

**Washington Parish Gas Utility District #1
Parish of Washington
Angie, Louisiana**

Annual Financial Statements

As of and for the Year Ended December 31, 2023
With Supplemental Information Schedules
(with 2022 summarized comparative information)

ROBERT A. NEILSON

CERTIFIED PUBLIC ACCOUNTANT, L.L.C.

ROBERT A. NEILSON
MEMBER
AMERICAN INSTITUTE OF CPA'S
SOCIETY OF LOUISIANA CPA'S

P.O. BOX 98
209 HOPPEN PLACE
BOGALUSA, LOUISIANA 70429-0098
(985) 732-1811
FAX (985) 732-1812

rancpa@acisnetworks.com

COVINGTON OFFICE
600 N. HIGHWAY 190
SUITE 208
COVINGTON, LOUISIANA
(MAILING ADDRESS: P. O. BOX 98)
BOGALUSA, LOUISIANA 70429-0098
(985) 892-7940

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Board of Commissioners
Washington Parish Gas Utility District #1
Angie, Louisiana

I have reviewed the accompanying financial statements of the business-type activities of the Washington Parish Gas Utility District #1, a component unit of the Washington Parish Council, 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Washington Parish Gas Utility District #1 and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

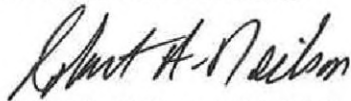
Required Supplementary Information

Management has omitted Management's Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Supplementary Information

The supplementary information contained in the Other Supplemental Information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. I have received such supplementary information, and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on it.

The prior year summarized comparative information has been derived from the District's 2022 financial statements that I reviewed.



Robert A. Neilson, CPA, LLC
Bogalusa, Louisiana
June 25, 2024

Financial Statements

Washington Parish Gas Utility District #1
Statement of Net Position
As of December 31, 2023
With Comparative Totals as of December 31, 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,302,652	\$ 1,263,000
Investments	861,828	861,658
Accounts Receivable, Net	85,967	39,696
Employee Receivable	300	300
Inventory	23,352	12,510
Prepaid Insurance	21,620	15,334
Total Current Assets	<u>2,295,719</u>	<u>2,192,498</u>
Restricted Assets		
Cash and Cash Equivalents	<u>23,255</u>	<u>23,080</u>
Total Restricted Assets	23,255	23,080
Property, Plant, and Equipment		
Property, Plant, and Equipment, Net	<u>37,691</u>	<u>41,276</u>
Total Property, Plant, and Equipment	37,691	41,276
TOTAL ASSETS	<u>\$ 2,356,665</u>	<u>\$ 2,256,854</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 11,630	\$ 25,431
Other Accrued Payables	22,415	16,525
Total Current Liabilities	<u>34,045</u>	<u>41,956</u>
Restricted Liabilities		
Customer Deposits	<u>23,255</u>	<u>23,080</u>
Total Restricted Liabilities	23,255	23,080
TOTAL LIABILITIES	<u>\$ 57,300</u>	<u>\$ 65,036</u>
NET POSITION		
Net Investment in Capital Assets	\$ 37,691	\$ 41,276
Restricted	23,255	23,080
Unrestricted	<u>2,238,419</u>	<u>2,127,462</u>
TOTAL NET POSITION	<u>\$ 2,299,365</u>	<u>\$ 2,191,818</u>

See accountant's review report and accompanying notes to the financial statements.

Washington Parish Gas Utility District #1
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023	2022
Operating Revenues		
Gas Sales	\$ 339,511	\$ 362,627
Less Cost of Gas Sold	(121,178)	(112,558)
Gross Profit on Gas Sales	218,333	250,069
Other	9,600	5,714
Total Operating Revenues	227,933	255,783
Operating Expenses		
Billing Costs	17,947	20,945
Board of Commissioners	5,030	2,970
Depreciation	8,834	8,659
Insurance	64,002	37,943
Other	46,100	18,710
Payroll Taxes	3,998	3,822
Professional Fees	12,150	12,350
Repairs & Maintenance	1,835	2,129
Salaries & Wages	46,900	46,400
Supplies	4,037	11,691
Travel	-	321
Total Operating Expenses	210,833	165,940
Operating Income (Loss)	\$ 17,100	\$ 89,843
Non Operating Revenues (Expenses)		
Increase (Decrease) in the Appreciation on the Value of Investments	200	100
Interest Income	53,625	29,407
Total Non Operating Revenues (Expenses)	53,825	29,507
Change in Net Position	\$ 70,925	\$ 119,350
Total Net Position, Beginning (As Previously Reported)	\$ 2,191,818	\$ 2,060,440
Prior Period Adjustment	36,622	12,028
Total Net Position, Beginning (As Restated)	\$ 2,228,440	\$ 2,072,468
Total Net Position, Ending	\$ 2,299,365	\$ 2,191,818

