

**ST. TAMMANY PARISH SEWERAGE  
DISTRICT NO. 1**

**Financial Statements with Supplementary Information**

**December 31, 2024**

**(With Independent Accountant's Review Report Thereon)**

# **ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

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American Society of Certified Public Accountants  
Society of Louisiana CPAs

### **Independent Accountant's Review Report**

**To the Board of Commissioners of the  
St. Tammany Parish Sewerage District No. 1  
Covington, Louisiana**

We have reviewed the accompanying financial statements of the business-type activities of St. Tammany Parish Sewerage District No. 1 (the District), a component unit of St. Tammany Parish, Louisiana, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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

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

#### **Accountant's Responsibility**

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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**Accountant's Conclusion**

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

**Required Supplementary Information**

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

**Other Supplementary Information**

The accompanying schedule of compensation, benefits, and other payments to agency head and schedule of compensation paid to board members 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 financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

*Griffin & Furman, LLC*

June 9, 2025

Covington, Louisiana

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Statement of Net Position**

**December 31, 2024**

**(See Independent Accountant's Review Report)**

<u>Assets</u>			
<b>Current assets:</b>			
Cash	\$	73,762	
Certificates of deposit		51,687	
Revenue receivable - charges for services		24,163	
Due from other governmental entity - St. Tammany Parish			
Waterworks District No. 3		<u>155,498</u>	
<b>Total current assets</b>			<b>305,110</b>
<b>Restricted assets:</b>			
Cash		<u>156,015</u>	
<b>Total restricted assets</b>			<b>156,015</b>
<b>Non-current assets:</b>			
Capital assets, net of accumulated depreciation		<u>1,579,091</u>	
<b>Total non-current assets</b>			<u><b>1,579,091</b></u>
<b>Total assets</b>	\$		<u><u><b>2,040,216</b></u></u>
<u><b>Liabilities and Net Position</b></u>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$	8,943	
Current portion of bonds payable		<u>70,000</u>	
<b>Total current liabilities</b>			<b>78,943</b>
<b>Long-term liabilities:</b>			
Long-term portion of bonds payable		<u>965,936</u>	
<b>Total long-term liabilities</b>			<u><b>965,936</b></u>
<b>Total liabilities</b>			<b>1,044,879</b>
<b>Net position:</b>			
Net investment in capital assets		543,155	
Restricted for debt service		156,015	
Unrestricted		<u>296,167</u>	
<b>Total net position</b>			<u><b>995,337</b></u>
<b>Total liabilities and net position</b>	\$		<u><u><b>2,040,216</b></u></u>

**See accompanying notes to the financial statements.**

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Statement of Revenues, Expenses, and Changes in Net Position**

**For the Year Ended December 31, 2024**

**(See Independent Accountant's Review Report)**

**Operating Revenue:**

Charges for services \$ 275,405

Total operating revenue 275,405

**Operating Expenses:**

Bank charges 18

Board members' per diems 2,850

Bookkeeping 9,600

Depreciation 69,730

Fees 3,026

Insurance 10,302

Loan administrative fee 5,525

Office supplies and expenses 1,328

Postage and delivery 1,936

Professional services 13,202

Repairs and maintenance 97,971

Utilities 25,861

Total operating expenses 241,349

Operating income 34,056

**Non-operating revenue (expense):**

Interest income 2,445

Interest expense (4,972)

Total non-operating revenue (expense) (2,527)

Change in net position 31,529

Net position, beginning of year 963,808

Net position, end of year \$ 995,337

See accompanying notes to the financial statements.

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1****Statement of Cash Flows****For the Year Ended December 31, 2024****(See Independent Accountant's Review Report)****Cash flows from operating activities:**

Cash received from customers	\$ 274,351	
Cash payments to suppliers for goods and services	(170,089)	
Cash payments to board members	<u>(2,850)</u>	
Net cash provided by operating activities		101,412

**Cash flows from investing activities:**

Interest reinvested in certificates of deposit	1,678	
Interest received	<u>767</u>	
Net cash provided by investing activities		767

**Cash flows from non-capital financing activities:**

Increase in due from other governmental entity	<u>132,636</u>	
Net cash provided by non-capital financing activities		132,636

**Cash flows from capital financing activities**

Payments for capital acquisitions	(192,766)	
Payments on bond construction loan	(69,000)	
Interest payments on bonds	<u>(4,972)</u>	
Net cash used by capital financing activities		<u>(266,738)</u>

