

POINTE COUPEE PARISH SEWERAGE BOARD

NEW ROADS, LOUISIANA

FINANCIAL STATEMENT AUDIT

FOR THE YEAR ENDED
DECEMBER 31, 2025

POINTE COUPEE PARISH SEWERAGE BOARD
NEW ROADS, LOUISIANA

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Broussard & Company
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Pointe Coupee Parish Sewerage Board ("the Board"), a component unit of the Pointe Coupee Parish Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Board'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 business -type activities of the Board, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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 the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board'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 the Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board'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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information as listed in the table of contents does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2026, on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contract 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pointe Coupee Parish Sewerage Board's internal control over financial reporting and compliance.

Broussard and Company

Lake Charles, Louisiana
June 19, 2026

BASIC FINANCIAL STATEMENTS

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

STATEMENT OF NET POSITION

December 31, 2025

ASSETS

Current

Cash and interest bearing deposits	\$ 297,647
Receivables, net	122,223
Due from other governmental agencies	85,816
Total current assets	<u>505,686</u>

Non-current assets

Restricted assets	
Cash	<u>70,613</u>
Capital assets	
Non-depreciable	158,231
Depreciable	<u>6,981,773</u>
Total capital assets	<u>7,140,004</u>

Total assets	<u><u>\$ 7,716,303</u></u>
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LIABILITIES

Current liabilities

Accounts payable	\$ 51,024
Due to primary government	593,351
Bonds payable	<u>51,000</u>
Total payable from current assets	<u>695,375</u>
Payable from restricted assets	
Current portion of long term debt	<u>26,347</u>
Total current liabilities	<u>721,722</u>

Non-current liabilities

Bonds payable	<u>1,820,843</u>
Total liabilities	<u><u>\$ 2,542,565</u></u>

Net Position

Net investment in capital assets	\$ 5,241,814
Restricted	70,613
Unrestricted	<u>(138,689)</u>
Total net position	<u><u>\$ 5,173,738</u></u>

The accompanying notes are an integral part of the basic financial statements.

POINTE COUPEE PARISH SEWERAGE BOARD
New Roads, Louisiana
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the year ended December 31, 2025

OPERATING REVENUES

Charges for services	\$ 580,092
Miscellaneous	1,063
Total operating revenues	581,155

OPERATING EXPENSES

Contract labor	108,025
Supplies and materials	14,143
Operations and maintenance	182,065
Insurance	25,287
Professional services	81,533
Other services and charges	9,166
Depreciation	189,852
Total operating expenses	610,071
Operating loss	(28,916)

NON-OPERATING

Ad valorem taxes	29,974
State revenue sharing	1,419
Investment income	13
Interest expense	(44,976)
Total non-operating	(13,570)
Change in net assets before capital contributions	(42,486)
Capital contributions, net	1,180,275
Increase in net position	1,137,789

NET POSITION

Beginning of year	4,035,949
End of year	\$ 5,173,738

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

STATEMENT OF CASH FLOWS

For the year ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$	572,199
Payments to suppliers for goods and services		(406,147)
Other receipts		1,063
Net cash provided by operating activities		167,115

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Proceeds from taxes levied		20,735
Grants and contributions		1,419
Cash received (paid) from/to primary government		97,194
Net cash provided by noncapital financing activities		119,348

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Interest paid on loans		(44,976)
Principal payments made on long-term debt		(86,243)
Proceeds from long-term debt		782,248
Acquisition/construction of capital assets		(2,058,498)
Capital contributions		1,180,275
Net cash used in capital and related financing activities		(227,194)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income		13
Net provided by investing activities		13
Net increase in cash		59,282

CASH

Beginning of the year		308,978
End of the year	\$	368,260

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

STATEMENT OF CASH FLOWS

For the year ended December 31, 2025

RECONCILIATION OF OPERATING LOSS TO NET

CASH PROVIDED BY OPERATING ACTIVITIES:

Operating loss	\$	(28,916)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		189,852
(Increase) decrease current assets:		
Accounts receivable		(7,893)
Increase (decrease) current liabilities:		
Accounts payable		14,072
Net cash provided by operating activities	\$	<u>167,115</u>
Cash and interest-bearing deposits, end of period		
Current	\$	297,647
Restricted		70,613
	\$	<u>368,260</u>

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The financial statements of Pointe Coupee Parish Sewerage Board (Board) have been prepared in conformity with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Board's accounting policies are described below.