See accountant's review report and accompanying notes to the financial statements.

Washington Parish Gas Utility District #1
Statement of Cash Flows
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023	2022
Cash Flows from Operating Activities		
Received from Customers	\$ 321,964	\$ 362,485
Received for Meter Deposit Fees	175	80
Other Receipts	9,600	5,714
Payments for Operations	(289,420)	(203,399)
Payments to Employees	(50,898)	(50,222)
Net Cash Provided by Operating Activities	(8,579)	114,658
Cash Flows from Capital and Related Financing Activities		
Capital Acquisitions	(5,249)	-
Net Cash Provided by Capital and Related Financing Activities	(5,249)	-
Cash Flows from Investing Activities		
Receipt of Interest	53,625	29,407
Loss from sale of Investments	30	(1,849)
Net Cash Provided by Investing Activities	53,655	27,558
Net Cash Increase (Decrease) in Cash and Cash Equivalents	\$ 39,827	\$ 142,216
Cash Equivalents, Beginning of Year	1,286,080	1,143,864
Cash Equivalents, End of Year	\$ 1,325,907	\$ 1,286,080
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position		
Cash and Cash Equivalents, Unrestricted	\$ 1,302,652	\$ 1,263,000
Cash and Cash Equivalents, Restricted	23,255	23,080
Total Cash and Cash Equivalents	\$ 1,325,907	\$ 1,286,080
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)		
Operating Income (Loss)	\$ 17,100	\$ 89,843
Adjustments to Reconcile Operating Income (Loss) to Net Cash		
Depreciation	8,834	8,659
Accounts Receivable	(17,547)	(142)
Employee Receivable	-	-
Inventory	(2,944)	518
Prepaid Insurance	(6,286)	(1,096)
Accounts Payable	(13,801)	12,711
Accrued Expenses	5,890	4,085
Customer Deposits	175	80
Net Cash Provided by Operating Activities	\$ (8,579)	\$ 114,658

See accountant's review report and accompanying notes to the financial statements.

Washington Parish Gas Utility District #1

Notes to the Financial Statements As of and for the Year Ended December 31, 2023 (with 2022 summarized comparative information)

Introduction

Washington Parish Gas Utility District #1 was established in 1962, by an ordinance of the Washington Parish Council under provisions authorized by Louisiana Revised Statutes 33:430. The purpose of the District was to build and maintain a natural gas distribution system for the rural area in the northeastern part of Washington Parish. The system serves approximately 350 customers over 170 miles of distribution lines. The system is operated and maintained on a contractual basis by the Varnado Water District. The Water District provides employees for billing, collecting and general operation of the system. The Gas District has seven employees, six hired for maintenance purposes and one secretarial position.

The accounting and reporting policies of the District are the responsibility of a five-member board appointed by the Washington Parish Council. The accounting and reporting policies conform to generally accepted accounting principles as applicable to enterprise funds of a government entity. Such accounting and reporting procedures also conform to the guides set forth in the Louisiana Municipal Audit and Accounting Guide and to the industry audit guide, Audits of State and Local Government Units.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Washington Parish Gas Utility District #1 is considered a component unit of the Washington Parish Council.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Measurement Focus and Basis of Accounting and Financial Statement Presentation

The District's financial statements are prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The District applies all Governmental Accounting Standards Board (GASB) pronouncements as described in the following paragraphs.

