authority over the activities of CPIA including the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. CPIA has no special financial relationships with any other governmental unit and is responsible for its own debt, surpluses, and deficits.

b. Component Units

New Orleans City Park Taxing District (TIF) is a blended component unit of CPIA. Although a blended component unit is a legally separate entity, it is, in substance, part of CPIA's operations, as it provides funding exclusively for CPIA. Act 266 of 2007 of the State of Louisiana, created the TIF, and New Orleans City Ordinance No. 23010 on December 20, 2007 designates a portion of the local sales and use taxes within CPIA's boundaries to fund economic development projects undertaken by CPIA. During 2020, the original Ordinance was extended a second time for an additional six years through 2026. The net position of the TIF, restricted for CPIA capital projects and equipment, totaled $803,114 and $669,374 as of June 30, 2023 and 2022, respectively.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Component Units (Continued)

New Orleans City Park Taxing District

Statements of Net Position

	2023	2022
Current assets	$803,114	$672,062
Current liabilities	$ -	$ 2,688
Restricted net position	803,114	669,374
Total liabilities and net position	$803,114	$672,062

Statements of Changes in Net Position

	2023	2022
General Revenues		
Sales taxes	$284,631	$434,169
Expenses		
Economic development	150,891	107,607
Change in net position	133,740	326,562
Net Position		
Beginning of year	669,374	342,812
End of year	$803,114	$669,374

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

The accounting policies of CPIA conform to accounting principles generally accepted in the United States of America as applicable to governments. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and measurable; and expenses, excluding depreciation and amortization, are recorded when a liability is incurred, regardless of the timing of related cash flows. CPIA has no governmental or fiduciary funds. CPIA uses fund accounting to report its financial position and results of operations. CPIA's accounts are organized into a single proprietary fund.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The enterprise fund (a proprietary fund) is used to account for operations (a) that are operated in a manner similar to private business where the intent of the governing body is that the cost (expense, including deprecation) of providing goods and services to the general public is financed or recovered primarily through user charges or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or changes in net position is appropriate for capital maintenance.

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. Operating revenues consist of charges to customers and users of its services. Operating expenses for CPIA 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 non-operating revenues and expenses.

CPIA's principal operating revenues are the fees received for services and use of CPIA's facilities. Operating revenues are recognized when services are provided, and facilities are used by customers. Grants, donations, capital contributions, and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met.

d. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

e. Cash and Cash Equivalents

For the purpose of the Statements of Cash Flows, CPIA considers deposits and only cash certificates on hand and investments purchased with an initial maturity date of three months or less to be cash equivalents.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Accounts Receivable

Accounts receivables are stated at the amount management expects to collect from outstanding balances. Management provides an allowance for probable uncollectible amounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable. No allowance for doubtful accounts was recorded as of June 30, 2023 and 2022.

g. Investments

Investments are stated at fair value based on quoted market prices. If quoted prices are not available, fair value is estimated based on similar securities. CPIA does not have an investment policy, however the Louisiana Revised Statutes authorize CPIA to invest in bonds, treasury notes, certificates or other obligations of the United States, or time certificates of deposit in state banks organized under Louisiana laws and national banks having principal offices in the State. Unrealized gains and losses on investments are recorded at fair value and are included in interest income.

h. Inventories

Inventories, consisting primarily of gift shop, concession, and catering supplies, are stated at the lower of cost or net realizable value, using the first-in first-out (FIFO) method.

i. Capital Assets

Capital assets are stated at cost. Contributed assets are recorded at acquisition value at the time received. An item is classified as a capital asset if the individual cost is $5,000 or greater and has a useful life in excess of one year. Depreciation is provided using the straight-line method over the estimated useful lives.

j. Unearned Income

Unearned income represents resources CPIA has received, but not yet earned, such as federal grant funds received prior to the incurrence of qualifying expenditures, cash deposits received as prepayments from customers on catering events and birthday parties or prepaid rental revenue.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Other Postemployment Benefits

GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" (GASB 75), requires governments to accrue postemployment benefits to the extent it is probable the employer will provide benefits conditioned on the employees retirement. CPIA has recorded liabilities for postemployment health care benefits as of June 30, 2023 and 2022. As of November 1, 2022, CPIA no longer has active employees and recorded liabilities for employees that retired prior to November 1, 2022. GASB 75 reporting from the State of Louisiana is based off the July 1, 2022 measurement date. CPIA employee changes made October 31, 2022 will be reflected initially in the July 1, 2023 data used for the fiscal year ending June 30, 2024 reporting.

In the basic financial statements, the other postemployment benefits liability is recorded as long-term obligations. Other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

l. Net Position

CPIA classifies net position into three components: net investment in capital assets, net of related debt; restricted; and unrestricted. These components are defined as follows:

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation. As of June 30, 2023 and 2022, CPIA did not have debt related to capital assets.

Restricted - This component reports net position with externally imposed constraints placed on their use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. CPIA utilizes restricted net position before utilizing available unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Unrestricted - This component reports net positions that do not meet the definition of either of the other two components.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. See Note 11 for more information regarding deferred outflows of resources related to other postemployment benefits. Deferred inflows of resources represent the acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until then. Capital contributions made by the Bayou District Foundation (BDF) in relation to its cooperative endeavor agreement with CPIA are reported as deferred inflows of resources and amortized over the life of the agreement. See Note 13 for additional information. Certain leases are reported as deferred inflows of resources. See Note 9 for additional information.

Lease- related amounts are recognized at the inception of leases in which CPIA is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

n. Vacation Leave

CPIA permits employees a limited amount of earned but unused vacation benefits not to exceed 300 hours, which will be paid to employees upon separation from CPIA service. All unused vacation leave was paid to each employee on October 31, 2022, when CPIA moved to the Conservancy management model discussed in Note 1. As of June 30, 2023, CPIA had no employees.

o. New GASB Statements

The GASB has issued the following statements which will become effective in future years as shown below:

Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. New GASB Statements (Continued)

in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for the years beginning after June 15, 2022. This statement did not affect CPIA’s financial statements.

Statement No. 96, “*Subscription-Based Information Technology Arrangements*” provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for the years beginning after June 15, 2022. This statement did not affect CPIA’s financial statements.

The GASB has issued the following statements which will become affective in the future years as show below:

Statement No. 99, *“Omnibus 2022”* provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements and accounting and financial report for financial guarantees. The requirements of this statement apply to all financial statements at dates varying from upon issuance to fiscal periods beginning after June 15, 2023. Management has yet to determine the effect of the statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. New GASB Statements (Continued)

Statement No. 100, "*Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*" provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this statement on the financial statements.

Statement No. 101, "*Compensated Absences*" provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this statement on the financial statements.

p. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through February 27, 2024, which is the date the financial statements were available to be issued.