A. Reporting Entity

The Pointe Coupee Parish Sewerage Board (Board) was created by Ordinance of the Pointe Coupee Parish Government on November 30, 2020. The purpose of the ordinance was to combine the operations of the Sewerage District No. 1, Sewerage District No. 3A, and Sewerage District No. 6. The boundaries would comprise the entirety of the boundaries of the three consolidated districts. The Board assumed all operations formerly conducted by each of the individual districts. The Board is governed by a board of six members. These board members are appointed by the Pointe Coupee Parish Government.

Blended component units –

Sewerage District No. 4 – The governing board of the Sewerage District No. 4 has the same members as the governing board of the Consolidated Sewerage District No. 1.

Legonier/Batchelor Sewerage District - The governing board of the Legonier/Batchelor Sewerage District has the same members as the governing board of the Consolidated Sewerage District No. 1.

Because the Pointe Coupee Parish Government appoints the Board's governing body, the Board was determined to be a component unit of the Pointe Coupee Parish Government, the governing body of the parish and the governmental entity with oversight responsibility. The accompanying financial statements present information only on the proprietary fund maintained by the Board and do not present information on the Pointe Coupee Parish Government, the general government services provided by that governmental entity, or the other governmental entities that comprise the financial reporting entity.

B. Basis of Presentation

The accompanying financial statements of the Board have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities and as a governmental entity provides certain disclosures required by the Governmental Accounting Standards Board.

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

C. Fund Accounting

The accounts of the Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Board maintains only one fund and it is described below:

Proprietary Fund –

Enterprise Fund

The Enterprise 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 costs (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 that 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/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

The enterprise fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

Basis of Accounting

The proprietary fund statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity

Cash and interest-bearing deposits

For purposes of the statements of net position, cash and interest-bearing deposits include all demand deposits, savings accounts, and certificates of deposits. They are stated at cost, which approximates market.

Receivables

Receivables consist of all revenues earned at year-end and not yet received. Enterprise fund activities report customer's utility service receivables as their major receivables. This receivable is reported net of an allowance for doubtful accounts. The allowance amount at December 31, 2025 is \$ 222,057.

Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets. They are reported at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Board maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Sewer system	10-50 years
Building and improvements	10-50 years
Machinery and equipment	5-25 years
Autos	5 years

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Equity Classifications

Net position represents the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources. The Board reports three categories of net position, as follows:

- a. Net investment in capital assets – Consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Board's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Board typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

F. Revenues and expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

State revenue sharing and ad valorem taxes are recorded in the year the taxes are due and payable. Ad Valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent after December 31st. The taxes are generally collected in December of the current year and January and February of the following year.

Interest income is recorded when earned. All other revenues are recorded when received. Expenditures are recorded in the period in which the liabilities are incurred.

G. Use of Estimates

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

H. Restricted or Unrestricted Resources

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

(2) Cash and Cash Equivalents

Under state law, the Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Board may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Board's deposits may not be recovered or the Board will not be able to recover the collateral securities that are in the possession of an outside party. The Board does not have a policy for custodial credit risk; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) were secured as follows:

Bank balances	<u>\$ 368,465</u>
Deposits are secured as follows:	
Insured deposits	<u>\$ 368,465</u>

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

(3) Receivables

Receivables consist of the following:

Accounts receivable	\$ 312,597
Ad valorem taxes receivable	31,683
Less: Allowance for doubtful accounts	<u>(222,057)</u>
Net	<u>\$ 122,223</u>

The aging of the accounts receivable is as follows:

Current	\$ 79,700
0-30 days	3,527
31-60 days	2,186
61-90 days	1,611
Over 91 days	<u>225,573</u>
Total	<u>\$ 312,597</u>

(4) Changes in Capital Assets

The following is a summary of changes in capital assets:

	Balance December 31, 2024	Additions	Deductions	Balance December 31, 2025
Capital assets not being depreciated:				
Land	\$ 158,231	\$ -	\$ -	\$ 158,231
Construction in progress	2,706,803	1,496,249	(4,203,052)	-
Total capital assets not being depreciated	<u>2,865,034</u>	<u>1,496,249</u>	<u>(4,203,052)</u>	<u>158,231</u>
Capital assets being depreciated:				
Sewer systems	6,501,075	4,203,052	-	10,704,127
Building & improvements	26,928	12,391	-	39,319
Machinery & equipment	331,903	30,562	-	362,465
Vehicles	31,000	-	-	31,000
Total capital assets being depreciated	<u>6,890,906</u>	<u>4,246,005</u>	<u>-</u>	<u>11,136,911</u>
Less: accumulated depreciation	<u>(3,965,286)</u>	<u>(189,852)</u>	<u>-</u>	<u>(4,155,138)</u>
Total capital assets being depreciated, net	<u>2,925,620</u>	<u>4,056,153</u>	<u>-</u>	<u>6,981,773</u>
Total	<u>\$ 5,790,654</u>	<u>\$ 5,552,402</u>	<u>\$ (4,203,052)</u>	<u>\$ 7,140,004</u>

Depreciation expense charged to operations for the year ended December 31, 2025 is \$189,852.

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

(5) Changes in Long-Term Debt

The following changes occurred in long-term debt for the year ended December 31, 2025:

	Beginning Balance		Additions		Payments		Ending Balance		Due Within One Year
USDA Revenue Bonds	\$ 281,260	\$	-	\$	(7,213)	\$	274,047	\$	7,535
USDA Revenue Bonds	344,732		-		(9,075)		335,657		9,456
USDA Revenue Bonds	366,896		-		(9,410)		357,486		9,356
DEQ Loan	209,297		771,703		(50,000)		931,000		51,000
	<u>\$ 1,202,185</u>	\$	<u>771,703</u>	\$	<u>(75,698)</u>	\$	<u>1,898,190</u>	\$	<u>77,347</u>

Long-term debt payable is composed of the following issues:

\$358,000 U.S. Department of Agriculture Revenue Bonds - Sewer District 4, dated March 13, 2008, due in monthly installments of \$1,615 (including interest) through March 13, 2048 at interest rate of 4.375%.	\$ 274,047
\$443,000 U.S. Department of Agriculture Revenue Bonds - Sewer District 4, dated March 13, 2008, due in monthly installments of \$1,927 (including interest) through March 13, 2048 at interest rate of 4.125%.	335,657
\$467,000 U.S. Department of Agriculture Revenue Bonds - Sewer District 4, dated March 13, 2008, due in monthly installments of \$2,106 (including interest) through March 13, 2048 at interest rate of 4.375%.	357,486
\$1,321,000 Taxable Sewer Revenue Bonds - Sewer District 1, dated February 1, 2023, due in annual installments of \$51,000 to \$59,000 (including interest) through October 2038 at interest rate of .45%.	<u>931,000</u>
	<u>\$ 1,898,190</u>

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

The annual requirement to amortize all debt outstanding is as follows:

	Principal	Interest	Total
2026	\$ 77,347	\$ 45,193	\$ 122,540
2027	78,994	43,740	122,734
2028	81,218	42,286	123,504
2029	82,495	40,775	123,270
2030	84,829	39,207	124,036
2031-2035	452,279	170,292	622,571
2036-2040	508,543	120,814	629,357
2041-2045	395,142	61,518	456,660
2046-2048	137,343	6,533	143,876
Total	<u>\$ 1,898,190</u>	<u>\$ 570,358</u>	<u>\$ 2,468,548</u>

Default Provisions

In the event of default on direct borrowings and direct placements, the bondholder may take actions as deemed necessary and appropriate as permitted by law to cause the Board to comply with its obligations under the debt and compel performance.

(6) Department of Environmental Quality Revolving Loan

On February 1, 2023, the Board issued \$1,321,000 of Taxable Sewer Revenue Bonds, Series 2023, bearing interest of .45% for acquiring and constructing additions, extensions, and improvements to its sewerage system. The Board entered into a loan and pledge agreement with the Department of Environmental Quality that allows the Board to make draws of the \$1,321,000 commitment as construction funds are expended for the additions, extensions, and improvements of its sewerage system. At December 31, 2025, amounts drawn minus principal payments to date totaled \$931,000.

(7) Compensation Paid to Board Members

For the year ended December 31, 2025, the Board's board members received no compensation.