Net decrease in cash (31,923)

Cash at beginning of year 261,700

Cash at end of year \$ 229,777

**Reconciliation of operating income to net cash****provided by operating activities:**

Operating income	\$ 34,056	
Adjustments to reconcile operating income to net cash provided in operating activities:		
Depreciation	69,730	
Increase in revenue receivable - charges for services	(1,054)	
Decrease in accounts payable and accrued expenses	<u>(1,320)</u>	

Net cash provided by operating activities \$ 101,412

**Cash reconciliation:**

Cash - unrestricted	\$ 73,762	
Cash - restricted	<u>156,015</u>	

Cash at end of year \$ 229,777

See accompanying notes to the financial statements.

# ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Review Report)

### (1) Summary of Significant Accounting Policies

#### (a) Nature of Activities

St. Tammany Parish Sewerage District No. 1 (the District) was established by the St. Tammany Parish Police Jury on October 27, 1960, as provided by Louisiana Revised Statute (R.S.) 33:3885. The District has the authority to manage and operate a sewerage system within the boundaries of the District not served by municipal systems. The governing board is made up of five commissioners who serve four-year terms, and are residents of and own real estate in the District. Four commissioners are appointed by the St. Tammany Parish Council and one is appointed by the Parish President. At December 31, 2024, the District had approximately 440 customers.

#### (b) Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. Tammany Parish Government is the financial reporting entity for St. Tammany Parish. The financial reporting entity consists of (a) the primary government (parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Tammany Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. This criterion includes:

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

Because the parish government appoints the District's governing body, the District was determined to be a component unit of the St. Tammany Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government,



# ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Review Report)

the general government services provided by that governmental unit, or the other governmental units that comprise that financial reporting entity.

### (c) Basis of Presentation

#### *Fund Financial Statements*

The District's funds are organized on the basis of proprietary fund accounting used by governmental entities. The proprietary fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

### (d) Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The proprietary fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of net position.

The District's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

In accordance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 63, net position is classified into three components: net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

- a. Net Investment in Capital Assets – This component of net position consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisitions, construction, or improvement of those assets, plus deferred outflows of resources, less deferred inflows of resources, related to those assets.
- b. Restricted – This component of net position consists of assets that have constraints that are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

# ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Review Report)

c. Unrestricted – all other net position is reported in this category.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses are generally resulting from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's proprietary fund 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.

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

### (e) Financial Statements

GASB Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, provides that special-purpose governments engaged only in business-type activities should present only the financial statements required for proprietary funds. For these governments, basic financial statements and required supplementary information (RSI) consists of:

1. Management's discussion and analysis (MD&A). (The District's management has not presented MD&A that the GASB has determined to be required to supplement, although not required to be part of, the basic financial statements.)
2. Statement of net position
3. Statement of revenues, expenses, and changes in net position
4. Statement of cash flows
5. Notes to the financial statements
6. RSI, if applicable

The District is a special-purpose government engaged only in business-type activities.

### (f) Cash and Certificates of Deposit

Cash includes amounts in interest-bearing and non-interest-bearing demand deposits. The District may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state of the union or the laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. R.S. 39:1225 provides that the amount of security shall at all times be equal to 100% of the amount on deposit to the credit of each depository authority, except that portion of the deposit insured by the United States of America. State law also allows the District to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government – backed securities. If the original maturities of investments are less than 90 days, then they are classified as cash equivalents. At December 31, 2024, the District had no cash equivalents.

# **ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

## **Notes to the Financial Statements**

**December 31, 2024**

**(See Independent Accountant's Review Report)**

### **(g) Revenue Receivable – Charges for Services**

The District bills customers in the subsequent month in which services were provided. Unbilled service charges are accrued for the month of December at year-end. Revenue receivable – charges for services on the accompanying statement of net position are considered to be fully collectable at December 31, 2024. Uncollectable amounts are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectability of an account.

### **(h) Capital Assets**

All capital assets of the proprietary fund are recorded at historical cost. Depreciation of all exhaustible capital assets is charged as an expense against operations. Preconstruction costs associated with the development of the sewer system, which include, engineering, legal, and interest costs, are capitalized and will be depreciated over their useful lives using the straight-line method.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets as applicable.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Equipment	10-15 years
Sewer system and improvements	35 years

### **(i) Federal Income Tax**

The District is not subject to federal income taxes in accordance with Internal Revenue Code (IRC) Section 115 regarding income of states, municipalities, political subdivisions, etc.

