HOUSING AUTHORITY OF THE TOWN OF BERWICK

BERWICK, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2025

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of
Housing Authority of the Town of Berwick
Berwick, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Berwick (the "Authority") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority'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 Authority, as of December 31, 2025, and the respective changes in financial position and 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, the *Louisiana Governmental Audit Guide*, 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 Authority 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 opinions.

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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Authority'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.

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Commissioners of
Housing Authority of the Town of Berwick
May 19, 2026

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The HUD financial data schedules are presented for the purpose of additional analysis as required by the U.S. Department of Housing and Urban Development and are not a required part of the basic financial statements. The schedule of compensation, benefits, and other payments to agency head is presented for the purpose of additional analysis as required by Louisiana Revised Statute 24:513(A)(3) and is also not a required part of the basic financial statements.

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To the Board of Commissioners of
Housing Authority of the Town of Berwick
May 19, 2026

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 HUD financial data schedules and schedule of compensation, benefits, and other payments to agency head, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the Town of Berwick's internal control over financial reporting and compliance.

May 19, 2026
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

Our discussion and analysis of the Housing Authority of the Town of Berwick's (the Authority) financial performance provides an overview of the Authority's financial activities for the fiscal year ended December 31, 2025.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A to provide a more meaningful comparative analysis of the financial data to be presented.

USING THIS ANNUAL FINANCIAL REPORT

The Authority's annual financial report consists of financial statements that report information about the Authority's most significant programs, such as the Authority's Public Housing and Capital Fund Programs.

An outline of the annual financial report's content is as follows:

I. Independent Auditors' Report
II. Required Supplementary Information
III. Basic Financial Statements
IV. Notes to the Financial Statements
V. Other Supplemental Information

Our auditor has provided assurance in their independent auditors' report on pages 1 through 4 that the basic financial statements are fairly stated. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts in the annual financial report.

FINANCIAL HIGHLIGHTS

Total spending for all programs was approximately $1,608,000 for the year ended December 31, 2025. Total operating revenue was approximately $1,200,000, of which tenant-related income comprised approximately $570,000 or 47.5%. Subsidies and grants from the U.S. Department of Housing and Urban Development (HUD) comprised 52.8% of total revenue.

Public Housing Authorities' (PHAs) annual budgets are based on mandated procedures that serve to determine every PHA's total and final funding amount. The funding is based on a calendar year. Operating Fund Subsidy increased from approximately $573,200 in 2024 to $630,000 in 2025, a 10% increase from the prior year.

FINANCIAL ANALYSIS

The Authority's net position was approximately $2.72 million at December 31, 2025.

The following analysis focuses on the net position and the change in net position of the Authority as a whole.

Condensed Statement of Net Position

	12/31/25	12/31/24
Current assets	$ 1,000,405	$ 989,106
Capital assets, net	1,877,227	1,768,340
Total assets	2,877,632	2,757,446
Current liabilities	115,225	99,242
Noncurrent liabilities	42,692	38,247
Total liabilities	157,917	137,489
Net position		
Net investment in capital assets	1,877,227	1,768,340
Unrestricted	842,488	851,617
Total net position	$ 2,719,715	$ 2,619,957

Current assets increased by approximately $11,300 or 1.1% from the prior year as a result of operations. Capital assets increased by approximately $108,900 or 6.2% from the prior year, due to current year additions offset by depreciation expense. The aggregation of these factors affecting current assets and capital assets resulted in an increase in total assets of $120,186 or 4.36%.

Total liabilities decreased by approximately $20,400 (14.9%) during the current year which is primarily due to a decrease in accounts payable as of December 31, 2025.

The increase of $99,758 in net position is largely due to normal operations.

FINANCIAL ANALYSIS (CONTINUED)

Condensed Statement of Revenues, Expenditures and Changes in Net Position

	12/31/25	12/31/24
Operating revenues:		
Charges for services	$ 570,585	$ 537,025
Operating grants	630,269	573,227
Non-operating revenues:		
Capital grants	271,158	199,980
Interest earnings	500	355
Other non-operating receipts	235,162	201,539
Total revenues	1,707,674	1,512,126
Operating expenses		
Administration	442,265	423,667
Utilities	119,578	93,627
Ordinary maintenance and operations	526,112	449,851
General expenses	292,835	271,867
Extraordinary maintenance	31,260	-
Depreciation	195,866	184,439
Total expenses	1,607,916	1,423,451
Change in net position	99,758	88,675
Net position, ending	$ 2,719,715	$ 2,619,957

Total revenues increased by approximately $195,500 or 12.9%, and total expenses increased by approximately $184,400 or 13.0%. The increase in revenues is attributed to an increase in all revenue streams, primarily dwelling rental income, operating and capital grants, and the interagency agreement. The increase in operating expenses is primarily attributed to the increase in maintenance to existing units and rising costs.

