

Financial Report

Mid-City Security District

December 31, 2023



Financial Report

Mid-City Security District

December 31, 2023

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Mid-City Security District,
New Orleans, Louisiana.

Opinions

We have audited the accompanying financial statements of the governmental activities of the Mid-City Security District (the "District"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District'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 activities of the District as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date April 18, 2024, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 10, and the required supplementary information on pages 27 and 28, be presented to supplement the basic financial statements. Such 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 operation, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying supplementary information, on page 29, is presented for purposes of additional analysis and is required by Louisiana Revised Statute 24:513 (A)(3) and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
April 18, 2024.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Mid-City Security District New Orleans, Louisiana

December 31, 2023

The Management’s Discussion and Analysis (MD&A) of the Mid-City Security District’s (the “District”), financial performance presents a narrative overview and analysis of the District’s financial activities as of and for the year ended December 31, 2023. It identifies changes in the District’s overall financial position and results of operations and assists the user in determining whether the financial position has improved or deteriorated as a result of the year’s operations. It also identifies any significant variations from the original budget amounts and includes any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity; and identifies individual issues or concerns. The MD&A focuses on the current year’s activities, resulting changes, and currently known facts.

The information contained within this MD&A should be considered only as part of a greater whole. The readers of the MD&A should read and evaluate all sections of this report, including the notes to financial statements and required supplemental information section (RSI) that are provided in addition to this MD&A.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the District’s basic financial statements. The District’s financial report consists of four parts: (1) MD&A (this section), (2) basic financial statements, (3) required supplementary information, and (4) special reports by certified public accountants and management.

The basic financial statements include two kinds of statements that present different views of the District:

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District’s finances, in a manner similar to a private sector business. Under this format, all governmental activities are consolidated into columns which add to a total for the governmental entity. For the District, only governmental activities are included in the presentation. Accordingly, there is no “totals” column in the presentation.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**Government-Wide Financial Statements (Continued)**

- a. The Statement of Net Position presents information on all of the District's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as the net position. Over time, increases or decreases in the net position (and changes in the components of net position) may serve as a useful indicator of whether the financial position of the District is improving or weakening.
- b. The Statement of Activities presents information showing how the District's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. The format for the Statement of Activities presents the expenses for each function reduced by the program revenues directly related to the program to determine net program expenses.

Fund Financial Statements

A fund is a grouping of related accounts that are used to maintain control over resources which have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The District uses one categories of funds to account for financial transactions: governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one individual governmental fund (the "General Fund"). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement, page 27, and the note to budgetary reporting have been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 11 through 16 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 17 of this report.

FINANCIAL HIGHLIGHTS

The financial statements provide details of the current year operations summarized as follows:

- The governmental activities reported total ending fund balance of \$595,475. This compares to the prior year ending fund balance of \$532,319 showing an increase of \$63,156 during the current year.
- During the year, the District generated fees and other revenues of \$978,459 that were \$63,156 more than the \$915,303 of expenses.
- Revenues increased by \$10,677 or approximately 1.11% from the prior year.
- Total expenses increased by \$160,388 or approximately 21.25% from the prior year.

Statement of Net Position and Statement of Activities

Presented below are condensed Statements of Net Position and Statements of Activities for the District. The condensed format allows the reader to view the overall financial position of the District. Explanations of the components of the statements are included immediately following the statements.

Condensed Statements of Net Position

	Total Governmental Activities		Increase (Decrease)	Percentage Change
	2023	2022		
Cash and other current assets	<u>\$959,116</u>	<u>\$722,359</u>	<u>\$236,757</u>	32.78%
Liabilities	<u>363,641</u>	<u>190,040</u>	<u>173,601</u>	91.35%
Net position: Restricted	<u><u>\$595,475</u></u>	<u><u>\$532,319</u></u>	<u><u>\$ 63,156</u></u>	11.86%

FINANCIAL HIGHLIGHTS (Continued)**Statement of Net Position and Statement of Activities (Continued)****Condensed Statements of Activities**

	Total Governmental Activities		Increase (Decrease)	Percentage Change
	<u>2023</u>	<u>2022</u>		
Revenues:				
Parcel fees	\$975,028	\$964,351	\$ 10,677	1.11%
Interest income	<u>3,431</u>	<u>643</u>	<u>2,788</u>	433.59%
Total revenues	<u>978,459</u>	<u>964,994</u>	<u>13,465</u>	1.40%
Expenses:				
Crime prevention and security	<u>915,303</u>	<u>754,915</u>	<u>160,388</u>	21.25%
Increase in net position	63,156	210,079	(146,923)	-69.94%
Beginning net position	<u>532,319</u>	<u>322,240</u>	<u>210,079</u>	65.19%
Ending net position	<u>\$595,475</u>	<u>\$532,319</u>	<u>\$ 63,156</u>	11.86%

Parcel fees increased by \$10,677 in 2023 as compared to 2022. Expenses for the District increased by \$160,388 in 2023 as compared to 2022. The expenses were higher in 2023 mainly due to an increase in patrol and security services and hiring a third party contractor to perform some patrols.