(8) Compensation and Payments to Chief Officer

Act 706 of the 2014 Legislative Session amended R.S. 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. For the year ended December 31, 2025, the Board's Chair, Steve Boudreaux, received no compensation, reimbursements, benefits, or other payments.

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Notes to Financial Statements

(9) Litigation

There was no litigation pending against the Board at December 31, 2025.

(10) Risk Management

The Board is exposed to risks of loss in the areas of general liability and property hazards. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance during the year. The Board has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years.

(11) Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 19, 2026, and determined that no events occurred that would require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

OTHER INFORMATION

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

STATEMENT OF NET POSITION

Sewer Districts

December 31, 2025

ASSETS

	Consolidated Sewer District No. 1	Sewer District No. 4	Total
Current			
Cash and interest bearing deposits	\$ 280,038	\$ 17,609	\$ 297,647
Receivables, net	103,966	18,257	122,223
Due from other governmental agencies	69,953	15,863	85,816
Total current assets	<u>453,957</u>	<u>51,729</u>	<u>505,686</u>
Non-current assets			
Restricted assets			
Cash	-	70,613	70,613
Capital assets			
Non-depreciable	131,481	26,750	158,231
Depreciable	5,644,588	1,337,185	6,981,773
Total capital assets	<u>5,776,069</u>	<u>1,363,935</u>	<u>7,140,004</u>
Total assets	<u>\$ 6,230,026</u>	<u>\$ 1,486,277</u>	<u>\$ 7,716,303</u>

LIABILITIES

Current liabilities			
Accounts payable	\$ 29,456	\$ 21,568	\$ 51,024
Due to primary government	553,351	40,000	593,351
Bonds payable	51,000	-	51,000
Total payable from current assets	<u>633,807</u>	<u>61,568</u>	<u>695,375</u>
Payable from restricted assets			
Current portion of long term debt	-	26,347	26,347
Total current liabilities	<u>633,807</u>	<u>87,915</u>	<u>721,722</u>
Non-current liabilities			
Bonds payable	880,000	940,843	1,820,843
Total liabilities	<u>\$ 1,513,807</u>	<u>\$ 1,028,758</u>	<u>\$ 2,542,565</u>

Net Position

Net investment in capital assets	\$ 4,845,069	\$ 396,745	\$ 5,241,814
Restricted	-	70,613	70,613
Unrestricted	(128,848)	(9,841)	(138,689)
Total net position	<u>\$ 4,716,221</u>	<u>\$ 457,517</u>	<u>\$ 5,173,738</u>

The accompanying notes are an integral part of the basic financial statements.

POINTE COUPEE PARISH SEWERAGE BOARD
New Roads, Louisiana
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Sewer Districts
For the year ended December 31, 2025

	Consolidated Sewer District No. 1	Sewer District No. 4	Total
OPERATING REVENUES			
Charges for services	\$ 387,911	\$ 192,181	\$ 580,092
Miscellaneous	1,063	-	1,063
Total operating revenues	388,974	192,181	581,155
OPERATING EXPENSES			
Contract labor	94,535	13,490	108,025
Supplies and materials	10,318	3,825	14,143
Operations and maintenance	138,740	43,325	182,065
Insurance	22,859	2,428	25,287
Professional services	59,144	22,389	81,533
Other services and charges	7,862	1,304	9,166
Depreciation	120,041	69,811	189,852
Total operating expenses	453,499	156,572	610,071
Operating loss	(64,525)	35,609	(28,916)
NON-OPERATING			
Ad valorem taxes	29,974	-	29,974
State revenue sharing	1,419	-	1,419
Investment income	-	13	13
Interest expense	(2,900)	(42,076)	(44,976)
Total non-operating	28,493	(42,063)	(13,570)
Change in net assets before capital contributions	(36,032)	(6,454)	(42,486)
Capital contributions, net	1,180,275	-	1,180,275
Increase in net position	1,144,243	(6,454)	1,137,789
NET POSITION			
Beginning of year	3,571,978	463,971	4,035,949
End of year	\$ 4,716,221	\$ 457,517	\$ 5,173,738

The accompanying notes are an integral part of the basic financial statements.

