

**WEST CALCASIEU PARISH
COMMUNITY CENTER AUTHORITY
Calcasieu Parish, Louisiana**

ANNUAL FINANCIAL STATEMENTS

June 30, 2022

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STEVEN M. DEROUEN & ASSOCIATES, LLC

Certified Public Accountants

2720 RUE DE JARDIN, STE 300
P. O. BOX 4265
LAKE CHARLES, LA 70606
(337) 513-4915 OFFICE/ (337) 205-6927 FAX
steve@sderouencpa.com

Member American Institute of
Certified Public Accountants

Member Louisiana Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
West Calcasieu Parish Community Center Authority
A Component unit of the State of Louisiana
Sulphur, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, each major fund, and fiduciary fund of the West Calcasieu Parish Community Center Authority, component unit of the State of Louisiana, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the West Calcasieu Parish Community Center 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 governmental, each major fund, and fiduciary fund information of West Calcasieu Parish Community Center Authority, component unit of the State of Louisiana, as of June 30, 2022, 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 West Calcasieu Parish Community Center Authority, component unit of the State of Louisiana, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal 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 West Calcasieu Parish Community Center Authority's, component unit of the State of Louisiana, 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 Responsibility 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 with GAAS 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, internal 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 judgement 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 judgement 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 accounts 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 West Calcasieu Parish Community Center Authority's, component unit of the State of Louisiana, internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about West Calcasieu Parish Community Center Authority's, component unit of the State of Louisiana, 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

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

basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise West Calcasieu Parish Community Center Authority's, component unit of the State of Louisiana, basic financial statements. The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is fairly stated in all material respects in relation to the 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 December 6, 2022 on our consideration of West Calcasieu Parish Community Center Authority's, component unit of the State of Louisiana, 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 West Calcasieu Parish Community Center Authority's, component unit of the State of Louisiana, 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 West Calcasieu Parish Community Center Authority's, component unit of the State of Louisiana, internal control over financial reporting and compliance.

Steven M. DeRouen & Associates, LLC

Lake Charles, Louisiana
December 6, 2022

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
MANAGEMENT’S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022**

The Management’s Discussion and Analysis of the West Calcasieu Parish Community Center Authority’s (the Authority) financial performance presents a narrative overview and analysis of the Authority’s financial activities for the year ended June 30, 2022. This document focuses on the current year’s activities, resulting changes, and currently known facts in comparison with the prior year’s information. Please read this document in conjunction with the additional information contained in the financial statements.

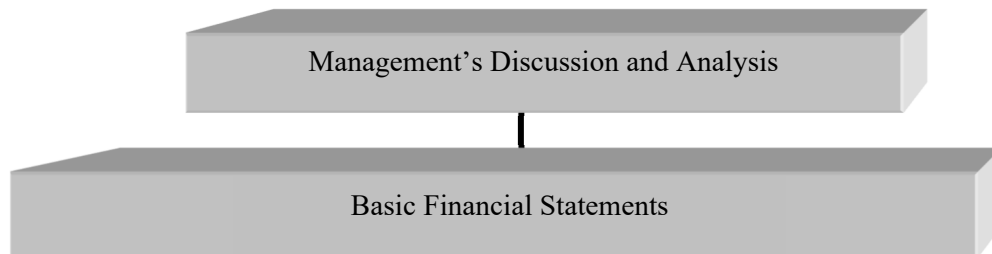
FINANCIAL HIGHLIGHTS

The Authority’s assets exceeded its liabilities at the close of 2022 by \$18,830,444. Of this amount, \$3,860,709 (unrestricted net assets) may be used to meet the Authority’s ongoing obligations to its users.

The Authority’s net position decreased \$80,884 as a result from operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments.



These financial statements consist of two sections - Management’s Discussion and Analysis (this section) and the basic financial statements (including the notes to the financial statements).

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022**

Basic Financial Statements

The basic financial statements present information for the Authority as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

The Statement of Net Position (pages 7 - 8) presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The Authority's assets plus deferred outflows of resources minus their liabilities and deferred inflows of resources equals the net position. The net position of the Authority may provide a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statements of Revenues, Expenses, and Changes in Fund Net Position (page 9) presents information showing how the Authority's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statements (pages 10 - 11) presents information showing how the Authority's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

| | 2022 | 2021 | 2020 |
|--|----------------------|----------------------|----------------------|
| Assets: | | | |
| Current assets | \$ 4,414,082 | \$ 6,392,262 | \$ 7,940,440 |
| Capital assets | 19,342,936 | 18,179,706 | 18,749,970 |
| Total assets | 23,757,018 | 24,571,968 | 26,690,410 |
| Deferred outflows OPEB | - | - | 48,054 |
| Total assets and deferred outflows | 23,757,018 | 24,571,968 | 26,738,464 |
| Liabilities: | | | |
| Current and other liabilities | 534,810 | 901,517 | 2,613,276 |
| Long-term liabilities | 4,390,427 | 4,724,588 | 5,167,644 |
| Total liabilities | 4,925,237 | 5,626,105 | 7,780,920 |
| Deferred inflows OPEB | 1,337 | 34,535 | - |
| Total liabilities and deferred inflows | 4,926,574 | 5,660,640 | 7,780,920 |
| Net Position: | | | |
| Invested in capital assets (net of related debt) | 14,697,936 | 13,238,706 | 13,410,970 |
| Restricted | 271,799 | 1,018,270 | 1,023,269 |
| Unrestricted | 3,860,709 | 4,654,352 | 4,523,305 |
| Total net position | \$ 18,830,444 | \$ 18,911,328 | \$ 18,957,544 |

