

**ST. TAMMANY PARISH
SEWERAGE DISTRICT NO. 4
COVINGTON, LOUISIANA**

Financial Statements
and
Independent Accountant's Compilation Report

December 31, 2021



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Independent Accountant's Compilation Report

To the Board of Commissioners
St. Tammany Parish Sewerage District No. 4
Covington, Louisiana

Management is responsible for the accompanying statement of net position of St. Tammany Parish Sewerage District No. 4 (the District), a component unit of St. Tammany Parish, Louisiana, as of and for the year ended December 31, 2021, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

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

Other Matters

Management has elected to omit substantially all the disclosures as required in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
June 7, 2022

ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 4
Statement of Net Position
December 31, 2021

Assets	
Current Assets	
Cash and Cash Equivalents	\$ 149,417
Revenues Receivable - Charges for Services	16,787
Due from Other Governmental Entity - St. Tammany Parish Waterworks	26,088
Prepaid Insurance	<u>5,707</u>
Total Current Assets	<u>197,999</u>
Non-Current Assets	
Property, Plant, and Equipment (Net of Accumulated Depreciation)	<u>5,005</u>
Total Non-Current Assets	<u>5,005</u>
Total Assets	<u>203,004</u>
Liabilities	
Current Liabilities	
Accounts Payable and Other Accruals	<u>10,394</u>
Total Current Liabilities	<u>10,394</u>
Total Liabilities	<u>10,394</u>
Net Position	
Net Investment in Capital Assets	5,005
Unrestricted	<u>187,605</u>
Total Net Position	<u><u>\$ 192,610</u></u>

See independent accountant's compilation report.

ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 4
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2021

Operating Revenues	
Charges for Services	\$ 179,947
Administrative Fees for New Users	<u>600</u>
Total Operating Revenues	<u>180,547</u>
Operating Expenses	
Bank Charges	48
Board Members' Per Diem	7,200
Insurance	7,526
Licenses and Permits	1,016
Office Supplies and Expenses	920
Postage	871
Professional Services	13,675
Repairs and Maintenance	128,303
Telephone	377
Utilities	<u>20,891</u>
Total Operating Expenses	<u>180,827</u>
Operating Loss	<u>(280)</u>
Non-Operating Revenues	
Interest Income	499
Late Fees Received	<u>2,361</u>
Total Non-Operating Revenues	<u>2,860</u>
Change in Net Position	2,580
Net Position, Beginning of Year	<u>190,030</u>
Net Position, End of Year	<u><u>\$ 192,610</u></u>

See independent accountant's compilation report.

ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 4
Statement of Cash Flows
For the Year Ended December 31, 2021

Cash Flows from Operating Activities	
Cash Received from Customers	\$ 182,566
Cash Payments to Suppliers for Goods and Services	(166,785)
Cash Payments to Board Members	<u>(7,200)</u>
Net Cash Provided by Operating Activities	<u>8,581</u>
Cash Flows from Non-Capital Financing Activities	
Decrease in Due from Other Governmental Entity	<u>7,257</u>
Net Cash Provided by Non-Capital Financing Activities	<u>7,257</u>
Cash Flows from Investing Activities	
Interest Received	<u>499</u>
Net Cash Provided by Investing Activities	<u>499</u>
Increase in Cash and Cash Equivalents	16,337
Cash and Cash Equivalents, Beginning of Year	<u>133,080</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 149,417</u></u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating Loss	\$ (280)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities	
Late Fees Received	2,361
Increase in Receivables	(342)
Increase in Prepaid Insurance	(472)
Increase in Accounts Payable and Other Accruals	<u>7,314</u>
Net Cash Provided by Operating Activities	<u><u>\$ 8,581</u></u>

See independent accountant's compilation report.

ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 4
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2021

Agency Head
 William M. Bartlett, Jr., Chairperson

Purpose	Amount
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$1,800
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Special Meals	\$0

See independent accountant's compilation report.

AGREED-UPON PROCEDURES REPORT

St. Tammany Parish Sewerage District No. 4

Independent Accountant's Report
on Applying Agreed-Upon Procedures

For the Period of January 1, 2021 - July 31, 2021

To the Board of Commissioners
St. Tammany Parish Sewerage District No. 4
Covington, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified by the Louisiana Legislative Auditor's (LLA) Agreed-Upon Procedures (AUPs) in accordance with the authority of Act 774 of the 2014 Regular Legislative Session for the period from January 1, 2021 through July 31, 2021. St. Tammany Parish Sewerage District No. 4's (the District) management is responsible for those C/C areas identified in the AUPs.