The Authority's net position increased by approximately $99,800. The increase is primarily attributed to normal operations.

CAPITAL ASSETS

At December 31, 2025, the Authority had approximately $8.8 million invested in a broad range of capital assets including land, buildings, furniture and equipment and construction in progress. This amount represents a net increase (including additions, deductions and depreciation) of approximately $108,900 or 6.2% from last year. The majority of the change is due to current year additions offset by depreciation expense. For more information see Note 4 in the notes to the financial statements.

	12/31/25	12/31/24
Land	$ 179,085	$ 179,085
Building & improvements	8,463,928	8,192,770
Furniture and equipment	126,049	139,308
	8,769,062	8,511,163
Less accumulated depreciation	(6,891,835)	(6,742,823)
Capital assets, net of depreciation	$ 1,877,227	$ 1,768,340

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Authority is primarily dependent upon HUD for the funding of operations, therefore, the Authority is affected more by the federal budget via appropriations rather than by local economic conditions. The Capital fund programs are multiple year budgets and have remained relatively stable. Capital funds are used for the modernization of public housing properties including the administrative fees involved in the modernization.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Mr. Clarence Robinson, Executive Director, Housing Authority of the Town of Berwick, 2751 Fifth Street, Berwick, Louisiana 70342.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025

ASSETS:		
Cash and cash equivalents	$	751,377
Receivables:		
Tenant receivable, net of allowance for doubtful accounts		400
Accrued interest receivable		240
Other receivables		20,024
Investments		96,960
Prepaid expenses		82,114
Inventory		12,140
Restricted cash and cash equivalents		37,150
Capital assets not being depreciated		179,085
Capital assets being depreciated, net of accumulated depreciation		1,698,142
Total assets		2,877,632
LIABILITIES:		
Accounts payable		64,768
Unearned revenue		945
Liabilities payable from restricted assets:		
Deposits held in trust		37,150
Compensated absences:		
Due within one year		12,362
Due in more than one year		42,692
Total liabilities		157,917
NET POSITION:		
Net investment in capital assets		1,877,227
Unrestricted		842,488
Total net position	$	2,719,715

The accompanying notes are an integral part of this statement

Exhibit "B"

HOUSING AUTHORITY OF THE TOWN OF BERWICK
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

OPERATING REVENUES:	
Charges for services:	
Dwelling rental	$ 560,702
Dwelling revenue - other	9,883
Operating grants and contributions:	
HUD PHA operating grants	630,269
Total operating revenues	1,200,854
OPERATING EXPENSES:	
Administration	442,265
Utilities	119,578
Ordinary maintenance and operations	526,112
General expense	292,835
Extraordinary maintenance	31,260
Depreciation expense	195,866
Total operating expenses	1,607,916
Net operating (loss)	(407,062)
NON-OPERATING REVENUES:	
Capital grants	271,158
Other non-operating receipts	235,162
Interest income	500
Total non-operating revenues	506,820
Change in net position	99,758
Net position - beginning	2,619,957
Net position - ending	$ 2,719,715

The accompanying notes are an integral part of this statement

HOUSING AUTHORITY OF THE TOWN OF BERWICK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:	
Receipts from tenants	$ 570,442
Receipts from federal agencies	630,269
Payments to vendors and suppliers	(888,297)
Payments to employees	(517,840)
Net cash (used for) operating activities	(205,426)
CASH FLOWS FROM (USED FOR) NON-CAPITAL FINANCING ACTIVITIES:	
Non-operating revenues	231,252
Net cash from non-capital financing activities	231,252
CASH FLOWS FROM (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from capital grants	271,158
Acquisition and construction of capital assets	(304,753)
Net cash (used for) capital and related financing activities	(33,595)
CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:	
Net investment income	(2,897)
Net cash (used for) investing activities	(2,897)
Net change in cash and cash equivalents	(10,666)
Cash and cash equivalents at December 31, 2024	799,193
Cash and cash equivalents at December 31, 2025	$ 788,527

The accompanying notes are an integral part of this statement

HOUSING AUTHORITY OF THE TOWN OF BERWICK
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