The District's net position increased by \$63,156 as a result of this year's operations. The balance in net position represents the accumulated results of all past years' operations. The District's total revenues for the year were \$978,459 and all revenues were charges for services and interest income. The total cost of all programs and services was \$915,303 with no new programs added this year.

Financial Analysis of Governmental Funds

The District maintains only one "governmental fund" - the General Fund. The General Fund Balance Sheet is on page 13 of this report and the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance is on page 15 of this report.

Under the modified-accrual basis for fund financial statements, the emphasis is on accounting for current financial resources of the District. The analysis in this section includes a discussion of the General Fund financial statements.

As of December 31, 2023, the General Fund reported total fund balance of \$595,475, an increase of \$63,156 from the prior year total fund balance. This increase is due to revenues of \$978,459 exceeding expenditures of \$915,303. The District is focused on reducing expenditures in order to maintain a positive fund balance. The District tries to maintain spending levels at or below revenues.

FINANCIAL HIGHLIGHTS (Continued)**Analysis of the General Fund Budget**

The budget for the General Fund, which was amended during 2023, was as follows:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Revenues:				
Program revenues	\$937,044	\$963,359	\$ 26,315	2.81%
Interest income	300	3,436	3,136	1045.33%
Total revenues	<u>937,344</u>	<u>966,795</u>	29,451	3.14%
Expenditures:				
Patrol and security services	645,722	833,840	188,118	29.13%
Insurance	25,026	24,079	(947)	-3.78%
Professional fees	25,000	48,000	23,000	92.00%
Automobiles	49,962	1,600	(48,362)	-96.80%
Other operating expenses	2,500	2,657	157	6.28%
Total expenditures	<u>748,210</u>	<u>910,176</u>	<u>161,966</u>	21.65%
Excess of revenues over expenditures (deficiency of expenditures over revenues)	189,134	56,619	(132,515)	
Beginning fund balance	<u>449,250</u>	<u>532,319</u>	<u>83,069</u>	18.49%
Ending fund balance	<u>\$638,384</u>	<u>\$588,938</u>	<u>\$ (49,446)</u>	-7.75%

When the budget for the year ended December 31, 2023 was originally prepared, revenues and expenditures were reflected in a conservative manner. The budget was amended to reflect a decrease in revenues and expenses. The expected decreases materialized, and actual revenues and expenditures approximated the amended budget.

FINANCIAL HIGHLIGHTS (Continued)

Economic Factors and Next Year’s Budget

The District must consider many variables when budgeting for the coming fiscal year. Included in these factors are changing laws and regulations, economic circumstances, and historical trends.

A summary of the current budget for the year ending December 31, 2024 follows:

Condensed Budget

Revenue	\$943,500
Expenditures:	
Operations	<u>898,500</u>
Excess of expenditures over revenues	<u>\$ 45,000</u>

The District’s major source of funding is parcel fees. For the year ending December 31, 2024, it is anticipated that parcel fees will slightly decrease. The District maintains a conservative estimate of revenues. Parcel revenue is solely determined by the taxes collected from Mid-City residents during the year.

The District has budgeted expenditures to remain consistent with estimated revenues.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Mid-City Security District’s finances for all those with an interest in the District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ms. Wendy Laker, Mid-City Security District, P.O. Box 791360, New Orleans, Louisiana 70179.

STATEMENT OF NET POSITION**Mid-City Security District**
New Orleans, Louisiana

December 31, 2023

Assets

Cash and cash equivalents	\$941,497
Receivables, net	2,019
Prepaid insurance	15,600
	<hr/>
Total assets	959,116

Liabilities

Accounts payable (See Note 6)	363,641
	<hr/>

Net Position

Restricted for crime prevention and security	\$595,475
	<hr/> <hr/>

See notes to financial statements.

STATEMENT OF ACTIVITIES**Mid-City Security District**
New Orleans, Louisiana

For the year ended December 31, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net Revenues and Change in Net Position</u>
Governmental activities:			
Crime prevention and security	<u>\$915,301</u>	<u>\$975,028</u>	\$ 59,727
General revenues:			
Interest income			<u>3,429</u>
Change in net position			63,156
Net position - beginning			<u>532,319</u>
Net position - ending			<u>\$595,475</u>

See notes to financial statements.