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022**

Restricted net position amounts represent those assets that are not available for spending as a result of bond agreements. Conversely, unrestricted net position amounts are those that do not have any limitations for which they may be used.

| | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|---|---------------------|---------------------|--------------------|
| Revenues | \$ 3,093,310 | \$ 4,273,857 | 2,197,163 |
| Expenses | <u>(3,174,194)</u> | <u>(4,320,073)</u> | <u>(2,133,492)</u> |
| Net increase (decrease) in net position | <u>\$ (80,884)</u> | <u>\$ (46,216)</u> | <u>\$ 63,671</u> |

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the Authority had \$19,342,936, net of accumulated depreciation, invested in a broad range of capital assets, including land, buildings and improvements, and equipment and furniture. (see table below). This amount represents a net increase (including additions and deductions) of \$1,163,230, from last year.

| | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|-------------------------------|--------------------|--------------------|--------------------|
| Land | 3,092,635 | 1,797,269 | 1,797,269 |
| Buildings and improvements | 21,469,653 | 21,469,653 | 21,461,824 |
| Equipment and furniture | 2,595,335 | 2,430,191 | 2,371,753 |
| Construction in progress | 377,142 | 23,056 | -0- |
| Less Accumulated Depreciation | <u>(8,191,885)</u> | <u>(7,540,463)</u> | <u>(6,880,876)</u> |
| Totals | <u>19,342,936</u> | <u>18,179,706</u> | <u>18,749,970</u> |

This year's Major Capital additions included above were:

- Various equipment \$ 165,144
- Land \$ 1,295,366

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022**

Debt

The Authority had \$4,645,000 in bonds outstanding at year-end, compared to \$4,941,000 last year, a decrease of \$296,000. A summary of this debt is shown in the table below.

| | Outstanding Debt at Year-end | | |
|---------------|------------------------------|--------------|--------------|
| | <u>2022</u> | <u>2021</u> | <u>2020</u> |
| Revenue Bonds | \$ 4,645,000 | \$ 4,941,000 | \$ 5,339,000 |

CONTACTING THE AUTHORITY'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Adrian Moreno, Executive Director, at the Authority's office, 401 Arena Road, Sulphur, Louisiana 70665 or call (337) 528-9378.

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA**

**Governmental Funds Balance Sheet/Statement of Net Position (STATEMENT A)
June 30, 2022**

| | <u>General Fund</u> | <u>Adjustments</u> | <u>Statement of Net Position</u> |
|---|---------------------|----------------------|--------------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,486,464 | \$ | \$ 1,486,464 |
| Cash and cash equivalents, restricted | 271,799 | | 271,799 |
| Investments | 2,359,171 | | 2,359,171 |
| Accounts receivable | 1,332 | - | 1,332 |
| Other receivable | 248,390 | | 248,390 |
| Concession inventory | 18,024 | - | 18,024 |
| Prepaid insurance | 28,902 | | 28,902 |
| Capital assets (net of accumulated depreciation) | - | 16,250,301 | 16,250,301 |
| Land | - | 3,092,635 | 3,092,635 |
| TOTAL ASSETS | <u>4,414,082</u> | <u>19,342,936</u> | <u>23,757,018</u> |
| | | | |
| DEFERRED OUTFLOWS OF RESOURCES RELATED TO OPEB | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS | <u>\$ 4,414,082</u> | <u>\$ 19,342,936</u> | <u>\$ 23,757,018</u> |
| | | | |
| LIABILITIES | | | |
| Accounts payable and other accrued liabilities | \$ 53,843 | \$ - | \$ 53,843 |
| Interest payable - bonds | | 30,967 | 30,967 |
| Bonds payable: | | | |
| Due within one year | | 450,000 | 450,000 |
| Due after one year | | 4,195,000 | 4,195,000 |
| Other long-term liabilities: | | | |
| Due after one year | | 195,427 | 195,427 |
| TOTAL LIABILITIES | <u>53,843</u> | <u>4,871,394</u> | <u>4,925,237</u> |
| | | | |
| DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB | <u>-</u> | <u>1,337</u> | <u>1,337</u> |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>-</u> | <u>1,337</u> |
| | | | |
| Fund Balances: | | | |
| Nonspendable: | | | |
| Inventories | 18,024 | (18,024) | |
| Prepaid expense | 28,902 | (28,902) | - |
| Restricted for debt service | 271,799 | (271,799) | - |
| Unassigned | 4,041,514 | (4,041,514) | - |
| | <u>4,360,239</u> | <u>(4,360,239)</u> | <u>-</u> |
| TOTAL LIABILITES AND FUND BALANCES | <u>\$ 4,414,082</u> | | |
| | | | |
| NET POSITION | | | |
| Invested in Capital Assets, (net of related debt) | | 14,697,936 | 14,697,936 |
| Restricted | | 271,799 | 271,799 |
| Unrestricted | | 3,860,709 | 3,860,709 |
| TOTAL NET POSITION | | <u>\$ 18,830,444</u> | <u>\$ 18,830,444</u> |

The accompanying notes are an integral part of this statement

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
RECONCILIATION OF THE BALANCE SHEET -
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2022

| | |
|--|----------------------|
| TOTAL FUND BALANCE FOR GOVERNMENTAL FUNDS AT JUNE 30, 2022 | \$ 4,360,239 |
| Total net position reported for governmental activities in the Statement of Net Position are different because: | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | |
| Capital assets, net of accumulated depreciation | 19,342,936 |
| Deferred inflows related to other post employment benefits (OPEB) are applicable to future periods and, therefore are not reported in the funds | |
| | (1,337) |
| Long-term liabilities at June 30, 2022 are not due and payable in current period and therefore, are not reported in the funds: | |
| Bonds payable | (4,645,000) |
| Accrued interest payable | (30,967) |
| Other post employment benefits | <u>(195,427)</u> |
| TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES AT JUNE 30, 2022 | <u>\$ 18,830,444</u> |

The accompanying notes are an integral part of this statement.