Reconciliation of operating (loss) to net cash from operating activities:		
Operating (loss)	$	(407,062)
Adjustments to reconcile operating (loss) to net cash used in operating activities:		
Depreciation		195,866
Loss on disposal of capital assets		-
(Increase) decrease in assets:		
Tenant receivable		(17)
Prepaid expenses		(8,899)
Inventory		(5,743)
Increase (decrease) in liabilities:		
Accounts payable		18,346
Unearned revenue		924
Deposits held in trust		(1,050)
Compensated absences		2,209
Net cash (used for) operating activities	$	(205,426)
Reconciliation of cash and cash equivalents to statement of net position:		
Cash and cash equivalents - unrestricted	$	751,377
Cash and cash equivalents - restricted		37,150
Totals	$	788,527

The accompanying notes are an integral part of this statement

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Housing Authority of the Town of Berwick (the Authority) have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

Reporting Entity

The Authority was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of the Town of Berwick, Louisiana.

The Authority has a five-member appointed Board of Commissioners and is headed by an Executive Director. The Board has the power to designate management, the ability to significantly influence operations, and has primary accountability for fiscal matters.

GASB Statement No. 14, as amended by GASB Statement No. 39 and 61, establishes criteria for determining the governmental reporting entity. Under the provisions of this statement, the Authority is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in the GASB statements, fiscally independent means that the Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursement of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt. The Authority has no component units, defined by the GASB statements as other legally separate organizations for which the elected Authority members are financially accountable.

The Authority is a related organization of the Town of Berwick, Louisiana since the Town appoints a voting majority of the Authority's governing board. The Town is not financially accountable for the Authority as it cannot impose its will on the Authority and there is no potential for the Authority to provide financial benefit to or impose financial burdens on the Town. Accordingly, the Authority is not a component unit of the financial reporting entity of the Town.

Governmental-Wide Financial Statements

The Authority's basic financial statements consist of proprietary statements, including a statement of net position, a statement of revenues, expenditures and changes in net position and a statement of cash flows.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The proprietary statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred or economic asset used, regardless of the timing of related cash flows. Shared revenues are recognized when the provider government recognized the liability to the Authority. Grants are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

State appropriations and federal awards are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. For financial purposes, the Authority reports all of its primary government operations as a single business activity in a single proprietary enterprise fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Authority has elected not to follow subsequent private-sector guidance.

The Authority does not use encumbrance accounting.

Proprietary funds distinguish between operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are HUD provided federal grants and tenant rent payments. The major operating expenses of the Authority include administrative, utilities, ordinary maintenance and operations, general, and depreciation expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budgets

The Authority prepares budgets for the Conventional and Capital Fund programs. The Board of Commissioners approves the Conventional and Capital Fund budgets. HUD approves the Capital Fund budget. Budgets are not, however, legally adopted nor required in the basic financial statement presentation.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of net position, cash includes all demand deposit and interest-bearing demand deposit accounts of the Authority. For the purposes of the proprietary funds statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. In accordance with Louisiana Statutes, the Authority maintains deposits at those depository banks authorized by the Authority. All such depositories are members of the Federal Reserve System.

Investments

Investments are limited by R.S 33:2955 and the Authority's investment policy. If the original maturities of investments exceed three months, they are classified as investments for financial reporting purposes. If the original maturities are three months or less, they are classified as cash equivalents.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items on the Authority's statement of net position.

Restricted Assets

Restricted cash on the statement of net position for the Authority represents tenant security deposits. Restricted cash is more fully detailed in Note 3.

Receivables

Accounts receivable from tenants are stated at net realizable value as required by GAAP. An allowance for doubtful accounts is used in the valuation of accounts receivable from tenants. As of December 31, 2025, the Authority deemed all amounts fully collectible and did not record an allowance for doubtful accounts.

Capital Assets and Depreciation

Capital assets are recorded at historical cost and are depreciated over their estimated useful lives. Capital assets include all items costing over $1,500. Estimated useful lives reflect management's estimates of how long the asset is expected to meet service demands. Depreciation expense is recorded using the straight-line method. When assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows.

Buildings	33
Modernization and improvements	15
Furniture and equipment	3 - 7

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Authority has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. Currently, the Authority has no items that qualify for reporting in this category.