GOVERNMENTAL FUND BALANCE SHEET**Mid-City Security District**
New Orleans, Louisiana

December 31, 2023

ASSETS

Cash and cash equivalents	\$941,497
Receivables, net	2,019
Prepaid insurance	<u>15,600</u>
Total assets	<u><u>\$959,116</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable (See Note 6)	<u>\$363,641</u>
Fund balance:	
Nonspendable:	
Prepaid expenses	15,600
Restricted for crime prevention and security	<u>579,875</u>
Total fund balance	<u>595,475</u>
Total liabilities and fund balance	<u><u>\$959,116</u></u>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE
SHEET TO THE STATEMENT OF NET POSITION**

Mid-City Security District
New Orleans, Louisiana

December 31, 2023

Fund Balance - Governmental Fund	\$595,475
<p style="margin-left: 40px;">Amounts reported for governmental activities in the statement of net position are different because:</p> <p style="margin-left: 80px;">There are no differences.</p>	
Net Position of Governmental Activities	<div style="text-align: right; margin-right: 20px;">-</div> <hr style="width: 100%;"/> <div style="text-align: right; margin-right: 20px;">\$595,475</div> <hr style="width: 100%;"/>

See notes to financial statements.

**STATEMENT OF GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE**

**Mid-City Security District
New Orleans, Louisiana**

For the year ended December 31, 2023

Revenues

Fees, charges, and commissions for services:

Parcel fees	\$975,028
Interest income	3,431

Total revenues	978,459
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Expenditures

General government:

Patrols and security services	829,464
Insurance	23,616
Professional fees	48,346
Equipment	1,600
City collection fee	9,762
Other operating expenses	1,437
Newsletter	1,078

Total expenditures	915,303
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Excess of Revenues Over Expenditures

63,156

Fund Balance

Beginning of year	532,319
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End of year	\$595,475
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See notes to financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Mid-City Security District
New Orleans, Louisiana

For the year ended December 31, 2023

Excess of Revenues Over Expenditures - Governmental Fund	\$63,156
<p style="margin-left: 40px;">Amounts reported for governmental activities in the statement of activities are different because:</p> <p style="margin-left: 80px;">There are no differences.</p>	
	<hr style="width: 100%; border: 0.5px solid black;"/> <p style="text-align: right; margin-right: 10px;">-</p>
Change in Net Position of Governmental Activities	<hr style="width: 100%; border: 0.5px solid black;"/> <p style="text-align: right; margin-right: 10px;">\$63,156</p> <hr style="width: 100%; border: 0.5px solid black;"/>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Mid-City Security District**
New Orleans, Louisiana

December 31, 2023

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mid-City Security District (the “District”) was created as a public body by Acts of the Louisiana Legislature, 2008, No. 925, 2014, No. 767; 2022, No. 346 and 2023, No. 162; La. R.S. 33:9091.14 to aid in crime prevention and to add to the security of the District residences by providing for an increase in the presence of law enforcement personnel in the District. The Board of Commissioners is constituted by seven appointed members. The Mid-City Neighborhood Organization or its successor shall appoint four members. The City Park Neighborhood Association or its successor shall appoint three members. All members appointed shall be qualified voters and residents of the District. Board members appointed serve three-year terms. Board members are not compensated or reimbursed for expenses.

The District services all parcels located in the geographic area it serves. The District has no paid employees and contracts with the City of New Orleans for on-duty police officers and with Pinnacle Security, Inc. for private security officers for patrolling.

The governing authority of the City of New Orleans is authorized to impose and collect a parcel fee within the District. For these services, the City of New Orleans imposes a 1% collection fee based on the gross amount of the parcel fee collected. The amount of the parcel fee is determined by an adopted resolution of the Board of Commissioners of the District. The fee shall be a flat fee such that for each residential parcel which is unimproved or contains a single-family dwelling, condominium, townhouse, or two-family dwellings, the fee shall be a flat fee not to exceed \$250 per year. For each residential parcel which contains three- or four-family dwellings, the fee shall be a flat fee not to exceed \$300 per year. For each residential parcel which contains five to nine rental units, the fee shall be a flat fee not to exceed \$600 per year. For each residential parcel which contains ten to nineteen rental units, the fee shall be a flat fee not to exceed \$1,000 per year. For each residential parcel which contains twenty to thirty-nine rental units, the fee shall be a flat fee not to exceed \$2,000 per year. For each residential parcel which contains forty or more rental units, the fee shall be a flat fee not to exceed \$4,000 per year. For residential parcels subject to a special assessment level pursuant to Article VII, Section 18(G) of the Constitution of Louisiana, the fee shall be a flat fee per parcel of land not to exceed \$150 per year. For commercial parcels, the fee shall be a flat fee per parcel of land not to exceed \$500 per year. The current fees expire on December 31, 2024 but can be extended approval of a majority of the registered voters of the District.

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Basis of Presentation

The District's basic financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the District. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities for the fiscal period. Governmental activities generally are financed through parcel fees, and interest income.