These financial statements are presented in conformance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, as amended by GASB Statements described in the following paragraphs. Statement No. 34 established standards for financial reporting, with presentation requirements originally including a statement of net assets (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The District has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, that require capital contributions to the District be presented as a change in net position. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required

Washington Parish Gas Utility District #1

Notes to the Financial Statements As of and for the Year Ended December 31, 2023 (with 2022 summarized comparative information)

A. *Measurement Focus and Basis of Accounting and Financial Statement Presentation (continued)*

components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Footnote J – Net Position*. As required by the Governmental Accounting Standards Board (GASB), the District implemented GASB Statement No. 63 during the year ended December 31, 2012. The District did not have any deferred outflows or inflows of resources at December 31, 2023.

The District has also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The District did not have any deferred outflows or deferred inflows of resources as of December 31, 2023.

All activities of the District are accounted for in a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the governing authority is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

The term measurement focus denotes what is being measured and reported in the District's operating statement. Financial operations of the District are accounted for on the flow of economic resources measurement focus. With this measurement focus, all of the assets and liabilities, available to the District for the purpose of providing goods and services to the public, are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position includes all costs of providing goods and services during the period.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations, primarily the provision of gas to rural areas of Washington Parish. The principal operating revenues of the proprietary funds are user charges for the services provided by the enterprise funds. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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.

Washington Parish Gas Utility District #1

Notes to the Financial Statements As of and for the Year Ended December 31, 2023 (with 2022 summarized comparative information)

B. Financial Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Washington Parish Council is the financial reporting entity for Washington Parish. The District is considered a component unit of the Washington Parish Council because the Parish Council appoints a voting majority of the District's governing body and its services are rendered within the Parish Council's boundaries. The accompanying financial statements present information only on the fund(s) maintained by the District and do not present information on the Parish Council, the general government services provided by that governmental unit or the governmental units that comprise the financial reporting entity.

C. Budget

The proposed budget for 2023 was adopted at the November 15, 2022 board meeting. The budget is prepared on the accrual basis of accounting. The board forwarded a copy of the approved budget to the Washington Parish Council. The board reviews the budget to actual comparison on a monthly basis as part of their management of the system. On November 15, 2023, the board amended the budget for 2023 and adopted the 2024 budget.

D. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, the Louisiana Asset Management Pool (LAMP), and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of no more than 90 days. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, 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.

E. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are three months or less, they are classified as cash equivalents.

The following disclosures are required by GASB Statement No. 31:

- The District uses the quoted market prices to estimate the fair value of the investments.
- None of the investments are reported at amortized cost.
- There is no involuntary participation in an external investment pool.

F. Inventories

Purchases of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded at the lower of cost or market on a first-in first-out method as assets at the close of the fiscal year.

G. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current calendar year are recorded as prepaid items. Prepaid items consist of prepaid insurance premiums.

Washington Parish Gas Utility District #1

Notes to the Financial Statements
As of and for the Year Ended December 31, 2023
(with 2022 summarized comparative information)

H. Restricted Assets

Customer Meter Deposits

Money received for utility deposits paid by new customers is held as restricted assets at Citizens Savings Bank, Bogalusa, Louisiana. Meter deposits are held by the District until a customer becomes inactive. The meter deposit is then applied to the accounts receivable balance due and any remainder is refunded to the customer. Current meter deposits are \$100.

I. Capital Assets

Capital assets of the District are defined by the District as assets with an initial, individual cost of more than \$500, and an estimated useful life in excess of one year. Capital assets are recorded at either historical cost or estimated historical cost. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

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

<u>Description</u>	<u>Estimated Lives</u>
Gas Utility System	30 Years
Maintenance Equipment	5-15 Years
Office Equipment	5 Years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

J. Compensated Absences

All employees of the District are hired on a part time basis and are not afforded any employee benefits for vacation or sick leave.

There were no accumulated and vested leave benefits required to be reported, in accordance with GASB Statement No. 16, as of December 31, 2023.

Washington Parish Gas Utility District #1

Notes to the Financial Statements As of and for the Year Ended December 31, 2023 (with 2022 summarized comparative information)

K. Net Position

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position** - The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
- **Restricted Component of Net Position** - The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

- **Unrestricted Component of Net Position** - The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

L. Comparative Data/Reclassifications

The financial statements are presented with certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended December 31, 2022, from which summarized information was derived.