Compensated Absences

The Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 hours of annual leave, which may be received upon termination or retirement. Sick leave hours accumulate, but the classified employee is not paid for them if not used by his/her retirement or termination date. In addition, it is the Authority's policy to pay any accumulated compensatory leave at the employee's hourly rate of pay at the time of termination. In accordance with GASB Statement No. 101, a liability for compensated absences is recognized when the leave is earned and accumulated by employees. The liability is measured using the pay or salary rates in effect as of the financial reporting date.

Equity Classifications

In the government-wide proprietary financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – consists of net position with constraints placed on 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.

Unrestricted net position – all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Net Position

Restrictions, when appropriate, represent those portions of net position that are restricted in use by external parties or by law for a specific future use. There were no restrictions of net position as of December 31, 2025. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncements

The GASB has released Statement No. 102, *Certain Risk Disclosures* (Statement 102). This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by a formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire recourses or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. This Statement is effective for fiscal years beginning after June 15, 2024. The adoption of this statement did not a have a material impact to the financial statements.

Date of Management's Review

Subsequent events have been evaluated through May 19, 2026, the date the financial statements were available to be issued.

(2) CASH AND CASH EQUIVALENTS

At December 31, 2025 the carrying amount of the Authority's bank deposits was $788,527. These deposits are stated at cost, which approximates market. The Authority 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 bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties.

Cash and deposits are categorized into three categories of credit risk. Category 1 includes deposits covered by federal depository insurance or by collateral held by the Authority or its agent, in the Authority's name. Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the Authority's name. Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the Authority's name, and deposits which are uninsured or uncollateralized.

At December 31, 2025, the bank balance was $823,092. Of the bank balance, $250,000 was covered by federal depository insurance (Category 1). In compliance with State laws, the remaining balance of $573,092 was secured by bank owned securities specifically pledged to the Authority and held by an independent custodian bank jointly in the name of the Authority and the depository bank (Category 2). Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodian bank to advertise and sell the pledged securities within 10 days of being notified by the Authority that the fiscal agent has failed to pay deposited funds upon demand. Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. At December 31, 2025, there were no deposits held by the Authority that were exposed to custodial credit risk representing uninsured deposits collateralized by a pledging bank's trust department but not in the Authority's name.

State statutes authorize the Authority to invest in the following types of securities: (1) fully-collateralized certificates of deposit issued by commercial banks and savings and loan associations located within the State of Louisiana; (2) direct obligations of the U.S. Government; (3) obligations of U.S. Government agencies that are deliverable on the Federal Reserve System; and (4) repurchase agreements in government securities in (2) and (3) above made with the primary dealers that report to and are regulated by the Federal Reserve Bank of New York.

(3) RESTRICTED ASSETS CASH AND CASH EQUIVALENTS

Restricted cash and cash equivalents at December 31, 2025 are restricted as follows:

Description	Amount
Tenant security deposits	$ 37,150

(4) CAPITAL ASSETS

A summary of changes in proprietary fund type capital assets as of December 31, 2025 is as follows:

	Balance 12/30/24	Additions	Disposals	Balance 12/30/25
Capital assets, not being depreciated:				
Land	$ 179,085	$ -	$ -	$ 179,085
Total capital assets not being depreciated	179,085	-	-	179,085
Capital assets, being depreciated:				
Building and improvements	8,192,770	271,158	-	8,463,928
Furniture and equipment	139,308	33,595	(46,854)	126,049
Total capital assets being depreciated	8,332,078	304,753	(46,854)	8,589,977
Less accumulated depreciation	(6,742,823)	(195,866)	46,854	(6,891,835)
Total capital assets being depreciated, net	1,589,255	108,887	-	1,698,142
Total capital assets, net	$ 1,768,340	$ 108,887	$ -	$ 1,877,227

Depreciation expense was $195,866 for the year ended December 31, 2025.

(5) COMPENSATED ABSENCES

A summary of compensated absences is as follows.

	Balance 12/31/24	Net Increase (Decrease)	Balance 12/31/25	Due Within One Year
Compensated absences	$ 52,845	$ 2,209	$ 55,054	$ 12,362

(6) INTERAGENCY AGREEMENT

The Authority has entered into an agreement with the Morgan City Housing Authority (MCHA) whereby the Authority will manage the operations of MCHA. Under the agreement, the Authority's Executive Director is performing duties as Acting Executive Director for MCHA. The Authority is reimbursed for all expenses and costs of operating MCHA not to exceed 24 hours per week performed by the Acting Executive Director. The Authority received reimbursements totaling $212,923 for the year ended December 31, 2025.