Fund Financial Statements

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of GASB Statement No. 34. Emphasis is now on the major funds. The daily accounts and operations of the District continue to be organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following are the governmental funds of the District:

General Fund

The General Fund, as provided by Louisiana Revised Statute (L.R.S.) 13:781, is the principal fund of the District and accounts for and reports the operations of the District's office. The various fees and charges due to the District's office are accounted for in this fund. General operating expenditures are paid from this fund. The General Fund is always considered a major fund.

b. Measurement Focus and Basis of Accounting

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

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Measurement Focus and Basis of Accounting (Continued)

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the District.

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.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues are derived directly from parcel fees and reduce the cost of the function to be financed from general revenues.

Fund Financial Statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Revenues

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Interest income on cash balances is recorded when the income is available.

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Measurement Focus and Basis of Accounting (Continued)

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The District does not allocate indirect costs.

c. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

d. Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1303, the District adopted a budget for its General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget, and public hearings of the budget prior to adoption. The District amended its budget once during 2023. All budgeted amounts which are not expended or obligated through contracts lapse at year end.

e. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

f. Receivables

The financial statements of the District contain no allowance for doubtful receivables. Uncollectible receivables, including amounts due from other government units, are charged directly against earnings when they are determined to be uncollectible. Management is of the opinion that there will be no material losses on the collection of receivables.

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Prepaid Expenses

Payments made to vendors that will benefit periods beyond December 31, 2023 are recorded as prepaid expenditures. These amounts are equally offset by a fund balance classification of nonspendable which indicates that they do not constitute available spendable resources even though they are a component of net current assets. Prepaid expenses as of December 31, 2023 were \$15,600.

h. Fund Equity

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - This component of net position reports net position that does not meet the definition of “restricted” or “invested in capital assets”.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed. As of December 31, 2023, the District did not have any unrestricted equity or equity classified as invested in capital assets.

Fund Financial Statements

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

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for a specific purpose because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributions, or the laws or regulations of other governments.

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Fund Equity (Continued)

Fund Financial Statements (Continued)

Committed - Amounts that can be used only for specific purposes determined by a formal decision of the District. There was no committed equity as of December 31, 2023.

Assigned - The assigned amounts are designated as committed by the District but are not spendable until a budget is adopted. There was no assigned equity as of December 31, 2023.

Unassigned - All amounts not included in other spendable classifications. The District has not adopted a policy to maintain the general fund's unassigned fund balance above a certain minimum level. There was no unassigned equity as of December 31, 2023.

For classification of Governmental Fund balance, the District considers an expenditure to be made from the most restrictive first when more than one classification is available. The District's fund balance as of December 31, 2023 totaled \$595,475 of which \$579,875 was classified as restricted and \$15,600 was classified as nonspendable as this balance related to prepaid expenses.

i. New Pronouncements

During the year ending December 31, 2023, the District implemented the following GASB Statements:

Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties;

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. New Pronouncements (Continued)

(2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for the years beginning after June 15, 2022. This Statement did not affect the financial statements for the year ended December 31, 2023.

Statement No. 96, “*Subscription-Based Information Technology Arrangements*” provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87 “*Leases*”, as amended. Under this Statement a government should recognize a right to use subscription asset and a corresponding subscription liability at the commencement of the subscription term. The subscription liability should be measured at the present value of subscription payments. Future subscription payments should be discounted using the interest rate the vendor charges the government or the government’s incremental borrowing rate. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example interest expense) in future financial reporting periods. Activities associated with SBITAs, other than subscription payments, should be grouped into three stages and costs meeting specific capitalization criteria, including costs necessary to place the subscription asset in service, should be capitalized in the subscription asset, otherwise, costs should be expensed as incurred. This Statement provides an exception for short-term SBITAs of 12 months or less, including options to extend. Subscription payments for short-term SBITAs should be expensed as incurred. This Statement requires disclosure of descriptive information about SBITAs other than short-term SBITAs. This Statement did not affect the financial statements for the year ended December 31, 2023.

Note 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. New Pronouncements (Continued)

The GASB has issued the following Statements which will become effective in future years shown below:

Statement No. 99, “*Omnibus 2022*” provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. The requirements of this Statement apply to all financial statements at dates varying from upon issuance to fiscal periods beginning after June 15, 2023. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 100, “*Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*” provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 101, “*Compensated Absences*” provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

j. Reconciliations of Government-Wide and Fund Financial Statements

There are no differences between the government-wide and fund financial statements.

k. Subsequent Events

The District evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through April 18, 2024, which is the date the financial statements were available to be issued.

Note 2 - DEPOSITS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, or any other federally insured investment, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investment contracts and investment grade (A-1/P-2) commercial paper of domestic corporations.

Bank Deposits

State law requires deposits (cash) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

The bank balance as of December 31, 2023 is as follows:

	<u>Bank Balance</u>	<u>Reported Amount</u>
Cash	<u>\$961,367</u>	<u>\$941,497</u>

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a written policy for custodial credit risk. As of December 31, 2023, \$711,367 of the District's bank balances of \$961,367 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging institution's trust department or agent and by state statute are deemed to be held in the District's name.