Note 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

The following are the components of CPIA's cash, cash equivalents and investments as of June 30, 2023 and 2022:

	2023	2022
Current:		
Cash in banks	$ 1,688,224	$ 6,819,938
Investment in Louisiana Asset Management Pool	763,776	5,038,728
Totals	$ 2,452,000	$ 11,858,666

Note 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Restricted cash as of June 30, 2023 and 2022 is as follows:

2023	
New Orleans City Park Taxing District	$731,504
Bayou District Foundation Reserve	245,592
Total	$977,096
2022	
Ribet Fund	$ 28,279
New Orleans City Park Taxing District	524,186
Bayou District Foundation Reserve	245,592
Total	$798,057

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Statutes require that CPIA's cash be covered by federal depository insurance or collateral.

The bank balances of cash, as reflected by the banks' records totaled $643,005 and $1,748,355 as of June 30, 2023 and 2022, respectively. As of June 30, 2023 and 2022 there was no significant exposure to credit risk.

As of June 30, 2023, cash was adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of CPIA. The GASB, which promulgates the standards for accounting and financial reporting state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

CPIA invests monies with the Louisiana Asset Management Pool (LAMP), which are reported at net asset value. LAMP is considered to be an external investment pool administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955. Accordingly, Lamp investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. Only local Louisiana government entities having contracted to participate in LAMP have an investment interest in its pool of assets.

Note 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

The following facts are relevant for LAMP:

- Credit risk: LAMP is rated AAA by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool, 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 with the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Underlying pooled investments are excluded from the 5% disclosure requirement.
- 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 disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 26 days as of June 30, 2023.
- Foreign currency risk: Not applicable.

LAMP values its investments at fair value based on quoted market values. 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 value of the pool shares which approximates net asset value (NAV). There are no unfunded commitments as of June 30, 2023 and 2022.
LAMP 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). An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP. LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

Note 3 - FAIR VALUE MEASUREMENTS

CPIA's investments are recorded at fair value as of June 30, 2023 and 2022. GASB Statement No. 72, "*Fair Value Measurement and Application*", defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace.

Note 3 - FAIR VALUE MEASUREMENTS (Continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1 - Investments whose values are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date.

Level 2 - Investments with inputs - other than quoted prices included within Level 1 that are observable for an asset, either directly or indirectly.

Level 3 - Investments classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment.

NAV per share is an amount of net assets attributable to each share of capital stock outstanding at the close of the period. Investments measured at NAV for fair value are not subject to level classification. NAV is its own category.

Assets measured at fair value on a recurring basis as of June 30, 2023 and 2022 are comprised of and determined as follows:

	2023	2022
LAMP investments measured at NAV	$ 763,776	$ 5,038,728

Note 4 - SALES TAX

Act No. 266 of the 2007 Regular Session of the Louisiana Legislature states that the TIF must designate the local sales and use taxes to be used to determine the sales tax increment (the "increment") to be pledged and dedicated to the payment of economic development projects of the District. Pursuant to Board Resolution adopted on December 18, 2007, the TIF designated the local sales and use taxes as those sales taxes paid at, by, or in connection with activities which generate sales taxes within the TIF which are the City of New Orleans' aggregate 2.5% sales and use taxes collected on the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption of tangible personal property. The increment is the amount of sales taxes to be collected in the District in excess of the Initial Annual Baseline Collection Rate, which is $83,543 for the annual baseline collection rate, and $6,961 for the monthly baseline collection rate.

Note 5 - CAPITAL ASSETS

Construction in progress of $931,770 and $851,397 as of June 30, 2023 and 2022, respectively, consists primarily of improvements to the Splash Park and Wisner Tract and various other facilities and grounds improvements.

Note 5 - CAPITAL ASSETS (Continued)

The capital asset activity of the Park as of and for the years ended June 30, 2023 and 2022 is as follows:

Description	2022	Additions	Reclassifications	Disposals	2023	Estimated Useful Life Years
Land	$ 3,062,144	$ -	$ -	$ -	$ 3,062,144	
Land improvements	47,867,753	-	-	-	47,867,753	10-30
Infrastructure	156,365	-	-	-	156,365	20-30
Buildings and improvements	52,389,101	-	-	-	52,389,101	10-30
Furniture, fixtures, and equipment	19,153,850	31,849	-	-	19,185,699	5-20
Vehicles	2,539,523	38,062	-	-	2,577,585	3-20
Construction in progress	851,397	80,372	-	-	931,769	
	126,020,133	150,283	-	-	126,170,416	
Less accumulated depreciation	(55,952,711)	(4,553,444)	-	-	(60,506,155)	
Capital assets, net	$ 70,067,422	$ (4,403,161)	$ -	$ -	$ 65,664,261	

Description	2021	Additions	Reclassifications	Disposals	2022	Estimated Useful Life Years
Land	$ 3,062,144	$ -	$ -	$ -	$ 3,062,144	
Land improvements	47,867,753	-	-	-	47,867,753	10-30
Infrastructure	117,049	39,316	-	-	156,365	20-30
Buildings and improvements	52,389,101	-	-	-	52,389,101	10-30
Furniture, fixtures, and equipment	19,040,200	113,650	-	-	19,153,850	5-20
Vehicles	2,497,552	41,971	-	-	2,539,523	3-20
Construction in progress	611,054	240,343	-	-	851,397	
	125,584,853	435,280	-	-	126,020,133	
Less accumulated depreciation	(51,283,527)	(4,669,184)	-	-	(55,952,711)	
Capital assets, net	$ 74,301,326	$ (4,233,904)	$ -	$ -	$ 70,067,422	

Note 6 - UNEARNED INCOME

Unearned income consists of the following as of June 30, 2023 and 2022:

	2023	2022
Payments in advance of events	$ -	$ 1,127,009

Note 7 - LEASES

LESSEE

During the year ended June 30, 2021, CPIA entered into financing leasing arrangements for certain moveable equipment related to the golf courses. The leases contain imputed interest rates approximating 3.25%. The leases require monthly payments, including interest, ranging from $2,463 to $13,542. The leases mature in months ranging from March 2025 through June 2026. The following is a schedule of capitalized costs and accumulated amortization as of June 30, 2023 and 2022.

	2023	2022
Capitalized costs	$ 1,687,260	$ 1,687,260
Accumulated amortization	(918,438)	(522,309)
Net book value	$ 768,822	$ 1,164,951

Amortization expense on leased assets totaled $396,129 for each of the years ended June 30, 2023 and 2022.

The weighted average of the interest rate as of June 30, 2023 is 3.25%.

The weighted average remaining lease term in years as of June 30, 2023 is 2.75 years.

Interest expense on the financing lease obligations totaled $32,850 and $45,365 for the years ended June 30, 2023 and 2022, respectively.