(7) RETIREMENT PLAN

The Authority participates in the Housing Agency Retirement Trust plan, a defined contribution plan administered by Mercer. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Authority provides retirement benefits for all full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month following the completion of six months of continuous employment. Plan provisions and changes to plan contributions are determined by the Board of the Authority. Total contributions to the plan were $17,212 for the year ended December 31, 2025.

Under the plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 4% of each participant's basic (excludes overtime) compensation. Employees are required to contribute 4% of their annual covered salary.

The Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Authority. No payments were made out of the forfeiture account for the year ended December 31, 2025.

Normal retirement date shall be the first day of the month following the employee's 65th birthday or after ten years of participation in the plan.

(8) RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Authority maintains commercial insurance to mitigate these risks. Settled claims have not exceeded insurance coverage in any of the past three years.

(9) CONCENTRATIONS

For the year ended December 31, 2025, the Authority received approximately 51% of its total revenue from federal sources (U.S. Department of Housing and Urban Development).

(10) PAYMENT IN LIEU OF PROPERTY TAXES

In accordance with a cooperative agreement with the Town of Berwick, the Authority is not required to pay property taxes. Instead, the Authority is required to make payments in lieu of property taxes if and when funds may become available. Payments in lieu of property taxes of $45,101 were required to be made during the year ended December 31, 2025 and are recorded as payable in the accompanying financial statements.

(11) NEW ACCOUNTING PRONOUNCEMENTS

The GASB has released Statement No. 103, *Financial Reporting Model Improvements* (Statement 103). This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) overview of the financial statements, (2) financial summary, (3) detailed analyses, (4) significant capital asset and long-term financing activity, and (5) currently known facts, decisions, or conditions. This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. This Statement is effective for fiscal years beginning after June 15, 2025. The Authority plans to adopt this Statement as applicable by the effective date.

The GASB has released Statement No. 104, *Disclosure of Certain Capital Assets* (Statement 104). This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement is effective for fiscal years beginning after June 15, 2025. The Authority plans to adopt this Statement as applicable by the effective date.

The GASB has released Statement No. 105, *Subsequent Events* (Statement 105). This Statement improves the financial reporting requirements for subsequent events by enhancing consistency in their application and better meeting the information needs of financial statement users. Statement 105 defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement also clarifies the two types of subsequent events—recognized subsequent events and non-recognized subsequent events—and establishes note disclosure requirements for certain non-recognized subsequent events that are significant and relate to conditions that arose after the financial statement date. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. The Authority plans to adopt this Statement as applicable by the effective date.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
HUD FINANCIAL DATA SCHEDULE - BALANCE SHEET DATA BY PROJECT
AS OF DECEMBER 31, 2025

		LA056000056			
Line Item #	**Account Description**	**Conventional Program**	**Total CFP**	**Eliminations**	**Total**
	ASSETS:				
	Current assets				
	Cash				
111	Cash - unrestricted	$ 751,377	$ -	$ -	$ 751,377
114	Cash - tenant security deposits	37,150	-	-	37,150
100	Total cash	788,527	-	-	788,527
	Accounts and notes receivables:				
125	Accounts receivable - miscellaneous	20,024	-	-	20,024
126	Accounts receivable - tenants	400	-	-	400
129	Accrued interest receivable	240	-	-	240
120	Total receivables, net of allowance for doubtful accounts	20,664	-	-	20,664
131	Investments - unrestricted	96,960	-	-	96,960
142	Prepaid expenses and other assets	82,114	-	-	82,114
143	Inventories	12,779	-	-	12,779
143.1	Allowance for obsolete inventories	(639)	-	-	(639)
150	Total current assets	1,000,405	-	-	1,000,405
	Noncurrent assets				
	Capital assets				
161	Land	179,085	-	-	179,085
162	Buildings	7,820,673	-	-	7,820,673
163	Furniture, equipment and machinery - dwellings	10,578	-	-	10,578
164	Furniture, equipment and machinery - administration	115,471	-	-	115,471
165	Leasehold improvements	643,255	-	-	643,255
166	Accumulated depreciation	(6,891,835)	-	-	(6,891,835)
160	Total capital assets, net of accumulated depreciation	1,877,227	-	-	1,877,227
180	Total noncurrent assets	1,877,227	-	-	1,877,227
190	Total assets	2,877,632	-	-	2,877,632
	DEFERRED OUTFLOWS OF RESOURCES:				
200	Deferred outflows of resources	-	-	-	-
290	Total assets and deferred outflows of resources	2,877,632	-	-	2,877,632
	LIABILITIES:				
	Current liabilities				
312	Accounts payable ≤ 90 days	4,870	-	-	4,870
322	Accrued compensated absences - current portion	12,362	-	-	12,362
331	Accounts payable - HUD PHA programs	2,898	-	-	2,898
332	Accounts payable - PHA projects	1,768	-	-	1,768
333	Accounts payable - other government	45,101	-	-	45,101
341	Tenant security deposits	37,150	-	-	37,150
342	Unearned revenue	945	-	-	945
346	Accrued liabilities - other	10,131	-	-	10,131
310	Total current liabilities	115,225	-	-	115,225
	Noncurrent liabilities				
354	Accrued compensated absences - non-current	42,692	-	-	42,692
350	Total noncurrent liabilities	42,692	-	-	42,692
300	Total liabilities	157,917	-	-	157,917
	DEFERRED INFLOWS OF RESOURCES:				
400	Deferred inflows of resources	-	-	-	-
	NET POSITION:				
508.4	Net investment in capital assets	1,877,227	-	-	1,877,227
512.4	Unrestricted net position	842,488	-	-	842,488
513	Total net position	2,719,715	-	-	2,719,715
600	Total liabilities, deferred inflows of resources, and net position	$ 2,877,632	$ -	$ -	$ 2,877,632