As of December 31, 2023, bank balances were adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the District. The GASB considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, L.R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget

In accordance with the Louisiana Local Government Budget Act, the procedures used by the District in establishing the budgetary data reflected in the financial statements include public notices of the proposed budget, public inspections and public hearings. The District then legally adopts the budget. Budgeted amounts for the general fund included in the accompanying statements are as amended by the District for the year 2023.

The budget is prepared on the accrual basis of accounting.

Note 4 - LITIGATION AND CLAIMS

As of December 31, 2023, the District was not involved in litigation nor is the District aware of any unasserted claims.

Note 5 - RECEIVABLES

The receivables as of December 31, 2023 are as follows:

Intergovernmental	\$2,019
Less: allowance for uncollectible accounts	<u>-</u>
	<u>\$2,019</u>

There were no receivable balances past due in excess of 90 days as of December 31, 2023.

Note 6 - DUE TO LOCAL GOVERNMENT

Included in accounts payable are amounts due to local government totaling \$353,141 as of December 31, 2023. This amount represents funds due to the City of New Orleans - NOPD related to reimbursements for crime prevention and patrol services in the Mid-City area. Approximately \$264,000 of this balance is disputed by the District.

SUPPLEMENTARY INFORMATION

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**

**Mid-City Security District
New Orleans, Louisiana**

For the year ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Parcel fees	\$937,044	\$963,359	\$975,028	\$11,669
Interest income	300	3,436	3,431	(5)
 Total revenues	 <u>937,344</u>	 <u>966,795</u>	 <u>978,459</u>	 <u>11,664</u>
Expenditures:				
Patrol and security services	645,722	833,840	829,464	(4,376)
Insurance	25,026	24,079	23,616	(463)
Professional fees	25,000	48,000	48,346	346
Newsletter	-	-	1,078	1,078
City collection fee	-	-	9,762	9,762
Automobiles	49,962	1,600	1,600	-
Other operating expenses	2,500	2,657	1,437	(1,220)
 Total expenditures	 <u>748,210</u>	 <u>910,176</u>	 <u>915,303</u>	 <u>5,127</u>
 Excess (deficiency) of revenues over expenditures	 189,134	 56,619	 63,156	 <u>\$16,791</u>
Fund Balance				
Beginning of year	<u>449,250</u>	<u>532,319</u>	<u>532,319</u>	
End of year	<u>\$638,384</u>	<u>\$588,938</u>	<u>\$595,475</u>	

**NOTE TO REQUIRED SUPPLEMENTARY
INFORMATION - BUDGETARY REPORTING**

Mid-City Security District
New Orleans, Louisiana

For the year ended December 31, 2023

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

Budgetary Information

As required by the L.R.S. 39:1301-1315, the District adopted a budget for its General Fund for the year ended December 31, 2023 and it was made available for public inspection on December 5, 2022. The budget hearing was held on December 15, 2022. The budget for the year ended December 31, 2023 was amended. The amended budget was made available for public inspection on December 4, 2023 and was published in the official journal on December 4, 2023. The budget hearing was held on December 14, 2023. The amended budget was legally adopted, as necessary, by the District. All appropriations lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

Mid-City Security District
New Orleans, Louisiana

For the year ended December 31, 2023

Agency Head Name: Wendy Laker, Board Chair

Purpose

Salary	\$	-
Benefits - insurance		-
Benefits - retirement		-
Benefits - other		-
Car allowance		-
Vehicle provided by government		-
Per diem		-
Reimbursements		-
Travel		-
Registration fees		-
Conference travel		-
Continuing professional education fees		-
Housing		-
Unvouchered expenses		-
Special meals		-
		<hr/>
	\$	<hr/> <hr/>

* There were no payments to the Agency Head during 2023. The District does not have employees.

SPECIAL REPORTS 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**

To the Board of Commissioners,
Mid-City Security District,
New Orleans, Louisiana.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major funds of the Mid-City Security District (the “District”) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated April 18, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants.

New Orleans, Louisiana,
April 18, 2024.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Mid-City Security District New Orleans, Louisiana

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

2022-001 Compliance with State Budget Laws

Recommendation - We recommend that the District publish, in the official journal, a notice stating that the proposed budget is available for public inspection at least ten days prior to the date of the first public hearing.

Management's Corrective Action - Resolved - The District instituted policies to ensure the budgets are properly published in the official journal.

Compliance and Other Matters

Finding 2022-001 was also considered a compliance finding.

Section II - Federal Award Findings and Questioned Cost

The Mid-City Security District did not expend federal awards in excess of \$750,000 during the year ended December 31, 2022 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued for the year ended December 31, 2022.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Mid-City Security District New Orleans, Louisiana

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended December 31, 2023.

No significant deficiencies were reported during the audit of the financial statements for the year ended December 31, 2023.