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA**

**Statement of Governmental Revenues, Expenditures,
and Changes in Fund Balances/ Statement of Activities (STATEMENT B)**

For the Year Ended June 30, 2022

| | <u>General Fund</u> | <u>Adjustments</u> | <u>Statement of Activities</u> |
|---|----------------------------|-----------------------------|------------------------------------|
| EXPENDITURES: | | | |
| Governmental Activities: | | | |
| Personnel services | \$ 739,531 | \$ (30,959) | \$ 708,572 |
| Operating services | 408,593 | - | 408,593 |
| Materials, maintenance and supplies | 1,178,128 | 1,180 | 1,179,308 |
| Other | 121,086 | - | 121,086 |
| Debt service - interest | 121,999 | (16,786) | 105,213 |
| Debt service - principal | 428,000 | (428,000) | - |
| Capital outlay | 1,683,232 | (1,683,232) | - |
| Depreciation | - | 651,422 | 651,422 |
| TOTAL EXPENDITURES/EXPENSES | <u>4,680,569</u> | <u>(1,506,375)</u> | <u>3,174,194</u> |
| PROGRAM REVENUES | | | |
| Facility revenues | 445,526 | - | 445,526 |
| Concessions revenues, net of costs of goods sold | 188,241 | - | 188,241 |
| Shavings revenues, net of costs of goods sold | 3,191 | - | 3,191 |
| Other revenues | 772,877 | - | 772,877 |
| Total program revenues | <u>1,409,835</u> | <u>-</u> | <u>1,409,835</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES | (3,270,734) | 1,506,375 | (1,764,359) |
| GENERAL REVENUES | | | |
| Hotel/motel tax revenues | 1,292,593 | - | 1,292,593 |
| Intergovernmental revenues | 384,637 | - | 384,637 |
| Interest income | 6,245 | - | 6,245 |
| Total general revenues | <u>1,683,475</u> | <u>-</u> | <u>1,683,475</u> |
| CHANGE IN FUND BALANCE/NET POSITION | (1,587,259) | 1,506,375 | (80,884) |
| FUND BALANCE/NET POSITION - BEGINNING | 5,947,498 | 12,963,830 | 18,911,328 |
| FUND BALANCE - ENDING | \$ <u>4,360,239</u> | \$ <u>14,470,205</u> | \$ <u>18,830,444</u> |

The accompanying notes are an integral part of this statement.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:

| | | | |
|--|--|------------------|------------------|
| NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS INCREASE (DECREASE) | | \$ | (1,587,259) |
| Governmental funds report capital outlays as expenditures, however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense: | | | |
| Capital outlay | | \$ 1,683,232 | |
| Depreciation expense | | <u>(651,422)</u> | 1,031,810 |
| Payments of long-term debt are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities | | | |
| | | | 428,000 |
| Change in accrued interest payable | | | 16,786 |
| Other | | | (1,180) |
| The effect of recording the net OPEB obligation in the Statement of Activities does not require the use of current financial resources and not reported as expenditures in the governmental funds. | | | |
| | | | <u>30,959</u> |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | | \$ | <u>(80,884)</u> |

The accompanying notes are an integral part of this statement.

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA**

**Statements of Net Position - Fiduciary Funds
As of June 30, 2022**

ASSETS

| | |
|-------------|-------------------|
| Investments | <u>\$ 358,394</u> |
|-------------|-------------------|

LIABILITIES

| | |
|--------------------------------|-------------------|
| Deferred compensation benefits | <u>\$ 358,394</u> |
|--------------------------------|-------------------|

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA

Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended June 30, 2022

ADDITIONS

| | |
|---|---------------|
| Employee and employer contributions | \$ 46,905 |
| Net appreciation in fair value of investments | - |
| Other | - |
| Dividend and interest earnings | 14,403 |
| Total additions | <u>61,308</u> |

DEDUCTIONS

| | |
|---|----------------|
| Withdrawals | 58,419 |
| Fund transfers | - |
| Fees | 1,990 |
| Net depreciation in fair value of investments | 76,855 |
| Total deductions | <u>137,264</u> |

Change in net position (75,956)

Net position held in agency funds :

| | |
|-------------------|--------------------------|
| Beginning of year | <u>435,350</u> |
| End of year | <u><u>\$ 359,394</u></u> |

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

ORGANIZATION

On May 29, 1992, by legal authority R.S. 33:4576, the Louisiana Legislature created the West Calcasieu Parish Community Center Authority (the Authority). The Authority is charged with building, maintaining and operating a rodeo arena, sports complex, and community center within West Calcasieu Parish.