HOUSING AUTHORITY OF THE TOWN OF BERWICK
HUD FINANCIAL DATA SCHEDULE - REVENUES AND EXPENSES DATA BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2025

		LA056000056			
Line Item #	**Account Description**	**Conventional Program**	**Total CFP**	**Eliminations**	**Total**
	REVENUE:				
70300	Net tenant rental revenue	$ 560,702	$ -	$ -	$ 560,702
70400	Tenant revenue - other	9,883	-	-	9,883
70500	Total tenant revenue	570,585	-	-	570,585
70600	HUD PHA operating grants	291,051	339,218	-	630,269
70610	Capital grants	-	271,158	-	271,158
71100	Investment income - unrestricted	500	-	-	500
71500	Other revenue	235,162	-	-	235,162
70000	Total revenue	1,097,298	610,376	-	1,707,674
	EXPENSES:				
	Administrative				
91100	Administrative salaries	257,158	-	-	257,158
91200	Auditing fees	22,050	-	-	22,050
91400	Advertising and marketing	406	-	-	406
91500	Employee benefit contributions - administrative	100,594	-	-	100,594
91600	Office expenses	26,268	-	-	26,268
91800	Travel	1,295	-	-	1,295
91900	Other	34,494	-	-	34,494
91000	Total administrative	442,265	-	-	442,265
	Utilities				
93100	Water	35,381	-	-	35,381
93200	Electricity	14,638	-	-	14,638
93300	Gas	33,563	-	-	33,563
93500	Labor	-	-	-	-
93600	Sewer	35,996	-	-	35,996
93000	Total utilities	119,578	-	-	119,578
	Ordinary maintenance and operations				
94100	Ordinary maintenance and operations - labor	90,932	-	-	90,932
94200	Ordinary maintenance and operations - materials and other	139,537	-	-	139,537
94300	Ordinary maintenance and operations - contract costs	239,313	-	-	239,313
94500	Employee benefit contributions - ordinary maintenance	56,330	-	-	56,330
94000	Total maintenance and operations	526,112	-	-	526,112
	General expenses				
96110	Property insurance	130,031	-	-	130,031
96120	Liability insurance	7,811	-	-	7,811
96130	Workmen's compensation	11,918	-	-	11,918
96140	All other insurance	77,566	-	-	77,566
96100	Total insurance premiums	227,326	-	-	227,326
96200	Other general expenses	1,206	-	-	1,206
96210	Compensated absences	15,035	-	-	15,035
96300	Payments in lieu of taxes	45,101	-	-	45,101
96400	Bad debt- tenant rents	4,167	-	-	4,167
96200	Total other general expenses	65,509	-	-	65,509
96900	Total operating expenses	1,380,790	-	-	1,380,790
97000	Excess revenue over operating expenses	(283,492)	610,376	-	326,884
97100	Extraordinary maintenance	31,260	-	-	31,260
97400	Depreciation expense	195,866	-	-	195,866
90000	Total expenses	1,607,916	-	-	1,607,916
	OTHER FINANCING SOURCES (USES)				
10010	Operating transfers in	339,218	-	(339,218)	-
10020	Operating transfers out	-	(339,218)	339,218	-
10100	Total other financing sources (uses)	339,218	(339,218)	-	-
10000	Excess (deficiency) of total revenue over (under) total expenses	$ (171,400)	$ 271,158	$ -	$ 99,758
	MEMO ACCOUNT INFORMATION:				
11030	Beginning equity	$ 2,619,957	$ -	$ -	$ 2,619,957
11040	Prior period adjustments, equity transfers, and correction of errors	-	-	-	-
11190	Unit months available	1,503	-	-	1,503
11210	Unit months leased	1,499	-	-	1,499
11270	Excess cash	674,923	-	-	674,923
11630	Building purchases	-	268,458	-	268,458
11640	Furniture and equipment - administrative purchases	33,595	-	-	33,595
11650	Leasehold improvements purchases	-	2,700	-	2,700