Compliance and Other Matters

There were no compliance findings material to the financial statements reported during the audit for the year ended December 31, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

The Mid-City Security District did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued for the year ended December 31, 2023.

STATEWIDE AGREED-UPON PROCEDURES (R.S. 24:513)

INDEPENDENT ACCOUNTANT’S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners,
Mid-City Security District,
New Orleans, Louisiana.

We have performed the procedures described in Schedule 4 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2023 through December 31, 2023. The Mid-City Security District’s (the “District”) management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA’s SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 4.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 these 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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the 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.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

New Orleans, Louisiana,
April 18, 2024.

SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS
OF THE STATEWIDE AGREED-UPON PROCEDURES

Mid-City Security District
New Orleans, Louisiana

For the year ended December 31, 2023

The required procedures and our findings are as follows:

1. Procedures Performed On the District's Written Policies and Procedures:

- A. Obtain and inspect the District's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the District's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - ii. **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.
Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - iii. **Disbursements**, including processing, reviewing, and approving.
Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - iv. **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.
Performance: Obtained and read the written policy for receipts/collections and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

1. **Procedures Performed On the District's Written Policies and Procedures: (Continued)**

- v. **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.

Not applicable. The District does not have employees.

- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Performance: Obtained and read the policy for contracting and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Not applicable. The District does not have employees.

- viii. **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).

Not applicable. The District does not have a credit card.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the District's ethics policy.

Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable. The District does not have debt.

1. Procedures Performed On the District's Written Policies and Procedures: (Continued)

- x. **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.

Performance: Inquired of the independent accounting firm who maintains the District's critical data regarding the firm's information technology disaster recovery/business continuity policy and found it to address all of the functions listed above.

Exceptions: There were no exceptions noted.

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

Performance: Obtained and read the written policy for sexual harassment and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

2. Procedures Performed on the District's Board:

- B. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period and:

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

Performance: The District's bylaws require that the board meets a minimum of once per quarter. We obtained and read the written minutes from 12 board meetings during the year ended December 31, 2023. The frequency of and quorum representation of those meetings was appropriate.

Exceptions: There were no exceptions noted.

- ii. 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.

Performance: Obtained and read the written minutes of the board meetings and observed that monthly budget-to-actual comparisons were included.

Exceptions: There were no exceptions noted.

2. Procedures Performed on the District's Board: (Continued)

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the General Fund.

Performance: Obtained the prior year's audit report and observed the unrestricted fund balance in the General Fund. The General Fund did not have a negative ending unrestricted fund balance.

Exceptions: There were no exceptions noted.

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

Performance: Examined June 2023 minutes noting corrective action plan which addressed the 2022 findings.

Exceptions: There were no exceptions noted.

3. Procedures Performed on the District's Bank Reconciliations:

- A. Obtain a listing of the District's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the District's main operating account. Select the District'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:

Performance: Obtained a listing of bank accounts from management, and received management's representation in a separate letter that the listing is complete. Selected the sole bank account for testing.

Exceptions: There were no exceptions noted.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Performance: Obtained monthly bank reconciliation for the month of September for the main operating bank account. Inspected management's documentation for timely preparation of the bank reconciliations.

Exceptions: There were no exceptions noted.

3. Procedures Performed on the District's Bank Reconciliations: (Continued)

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

Performance: Inspected the District's documentation for the November bank reconciliation for the main operating account and verified a board member who does not handle cash, post ledgers, or issue checks has reviewed the bank reconciliation within one month of the date the reconciliation was prepared.

Exceptions: There were no exceptions noted.

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

Performance: Inspected documents for items outstanding for more than 12 months.

We noted no checks outstanding for longer than 12 months as of the end of the fiscal period.

Exceptions: There were no exceptions noted.

4. Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers):

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/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).

Performance: Obtained a listing of deposit sites from management, and received management's representation in a separate letter that the listing is complete. We noted the District does not have a deposit site. The District only accepts ACH payments from the City.

Exceptions: There were no exceptions noted.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to individual job duties (if no written policies or procedures, inquire of individuals about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Obtained a listing of collection locations from management, and received management's representation in a separate letter that the listing is complete. We noted the District does not have a deposit site. The District only accepts ACH payments from the City.

Exceptions: There were no exceptions noted.

**4. Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers):
(Continued)**

- i. Individuals that are responsible for cash collections do not share cash drawers/registers.
Not applicable. The District does not have cash collections.
 - ii. Each individual responsible for collecting cash is not responsible for preparing/making bank deposits, unless another individual is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
Not applicable. The District does not have cash collections.
 - iii. Each individual responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another individual is responsible for reconciling ledger postings, to each other and to the deposit.
Not applicable. The District does not have cash collections.
 - iv. The individual(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 individual verifies the reconciliation.
Not applicable. The District does not have cash collections.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all individuals who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.
Not applicable. The District does not have cash collections and there are no employees.
- D. Randomly select two deposit dates for each of the District's bank accounts selected for procedures under "Procedures Performed on the District's Bank Reconciliations" #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits were made on the same day). Obtain supporting documentation for each of the deposits selected and:
- i. Observe that receipts are sequentially pre-numbered.
Not applicable. The District does not have cash collections.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
Not applicable. The District does not have cash collections.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
Not applicable. The District does not have cash collections.