The managing board of the West Calcasieu Parish Community Center Authority consists of seven members, all serving without compensation. One member is appointed by the governing authority of each of the following municipalities: City of Sulphur, City of Westlake, City of DeQuincy and the Town of Vinton; one member appointed by the governing authority of Calcasieu Parish, one member appointed by the Authority 33 House of Representative member and one member appointed by the Authority 27 State Senator; each appointee shall be a resident of Ward 4, 5, 6 or 7 of Calcasieu Parish.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the West Calcasieu Parish Community Center Authority (the Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of these notes.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the industry audit guide, Audits of State and Local Governments, issued by the American Institute of Certified Public Accountants and the Louisiana Governmental Audit Guide.

The following is a summary of certain significant accounting policies:

Financial Reporting Entity

The Authority is a component unity of the State of Louisiana. This report includes all funds that are controlled by or dependent on the Authority. Control by or dependence on the Authority was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, ability to impose a financial benefit/burden, fiscal dependency and other general oversight responsibility.

A. Government-Wide and Fund Financial Statements

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Authority as whole. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the West Calcasieu Parish Community Center Authority. For the most part, the effect of interfund activity has been removed from these statements.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees and charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

B. Fund Accounting

The accounts of the Authority are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The major funds of the Authority are described below:

Governmental Funds-

The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Hotel/Motel Sales taxes, reimbursements, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Interfund transfers are made to meet current or anticipated needs of the Authority.

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

D. Deposits and Investments

Cash includes amounts in demand deposits, time deposits and short-term investments with original maturities of 90 days or less from the date of acquisition. Under state law, the Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. State law also allows the Authority to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

E. Budgets and Budgetary Accounting

A budget is adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end. In May of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year, July 1.

The proposed budget is presented to the government's Board of Directors for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated. The budget was not amended during fiscal year ended June 30, 2021.

F. Prepaid Items

The Authority records as prepaid assets, expenditures during the current period that will benefit the subsequent period.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
 CALCASIEU PARISH, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 As of and for the Year Ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., drainage structures, bridges, and similar items), are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Authority has established a \$1,000 capitalization threshold. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Estimated Lives</u> |
|------------------------------|------------------------|
| Buildings and infrastructure | 20-40 years |
| Land improvements | 5-30 years |
| Furniture and fixtures | 5-10 years |
| Equipment | 5-10 years |
| Transportation equipment | 5 years |

H. Compensated Absences

Vacation

Each full-time employee shall be entitled to take vacation with pay in the following manner:

An employee of the Authority will earn one week's vacation after six months of continuous employment from his/her anniversary date and it can be taken at any time after the end of that period.

After twelve months service, he/she is eligible for an additional week of vacation. Vacation thereafter shall be accumulated by all full time employees utilizing the following schedule:

| | |
|-------------------------|---------|
| One year | 2 weeks |
| More than three years | 3 weeks |
| More than ten years | 4 weeks |
| More than fifteen years | 5 weeks |
| More than twenty years | 6 weeks |

Employees may carry forward a maximum of eighty hours of vacation past December 31 of each year. Those hours in excess of eighty hours will be converted to sick leave.

Sick Leave

Sick leave shall be credited to regular employees at the rate of .0462 hours for each hour of work. Hours of work shall be defined as regular hours worked, holidays, and vacation time. (This is equivalent to eight hours of sick leave per month). This shall be granted to employees during the first year of continuous employment. After one year of continuous employment, the employee shall accumulate sick leave at the rate of .0692 hours of each hour worked. (This is the

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

equivalent to twelve hours of sick leave per month. The maximum allowable Sick Leave Hours that may be accrued by any full time employee shall not exceed 520 hours. For employees hired prior to October 19, 2017 the maximum number of hours accrued Sick Time Leave shall be 520 hours or the current number of each employees actual accrued leave, whichever is greater. No employee shall be paid for unused sick leave.

I. Estimates

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

J. Deferred Outflows of Resources and Deferred Inflows of Resources

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

K. Equity Classifications

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

- a. 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.
- b. 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.
- a. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance of the governmental funds are classified as follows:

1. *Nonspendable*, such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and for property held for resale (unless the proceeds are restricted, committed, or assigned),
2. *Restricted* fund balance category includes amounts that can only be spent for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Authority's Board of Commissioners (the Authority's highest level of decision-making authority),
4. *Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent can be expressed by the Board of Commissioners or by an official or body to which the Board of Commissioners delegates the authority,
5. *Unassigned* fund balance category includes all other spendable amounts.

The Authority's policy is to apply expenditures against committed fund balances, assigned fund balances, and unassigned fund balances, in that order, unless the Authority has provided otherwise in its commitment or assignment actions.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then, restricted fund balances for specific purposes are determined (not including nonspendable amounts). Then, any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund.

As of June 30, 2022, the Authority did not have any assigned fund balances.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
 CALCASIEU PARISH, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 As of and for the Year Ended June 30, 2022

NOTE 2 - CASH AND CASH EQUIVALENTS

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

Custodial Credit Risk-Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned. The Authority deposits its cash with high quality financial institutions, and management believes the Authority is not exposed to significant credit risk.

Interest Rate Risk. The Authority does not have a formal deposit and investment policy that limits deposits and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Authority places no limitation on the amount the Authority may invest in any one issuer.

At June 30, 2022, the Authority has cash and cash equivalents (book balances) totaling \$1,758,263 as follows:

| | |
|---------------------------------------|---------------------|
| Interest-bearing demand deposits..... | \$ 1,753,376 |
| Other..... | <u>4,887</u> |
| Total | <u>\$ 1,758,263</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held by the pledging financial institution’s trust department or agent, in the Authority’s name.