HOUSING AUTHORITY OF THE TOWN OF BERWICK
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2025

		Clarence Robinson, Jr. Executive Director
Salary	$	145,848
Benefits - insurance (health and dental)		22,418
Benefits - retirement		5,834
Reimbursements		1,926
Conference travel		407
Total compensation, benefits, and other payments	$	176,433

See Independent Auditors' Report

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

To the Board of Commissioners of
Housing Authority of the Town of Berwick
Berwick, 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 the Housing Authority of the Town of Berwick (the Authority), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated May 19, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

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To the Board of Commissioners of
Housing Authority of the Town of Berwick
May 19, 2026

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 entity'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 and is intended solely for the information and use of management, the Board of Commissioners, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

May 19, 2026
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

HOUSING AUTHORITY OF THE TOWN OF BERWICK
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

I. SUMMARY OF AUDITORS' REPORTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the Housing Authority of the Town of Berwick.

2. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements were reported in the Independent Auditors' 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*.

3. No instances of noncompliance material to the financial statements were reported in the 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*.

4. A management letter was not issued for the year ended December 31, 2025.

II. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended December 31, 2025.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

I. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended December 31, 2024.

II. MANAGEMENT LETTER

There was no management letter for the year ended December 31, 2024.

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May 19, 2026

To the Board of Commissioners
Housing Authority of the Town of Berwick
Berwick, Louisiana

We have audited the financial statements of the business-type activities of the Housing Authority of the Town of Berwick for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letters to you dated January 20, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Housing Authority of the Town of Berwick are described in Note 1 to the financial statements. No new accounting policies having a material impact were adopted and the application of existing policies was not changed during 2025. We noted no transactions entered into by the Housing Authority of the Town of Berwick during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Housing Authority of the Town of Berwick's financial statements was:

> Management's estimate of depreciation expense is based on historical information regarding asset lives and usefulness. We evaluated the methods, assumptions, and data used to develop the estimate of depreciation in determining that it is reasonable to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. You have represented to us in your letter dated May 19, 2026 that you have considered the effects of uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually or in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgement, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 19, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Housing Authority of the Town of Berwick's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

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Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Housing Authority of the Town of Berwick's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the HUD Financial Data Schedules, and schedule of compensation, benefits, and other payments to agency head, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the Housing Authority of the Town of Berwick and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Ericksen Krentel, LLP

Certified Public Accountants

LOUISIANA LEGISLATIVE AUDITOR

STATEWIDE AGREED-UPON PROCEDURES

HOUSING AUTHORITY OF THE TOWN OF BERWICK

BERWICK, LOUISIANA

FOR THE YEAR ENDED

DECEMBER 31, 2025

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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Commissioners
Housing Authority of the Town of Berwick

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 year ended December 31, 2025. The Housing Authority of the Town of Berwick's management is responsible for those C/C areas identified in the SAUPs.

The Housing Authority of the Town of Berwick 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 year ended 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 attached in Schedule "1."

We were engaged by the Housing Authority of the Town of Berwick 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 agreed-upon procedures. 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 Housing Authority of the Town of Berwick 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 SAUP's, 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.

May 19, 2026
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2025

WRITTEN POLICIES AND PROCEDURES

1. **Procedures:** Obtain and inspect the entity's written policies and procedures and observe that 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(s) rate 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.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

WRITTEN POLICIES AND PROCEDURES (CONTINUED)

a) ***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.

b) ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: No exceptions were found as a result of applying the procedures.