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation. All prior period adjustments recorded in the current period have been reflected in prior period data presented wherever possible.

M. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence.

Washington Parish Gas Utility District #1

Notes to the Financial Statements As of and for the Year Ended December 31, 2023 (with 2022 summarized comparative information)

N. 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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

N. New Accounting Pronouncement

For December 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District did not have any lease agreements that conformed to the new standard.

2. CASH AND CASH EQUIVALENTS

At December 31, 2023 and 2022, the District has cash and cash equivalents (book balances) totaling, as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Demand Deposits	\$253,221	\$371,802
Time & Savings Accounts	187,749	165,077
Money Market Accounts	127,925	127,594
Louisiana Asset Management Pool	757,012	621,607
Total Cash and Cash Equivalents	<u>1,325,907</u>	<u>1,286,080</u>
Certificates of Deposits Held In Investments (See Note 3)	<u>861,828</u>	<u>861,658</u>
Total Deposits	<u>\$2,187,735</u>	<u>\$2,147,738</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2023, the District's deposits (collected bank balances) in Whitney Bank totaling \$90,400. These deposits were secured from risk by \$250,000 of federal deposit insurance. The District had \$1,026,643 as of December 31, 2023, in Citizens Savings Bank. These funds are secured by \$250,000 in FDIC insurance for each type and pledged securities. The District has additional certificates of deposit of \$100,626 at Whitney Bank and \$117,702 at Resource Bank all under the FDIC insurance of \$250,000. The certificate of deposits are held in investment accounts. Because the investment is held by its agent, the investment accounts as described in footnote 3 below, are considered insured and registered, Category 1, in applying the credit risk classification of GASB Codification Section 150.164. The pledged securities are exposed to custodial credit risk because while the amount

Washington Parish Gas Utility District #1

Notes to the Financial Statements As of and for the Year Ended December 31, 2023 (with 2022 summarized comparative information)

2. CASH AND CASH EQUIVALENTS (continued)

is secured by pledged securities, the securities are held by the custodial bank in the name of the fiscal agent bank (Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

Custodial Credit Risk: Custodial Credit Risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial risk. However, under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

At December 31, 2023, The District had \$757,012 in deposits in LAMP. In accordance with GASB Codification Section 150.165, the assets held in LAMP at December 31, 2023, are not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The investment in LAMP is stated at the value of the pool shares, which is the same as the fair value, and has been categorized as cash equivalents.

LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA RS 33:2955.

GASB 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for 2a7-like investment pools:

1. Credit risk: LAMP is rated AAA by Standards and Poor's.
2. Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement per paragraph 15 of the GASB 40 statement. However, LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments, as provided by LAMP, is 53 days as of December 31, 2023.
5. Foreign currency risk: Not applicable.

Washington Parish Gas Utility District #1

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2023
(with 2022 summarized comparative information)**

2. CASH AND CASH EQUIVALENTS (continued)

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

3. INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the District or its agent in the District's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the District's name.

All investments held by the District fall into category 1 credit risk, defined as "insured or registered, or securities held by the District or its agent in the District's name." In accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are carried at fair market value, with the estimated fair market value based on quoted market prices.

At December 31, 2023, the District's investment balances were as follows:

	<u>Carrying Amount</u>	<u>Fair Market Value</u>
<u>Certificates of Deposit:</u>		
Citizens Savings Bank	\$643,500	\$643,500
Hancock Whitney Bank	100,626	100,626
Resource Bank	117,702	117,568
Total Certificates of Deposit	\$861,828	\$861,694

These deposits are stated at cost which approximates market value. The certificates of deposits totaling \$861,658 include deposits within three separate banks. Collateralization of the \$861,828 is as described in Note 2.