**4. Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers):
(Continued)**

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Not applicable. The District does not have cash collections.

- v. Trace the actual deposit per the bank statement to the general ledger.

Not applicable. The District does not have cash collections.

5. Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases):

- A. Obtain a listing of locations that process payments for the fiscal period from management, and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Performance: Obtained a listing of locations that process payments for the fiscal period from management, and received management's representation in a separate letter that the listing is complete. Selected the sole location for testing.

Exceptions: There were no exceptions noted.

- B. For each location selected under #5A above, obtain a listing of those individuals involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to individual job duties (if the District has no written policies and procedures, inquire of individuals about their job duties), and observe that job duties are properly segregated such that:

- i. At least two individuals are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Performance: Obtained a listing of individuals involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Observed at least two individuals are involved.

Exceptions: There were no exceptions noted.

- ii. At least two individuals are involved in processing and approving payments to vendors.

Performance: Obtained a listing of individuals involved in processing and approving payments to vendors. Observed at least two individuals are involved.

Exceptions: There were no exceptions noted.

5. Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

- iii. The individuals responsible for processing payments are prohibited from adding/modifying vendor files unless another individual is responsible for periodically reviewing changes to vendor files.

Performance: Obtained a listing of individuals involved in processing payments to vendors and observed that the individuals responsible for processing payments are not adding/modifying vendor files. Observed that another individual is responsible for periodically reviewing changes to vendor files.

Exceptions: There were no exceptions noted.

- iv. Either the individual responsible for signing checks mails the payment or gives the signed checks to an individual to mail who is not responsible for processing payments.

Performance: Obtained a listing of individuals involved with signing and mailing checks and verified they are not involved in the processing of payments.

Exceptions: There were no exceptions noted.

- v. Only individuals authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Performance: Obtained a listing of individuals authorized to sign checks and verified they approve the electronic disbursements of funds.

Exceptions: There were no exceptions noted.

- C. For each location selected under #5A, obtain the District'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:

Performance: Obtained the District's non-payroll disbursement transaction population and received management's representation in a separate letter that the population is complete. Randomly selected 5 disbursements from the sole location that processes payments for testing.

Exceptions: There were no exceptions noted.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the District.

Performance: Observed that the 5 disbursements matched the related original itemized invoice and supporting documentation indicated deliverables included on the invoice were received by the District.

Exceptions: There were no exceptions noted.

5. Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

Performance: Observed that the 5 disbursements included evidence of segregation of duties.

Exceptions: There were no exceptions noted.

- D. Using the District's main operating account and the month selected for procedures #3A under "Procedures Performed on the District's Bank Reconciliations", randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:

- i. Approved by only those persons authorized to disburse funds (e.g., sign checks) per the District's policy.

Performance: Observed that the sole electronic disbursements included evidence of approval by authorized persons.

Exceptions: There were no exceptions noted.

- ii. Approved by the required number of authorized signers per District's policy.

Performance: Observed that the sole electronic disbursement included evidence of approval by the required number of authorized signers.

Exceptions: There were no exceptions noted.

6. Procedures Performed on the District's Credit Cards, Debit Cards, Fuel Cards, P-Cards:

- A. 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.

Not applicable. The District does not have a credit card.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, select one monthly bank statement), obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

Not applicable. The District does not have a credit card.

**6. Procedures Performed on the District's Credit Cards, Debit Cards, Fuel Cards, P-Cards:
(Continued)**

ii. Observe that finance charges and/or late fees were not assessed on the selected statements.

Not applicable. The District does not have a credit card.

C. Using the monthly statements or combined statements selected under procedure #6B, excluding fuel cards, 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).

a) For each transaction, report whether the transaction is supported by:

1) An original itemized receipt that identifies precisely what was purchased.

Not applicable. The District does not have a credit card.

2) Written documentation of the business/public purpose.

Not applicable. The District does not have a credit card.

3) Documentation of the individuals participating in meals (for meal charges only).

Not applicable. The District does not have a credit card.

7. Procedures Performed on the District's Travel and Travel-Related Expense Reimbursements:

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, 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:

Not applicable. The District does not have employees.

i. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Not applicable. The District does not have employees.

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

Not applicable. The District does not have employees.

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii).

Not applicable. The District does not have employees.

**7. Procedures Performed on the District's Travel and Travel-Related Expense Reimbursements:
(Continued)**

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.
Not applicable. The District does not have employees.