Note 7 - LEASES (Continued)

Minimum future lease payments as of June 30, 2023, are as follows:

For The Year Ended	Amount
2024	$424,718
2025	372,726
2026	27,074
Total future payments	824,518
Less amount representing interest	(27,039)
Present value of net future payments	$797,479

LESSOR

CPIA, as a lessor, leases certain facilities to various lessees under renewable lease agreements. These have remaining terms ranging from 1 to 35 years. Two leases call for additional rental income in amounts equal to a percentage of the lessee's gross revenue in excess of certain fixed amount. These facilities and or land include a cellular tower, the stables, Cafe du Monde, Louisiana Fire, and Christian Brothers School. Minimum future lease receipts as of June 30, 2023, are as follows:

For The Year Ended	Amount
2024	$ 606,844
2025	591,552
2026	593,636
2027	583,889
2028	562,313
Thereafter	1,833,941
Total	$4,772,175

Deferred inflows of resources related to these leases as a June 30, 2023 and 2022 total $3,608,593 and $4,119,263, respectively. The inflows of resources are recognized ratably over the terms of the lease using the net present value at the inception of the lease at a 4% discount rate.

Note 7 - LEASES (Continued)

The total amount of inflows of resources, including lease revenue, interest revenue, and other lease related items, recognized during the years ended June 30, 2023 and 2022 totaled $921,190 and $844,388 respectively. This total includes $93,568 and $67,584 for the years ended June 30, 2023 and 2022, respectively, of variable and other payments not previously included in the measurement of the lease receivable.

The cost and carrying amount included in buildings and improvements for the portion of facilities that are leased to lessees as of June 30, 2023 and 2022 were, as follows.

	2023		
	Gross Cost	Accumulated Depreciation	Net cost
Casino building	$ 1,219,416	$ 477,605	$ 741,811
Big Lake dock and boat house	417,131	180,757	236,374
Equestrian facility	965,641	396,646	568,995
Leased facility	$ 2,602,188	$ 1,055,008	$ 1,547,180

	2022		
	Gross Cost	Accumulated Depreciation	Net cost
Casino building	$ 1,219,416	$ 355,663	$ 863,753
Big Lake dock and boat house	417,131	166,852	250,279
Equestrian facility	965,641	353,997	611,644
Leased facility	$ 2,602,188	$ 876,512	$ 1,725,676

Note 8 - EMPLOYEE BENEFIT PLANS - DEFERRED COMPENSATION PLAN

CPIA offers its employees a deferred compensation plan created in accordance with Internal Revenue Section 457. The plan, available to all CPIA employees, permits them to defer a portion of their salary until future years. Full time employees with a minimum of one year of full time service are eligible for a contribution by CPIA. The contribution for full time employees is $2 for each $1 contributed by the employee on the first 2.5% of base compensation. The deferred compensation is not available to the employee or their beneficiary until termination, retirement, death, or an unforeseeable emergency.

Note 8 - EMPLOYEE BENEFIT PLANS - DEFERRED COMPENSATION PLAN (Continued)

The plan is administered by the State of Louisiana (the "State"). Participants' rights under the plan are equal to those of the general creditors of the State in an amount equal to the fair market value of the deferred account for each participant. The 457 employer match was discontinued in May of 2020 and reinstated in January of 2021. The plan contributed $90,553 and $116,651 and participants contributed $74,089 and $173,323 to the deferred compensation plan for the years ended June 30, 2023 and 2022, respectively.

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

Plan description - CPIA provides certain continuing health care and life insurance benefits for their beneficiaries through participation in the State of Louisiana's health insurance plan administered by the Office of Group Benefits (OGB), an agent multiple employers defined benefit plan. Louisiana Revised Statute 42:801-883 assigns the authority to establish and amend the benefit provisions of the plan to the state legislature. The OGB does not issue a stand-alone report; however, OGB is included in the State of Louisiana's Comprehensive Annual Financial Report (CAFR) which may be obtained from the Office of Statewide Reporting and Accounting Policy's website at https://www.doa.la.gov/doa/osrap/annual-financial-report/, by writing to P.O. Box 94095, Baton Rouge, Louisiana 70804-9095, or by calling (225) 342-0708. There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB 75 for this OPEB plan.

Benefits provided - The OPEB Plan provides benefits such as: death benefits, life insurance, disability, and long-term care that are paid in the period after employment and that are provided separately from a pension plan; as well as health care benefits paid in the period after employment for retirees, disabled retirees, and their eligible beneficiaries through premium subsidies. OGB offers retirees under age 65 a choice of three self-insured health care plans and one fully insured plan. Retired employees who have Medicare Part A and Part B coverage have access to these plans and an additional two fully insured Medicare Advantage HMO plans, one fully insured plan, and one zero premium HMO plan.

Funding policy - Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums. Employees hired before January 1, 2002 pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Employees hired on or after January 1, 2002 pay a percentage of the contribution rate based on years of service.

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

The contribution rate ranges are as follows:

OGB Participation	Employer Contribution	Retiree Contribution
Under 10 years	19%	81%
10 - 14 years	38%	62%
15 - 19 years	56%	44%
20 or more years	75%	25%

In addition to health care benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance are available for the individual retiree and spouses of retirees, subject to maximum values. The retiree pays $.54 monthly for each $1,000 of life insurance. The retiree pays $.98 monthly for each $1,000 of spouse life insurance. The employer pays the remaining amount.

Other postemployment benefits (OPEB) administered through the OGB are financed on a pay-as-you-go basis. OPEB contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

Employees covered by benefit terms - The June 30, 2023 total OPEB liability was determined using the July 1, 2022 actuarial valuation and the June 30, 2022 liability was determined using the July 1, 2021 actuarial valuation that included the following employees covered by the benefit terms:

	Valuation Date July 1,	
	2022	2021
Inactive employees or beneficiaries currently receiving benefit payments	6	5
Inactive employees entitled to but not yet receiving benefit payments	-	-
Active employees	72	68
Totals	78	73

Total OPEB Liability

CPIA's current year total OPEB liability of $2,891,836 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. CPIA's prior year total OPEB liability of $4,821,823 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021.

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2022 and July 1, 2021, actuarial valuations were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	2023
Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions Expected	
Remaining Service Lives	4.5 years.
Inflation Rate	2.40% Consumer Price Index.
Salary Increases	Consistent with the pension valuation assumptions.
Discount Rate	4.09% based on the June 30, 2022 S&P 20 year municipal bond index rate. 2.18% based on the June 30, 2021 S&P 20 year municipal bond index rate.
Health Care Cost Trend Rate	Pre-age 65 ranges from 7.00% to 4.5%. Post-age 65 ranges from 5.5% to 4.5%.
Mortality Rates	For healthy lives the RP-2014 Combined Healthy Mortality Table projected on a fully generational basis by Mortality Improvement Scale MP-2018. For existing disabled lives the RP-2000 Disabled Retiree Mortality Tables projected on a fully generational basis.
Participation Rate	Sliding scale from 33% to 88% based on years of service for the July 1, 2022 valuation. Sliding scale from 33% to 88% based on years of service for the July 1, 2021 valuation.