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

Washington Parish Gas Utility District #1

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2023
(with 2022 summarized comparative information)**

4. RECEIVABLES

The following is a summary of receivables at December 31, 2023 and 2022:

	<u>Year Ended December 31, 2023</u>	<u>Year Ended December 31, 2022</u>	<u>Increase (Decrease)</u>
Accounts Receivable			
Current	\$40,788	\$35,750	\$5,038
31-60 Days Past Due	3,999	3,946	53
61-90 Days Past Due	1,004	972	32
Over 90 Days Past Due	2,121	2,445	(324)
Subtotal	<u>47,912</u>	<u>43,113</u>	<u>4,799</u>
Unbilled Accounts Receivable	41,472	-	41,472
Allowance for Uncollectible Accounts	<u>(3,417)</u>	<u>(3,417)</u>	<u>-</u>
Total Accounts Receivable, Net	<u>\$85,967</u>	<u>\$39,696</u>	<u>\$46,271</u>

Uncollectible amounts due from customers' receivables are recognized as bad debts at the time information becomes available indicating the uncollectibility of the particular receivable. The bad debts are charged off against an allowance account. Management feels the estimate for the bad debt allowance is sufficient to cover any bad debts recorded during the upcoming year. There was \$462 of bad debt recovery received during 2023.

The year-end accruals for the unbilled accounts receivable were not made in prior years. This was a cumulative error and was corrected through a prior period adjustment. See Note 10.

During the fiscal year ending December 31, 2019, the District accrued an employee receivable of \$300. Training and other related costs were paid for a former employee soon before his resignation. This receivable was still outstanding at December 31, 2023.

5. RESTRICTED ASSETS

The following is a summary of restricted assets at December 31, 2023 and 2022:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Restricted Cash and Cash Equivalents		
Customer Deposits	<u>\$23,255</u>	<u>\$23,080</u>
Total Restricted Assets	<u>\$23,255</u>	<u>\$23,080</u>

Washington Parish Gas Utility District #1

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2023
(with 2022 summarized comparative information)**

6. CAPITAL ASSETS

A summary of changes in capital assets during the fiscal year ending December 31, 2023 is as follows:

	Beginning Balance 12/31/2022	Additions	Deletions	Ending Balance 12/31/2023
Capital Assets being depreciated:				
Gas Utility System	\$497,113	\$5,249	\$ -	\$502,362
Maintenance Equipment	58,264	-	-	58,264
Office Equipment	6,816	-	-	6,816
Total Assets being depreciation	\$562,193	5,249	-	\$567,442
Less Accumulated Depreciation	(520,917)	(8,834)	-	(529,751)
Total Capital Assets, Net	\$41,276	\$(3,585)	\$ -	\$37,691

Depreciation expense for the fiscal year ending December 31, 2022 totaled \$8,834. The District purchased new assets of \$5,249.

7. DISAGGREGATION OF ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts and other payables as of December 31, 2023 were as follows:

Vendors	\$11,630
Due to Other Government	21,394
Payroll Taxes Payable	<u>1,021</u>
Total Encumbrances	<u>\$34,045</u>

8. INTERGOVERNMENTAL AGREEMENT

The District entered into a service agreement with the Varnado Waterworks District. The Varnado Waterworks District will perform all necessary functions involving meter reading, billing of customers, collection of customer's accounts, keeping and furnishing necessary financial information and records for the District. The fee for this service will be based on the operating cost of the Varnado Water Works District. A rate per customer per month will be calculated annually and paid each month.

The District will be billed separately for any repair and maintenance provided by the Varnado Waterworks District. Accurate hourly records of personnel records involved in repairs shall be kept and Gas District #1 will be billed monthly at twice the Varnado Waterworks District employees' hourly rate. All materials, parts, and supplies will be paid directly by the District incurring the cost.

Varnado Waterworks District employees will keep accurate mileage records for the service truck used for maintenance and repairs and will bill the District at the appropriate rate per mile for work done on their respective systems. Annually, an accounting will be made of the costs of the services provided under the agreement. Cash settlements will be made between the Districts, so the District pays its portion of the actual costs.

Washington Parish Gas Utility District #1

Notes to the Financial Statements As of and for the Year Ended December 31, 2023 (with 2022 summarized comparative information)

9. RESTRICTED AND DESIGNATED NET POSITION

At December 31, 2023, Washington Parish Gas Utility District #1 recorded \$23,255 in Restricted Net Position (Restricted for Customer Deposits), representing the District's funds restricted by contracts with customers for meter deposits. Restricted Net Position is recorded net of any liability relating to those assets. A liability relates to restricted assets if the asset results from incurring the liability or if the liability will be liquidated with the restricted assets.