At June 30, 2022, the Authority has \$1,807,857 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$1,936,799 of pledged securities held by the pledging financial institution’s trust department or agent, in the Authority’s name.

NOTE 3 – RESTRICTED CASH

The Series 2021 Revenue Bond Resolution required the establishment of a Revenue Fund to collect and disburse the tax revenues from the Louisiana Department of Revenue and Taxation and disbursed by the Paying Agent to the Sinking Fund at times an amounts necessary to pay the principal and interest on the bonds as they mature and become due. The balance in this account was \$271,799 at June 30, 2022.

NOTE 4 - INVENTORY

Inventory is valued at cost, using the first in, first out method. The costs of inventories are recorded as expenditures when used (consumption method), and consists of concessions held for resale.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 5 - INVESTMENTS

Deposits held by LAMP at June 30, 2022, consist of \$2,359,171 in the Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). In accordance with GASB Codification Section 150.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds (LAMP is a 2a7-like investment pool) and therefore not evidenced by securities that exist in physical or book entry form. Also, pooled investments are excluded from the concentration of credit risk 5 percent disclosure requirement and foreign currency risk is not applicable to 2a7-like pools.

LAMP is administrated by LAMP, Inc., a non-profit corporation organized under the laws of the state of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term high-quality investments. LAMP is not registered with the SEC as an investment company. LAMP's annual financial statements can be obtained from the Louisiana Legislative Auditor's website.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar-weighted-average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

At June 30, 2022, the weighted-average maturity cannot exceed 90 days. The weighted-average maturity for LAMP's total investments was 53 days as of June 30, 2022. LAMP is rated AAAM by Standard & Pools. The Authority does not have credit or interest rate risk policies for investments.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 6 - COMPENSATED ABSENCES

At June 30, 2022, the employees of the Authority have accumulated \$24,656 of employee leave benefits, which was computed in accordance with GASB Codification C60.

NOTE 7 - CHANGES IN CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ending June 30, 2022.

| | Not being depreciated Construction in Progress | Not being depreciated Land | Buildings | Furniture and Equipment and Vehicles | Land Improvements | Total |
|---|---|----------------------------------|----------------------|--|----------------------|----------------------|
| Current year roll forward: | | | | | | |
| Cost at June 30, 2021 | \$ 23,056 | \$ 1,797,269 | \$ 20,134,283 | \$ 2,430,191 | \$ 1,335,370 | \$ 25,720,169 |
| Additions | 354,142 | 1,295,366 | - | 165,144 | - | 1,814,652 |
| Deletions | - | - | - | - | - | - |
| Cost at June 30, 2022 | <u>\$ 377,198</u> | <u>\$ 3,092,635</u> | <u>\$ 20,134,283</u> | <u>\$ 2,595,335</u> | <u>\$ 1,335,370</u> | <u>\$ 27,534,821</u> |
| Depreciation: | | | | | | |
| Accumulated Depreciation June 30, 2021 | \$ - | \$ - | \$ (4,976,005) | \$ (1,842,796) | \$ (721,662) | \$ (7,540,463) |
| Additions | - | - | (483,073) | (116,744) | (51,605) | (651,422) |
| Deletions | - | - | - | - | - | - |
| Accumulated Depreciation June 30, 2022 | <u>-</u> | <u>-</u> | <u>(5,459,078)</u> | <u>(1,959,540)</u> | <u>(773,267)</u> | <u>(8,191,885)</u> |
| Capital assets, net of accumulated depreciation at June 30, 2022 | <u>\$ 377,198</u> | <u>\$ 3,092,635</u> | <u>\$ 14,675,205</u> | <u>\$ 635,795</u> | <u>\$ 562,103</u> | <u>\$ 19,342,936</u> |

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
 CALCASIEU PARISH, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 As of and for the Year Ended June 30, 2022

NOTE 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; injuries to employees; and natural disasters. The Authority maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 9 - COMPENSATION OF BOARD MEMBERS

The members of the governing board received no per diem for the year ended June 30, 2022.

NOTE 10 – BONDS PAYABLE

On September 16, 2021, the Authority issued \$4,870,000 in Revenue Refunding Bonds, Series 2021, with an average interest rate of 2.889 percent to advance refund \$4,738,000 of outstanding Series 2016 Revenue Bonds with average interest rate of 2.92 percent. In the event of a default, the Authority agrees to pay to the Purchaser, on demand, interest and principal on any and all amounts due by the Authority under this agreement.

The following is a summary of changes in this long-term debt for the year ended June 30, 2022:

| Description | Amount of Original Issue | Maturity | Interest Rate | Balance 6/30/2021 | Issued (Retired) 6/30/2022 | Balance 6/30/2022 |
|-------------|--------------------------|----------|---------------|-------------------|----------------------------|-------------------|
| 2016 | \$6,840,000 | 2032 | 2.89% | \$4,941,000 | (\$4,941,000) | \$ -0- |
| 2021 | \$4,870,000 | 2032 | 2.00% | \$ -0- | \$4,645,000 | \$4,645,000 |

The annual debt service requirements to maturity for the 2017 bond series as of June 30, 2021:

| Year ending June 30, | Bond Principal | Bond Interest |
|----------------------|--------------------|-------------------|
| 2023 | \$ 450,000 | \$ 91,092 |
| 2024 | 460,000 | 86,150 |
| 2025 | 465,000 | 77,000 |
| 2026 | 480,000 | 67,750 |
| 2027 | 485,000 | 58,200 |
| 2028-2032 | 2,305,000 | 142,250 |
| | <u>\$4,645,000</u> | <u>\$ 522,442</u> |