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs (Continued)

	2022
Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions Expected	
Remaining Service Lives	4.5 years.
Inflation Rate	2.40% Consumer Price Index.
Salary Increases	Consistent with the pension valuation assumptions.
Discount Rate	2.18% based on the June 30, 2021 S&P 20 year municipal bond index rated. 2.66% based on the June 30, 2020 S&P 20 year municipal bond index rated.
Health Care Cost Trend Rate	Pre-age 65 ranges from 7.00% to 4.5%. Post-age 65 ranges from 5.5% to 4.5%.
Mortality Rates	For healthy lives the RP-2014 Combined Healthy Mortality Table projected on a fully generational basis by Mortality Improvement Scale MP-2018. For existing disabled lives the RP-2000 Disabled Retiree Mortality Tables projected on a fully generational basis.
Participation Rate	Sliding scale from 33% to 88% based on years of service for the July 1, 2021 valuation. Sliding scale from 33% to 88% based on years of service for the July 1, 2020 valuation.

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The actuarial assumptions used by the pension plan covering the same participants were used for the retirement, termination, disability, and salary scale assumptions. The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for pension plan actuarial valuations for the period January 1, 2021 to December 31, 2022. As a result of the 2022 actuarial experience study, the expectation of life after disability was adjusted in the July l, 2022 actuarial valuation to reflect actual experience more closely.

The actuarial assumptions used by the pension plan covering the same participants were used for the retirement, termination, disability, and salary scale assumptions. The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for pension plan actuarial valuations for the period January 1, 2020 to December 31, 2021. As a result of the 2021 actuarial experience study, the expectation of life after disability was adjusted in July 1, 2021 actuarial valuation to reflect actual experience more closely.

No changes in benefits or assumptions have occurred between the measurement dates of the collective total OPEB liability and the reporting dates of CPIA that are expected to have a significant effect on CPIA’s total OPEB liability.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.09% and was based on the Standards & Poor’s Municipal Bond 20-year high grade rate index as of July 1, 2022. The discount rate used to measure the total OPEB liability was 2.18% and was based on the Standards & Poor’s Municipal Bond 20-year high grade rate index as of July 1, 2021.

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Discount Rate (Continued)

	June 30, 2023	June 30, 2022
Balance at beginning of year	$ 4,821,823	$ 5,055,952
Changes for the year:		
Service cost	291,630	331,691
Interest	111,162	143,071
Difference between expected and actual experience	(610,189)	(1,177,643)
Changes in assumptions or other inputs	(1,693,861)	486,975
Benefit payments	(28,729)	(18,223)
Net changes	(1,929,987)	(234,129)
Balance at end of year	$ 2,891,836	$ 4,821,823

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of CPIA, as well as what CPIA's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09% - 2023 and 1.18% - 2022) or 1-percentage-point higher (5.09% - 2023 and 3.18% - 2022) than the current discount rate:

2023	1% Decrease	Current Discount Rate	1% Increase
Discount rate	3.09%	4.09%	5.09%
Total OPEB liability	$3,550,162	$2,891,836	$2,386,265

2022	1% Decrease	Current Discount Rate	1% Increase
Discount rate	1.18%	2.18%	3.18%
Total OPEB liability	$6,030,847	$4,821,823	$3,913,735

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the total OPEB liability to changes in the health care cost trend rates - The following presents the total OPEB liability of CPIA, as well as what CPIA's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	2023		
	1% Decrease	Current Health Care Cost Trend Rate	1% Increase
Pre-65	6.0% decreasing to 3.5%	7.0% decreasing to 4.5%	8.0% decreasing to 5.5%
Post-65	4.50% decreasing to 3.5%	5.50% decreasing to 4.5%	6.50% decreasing to 5.5%
Total OPEB liability	$2,339,690	$2,891,836	$3,627,224

	2022		
	1% Decrease	Current Health Care Cost Trend Rate	1% Increase
Pre-65	6.0% decreasing to 3.5%	7.0% decreasing to 4.5%	8.0% decreasing to 5.5%
Post-65	4.50% decreasing to 3.5%	5.50% decreasing to 4.5%	6.50% decreasing to 5.5%
Total OPEB liability	$3,823,730	$4,821,823	$6,187,730

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the years ended June 30, 2023 and 2022, CPIA recognized OPEB expense (benefit) of ($453,338) and $50,294, respectively. As of June 30, 2023 and 2022, CPIA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

2023	Deferred Outflows of Resources	Deferred Inflows of Assumptions
Change of assumptions	$ 284,069	$ (1,503,019)
Difference in expected and actual experience	56,192	(1,219,481)
Employer contribution subsequent to measurement date	25,798	-
Totals	$ 366,059	$ (2,722,500)

2022	Deferred Outflows of Resources	Deferred Inflows of Assumptions
Change of assumptions	$ 385,522	$ (414,434)
Difference in expected and actual experience	129,277	(1,009,233)
Employer contribution subsequent to measurement date	29,076	-
Totals	$ 543,875	$ (1,423,667)

Note 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Deferred outflows of resources related to OPEB resulting from OPEB payments subsequent to the measurement date of $25,798 and $29,076 will be recognized as a reduction of the net OPEB liability in the years ended June 30, 2023 and 2022, respectively. Amounts reported as deferred inflows of resources relations to OPEB will be recognized in OPEB expense as follows:

For The Year Ended	2023	2022
2023	$ -	$ (350,668)
2024	(750,242)	(270,232)
2025	(652,867)	(172,857)
2026	(595,122)	(115,111)
2027	(384,008)	-
Totals	$ (2,382,239)	$ (908,868)

Note 10 - TRANSACTIONS WITH CITY PARK CONSERVANCY

CPC operates and manages City Park for the benefit of CPIA as evidenced by the CEA (see Note 1). The CEA provides that all Earned Revenue and Other Revenue for the operation, maintenance and development of City Park shall be deposited and administered in an account maintained and administered by CPC. All revenues of CPIA that are for the operation, maintenance, upgrade and development of City Park shall be deposited in an account on behalf of and in the name of CPIA and administered and maintained by CPC on behalf of and in the name of CPIA. Specific grants or donations received by CPC related to capital improvements will be transferred to CPIA.

As of June 30, 2023, CPC has incurred expenses on behalf of CPIA in amounts exceeding the reimbursements received from CPIA for those expenses. For the year ended June 30, 2023, the amount transferred to CPC from CPIA totaled $6,346,630 CPC has provided support to CPIA to fund certain capital projects, education programs and operational support. For the year ended June 30, 2023, those amounts totaled $32,117.