BOARD AND FINANCE COMMITTEE

1. **Procedure:** 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.

   a) 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.

   b) For those entities reporting on the governmental accounting model, review the minutes from all regularly schedule 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.

   c) 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.

   d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: No exceptions were found as a result of applying the procedures.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

BANK RECONCILIATIONS

3. **Procedures:** 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 five additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

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

   b) Bank reconciliations include written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged), and

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

   Results: No exceptions were found as a result of applying the procedures.

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANFERS)

4. **Procedure:** 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 five deposit sites (or all deposit sites if less than five).

5. **Procedures:** 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 (i.e. five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, 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:

   a) Employees responsible for cash collections do not share cash drawers/registers.

   b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

   c) Each employee responsible for collecting cash is not 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.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

COLLECTIONS (CONTINUED)

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

6. **Procedure:** 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.

7. **Procedures**. Randomly select two deposit dates for each of the five bank accounts selected for procedure #3 under "Bank Reconciliations" above (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). Obtain supporting documentation for each of the ten deposits and:

   a) Observe that receipts are sequentially pre-numbered.

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

   c) Trace the deposit slip total to the actual deposit per the bank statement.

   d) 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 ten miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

   e) Trace the actual deposit per the bank statement to the general ledger.

   Results: No exceptions were found as a result of applying the procedures.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

8. **Procedure:** 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 five).

9. **Procedures:** For each location selected under #8 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:

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)(CONTINUED)

a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or/making the purchase.

b) At least two employees are involved in processing and approving payments to vendors.

c) 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.

d) 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.

e) 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.

10. **Procedures:** For each location selected under #8 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 five disbursements for each location, obtain supporting documentation for each transaction and:

    a) 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.

    b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

11. **Procedure:** Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

    Results: No exceptions were found as a result of applying the procedures.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/PURCHASE CARDS (CARDS)

12. **Procedures**: 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.

13. **Procedures**. Using the listing prepared by management, randomly select five cards (or all cards if less than five) 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., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

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

14. **Procedures**: Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to 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.

15. **Procedure**: Using the list of terminated employees obtained in Payroll and Personnel procedure #20 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.

    Results: No exceptions were found as a result of applying the procedures.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

16. **Procedures**: 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 five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

    a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

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

    c) 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 policy (procedure #1h).

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

    Results: No exceptions were found as a result of applying the procedures.

CONTRACTS

17. **Procedures**: Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

    a) 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.

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

    c) 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 approvals).

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

CONTRACTS(CONTINUED)

d) Randomly select one payment from the fiscal period for each of the five contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of applying the procedures.

PAYROLL AND PERSONNEL

18. **Procedure:** Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

19. **Procedures**: Randomly select one pay period during the fiscal period. For the five employees or officials selected under #18 above, obtain attendance records and leave documentation for the pay period, and:

    a) Observe whether all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

    b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

    c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

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

20. **Procedures:** 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, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

21. **Procedure**: Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of applying the procedures.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

ETHICS

22. **Procedures**: Using the five randomly selected employees/officials from procedure #18 under "Payroll and Personnel" above 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.

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

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

    Results: No exceptions were found as a result of applying the procedures.

DEBT SERVICE

23. **Procedure**: 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.

24. **Procedure:** Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

    Results: Not applicable. The Authority did not issue any bonds/notes and other debt instruments during the year ended December 31, 2025 or have any outstanding bonds/notes and other debt instruments outstanding at December 31, 2025.

FRAUD NOTICE

25. **Procedure**: 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 requires by R.S. 24:523.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

FRAUD NOTICE (CONTINUED)

26. **Procedure**: Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

    Results: No exceptions were found as a result of applying the procedures.

INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY

27. **Procedures**: Perform the following procedures:

    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.

28. **Procedure:** Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #20. Observe evidence that the selected terminated employees have been removed or disabled from the network.

29. **Procedure:** Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42.1267. The requirements are as follows.

    - Hired before June 9, 2020 - completed the training; and

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

    Results: We performed these procedures and discussed results with management.

HOUSING AUTHORITY OF THE TOWN OF BERWICK
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

PREVENTION OF SEXUAL HARASSMENT

30. **Procedures**: Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18, 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.

31. **Procedure**: 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).

32. **Procedure**: 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:

    a) Number and percentage of public servants in the agency who have completed the training requirements;

    b) Number of sexual harassment complaints received by the agency;

    c) Number of complaints which resulted in a finding that sexual harassment occurred;

    d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action, and

    e) Amount of time it took to resolve each complaint.

    Results: No exceptions were found as a result of applying the procedures.