8. Procedures Performed on the District's Contracts:

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. 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:

- Performance: Obtained the three contracts initiated during the year and management's representation that these were the only contracts initiated.

- Exceptions: There were no exceptions noted.

- i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

- Not applicable. A formal bid was not required for the contracts.

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

- Performance: Observed that the contracts were formally approved by the governing body/board.

- Exceptions: There were no exceptions noted.

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment.

- Not applicable. The District did not amend any contracts during the fiscal year.

- iv. Randomly select one payment from the fiscal period for each of the 3 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

- Performance: Observed that the invoices agreed to the contract terms and that the payment agreed to the invoice.

- Exceptions: There were no exceptions noted.

9. Procedures Performed on the District's Payroll and Personnel:

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

- Not applicable. The District does not have employees or paid officials.

9. Procedures Performed on the District's Payroll and Personnel: (Continued)

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A, obtain attendance records and leave documentation for the pay period, and:
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
Not applicable. The District does not have employees or paid officials.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees/officials.
Not applicable. The District does not have employees or paid officials.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the District's cumulative leave records.
Not applicable. The District does not have employees or paid officials.
 - iv. Observe the rate paid to the employee/officials agree to the authorized salary/pay rate found within the personnel file.
Not applicable. The District does not have employees or paid officials.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, and the District's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's official's personnel files, and agree the termination payment to the District's policy.
Not applicable. The District does not have employees or paid officials.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
Not applicable. The District does not have employees or paid officials.

10. Procedure Performed on the District's Ethics:

- A. Using the 5 randomly selected employees/officials from "Procedures Performed on the District's Payroll and Personnel" procedure #9A obtain ethics documentation from management and:
- Performance: Obtained a listing of officials serving during the fiscal period and management's representation that the listing is complete. Randomly selected 5 officials for testing.
 - Exceptions: There were no exceptions noted.

10. Procedure Performed on the District's Ethics: (Continued)

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.

Performance: Observed documentation that demonstrated that each of the selected officials completed one hour of ethics training during the calendar year as required by R.S. 42:1170.

Exceptions: There were no exceptions noted.

- ii. Observe whether the District maintains documentation which demonstrates each employee/official were notified of any changes to the District's ethics policy during the fiscal period.

Performance: There were no changes to the ethics policy during the fiscal period.

Exceptions: There were no exceptions noted.

- B. Inquire and/or observe whether the District has appointed an ethics designee as required by R.S. 42:1170:

Performance: Inquired as to whether the District appointed an ethics designee.

Exceptions: There were no exceptions noted.

11. Procedures Performed on the District's Debt Service:

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that the State Bond Commission approval was obtained for each debt instrument as required by Article VII, Section 8 of the Louisiana Constitution.

Not applicable. The District does not have debt.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Not applicable. The District does not have debt.

12. Procedures Performed on the District's Fraud Notice:

- A. Obtain a listing of misappropriations of public funds or 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 District reported the misappropriation(s) to the legislative auditor and the district attorney of the Parish in which the District is domiciled as required by R.S. 24:523.

Performance: Inquired of management of any misappropriations of public funds or assets, none were noted.

Exceptions: There were no exceptions noted.

12. Procedures Performed on the District's Fraud Notice: (Continued)

- B. Observe that the District 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.

Performance: The District does not have an office. Inspected the fraud notice posted on the website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions: There were no exceptions noted.

13. Procedures Performed on the District's Information Technology Disaster Recovery/ Business Continuity:

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

- i. Obtain and inspect the District's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the District's local server or network, and (c) was encrypted.

Performance: We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the District's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Performance: We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the District'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.

Performance: We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Not applicable. The District does not have employees.

**13. Procedures Performed on the District's Information Technology Disaster Recovery/
Business Continuity: (Continued)**

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

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

Not applicable. The District does not have employees.

14. Procedures Performed on the District's Sexual Harassment:

A. Using the 5 randomly selected employees/officials from "Procedures Performed on the District's Payroll and Personnel" procedure #9A, 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 as required by R.S. 42:343.

Performance: Observe sexual harassment training documentation for all board members.

Exceptions: There were no exceptions noted.

B. Observe the District has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the District's premises if the District does not have a website).

Not applicable. The District does not have employees or paid officials.

C. Obtain the District's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

Performance: Obtained the District's annual sexual harassment report.

Exceptions: There were no exceptions noted.

i. Number and percentage of public servants in the District who have completed the training requirements.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

ii. Number of sexual harassment complaints received by the District.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

14. Procedures Performed on the District's Sexual Harassment: (Continued)

- iii. Number of complaints which resulted in a finding that sexual harassment occurred.
Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.
Exceptions: There were no exceptions noted.

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.
Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.
Exceptions: There were no exceptions noted.

- v. Amount of time it took to resolve each complaint.
Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.
Exceptions: There were no exceptions noted.

Management's Overall Response to Exceptions:

There were no exceptions noted.