Note 11 - MANAGEMENT AGREEMENTS

On February l, 2018, the BDF began operating the golf facilities under a Cooperative Endeavor Agreement (CEA) between CPIA and the BDF and accounted for under a service concession arrangement. See Note 13 for disclosures related to deferred inflows of resources and service concession arrangement from the BDF CEA.

Note 12 - SERVICE CONCESSION ARRANGEMENT

CPIA has determined that the CEA between the BDF and CPIA meets the four criteria of a SCA per GASB Statement No. 60, "*Accounting and Financial Reporting for Service Concession Arrangements*". SCA's are defined as a contract between a government and an operator, another government or private entity, such that the operator provides services, the operator collects and is compensated by fees from third parties, the government still retains control over the services provided, and the government retains ownership of the assets at the end of the contract.

As part of the CEA between CPIA and the BDF, the BDF contributed significant resources to the golf project, which included the design and construction of an 18-hole championship quality golf course, club house, maintenance facility and other ancillary buildings and equipment. The facility was completed and opened in April 2017. The CEA was signed in April of 2014 for a 35-year period. The BDF will pay CPIA annually a portion of the revenues in excess of expenses incurred in operating all of CPIA's golf facilities, including the newly constructed South Course, the North Course, the driving range, the club house and the clubhouse grill. Under the arrangement, CPIA receives 75% of the net income from the golf operations on the first $1.1 million in net income and 55% thereafter. The BDF will be responsible for all day to day operations of the golf facility.

During both the years ended June 30, 2023 and 2022, capital assets totaling $1,687,260 were recorded for costs incurred on behalf of BDF. See Note 8 for disclosures related to capital assets. The deferred inflow is being amortized to golf operating revenue over the remaining term of the agreement. For both the years ended June 30, 2023 and 2022, CPIA amortized the deferred inflow of resources in the amount of $273,649. The unamortized balance of deferred inflows of resources related to this agreement as of June 30, 2023 and 2022 is $7,114,874 and $7,388,523, respectively.

Note 13 - FEDERAL GRANTS

CPIA received federal grants in previous years that are subject to federal examination that may result in a liability. Management believes that CPIA is in compliance with the provisions of these grants and that the findings of an audit, if any, would not have a material impact on the financial statements.

Note 14 - COMMITMENTS AND CONTINGENCIES

CPIA is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. CPIA is a participant in the State of Louisiana Office of Risk Management self-insurance plan.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1

SCHEDULE OF CHANGES IN CPIA'S TOTAL OPEB LIABILITY AND RELATED RATIOS

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the six years ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	$ 291,630	$ 331,691	$ 322,150	$ 426,673	$ 466,745	$ 502,056
Interest	111,162	143,071	142,286	154,664	150,408	125,727
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	(610,189)	(1,177,643)	(131,883)	-	-	-
Changes in assumptions or other inputs	(1,693,861)	486,975	(41,921)	(540,801)	(159,149)	(387,950)
Benefit payments	(28,729)	(18,223)	(24,630)	(27,778)	(38,556)	(38,556)
Net change in total OPEB liability	(1,929,987)	(234,129)	266,002	12,758	419,448	201,277
Total OPEB liability, beginning of year	4,821,823	5,055,952	4,789,950	4,777,192	4,357,744	4,156,467
Total OPEB liability, end of year	$ 2,891,836	$ 4,821,823	$ 5,055,952	$ 4,789,950	$ 4,777,192	$ 4,357,744
Covered employee payroll	$ 3,779,140	$ 3,314,844	$ 3,709,467	$ 3,618,577	$ 4,000,000	$ 3,618,577
Total OPEB liability as a percentage of covered employee payroll	76.52%	145.46%	136.30%	132.37%	119.43%	120.43%
Notes to schedule:						
Changes of benefit terms:	None	None	None	None	None	None
Changes of assumptions and other inputs reflected the effects of changes in the discounts rate each period:	4.09%	2.18%	2.66%	2.79%	2.98%	3.13%

The schedule is provided prospectively beginning with the Park's fiscal year ended June 30, 2018 and is intended to show a ten year trend. Additional years will be reported as they become available.

SCHEDULE OF OPERATING EXPENSES

New Orleans City Park Improvement Association

New Orleans, Louisiana

For the years ended June 30, 2023 and 2022

	2023	2022
Administrative	$ 260,123	$ 588,922
Advertising	18,817	70,303
Amortization - leases	396,129	396,129
Contract labor	104,527	353,155
Contract services	911,111	1,552,040
Cost of goods sold	335,722	1,140,167
COVID-19 expenses	-	4,782
Depreciation	4,553,444	4,669,184
Disposal of fixed assets	-	8,626
Fuel	30,996	66,009
Insurance	449,123	569,097
Other postemployment benefits	(453,338)	50,294
Payroll	2,548,795	6,263,606
Payroll benefits	487,768	1,161,707
Rentals	1,528	9,462
Repairs and maintenance	591,905	707,035
Supplies	408,878	710,522
Training and education	20,937	91,870
Uniforms	3,850	30,961
Utilities	324,389	718,198
Write-offs	53,547	42,936
Total operating expenses	$ 11,048,251	$ 19,205,005

SUPPLEMENTARY INFORMATION SECTION

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2023

Agency Head Name: Cara Lambright, Chief Executive Officer

Purpose	
Salary	$ 111,781
Benefits - insurance	2,583
Benefits - retirement	3,105
Benefits - other	338
Car allowance	3,323
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	1,408
	$ 122,538

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners,
New Orleans City Park Improvement Association,
New Orleans, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business type activities, and each major fund of New Orleans City Park Improvement Association, (CPIA), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise CPIA's basic financial statements and have issued our report thereon dated February 27, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered CPIA'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CPIA's internal control. Accordingly, we do not express an opinion on the effectiveness of CPIA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of CPIA'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.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CPIA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

CPIA's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the New Orleans City Park Improvement Association's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. New Orleans City Park Improvement Association's response was not subject to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
February 27, 2024**.**

SCHEDULE OF FINDINGS AND RESPONSES

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2023

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes _X_ No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ____ Yes _X_ None reported

Noncompliance material to financial statements noted? ____ Yes _X_ No

b) Federal Awards

New Orleans City Park Improvement Association did not expend Federal awards in excess of $750,000 during the year ended June 30, 2023 and therefore is exempt from the audit requirements of the Uniform Guidance.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

There were no internal control over financial reporting findings reported during the audit for the year ended June 30, 2023.

Section III - Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

2022-001 Reporting of Investments

Recommendation - It is recommended that CPIA research each contribution made to the funds held at the local community foundation for its benefit and determine whether the contribution is in fact made to CPIA.