### **(j) Estimates**

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

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Notes to the Financial Statements**

**December 31, 2024**

**(See Independent Accountant's Review Report)**

**(2) Cash**

**At December 31, 2024, cash consisted of the following:**

<b>Demand Deposits</b>	<b>\$ 73,762</b>
<b>Restricted</b>	<b><u>156,015</u></b>
<b>Total</b>	<b><u>\$ 229,777</u></b>

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits might not be recovered. The District's deposit policy for custodial credit risk conforms to state law as described in Note 1. At December 31, 2024, the District's deposit bank balances of \$236,473 were not subject to custodial risk.

**(3) Certificates of Deposit**

**At December 31, 2024, certificates of deposit with financial institutions consisted of the following:**

<b>Six-month CD, maturing April 22, 2025</b>	<b>\$ 25,158</b>
<b>Eleven-month CD, maturing August 23, 2025</b>	<b><u>26,529</u></b>
<b>Total</b>	<b><u>\$ 51,687</u></b>

**(4) Restricted Assets**

**At December 31, 2024, restricted assets consisted of the following:**

<b>Cash restricted for debt service</b>	<b><u>\$ 156,015</u></b>
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**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1****Notes to the Financial Statements****December 31, 2024****(See Independent Accountant's Review Report)****(5) Capital Assets**

Capital assets and depreciation activity as of and for the year ended December 31, 2024 are as follows:

	Balance January 1, <u>2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2024</u>
Capital assets not being depreciated				
Land	\$ 20,746	-	-	20,746
Total capital assets not being depreciated and amortized	20,746	-	-	20,746
Capital assets being depreciated				
Equipment	163,333	-	-	163,333
Sewer system and improvements	1,793,629	192,766	-	1,986,395
Total capital assets being depreciated and amortized	1,956,962	192,766	-	2,149,728
Less accumulated depreciation for				
Equipment	(142,248)	(11,303)	-	(153,551)
Sewer system and improvements	(379,405)	(58,427)	-	(437,832)
Total accumulated depreciation	(521,653)	(69,730)	-	(591,383)
Total capital assets being depreciated, net	1,435,309	123,036	-	1,558,345
Capital assets, net	\$ 1,456,055	123,036	-	1,579,091

The District recorded \$69,730 of depreciation expense on its capital assets for the year ended December 31, 2024.

**(6) Net Position**

Net position for the year ended December 31, 2024 consisted of the following:

Net investment in capital assets	\$ 543,155
Restricted	156,015
Unrestricted	<u>296,167</u>
Total	<u>\$ 995,337</u>

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Notes to the Financial Statements**

**December 31, 2024**

**(See Independent Accountant's Review Report)**

**(7) Revenue Receivable – Charges for Services**

For the year ended December 31, 2024, the District's revenue receivable – charges for services consisted of the following:

Charges for services	\$ 24,163
Less: allowance for doubtful accounts	<u>-</u>
Total	<u>\$ 24,163</u>

**(8) Bonds Payable**

The following is a summary of bonds payable transactions of the District for the year ended December 31, 2024:

<u>Revenue Bonds</u>	<u>Amount</u>
Bonds payable at January 1 <sup>st</sup>	\$ 1,104,936
Bonds issued	-
Bonds retired	<u>(69,000)</u>
Bond payable at December 31 <sup>st</sup>	<u>\$ 1,035,936</u>

The following is a description of the bonds payable of the District for the year ended December 31, 2024:

<u>Revenue Bonds</u>	<u>Amount</u>
\$1,500,000 taxable sewer revenue bonds dated May 1, 2018; due in annual principal payments of \$68,000-\$78,000 plus semiannual interest payments through December 31, 2038, with interest at 0.45% and administrative fees at 0.5%, collateralized by sewer revenues.	<u>\$ 1,035,936</u>
Total bonds payable	1,035,936
Less: current maturities	<u>(70,000)</u>
Long-term portion of bonds payable	<u>\$ 965,936</u>

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Notes to the Financial Statements**