10. PRIOR PERIOD ADJUSTMENT

During fiscal year 2022, it was noted that customer deposits were overstated by \$12,028. This was a cumulative error over several years. As a result, the beginning net position was restated to reflect this adjustment. The change in net position in the prior period is as follows:

	December 31, 2022
Net Position, beginning of year, as previously reported	\$2,060,440
Increase due to customer deposits adjustment (prior period adjustment)	12,028
Net Position, beginning of year, as restated	<u>\$2,072,468</u>

During fiscal year 2023, it was noted that the year-end accruals for December 2022 income billed in January 2023 were not made. This amount was \$28,724. Also, it was noted that the inventory balance as of December 2022 was understated by \$7,898. These were both cumulative errors over several years. As a result, the beginning net position was restated to reflect these adjustments totaling \$36,622. The change in net position in the prior period is as follows:

	December 31, 2023
Net Position, beginning of year, as previously reported	\$2,191,818
Increase due to unbilled revenue and inventory adjustment (prior period adjustment)	36,622
Net Position, beginning of year, as restated	<u>\$2,228,440</u>

11. LITIGATION AND CLAIMS

There is no outstanding litigation or claims at December 31, 2023.

12. RELATED PARTY TRANSACTIONS

There are no related party transactions requiring disclosure in the financial statements.

13. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through June 25, 2024 the date the financial statements were available to be issued. No other events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2023.

Supplementary Information

Washington Parish Gas Utility District #1
Schedule of Revenues, Expenses, and Changes in Net Position- Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	Original Budget	Amended Budget	2023 Actual	Variance Favorable (Unfavorable)	2022 Actual
Operating Revenues					
Gas Sales	\$ 358,000	\$ 323,549	\$ 339,511	\$ 15,962	\$ 362,627
Less Cost of Gas Sold	(140,000)	(159,772)	\$ (121,178)	\$ 38,594	(112,558)
Gross Profit on Gas Sales	218,000	163,777	218,333	54,556	250,069
Other	6,750	9,784	9,600	(184)	5,714
Total Operating Revenues	224,750	173,561	227,933	54,372	255,783
Operating Expenses					
Billing Costs	16,000	16,000	17,947	(1,947)	20,945
Board of Commissioners	3,000	4,840	5,030	(190)	2,970
Depreciation	11,000	11,176	8,834	2,342	8,659
Insurance	29,400	41,462	64,002	(22,540)	37,943
Other	18,710	47,019	46,100	919	18,710
Payroll Taxes	5,000	4,224	3,998	226	3,822
Professional Fees	14,200	13,050	12,150	900	12,350
Repairs & Maintenance	2,500	2,021	1,835	186	2,129
Salaries & Wages	49,200	46,533	46,900	(367)	46,400
Supplies	13,000	8,396	4,037	4,359	11,691
Travel	400	-	-	-	321
Total Operating Expenses	162,410	194,721	210,833	(16,112)	165,940
Operating Income (Loss)	\$ 62,340	\$ (21,160)	\$ 17,100	\$ 38,260	\$ 89,843
Non Operating Revenues (Expenses)					
Increase (Decrease) in the Appreciation on the Value of Investments	12,000	56,591	200	(56,391)	100
Interest Income	-	-	53,625	53,625	29,407
Total Non Operating Revenues (Expenses)	12,000	56,591	53,825	(2,766)	29,507
Change in Net Position	\$ 74,340	\$ 35,431	\$ 70,925	\$ 35,494	\$ 119,350
Total Net Position, Beginning (As Previously Reported)	\$ 2,191,818	\$ 2,191,818	\$ 2,191,818	-	\$ 2,060,440
Prior Period Adjustment	\$ -	\$ -	\$ 36,622	36,622	\$ 12,028
Total Net Position, Ending	\$ 2,266,158	\$ 2,227,249	\$ 2,299,365	\$ 72,116	\$ 2,191,818