Management of St. Tammany Parish Sewerage District No. 4, a component unit of St. Tammany Parish, Louisiana, 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 by the LLA's AUPs in accordance with the authority of Act 774 of the 2014 Regular Legislative Session for the period January 1, 2021 to July 31, 2021. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all 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 (follow-up)

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures, as applicable:
 - a. **Contracting**, including (1) types of services requiring written contracts and (2) legal review.
 - b. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121 and (2) system to monitor possible ethics violations.

Results: We were unable to perform the procedure as the District did not provide us with written policies and procedures over contracting or ethics.

Board Oversight (follow-up)

1. Obtain and review all board minutes for the fiscal period, and:
 - a. Report if a reconciliation of billing receipts to joint bank account, reconciliation of customer billings to deposits, and/or customer account adjustments was presented to the Board for at least one meeting during the fiscal period.

Results: We were unable to perform the procedure as the District did not provide us with board minutes for the fiscal period.

Open Meetings Law Compliance (follow-up)

1. Report whether a copy of the Open Meetings Law is posted at the location where the entity holds its meetings.

Results: We were unable to perform the procedure as the Board did not provide applicable support.

2. Using the board minutes obtained under Board Oversight above, report whether the entity maintained written minutes for each board meeting and if each set of written meeting minutes included:

- a. Place of meeting

Results: We were unable to perform the procedure as the District did not provide us with board minutes for the fiscal period.

3. Report whether the minutes of each selected meeting was published in the official journal of the entity.

Results: We were unable to perform the procedure as the Board did not provide the applicable support.

Debt Collection/Write-off (follow-up)

1. Obtain and inspect the entity's written policies and procedures over debt collection and write-off and observe that they require a monthly review of accounts receivable aging schedule(s); methods, time frames, and documentation related to debt collection efforts; and criteria for write-offs.

Results: We were unable to perform the procedure as the Board did not provide us with written policies and procedures over debt collections and write-offs.

2. Obtain the accounts receivable aging schedule(s) from management as of the last day of the period under review. Obtain management's representation that the schedule(s) are complete. Randomly select 10 accounts that are identified as more than 90 days past due, or if less than 10 accounts, select the entire population. Obtain account documentation for the selected accounts and observe that management pursued collection efforts for each account (e.g., late notices, account terminations/cut-offs, legal action).

Results: We obtained the accounts receivable aging schedule and noted that only three accounts were more than 90 days past due. Of the three accounts, we observed that management pursued collection efforts on one. There were no collection efforts made on the remaining two accounts.

3. Obtain a listing of entity debt write-offs from management, or, alternatively, obtain the general ledger and sort/filter for entity debt write-offs. Obtain management's representation that the listing or general ledger population is complete. Randomly select five debt write-offs, or if less than five, select the entire population. Obtain account documentation for the select write-offs and observe that management pursued collection efforts for each account and followed its written policies and procedures in writing off the debt.

Results: The District did not have any debt write-offs during the period. This procedure is not applicable.

We were engaged by St. Tammany Parish Sewerage District No. 4 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 by the LLA AUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of St. Tammany Parish Sewerage District No. 4 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified by the LLA, 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 Legislative Auditor as a public document.



A Professional Accounting Corporation

Covington, LA
September 29, 2022

St. Tammany Parish Sewerage District No. 4

P.O. Box 711, Mandeville, LA 70470

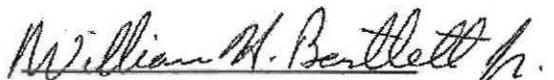
Mr. Michael J. Waguespack
Louisiana Legislative Auditor
1600 N 3rd Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Act 774 Agreed-Upon Procedures

The management of St. Tammany Parish Sewerage District No. 1 wishes to provide the following responses relative to the results of the 2021 Act 774 agreed-upon procedures engagement:

- 1) In response to the results of the Written Policies and Procedures section, we will work on finalizing our written polices and procedures over contracting and ethics.
- 2) In response to the results of the Board Oversight section, due to hurricane Ida and change in board personnel, we were unable to produce the minutes. In the future, we will maintain board minutes and back up board minutes in a safe and secure location.
- 3) In response to the results of the Open Meetings Law Compliance section, due to hurricane Ida and change in board personnel, we were unable to provide this information. In the future, we will maintain board minutes and other support for open meeting law compliance in a safe and secure location
- 4) In response to the results of the Debt Collection/Write-off section, we will work on finalizing our written polices and procedures over debt collection/write-off procedures.

Sincerely,


Name 9-29-2022


Entity