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

In 2018, the Parish implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB). This Statement addresses the fact that certain postemployment benefits other than pensions, which for the Parish consist of healthcare benefits only, are related to employee services and salaries received presently but that will benefit the employee in the future – upon retirement – and whose costs will be borne by the Parish in the future. The Statement also attempts to quantify the future “retirement” costs that have been earned by the employee during his/her active years of employment. The Parish will finance the postemployment benefits on a “pay-as-you-go” basis. GASB Statement 75 requires that the liability be recognized in the financial statements for the actuarial determined portion of the projected benefit payments to be provided to current active and inactive employees that is attributed to those employees’ past periods of service. The notes to the financial statements contain other required disclosure information from GASB Statement 75.

The Parish contracted with a third-party consultant to perform the actuarial valuation required by GASB Statement No. 75 was also contracted to a third party consultant as of January 1, 2020 with a measurement date of December 31, 2020. For the Parish plan, the actuarial valuation is required every other year therefore the actuarial valuation prepared will be utilized for the two-year periods with the inclusion of the appropriate second year adjustments.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future.

Plan Description: The Calcasieu Parish OPEB Plan is a single employer defined benefit “substantive” plan as understood by the employer and its employees. As a component unit, the District may at their option participate in the employee’s group health, dental and life insurance programs sponsored and administered by the Parish in conjunction with its third party insurance providers and administrative agents.

Benefits Provided: The Parish OPEB Plan provides health (medical and prescription), dental and life insurance programs for retirees and their dependents. Medical coverage, including prescription drugs as part of the medical plan, is offered to pre-65 and post-65 retirees on a self-insured basis. Benefits are subsidized by the Parish. Dental and life insurance coverage are available to retirees, but these coverages are not subsidized by the Parish. The Parish does not reimburse for Medicare Part B or Part D premium for Medicare eligible retirees and dependents.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members. The actuarial calculations of the OPEB plan reflect a long-term perspective. Consistent with this perspective, the actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) continued

The total OPEB liability for the January 1, 2021 actuarial valuation, with a measurement date of December 31, 2021, and inclusive of the measurement period of January 1, 2021 through December 31, 2021, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|--|
| Inflation Rate | Not utilized by the actuary – see discount rate information. |
| Discount Rate | 2.05% using an average of following three 20-year bond indices: (a) Bond Buyer 20 Bond GO – 2.06%, (b) S&P Municipal Bond 20 Year High Grade Rate Index – 2.25%, and (c) Fidelity GA AA 20 Years – 1.84%. The discount rate was 2.05% increased from 2.02% utilized in 2020. |
| Healthcare Cost Trend Rates | 8% for pre-65 and post 65 retirees decreasing .25% per year to an ultimate rate of 4.5% in 2032 and later. |
| Salary Increases | 3.5% |
| Cost of Living Increases | Not applicable |
| Mortality Rate Table Used for Current Valuation | The RP 2014 Healthy Male and Female Tables based on the Employee and Healthy Annuitant Tables for both pre and post retirement with mortality improvement using the most current Society of Actuaries Mortality Improvement Scale MP-2019. |

Changes in the Total OPEB Liability: The following table shows the components of the Authority’s total OPEB liability for the current year:

| | |
|------------------------------------|------------|
| Balance at 06/30/2021 | \$ 192,588 |
| Current Period Changes: | |
| Service Cost | 3,195 |
| Interest on Total OPEB Liability | 3,920 |
| Changes in assumptions | (1,506) |
| Benefit Payments | (2,770) |
| Net Change in Total OPEB Liability | 2,839 |
| Balance at 06/30/2022 | \$ 195,427 |

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
 CALCASIEU PARISH, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 As of and for the Year Ended June 30, 2022

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the Parish, as well as what the Parish’s and District’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.05%) or one percentage point higher (3.05%) than the current discount rate of 2.05%:

| | 1% Decrease (1.05%) | Discount Rate (2.05%) | 1% Increase (3.05%) |
|-----------------------------------|------------------------|--------------------------|------------------------|
| Total OPEB Liability Parish | \$72,549,448 | \$57,417,849 | \$46,795,112 |
| Total OPEB Liability Authority | \$244,839 | \$195,427 | \$156,161 |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the Parish, as well as what the Parish’s and District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6%) or one percentage point higher (8%) than the current healthcare cost trend rate of 7%:

| | 1% Decrease (6%) | Healthcare Cost Trend Rate (7%) | 1% Increase (8%) |
|-----------------------------------|------------------|------------------------------------|------------------|
| Total OPEB Liability Parish | \$47,015,628 | \$57,738,385 | \$73,895,516 |
| Total OPEB Liability Authority | \$159,133 | \$195,427 | \$250,114 |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2022, the Authority recognized OPEB expense of (\$30,359). At June 30, 2022, the Authority had deferred inflows of resources of \$1,337 related to OPEB, due to changes in assumptions. Amortization of the impact due to changes in assumptions is over 10 years or \$169 per year.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 12 – DEFERRED COMPENSATION PLAN FIDUCIARY ACTIVITIES

In 2015, the Authority implemented a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b) for its employees. The plan is available to all full time employees which have employed by the Authority for 12 consecutive months, and is administered by Great West Financial. The plan permits the employees to defer a portion of their current salary until future years. The Authority's contribution for each employee is a match of 2:1, not to exceed 10% of each eligible employee's annual earnings. The deferred compensation is not available to employees until termination, retirement, or unforeseeable emergency. Deferred compensation is available to employees' beneficiaries in case of death. During the year ended June 30, 2022, the Authority contributed \$29,835, with the employees contributing \$19,878.