Management's Response - Resolved - Multiple funds, with a combined fair market value in excess of $7 million dollars as of June 30, 2022, held in a local community foundation for the betterment of CPIA have historically been reflected on CPIA's balance sheet. Each fund is being reviewed with the community foundation for revocability, ability to spend down corpus, and ability to use accumulated earnings since fund inception. Until a final determination has been made, these funds will not be reflected in CPIA's statement of net position.

Compliance and Other Matters

There were no compliance and other matters reported during the audit for the year ended June 30, 2022.

Section II - Internal Control and Compliance Material to Federal Awards

There were no Federal award findings or questioned costs reported during the audit for the year ended June 30, 2022.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2022.

MANAGEMENT'S CORRECTIVE ACTION PLAN

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

There were no internal control over financial reporting findings reported during the audit for the year ended June 30, 2023.

Compliance and Other Matters

No compliance and other matters findings material to the financial statements were reported during the audit for the year ended June 30, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

There were no federal award findings on questioned costs reported during the audit for the year ended June 30, 2023.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2023.

STATEWIDE AGREED-UPON PROCEDURES

ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
New Orleans City Park Improvement Association,
New Orleans, Louisiana.

We have performed the procedures described in Schedule 4 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 July 1, 2022 through June 30, 2023. New Orleans City Park Improvement Association (the "CPIA") management is responsible for those C/C areas identified in the SAUPs.

CPIA 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 July 1, 2022 through June 30, 2023. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 described in Schedule 4.

We were engaged by CPIA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 these 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 CPIA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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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 Statue 24:513, this report is distributed by the LLA as a public document.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
February 27, 2024.

SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS OF THE STATEWIDE AGREED-UPON PROCEDURES

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2023

The required procedures and our findings are as follows:

1. Procedures Performed on CPIA's Written Policies and Procedures:

A. Obtain and inspect CPIA's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and CPIA's operations:

i. Budgeting, including preparing, adopting, monitoring, and amending the budget.
   Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.
   Exceptions: There were no exceptions noted.

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.
   Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.
   Exceptions: There were no exceptions noted.

iii. Disbursements, including processing, reviewing, and approving.
   Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.
   Exceptions: There were no exceptions noted.

iv. Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of each type of revenue or agency fund additions.
   Performance: Obtained and read the written policy for receipts/collections and found it to address all the functions listed above.
   Exceptions: There were no exceptions noted.

1. Procedures Performed on CPIA's Written Policies and Procedures: (Continued)

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(s) rate of pay or approval and maintenance of pay rate schedules.

Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

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.

Performance: Obtained and read the written policy for contracting and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

vii. Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

viii. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Performance: Obtained and read the written policy for credit cards and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

ix. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 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 all employees, including elected officials, annually attest through signature verification that they have read CPIA's ethics policy.

Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

x. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

CPIA is prohibited from incurring debt, therefore, this step is not applicable.

1. Procedures Performed on CPIA's Written Policies and Procedures: (Continued)

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.

Performance: Obtained and read the written policy for information technology disaster recovery/business continuity policy and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

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.

Performance: Obtained and read the written policy for sexual harassment and examined the policies for the functions listed above.

Exceptions: There were no exceptions noted.

2. Procedures Performed on CPIA's Board:

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.

Performance: CPIA's bylaws require that the board meets no less than quarterly. We obtained and read minutes from 9 board meetings during the year ended June 30, 2023. The frequency of and quorum representation of those meetings was considered to be appropriate.

Exceptions: There were no exceptions noted.

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 and major special revenue funds, as well as monthly financial statement (or budget-to actual comparisons, if budgeted) for major proprietary funds.

Performance: CPIA is reporting on the governmental accounting model. We inspected meeting minutes and confirmed that the minutes referenced or included budget-to-actual comparisons relating to public funds.

Exceptions: There were no exceptions noted.

2. Procedures Performed on CPIA's Board: (Continued)

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, observed 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.

Not applicable. CPIA is a governmental entity, however, they do not have a 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.

Performance: Obtained and read board meeting minutes during the fiscal year and noted discussions on the finding and being fully resolved.

Exceptions: There were no exceptions noted.

3. Procedures Performed on CPIA's Bank Reconciliations:

A. Obtain a listing of CPIA's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the main operating account. Select CPIA's main operating account and 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:

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

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

Performance: Obtained monthly bank reconciliation for the October 2022 for the main operating bank account and 4 other accounts. Inspected management's documentation for timely preparation of the bank reconciliations.

Exceptions: There were no exceptions noted.

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

Performance: Inspected CPIA's documentation for the bank reconciliations for the 5 bank accounts selected and verified that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

Exceptions: There were no exceptions noted.

3. Procedures Performed on CPIA's Bank Reconciliations:

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

Performance: Requested documentation from management reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Exceptions: There were no exceptions noted.

4. Procedures Performed on CPIA's Collections (Excluding Electronic Funds Transfers):

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

Performance: Obtained the listing of deposit sites from management and received management's representation in a separate letter that the listing is complete. Selected the sole location for testing.

Exceptions: There were no exceptions noted.

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., 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:

Performance: Obtained the listing of collection locations from management and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

i. Employees responsible for cash collections do not share cash drawers/registers;

Performance: Inspected policy manuals, inquired of management, and observed that employees do not share a cash drawer.

Exceptions: There were no exceptions noted.

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;

Performance: Inspected policy manuals, inquired of management, and observed that employees collecting cash are not responsible for making deposits.

Exceptions: There were no exceptions noted.

4. Procedures Performed on CPIA's Collections (Excluding Electronic Funds Transfers): (Continued)

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;

Performance: Inspected policy manuals, inquired of management, and observed that employees collecting cash do not make general ledger postings.

Exceptions: There were no exceptions noted.

iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Performance: Inspected policy manuals, inquired of management, and observed that employees collecting cash do not reconcile cash collections to the general ledger.

Exceptions: There were no exceptions noted.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Performance: Obtained a copy of the insurance policy for theft covering all employees who have access to cash. Observed that the insurance policy for theft was enforced during the fiscal period.

Exceptions: There were no exceptions noted.

D. Randomly select two deposit dates for each of CPIA's 5 bank accounts selected for procedures #3A under "Procedures Performed on CPIA's Bank Reconciliations" (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits were made on the same day). Obtain supporting documentation for each of the 10 deposits and:

i. Observe that receipts are sequentially pre-numbered.

Performance: Obtained supporting documentation for the selected deposits and observed the receipts were sequentially pre-numbered.

Exceptions: There were no exceptions noted.

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Performance: Traced supporting documentation to the deposit slip.

Exceptions: There were no exceptions noted.

iii. Trace the deposit slip total to the actual deposit per the bank statement.

Performance: Traced deposit slip total to actual deposit per bank statement.

Exceptions: There were no exceptions noted.