**December 31, 2024**

**(See Independent Accountant's Review Report)**

**Principal and interest payments due on the revenue bonds outstanding as of December 31, 2024 are as follows:**

<b>Year ending December 31</b>	<b>Principal</b>	<b>Interest and fees</b>	<b>Total</b>
2025	\$ 70,000	9,841	79,841
2026	70,000	9,176	79,176
2027	71,000	8,511	79,511
2028	71,000	7,837	78,837
2029	72,000	7,162	79,162
2030-2034	372,000	25,391	397,391
2035-2038	309,936	7,408	317,344
<b>Total</b>	<b>\$ 1,035,936</b>	<b>75,326</b>	<b>1,111,262</b>

**(9) Due from Other Governmental Entity – St. Tammany Parish Waterworks District No. 3**

The District uses St. Tammany Parish Waterworks District No. 3 as its billing and collection agent for sewerage fees. Sewerage fees collected that had not been remitted to the District at December 31, 2024 were \$155,498.

**(10) Risk Management**

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District attempts to minimize risk from significant losses through the purchase of commercial insurance.

**(11) Subsequent Events**

The District evaluated subsequent events through June 9, 2025, the date which the financial statements were available to be issued.

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Schedule of Compensation, Benefits, and Other Payments to Agency Head**

**For the Year Ended December 31, 2024**

**(See Independent Accountant's Review Report)**

**Agency Head Name: Jeffrey Peters**

<b><u>Purpose</u></b>	<b><u>Amount</u></b>
<b>Per Diem</b>	<b>\$ <u>930</u></b>



**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Schedule of Compensation Paid to Board Members**

**For the Year Ended December 31, 2024**

**(See Independent Accountant's Review Report)**

<u><b>Board Member</b></u>	<u><b>Amount</b></u>
Joseph Landry (Appointed April 4, 2024)	\$ 540
George Ficken (Appointed April 4, 2024)	360
Paul Nelson (Appointed April 4, 2024)	540
Roger Krocken (Term Expired April 4, 2024)	180
Jesmin Finley (Appointed November 4, 2011)	240
Britton Richardson (Term Expired April 4, 2024)	60
Jeffrey Peters (Appointed January 19, 2024)	<u>930</u>
	\$ <u><u>2,850</u></u>

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Status of Prior Year Findings**

**December 31, 2024**

**Not applicable.**

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**Schedule of Findings and Management's Corrective Action Plan**

**December 31, 2024**

**Not applicable.**



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Racheal D. Alvey

Michael R. Choate, CPA

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American Society of Certified Public Accountants  
Society of Louisiana CPAs

### **Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the Board of Commissioners of  
St. Tammany Parish Sewerage District No. 1  
Covington, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) agreed-upon procedures applicable to review attestations (AUPs) for the fiscal period January 1, 2024 through December 31, 2024. St. Tammany Parish Sewerage District No. 1's management is responsible for those C/C areas identified in the AUPs.

St. Tammany Parish Sewerage District No. 1 (the District) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's AUPs for the fiscal January 1, 2024 through December 31, 2024. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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#### **Public Bid Law**

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

***Finding:*** Not applicable. There were no expenditures made during the year for materials and supplies exceeding \$60,000 nor any public works exceeding \$250,000.

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

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

*Finding:* Procedure performed without exception.

3. Obtain a list of all employees paid during the fiscal year.

*Finding:* Not applicable.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

*Finding:* Not applicable.

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

*Finding:* Procedure performed without exception.

**Budgeting**

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

*Finding:* Not applicable. The District is not subject to any budgetary laws.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

*Finding:* Not applicable. The District is not subject to any budgetary laws.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

*Finding:* Not applicable. The District is not subject to any budgetary laws.

**Accounting and Reporting**

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and: (a) report whether the six disbursements agree to the amount and payee in the supporting documentation, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

***Finding:*** Procedure performed without exception.

**Meetings**

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

***Finding:*** Procedure performed without exception.

**Debt**

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

***Finding:*** Procedure performed without exception.

**Advances and Bonuses**

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

***Finding:*** Not applicable. The District has no employees.

**State Audit Law**

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

***Finding:*** Procedure performed without exception.

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

***Finding:*** Not applicable.

**Prior-Year Comments**

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

***Finding:*** Not applicable. There were no prior-year suggestions, recommendations, and/or comments.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the United States Comptroller General. We were not engaged to and did not conduct an examination

or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the AUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

*Griffin & Furman, LLC*

June 9, 2025

Covington, Louisiana