Investments reported at fair value on the Authority's Statement of Net Position – Fiduciary Funds consist of investments held by the Authority's 457 plan on behalf of its employees. The investments are not included in the Authority's basic financial statements and instead are shown on its fiduciary statements. The investments consist entirely of funds which are traded on active markets and are considered level 1 investments. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Authority has the ability to access.

The fair value of investments as of June 30, 2022 is \$358,394.

In management's opinion, the Authority has no liability for losses under the plan. However, the Authority does have the duty of due care that would be required of an ordinary prudent investor. The Authority believes it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 13 – INTERGOVERNMENTAL REVENUE

In May 2012, the Authority entered into a cooperative agreement with the Calcasieu Parish Police Jury to provide supplemental funding assistance to the Authority from the proceeds of an ad valorem tax known as the Burton Coliseum and Agricultural Services Tax. In the first year of the agreement, the appropriation to the Authority is \$225,000 from its tax. In subsequent years, the Police Jury shall annually appropriate 10% of the estimated tax collections of the tax. The appropriation of funds from the tax to the Authority will not exceed 25% of the Authority's gross operating revenue, as determined by the Authority's previous fiscal year audit. Disbursement of funding will occur in February of each year. The agreement is effective for a period of 10 years. The amount of assistance received was \$384,637 for the year ended June 30, 2022.

NOTE 14 – ECONOMIC DEPENDENCY

The Authority relies on the appropriation from the State of Louisiana from the Hotel Occupancy Tax funds to provide for the payment of bond principal and interest. If the State does not continue to appropriate funds for the Authority, their ability to retire their debt would be significantly affected.

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2022

NOTE 15 - SUBSEQUENT EVENT REVIEW

The Authority's management has evaluated subsequent events through the date of the audit report, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA

Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2022

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|------------------|--------------|----------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| REVENUES: | | | | |
| Hotel/motel tax revenues | \$ 1,100,000 | \$ 1,100,000 | \$ 1,292,593 | \$ 192,593 |
| Intergovernmental revenues | 300,000 | 300,000 | 384,637 | 84,637 |
| Interest income | 2,400 | 2,400 | 6,245 | 3,845 |
| Facility revenues | 375,000 | 375,000 | 445,526 | 70,526 |
| Concessions revenues (net of cost of goods sold) | 126,500 | 126,500 | 188,241 | 61,741 |
| Shavings revenues (net of costs of goods sold) | 1,800 | 1,800 | 3,191 | 1,391 |
| Other revenues | 1,200 | 1,200 | 772,877 | 771,677 |
| TOTAL REVENUES | 1,906,900 | 1,906,900 | 3,093,310 | 1,186,410 |
| EXPENDITURES: | | | | |
| Personnel services | 809,458 | 809,458 | 739,531 | 69,927 |
| Operating services | 356,930 | 356,930 | 408,593 | (51,663) |
| Materials, maintenance and supplies | 535,100 | 535,100 | 1,178,128 | (643,028) |
| Other | - | - | 121,086 | (121,086) |
| Debt service - interest | 140,360 | 140,360 | 121,999 | 18,361 |
| Debt service - principal | 409,000 | 409,000 | 428,000 | (19,000) |
| Capital outlay and construction in progress | 2,501,013 | 2,501,013 | 1,683,232 | 817,781 |
| TOTAL EXPENDITURES | 4,751,861 | 4,751,861 | 4,680,569 | 71,292 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (2,844,961) | (2,844,961) | (1,587,259) | 1,257,702 |
| FUND BALANCE - BEGINNING | 5,947,498 | 5,947,498 | 5,947,498 | - |
| FUND BALANCE - ENDING | \$ 5,593,231 | \$ 5,593,231 | \$ 4,360,239 | \$ 1,257,702 |

The accompanying notes are an integral part of this statement.

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA**

**OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

For the Year Ended June 30, 2022

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|---|-------------------|-------------------|-------------------|-------------------|
| Total OPEB Liability | | | | |
| Service Cost | \$ 3,195 | \$ 3,093 | \$ 4,977 | \$ 4,278 |
| Interest on Total OPEB Liability | 3,920 | 4,550 | 6,287 | 6,278 |
| Changes in Assumptions | (1,506) | (38,895) | 48,054 | - |
| Benefit payments | (2,770) | (2,804) | (2,793) | (2,826) |
| Net Change in Total OPEB Liability | <u>2,839</u> | <u>(34,056)</u> | <u>56,525</u> | <u>7,730</u> |
| Total OPEB Liability at Beginning of Year | 192,588 | 226,644 | 170,119 | 162,389 |
| Total OPEB Liability at End of Year | <u>\$ 195,427</u> | <u>\$ 192,588</u> | <u>\$ 226,644</u> | <u>\$ 170,119</u> |
| Covered Employee Payroll | <u>\$ 413,555</u> | <u>\$ 312,125</u> | <u>\$ 306,687</u> | <u>\$ 262,773</u> |
| Total OPEB Liability as a Percentage of Covered Employee Payroll | 47.26% | 61.70% | 73.90% | 64.74% |

Notes to the Schedule:

- (1) This schedule is intended to report information for ten years. Data for the full ten year period is not available but will be reported as the additional years
- (2) Changes of Benefit Terms: There were no changes in benefit terms for 2020.
- (3) Changes of Assumptions: Change in discount rate of 2.02% for 2019 to 2.05% for 2021
- (4) There were no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No.