4. Procedures Performed on CPIA’s Collections (Excluding Electronic Funds Transfers): (Continued)

iv. 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 any cash is stored securely in a locked safe or drawer).

Performance: Observed whether the deposits tested were made within one business day of receipt. For both deposits selected, we noted that the deposit was not made within one business day of receipt. However, as mitigating control, to CPIA’s departmental daily collections of cash are secured in a deposit bag locked in the department's safe with access only though a finance employee's combination, and a key held by CPIA police department. All department cash deposit bags are collected weekly and brought by Park police to the vault in CPIA's administration building. Weekly, an armored vehicle, contracted by CPIA, picks up the collected deposit cash bags and brings the bags to CPIA's bank for deposit. The cost to perform these procedures on a daily basis would not be feasible for CPIA and would outweigh any benefit to CPIA. Given the cost and time involved for cash collection, CPIA. found that performing the collections weekly strikes the appropriate balance.

Exceptions: There were no exceptions noted.

v. Trace the actual deposit per the bank statement to the general ledger.

Performance: Traced the actual deposit per the bank statement to the general ledger.

Exceptions: There were no exceptions noted.

5. Procedures Performed on CPIA’s Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases):

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).

Performance: Obtained a listing of locations that process payments for the fiscal period from management and received management’s representation in a separate letter that the listing is complete. Selected the sole location for testing.

Exceptions: There were no exceptions noted.

B. For each location selected under #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 CPIA has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Performance: Obtained a listing of employees involved in non-payroll purchasing and payment functions and reviewed written police and procedures related to employee job duties. Observed if the job duties were properly segregated.

Exceptions: There were no exceptions noted.

5. Procedures Performed on CPIA's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

i. At least 2 employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

Performance: Obtained and read the written policy for purchasing. Observed at least 2 employees are involved.

Exceptions: There were no exceptions noted.

ii. At least 2 employees are involved in processing and approving payments to vendors;

Performance: Obtained and read the written policy for purchasing. Observed at least 2 employees are involved.

Exceptions: There were no exceptions noted.

iii. The employees responsible for processing payments are prohibited from adding/ modifying vendor files unless another employee is responsible for reviewing changes to vendor files;

Performance: Obtained and read the written policy for purchasing. Observed employee responsible for payments cannot add/modify vendor files.

Exceptions: There were no exceptions noted.

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;

Performance: Obtained a listing of employees involved with signing and mailing checks and verified they are not involved in the processing of payments.

Exceptions: There were no exceptions noted.

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.

Performance: Obtained a listing of employees authorized to sign checks. Observed the employee/official authorized to sing checks approves the electronic disbursement of funds.

Exceptions: There were no exceptions noted.

C. For each location selected under #5A, obtain CPIA's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Select 5 disbursements for each location, obtain supporting documentation for each transaction and:

Performance: Obtained CPIA's non-payroll disbursement transaction population and management's representation in a separate letter that the population is complete. Selected 5 disbursements from the sole location that processes payments for testing.

Exceptions: There were no exceptions noted.

5. Procedures Performed on CPIA's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by CPIA;

Performance: Observed the 5 disbursements matched the related original invoice/ billing statements and indicated deliverables were received.

Exceptions: There were no exceptions noted.

ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

Performance: Observed the 5 disbursements included evidence of segregation of duties.

Exceptions: There were no exceptions noted.

D. Using CPIA'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 CPIA's policy, and (b) approved by the required number of authorized signers per CPIA's policy.

Performance: Observed that the selected disbursements were approved by authorized persons and required number of signers.

Exceptions: There were no exceptions noted.

6. Procedures Performed on CPIA's Credit Cards, Debit Cards, Fuel Cards, P-Cards:

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.

Performance: Obtained a listing of all active credit cards, bank debit cards, fuel cards, and P-cards for the fiscal period, including the card numbers and the names of the persons who maintain possession of the cards and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

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:

6. Procedures Performed on CPIA's Credit Cards, Debit Cards, Fuel Cards, P-Cards: (Continued)

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) was reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder.

Performance: Observed evidence that the statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Exceptions: There were no exceptions noted.

ii. Observe that finance charges and late fees were not assessed on the selected statements.

Performance: Observed that there were no finance charges and/or late fees assessed on the selected statements.

Exceptions: There were no exceptions noted.

C. Using the monthly statements or combined statements selected under #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 (i.e., each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by:

i. An original itemized receipt that identifies precisely what was purchased.

Performance: Observed that the transactions from the monthly statements were supported by original itemized receipts that identifies precisely what was purchased.

Exceptions: There were no exceptions noted.

ii. Written documentation of the business/public purpose.

Performance: Observed that the transactions from the monthly statements were supported with written documentation of the business/public purpose.

Exceptions: There were no exceptions noted.

iii. Written documentation of the individuals participating in meals (for meal charges only).

Performance: Observed that selected transactions for meal charges were supported by documentation of the individuals participating in the meals.

Exceptions: There were no exceptions noted.

7. Procedures Performed on CPIA's Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions):

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:

Performance: Obtained a listing of all travel and related expense reimbursements during the fiscal period from management and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

i. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

Performance: Observed that reimbursements using a per diem agrees to rates established by the State of Louisiana or the U.S. General Services Administration.

Exceptions: There were no exceptions noted.

ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

Performance: Observed that reimbursements using actual cost were supported by an original itemized receipt that identified precisely what was purchased.

Exceptions: There were no exceptions noted.

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);

Performance: Observed each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation included the names of those individuals participating) and other documentation required by written policy (procedures #lh).

Exceptions: There were no exceptions noted.

iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Performance: Observed that each reimbursement was reviewed and approved, in writing, by someone other than the person that received the reimbursement.

Exceptions: There were no exceptions noted.

8. Procedures Performed on CPIA's Contracts:

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. 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:

Performance: Obtained 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 and selected 5 contracts for testing. Obtained management's representation that the listing is complete.

Exceptions: There were no exceptions noted.

i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

Performance: Observed that the contracts selected did not require the bids to be in accordance with Louisiana Public Bid Law.

Exceptions: There were no exceptions noted.

ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

Performance: Observed that the contracts selected did not require Board approval.

Exceptions: There were no exceptions noted.

iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that the amendments were made in compliance with the contract terms; and

Performance: Observed the contracts selected and noted no contracts were amended

Exceptions: There were no exceptions noted.

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.

Performance: Randomly selected one payment for each of the 5 contracts and obtained supporting invoices, agreed invoices to the contract terms, and observed invoices related to the payment agreed to terms and conditions of the contract.

Exceptions: There were no exceptions noted.

9. Procedures Performed on CPIA's Payroll and Personnel:

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.

Performance: Obtained a listing of employees employed during the fiscal period from management and received management's representation in a separate letter that the listing is complete. Selected 5 employees, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

Exceptions: There were no exceptions noted.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

Performance: We requested documentation from CPIA to test daily attendance and leave taken during the period.