POINTE COUPEE PARISH SEWERAGE BOARD
New Roads, Louisiana
STATEMENT OF CASH FLOWS
Sewer Districts
For the year ended December 31, 2025

	Consolidated		
	Sewer	Sewer	
	District No. 1	District No. 4	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 383,961	\$ 188,238	\$ 572,199
Payments to suppliers for goods and services	(317,557)	(88,590)	(406,147)
Other receipts	1,063	-	1,063
Net cash provided by operating activities	67,467	99,648	167,115
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from taxes levied	20,735	-	20,735
Grants and contributions	1,419	-	1,419
Cash received (paid) from/to primary government	97,194	-	97,194
Net cash provided by noncapital financing activities	119,348	-	119,348
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid on loans	(2,900)	(42,076)	(44,976)
Principal payments made on long-term debt	(61,000)	(25,243)	(86,243)
Proceeds from long-term debt	782,248	-	782,248
Acquisition/construction of capital assets	(2,044,960)	(13,538)	(2,058,498)
Capital contributions	1,180,275	-	1,180,275
Net cash used in capital and related financing activities	(146,337)	(80,857)	(227,194)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	-	13	13
Net provided by investing activities	-	13	13
Net increase in cash	40,478	18,804	59,282
CASH			
Beginning of the year	239,560	69,418	308,978
End of the year	\$ 280,038	\$ 88,222	\$ 368,260

The accompanying notes are an integral part of the basic financial statements.

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

STATEMENT OF CASH FLOWS

Sewer Districts

For the year ended December 31, 2025

	Consolidated		
	Sewer	Sewer	
	District No. 1	District No. 4	Total
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating loss	\$ (64,525)	\$ 35,609	\$ (28,916)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	120,041	69,811	189,852
(Increase) decrease current assets:			
Accounts receivable	(3,112)	(4,781)	(7,893)
Increase (decrease) current liabilities:			
Accounts payable	15,063	(991)	14,072
Net cash provided by operating activities	<u>\$ 67,467</u>	<u>\$ 99,648</u>	<u>\$ 167,115</u>
 Cash and interest-bearing deposits, end of period			
Current	\$ 280,038	\$ 17,609	\$ 297,647
Restricted	-	70,613	70,613
	<u>\$ 280,038</u>	<u>\$ 88,222</u>	<u>\$ 368,260</u>

The accompanying notes are an integral part of the basic financial statements.

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

Schedule of Number of Customers

December 31, 2025

Records maintained by the Board indicate the following number of sewer customers were being served as of December 31, 2025:

District	No. of Customers
Consolidated Sewerage District:	
Sewerage District No. 1	690
Legonnier/Batchelor Sewerage District	64
Sewerage District No. 4	313
Total	1,067

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

Schedule of Insurance in Force

December 31, 2025

Insurer	Type of Coverage	Coverage of Amounts			Expiration Date
District 1					
Glatfelter Public Entities	Property liability	Each event	\$	250,000	3/12/2026
Glatfelter Public Entities	General liability	Each occurrence	\$	1,000,000	3/12/2026
		Aggregate	\$	3,000,000	3/12/2026
Glatfelter Public Entities	Public officials and management liability	Each offense	\$	1,000,000	3/12/2026
		Aggregate	\$	3,000,000	3/12/2026
District 4					
Glatfelter Public Entities	General liability	Each occurrence	\$	1,000,000	6/1/2026
		Aggregate	\$	3,000,000	6/1/2026

POINTE COUPEE PARISH SEWERAGE BOARD

New Roads, Louisiana

Schedule of Sewer Rates

December 31, 2025

Monthly sewer rates for customers of the Board are as follows:

District	Monthly Rate
Consolidated Sewerage District:	
Sewerage District No. 1	\$ 40.25
Legonnier/Batchelor Sewerage District	\$ 46.50
Sewerage District No. 4	\$ 51.50

**INTERNAL CONTROL, COMPLIANCE,
AND
OTHER MATTERS**



Broussard & Company
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*

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Pointe Coupee Parish Sewerage Board ("the Board"), a component unit of the Pointe Coupee Parish Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated June 19, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Broussard and Company

Broussard and Company, CPAs, LLC

Lake Charles, Louisiana

June 19, 2026



Broussard & Company
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pointe Coupee Parish Sewerage Board's ("the Board"), a component unit of the Pointe Coupee Parish Government, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Board's major federal programs for the year ended December 31, 2025. The Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised

Broussard and Company

Broussard and Company, CPAs, LLC

Lake Charles, Louisiana

June 19, 2026

POINTE COUPEE PARISH SEWERAGE BOARD
New Roads, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2025

<u>Federal Grantor/Pass-Through Grantor Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>State Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
U.S. Environmental Protection Agency: Passed through State of Louisiana, Department of Environmental Quality Financial Services Division: Clean Water State Revolving Loan Fund	66.458	CS221946-01	<u>\$1,180,275</u>
Total			<u>\$1,180,275</u>

POINTE COUPEE PARISH SEWERAGE BOARD
New Roads, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2025

(1) General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Pointe Coupee Parish Sewerage Board under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Pointe Coupee Parish Sewerage Board, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Pointe Coupee Parish Sewerage Board.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Board's basic financial statements for the year ended December 31, 2025. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Loan Balance Disclosure

The amount reported for the Clean Water State Revolving Fund, ALN 66.458, includes a beginning loan balance of \$209,297, reflecting a net increase of \$721,703 in loan principal during the audit period. The total outstanding loan balance at year-end was \$931,000. This amount is reported in accordance with 2 CFR §200.502(d) due to continuing compliance requirements.

(4) Indirect Cost Rate

The Board has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

POINTE COUPEE PARISH SEWERAGE BOARD
New Roads, Louisiana

Schedule of Findings and Questioned Costs
Year Ended December 31, 2025

Part I. Summary of Auditor's Results:

Financial Statements -

Type of auditor's report issued:
Financial statements of the business-type
activities

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes

 X No

Significant deficiencies identified?

_____ Yes

 X None reported

Noncompliance material to financial
statements noted?

_____ Yes

 X No

Federal Awards -

Type of auditor's report issued
on compliance for major programs:

Unmodified

Internal control over major programs:

Material weakness(es) identified?

_____ Yes

 X No

Significant deficiencies identified?

_____ Yes

 X None reported

Any audit findings disclosed that are
required to be reported in accordance
with 2 CFR section 200.516(a) of the
Uniform Guidance?

_____ Yes

 X No

Major programs -

Assistance Listing Number

Name of Federal Program or Cluster

66.458

Clean Water State Revolving Loan Fund

Dollar Threshold used to distinguish
between Type A and Type B programs:

\$1,000,000

Auditee qualified as a low-risk auditee:

_____ Yes

 X No

POINTE COUPEE PARISH SEWERAGE BOARD
New Roads, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year ended December 31, 2025

Part II. Findings which are required to be reported in accordance with generally accepted *Governmental Auditing Standards*:

A. Internal Control Findings

There are no findings to be reported under this section.

B. Compliance Findings

There are no findings to be reported under this section.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

There are no findings to be reported under this section.

Pointe Coupee Parish Sewerage Board
New Roads, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2025

Part I. Current Year Findings and Management's Corrective Action Plan:

A. Internal Control over Financial Reporting

None reported.

B. Compliance

None reported.

Part II. Prior Year Findings:

A. Internal Control Over Financial Reporting

None reported.

B. Compliance

None reported.



INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2025

To the Governing Board of Pointe Coupee Parish Sewerage Board and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. Pointe Coupee Parish Sewerage Board's management is responsible for those C/C areas identified in the SAUPs.

Pointe Coupee Parish Sewerage Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures,

reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **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.

No exceptions noted.

2) Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No exceptions noted.

3) Bank Reconciliations

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

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - 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 the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

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

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- 10. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- 11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

No exceptions noted.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.
- D. Using the list of terminated employees obtained in Payroll and Personnel procedure #9C identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

Not Applicable

7) 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
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Not Applicable

8) 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. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Not Applicable

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

Not Applicable

10) Ethics

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

This is an exception as not all Board members completed the required course.

11) Debt Service

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

No exceptions noted.

12) 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 the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Not Applicable

13) Information Technology Disaster Recovery/Business Continuity

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

- A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- C. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Not Applicable

14) Prevention of Sexual Harassment

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

This is an exception as not all Board members completed the required course.

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

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

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

Broussard and Company

Broussard and Company, CPAs, LLC

Lake Charles, Louisiana

June 19, 2026