See accountant's review report

**Washington Parish Gas Utility District #1
Schedule of Insurance
For the Year Ended December 31, 2023**

Insurance Company/Policy Number	Coverage	Amount	Period
Gemini Insurance Company VCGP029780	<u>Commercial General Liability:</u>		6/11/2023 to 6/11/2024
	Each Occurrence Limit	2,000,000	
	General Aggregate Limit (Other than Products-Completed Operations)	3,000,000	
	Products/ Completed Oper. Aggregate	3,000,000	
	Personal & Advertising Injury	2,000,000	
	Premises Damage	50,000	
	Medical Payments	5,000	
Indian Harbor Insurance Company POL09S0062-05	<u>Public Officials and Employment Practices Liability:</u>		6/11/2023 to 6/11/2024
	Public Officials Liability	1,000,000	
	Non-Monetary Coverage - Defense Only - each claim	50,000	
	Non-Monetary Coverage - Defense Only - aggregate claims	100,000	
	Employment Practices Liability and Third Pary Liability - each claim	1,000,000	
	Policy Aggregate Limit of Liability	2,000,000	
Louisiana Worker's Compensation Corp. 52455-A	<u>Workers Compensation:</u>		4/25/2023 to 4/25/2024
	Each Accident	1,000,000	
	Policy Limit	1,000,000	
	Each Employee	1,000,000	
Progressive Insurance 02178767	<u>Commercial Auto:</u>		4/26/2023 to 4/26/2024
	Bodily Injury and Property Damage Liability; combined single limit	1,000,000	
	Uninsured/Underinsured Motorist, combined single limit	1,000,000	
	Medical Payments-each person	5,000	
	Comprehensive	As Scheduled	
	Collision	As Scheduled	
	Rental Reimbursement	As Scheduled	
	Roadside Assistance	As Scheduled	
Comprehensive & Collision Deductibles	500		

See accountant's review report

Washington Parish Gas Utility District #1
Schedule of Compensation Paid to Board of Commissioners
For the Year Ended December 31, 2023

<u>Name and Title/ Contact Number</u>	<u>Address</u>	<u>Compensation Received</u>	<u>Term Expiration</u>
Gary Pierce, President 985-732-3901	61034 Dollar Rd. Angie, LA 70426	\$ 1,079	12/31/2026
Hayward Boone 985-732-7660	60921 Seal Rd. Angie, LA 70426	1024	12/31/2028
Huey Bickham 985-986-3770	30451 Johnny Will Jones Rd. Angie, LA 70426	1079	12/31/2027
Tom Pigott 985-735-0450	22485 Mitch Rd. Bogalusa, LA 70427	879	12/31/2024
Dean Seal 985-241-2130	25246 Military Rd. Angie, LA 70426	969	12/31/2025
		<u>\$ 5,030</u>	

See accountant's review report

**Washington Parish Gas Utility District #1
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2023**

Agency Head:

Gary Pierce, President

<u>Purpose</u>	<u>Amount</u>
Salary Compensation Received	\$ 1,079
Employer Paid Social Security & Medicare	<u>83</u>
TOTAL	<u>\$ 1,162</u>

See accountant's review report

**Washington Parish Gas Utility District #1
Schedule of Gas Rates and Customers
For the Year Ended December 31, 2023**

GAS RATES

\$31.00 First 500 Cubic Feet
\$2.10 Per 100 Cubic Feet over 500

GAS CUSTOMERS

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>
Active	<u>350</u>	<u>357</u>	(7)

See accountant's review report

Other Reports

ROBERT A. NEILSON

CERTIFIED PUBLIC ACCOUNTANT, L.L.C.