OTHER SUPPLEMENTARY INFORMATION

**WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
CALCASIEU PARISH, LOUISIANA**

Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head,
Political Subdivision Head, or Chief Executive Officer- Louisiana Revised Statute 24:513 A. (1) (a)
For the Year Ended June 30, 2022

Agency Head Name: Adrian Moreno, Executive Director

| Purpose | Amount |
|--|---------------|
| Salary | \$ 107,412 |
| Benefits-insurance | 13,486 |
| Benefits-retirement | 4,904 |
| Benefits-other | - |
| Car allowance | 9,910 |
| Vehicle provided by government | - |
| Per diem | - |
| Reimbursements | - |
| Travel | - |
| Registration fees | - |
| Conference travel | - |
| Continuing professional education fees | - |
| Housing | - |
| Unvouchered expenses | - |
| Special meals | - |

STEVEN M. DEROUEN & ASSOCIATES, LLC

Certified Public Accountants

2720 RUE DE JARDIN, STE. 300
P. O. BOX 4265
LAKE CHARLES, LA 70606
(337) 513-4915 OFFICE/ (337) 205-6927 FAX
steve@sderouencpa.com

Member American Institute of
Certified Public Accountants

Member Louisiana Society of
Certified Public Accountants

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

Board of Commissioners
West Calcasieu Parish Community Center Authority
A Component Unit of the State of Louisiana
Sulphur, 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 governmental activities and each major fund of West Calcasieu Parish Community Center Authority, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the West Calcasieu Parish Community Center Authority's basic financial statements and have issued my report thereon dated December 6, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered West Calcasieu Parish Community Center Authority's internal control over financial reporting (internal control) to determine the 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 West Calcasieu Parish Community Center Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of West Calcasieu Parish Community Center 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 my audit we did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Calcasieu Parish Community Center 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion of 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Steven M. DeRouen & Associates

Lake Charles, Louisiana
December 6, 2022

WEST CALCASIEU PARISH COMMUNITY CENTER AUTHORITY
A COMPONENT UNIT OF THE CALCASIEU PARISH POLICE JURY
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2022

A. Summary of Independent Auditor's Results:

1. Unmodified opinion on financial statements.
2. No material weaknesses or significant deficiencies in internal control noted.
3. No instances of non-compliance noted.

B. GAGAS Findings:

None.

C. Prior Year Findings:

None.

STEVEN M. DEROUEN & ASSOCIATES, LLC

Certified Public Accountants
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P. O. BOX 4265
LAKE CHARLES, LA 70606
(337) 513-4915 OFFICE/ (337) 205-6927 FAX
steve@sderouencpa.com

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of West Calcasieu Parish Community Center Authority and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. West Calcasieu Parish Community Center Authority's management is responsible for those C/C areas identified in the SAUPs.

West Calcasieu Parish Community Center Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

- c) **Disbursements**, including processing, reviewing, and approving.
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(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) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

We performed the Information Technology Disaster Recovery/Business Continuity procedure 1k and discussed the results with management.

Exception (1l): The Authority's Sexual Harassment policy address annual employee training and annual reporting.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - 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, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit 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.

No exceptions were found as a result of these procedures.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions were found as a result of these procedures.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. 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., 5 collection locations for 5 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.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 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). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - 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 the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions were found as a result of these procedures.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #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, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/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.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
10. For each location selected under #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 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions were found as a result of these procedures.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe 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 note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions were found as a result of these procedures.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe 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 the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

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

No exceptions were found as a result of these procedures.

Contracts

15. 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. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- 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 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, was approval documented).
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were found as a result of these procedures.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe 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.
18. 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's 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.
19. 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.

No exceptions were found as a result of these procedures.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - 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.

No exceptions were found as a result of these procedures.

Debt Service

21. 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 State Bond Commission approval was obtained for each debt instrument issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

No exceptions were found as a result of these procedures.

Fraud Notice

23. 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.
24. Observe 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.

Exception (24): Fraud notice is not posted on the entity's website.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - 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.

We performed the Information Technology Disaster Recovery/Business Continuity procedures and discussed the results with management.

Exception (25 a.): No documentation was available to support back up on cloud services.

Exception (25 b.): No documentation was available to support that back up on cloud services was tested and verified that backups could be restored.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
27. Observe 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).
28. 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 it 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.

Exception (26): No sexual harassment training noted for the 5 randomly selected employees tested.

Exception (27): The entity’s website does have posted the entity’s sexual harassment policy and complaint procedure.

Exception (28a): The entity’s employees have not completed the annual sexual harassment training.

Management’s Responses

11 – The Authority will revise the sexual harassment policy to include requirements for training and reporting.

24 – The Authority will post the fraud notice on its website.

25 a and 25 b – The Authority will obtain documentation of backups and verification that backups are tested.

26, 28a – The Authority will require all employees to complete at least one hour of sexual harassment training annually.

27 – The Authority will post its sexual harassment policy and complaint procedure on its website.

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

We are required to be independent of West Calcasieu Parish Community Center Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Steven M. DeRouen & Associates, LLC

Lake Charles, Louisiana
December 6, 2022