Exceptions: The documentation was maintained electronically in the software used to process payroll. CPIA no longer uses that software and is not able to access it to provide documentation regarding daily attendance and leave. Therefore, we were not able to inspect daily attendance and leave records for proper documentation.

ii. Observe whether supervisors approved the attendance and leave of the selected employees/officials;

Performance: We requested documentation from CPIA to test the approval of attendance and leave for the selected employee/officials.

Exceptions: The documentation was maintained electronically in the software used to process payroll. CPIA no longer uses that software and is not able to access it to provide documentation regarding daily attendance and leave approvals. Therefore, we were not able to inspect daily attendance and leave approvals.

iii. Observe that any leave accrued or taken during the pay period is reflected in CPIA's cumulative leave records;

Performance: We requested documentation from CPIA to test leave accrued or taken during that period.

Exceptions: The documentation was maintained electronically in the software used to process payroll. CPIA no longer uses that software and is not able to access it to provide documentation regarding leave taken or accrued during the period. Therefore, we were not able to inspect leave records for proper documentation.

9. Procedures Performed on CPIA's Payroll and Personnel: (Continued)

iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Performance: We requested documentation from CPIA to test the rate paid to the employees for leave taken during the period.

Exceptions: The documentation was maintained electronically in the software used to process payroll. CPIA no longer uses that software and is not able to access it to provide documentation regarding leave taken or accrued during the period. Therefore, we were not able to agree the authorized rate paid.

C. Obtain from management a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the listing is complete. Randomly select 2 employees/officials, obtain related documentation of the hours, and pay rates used in management's termination payment calculations, agree the hours to the employees'/officials' cumulative leave records, and agree the pay rates to the employees'/ officials' authorized pay rates in the employees'/officials' personnel files and agree the termination payment to CPIA's policy.

Performance: Inquired of management of those employees/officials that CPIA terminated during the fiscal period.

Exceptions: The documentation was maintained electronically in the software used to process payroll. CPIA no longer uses that software and is not able to access it to provide documentation regarding termination payment calculations made during the period. Therefore, we were not able to perform this procedure.

D. Obtain management's representation that employer and employee portions of payroll taxes, retirement, contributions, health insurance premiums, garnishments, workers' compensation premiums, have been paid, and any associated forms have been filed, by required deadlines.

Performance: Obtained management's representation that employer and employee portions of payroll amounts have been paid, and any associated forms have been filed by the required deadlines.

Exceptions: There were no exceptions noted.

10. Procedures Performed on CPIA's Ethics:

A. Using the 5 randomly selected employees/officials from procedures #9 under "Procedures Performed on CPIA's Payroll and Personnel" obtain ethics compliance documentation from management, and:

10. Procedures Performed on CPIA's Ethics: (Continued)

i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170;

Performance: Inquired of management to obtain documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170. Due to a cooperative endeavor agreement entered into by CPIA with a nonprofit to operate City Park, all employees were terminated by CPIA on November 1, 2022. Park employees, in accordance with R.S. 42:1170, were required to complete this training by December 31, 2022. Because all employees were terminated prior to December 31, 2022, we could not complete this step.

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

Not applicable as there were no changes to CPIA's ethics policy during the fiscal period.

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

Performance: We inquired whether CPIA appointed an ethics designee.

Exceptions: There were no exceptions noted.

11. Procedures Performed on CPIA's Debt Service:

A. Obtain a listing of bonds/notes 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 the State Bond Commission approval was obtained for each debt instruments issued as required by Article VII, Section 8 of the Louisiana Constitution.

CPIA is prohibited from incurring debt, therefore, this step is not applicable.

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).

CPIA is prohibited from incurring debt, therefore, this step is not applicable.

12. Procedures Performed on CPIA's Fraud Notice:

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 CPIA reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which CPIA is domiciled as required by R.S. 24:523.

Performance: Inquired of management of any misappropriations of public funds and assets during the fiscal period. Obtained management's representation that there were no misappropriations for fiscal year 2023.

Exceptions: There were no exceptions noted.

B. Observe CPIA 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.

Performance: Inspected the fraud notice posted on the premises and website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions: There were no exceptions noted.

13. Procedures Performed on CPIA's Information Technology Disaster Recovery/Business Continuity:

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 CPIA's most recent documentation that it has backed up its critical data (if 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

Performance: We performed the procedures and discussed the results with management.

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

Performance: We performed the procedures and discussed the results with management.

iii. Obtain a listing of CPIA'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.

Performance: We performed the procedures and discussed the results with management.

13. Procedures Performed on CPIA's Information Technology Disaster Recovery/Business Continuity: (Continued)

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Performance: We performed the procedures and discussed the results with management.

Exceptions: No exceptions were noted.

14. Procedures Performed on CPIA's Prevention of Sexual Harassment:

A. Using the 5 randomly selected employees/officials from "Procedures Performed on CPIA's Payroll and Personnel" #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Performance: Inquired of management to obtain certificates of sexual harassment training for selected employees. Due to a cooperative endeavor agreement entered into by CPIA with a nonprofit to operate City Park, all employees were terminated by CPIA on November 1, 2022. Park employees, in accordance with R.S. 42:343, were required to complete this training by December 31, 2022. Because all employees were terminated prior to December 31, 2022, we could not complete these steps.

B. Observe that CPIA has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on CPIA's premises if CPIA does not have a website).

Performance: Observed the entity has posted its sexual harassment policy and complaint procedure on its website.

Exceptions: There were no exceptions noted.

C. Obtain CPIA'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:

Performance: Inquired of management to obtain the annual sexual harassment report. Due to a cooperative endeavor agreement entered into by CPIA with a nonprofit to operate City Park, all employees were terminated by CPIA on November 1, 2022. Because all employees were terminated prior to December 31, 2022 and CPIA had no employees as of December 31, 2022, these steps are not applicable.

i. Number and percentage of public servants in the agency who have completed the training requirements;

Not applicable.

ii. Number of sexual harassment complaints received by the agency;

Not applicable.

14. Procedures Performed on CPIA's Prevention of Sexual Harassment: (Continued)

iii. Number of complaints which resulted in a finding that sexual harassment occurred;
Not applicable.

iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action;
Not applicable.

v. Amount of time it took to resolve each complaint.
Not applicable.

Management's Response to Exceptions

9B i-iv CPIA utilized the UKG/Ulti-Pro payroll software prior to November, 2022. CPIA changed its payroll service provider in November 2022 to ADP. ADP was able to transfer certain payroll data, but not all historical CPIA employee data. UKG/Ulti-Pro eliminated CPIA's access to run historical data reports. It would be cost-prohibitive to engage UKG/Ulti-Pro to run historical reports on behalf of CPIA. Going forward all necessary payroll reports can be run through the current provider, ADP.

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