ROBERT A. NEILSON
MEMBER
AMERICAN INSTITUTE OF CPA'S
SOCIETY OF LOUISIANA CPA'S

P.O. BOX 98
209 HOPPEN PLACE
BOGALUSA, LOUISIANA 70429-0098
(985) 732-1811
FAX (985) 732-1812
rancpa@acisnetworks.com

COVINGTON OFFICE
600 N. HIGHWAY 190
SUITE 208
COVINGTON, LOUISIANA
(MAILING ADDRESS: P. O. BOX 98
BOGALUSA, LOUISIANA 70429-0098)
(985) 892-7940

INDEPENDENT ACCOUNTANT'S REVIEW REPORT ON APPLYING AGREED-UPON PROCEDURES FOR COMPLIANCE WITH LAWS AND REGULATIONS

Board of Commissioners
Washington Parish Gas Utility District #1
Angie, Louisiana

I have performed the procedures enumerated below, which were agreed to by the management of the Washington Parish Gas Utility District #1, and the Legislative Auditor, State of Louisiana solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2023 included in the accompanying Louisiana Attestation Questionnaire. Management of the District is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, I make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

My procedures and findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000 Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

• *There was nothing purchased during the fiscal period that required public bids.*

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

• *The District provided this information.*

3. Obtain a list of all employees paid during the fiscal year.

- *The District provided this information.*
- 4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.
 - *None of the employees in Procedure 3 are included on the list from Procedure 2.*
- 5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.
 - *There were no payments made to any parties noted above.*

Budgeting

- 6. Obtain a copy of the legally adopted budget and all amendments.
 - *The District provided a copy of the original and amended budget for fiscal year ending December 31, 2023.*
- 7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.
 - *The adoption of the original and amended budgets could be traced to the board meeting minutes.*
- 8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

Actual revenues exceeded budgeted revenues. Actual expenditures were less than budgeted expenditures.

Accounting and Reporting

- 9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and: (a) report whether the six disbursements agree to the amount and payee in the supporting documentation, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) report whether the six disbursements were approved in accordance with management's policies and procedures.
 - *All six disbursements randomly selected matched the invoice, was coded properly, and was appropriately approved.*

Meetings

- 10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.
 - *The District is required by law to post a notice of each meeting and the accompanying agenda. Management has asserted that such documents were properly posted.*

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

- *No deposits were related to the proceeds of bank loans, bonds, or indebtedness.*

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

- *A reading of the minutes of the District and inspection of payroll records indicated no approval of such payments nor any payments made of these types to employees.*

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

- *For the fiscal year ending, December 31, 2023, the District was in compliance with this law.*

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

- *The District did not enter into any contracts as referenced above.*

Prior-Year Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved.

- *There were no prior year findings per the 2022 review report dated June 23, 2023.*

I was not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.



Robert A. Neilson, CPA
Bogalusa, Louisiana
June 25, 2024

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

Dear Chief Executive Officer:

Attached is the Louisiana Attestation Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of the review/attestation engagement of Louisiana governmental agencies. The completed and signed questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. Independently elected government officials should sign the document, in lieu of such a resolution.

The completed and signed attestation questionnaire and a copy of the adoption instrument, if appropriate, **must be given to the independent certified public accountant at the beginning of the engagement.** The CPA will, during the course of his/her engagement, perform certain agreed-upon procedures to the responses in the questionnaire. It is not necessary to return the questionnaire to the Legislative Auditor's office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the CPA during the course of his/her engagement. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Michael J. Waguespack, CPA
Louisiana Legislative Auditor

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

6/25/2024 (Date Transmitted)

Robert A. Neilson, CPA, LLC

P.O. Box 98

Bogalusa, LA 70429

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2023 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No [] N/A []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [] No [] N/A []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [] No [] N/A []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [] No [] N/A []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [] No [] N/A []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [] No [] N/A []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [] No [] N/A []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [] No [] N/A []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [] No [] N/A []

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [] No [] N/A []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [] No [] N/A []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [] No [] N/A []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [] No [] N/A []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No [] N/A []

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No [] N/A []

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes [] No [] N/A []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [] No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

Yes [] No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [] No [] N/A []

We are not aware of any material misstatements in the information we have provided to you.

Yes [] No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose

to you any such communication received between the end of the period under examination and the date of your report.

Yes No N/A

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes No N/A

The previous responses have been made to the best of our belief and knowledge.

<u>Mary Adams</u>	Secretary	<u>6/4/24</u>	Date
	Treasurer		Date
<u>Mary Price</u>	President	<u>6/25/24</u>	Date

Washington Parish Gas Utility District #1