

**DUGDEMONA SOIL & WATER
CONSERVATION DISTRICT**

FINANCIAL REPORT
JUNE 30, 2023

SHANNA JONES, CPA
WINNFIELD, LOUISIANA

**DUGDEMONA SOIL & WATER
CONSERVATION DISTRICT**
FINANCIAL REPORT
JUNE 30, 2023

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Shanna Jones, CPA

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Mr. Don Price, Chairman
and Members of the Board
Dugdemona Soil & Water Conservation District
Winnfield, Louisiana

I have reviewed the accompanying financial statements of the governmental activities and each major fund of Dugdemona Soil & Water Conservation District, Louisiana as of and for the year ended June 30, 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 District's 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 the 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.

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

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedules on pages 18 to 20 and the Schedule of Per Diem on page 21 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 and for placing the basic financial statements in appropriated operational, economic, or historical context. The supplementary information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I am not aware of any material modifications that should be made thereto.

The Dugdemona Soil & Water Conservation District has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in appropriate operational, economic, or historical context. The results of my review of the basic financial statements are not affected by this missing information.

Act 706 of the Louisiana 2014 Legislative Session as amended by Act 462 of the 2015 session requires a Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head, Political Subdivision Head or Chief Executive Officer, the "Schedule of Compensation for Agency Head," supplement the financial statements. The information is the representation of management. I have reviewed the 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 supplementary information presented on page 22 and, accordingly, do not express an opinion on such information.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated December 6, 2023, on the results of our agreed-upon procedures on pages 23 through 26. Pages 27 through 30 present the Louisiana Attestation Questionnaire.



Shanna Jones, CPA
Winnfield, Louisiana
December 6, 2023

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
GOVERNMENT-WIDE
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS:

Current Assets—	
Cash	\$ 119,821
Accounts Receivable	30,451
Prepaid Expenses	<u>545</u>
Total Current Assets	150,817
Non-current Assets—	
Depreciable Capital Assets (Net)	99,917
Right of Use Assets—Lease (Net)	<u>2,493</u>
Total Non-current Assets	102,410
Total Assets	253,227

LIABILITIES:

Current Liabilities—	
Cash Overdraft	3,951
Accounts Payable	22,305
Accrued Compensated Leave	3,569
Right of Use Liability—Lease, current portion	<u>1,839</u>
Total Non-current Liabilities	31,664
Right of Use Liability—Lease, net of current portion	<u>631</u>
Total Liabilities	32,295

NET POSITION:

Invested in Capital Assets	102,410
Unrestricted	<u>118,522</u>
TOTAL NET POSITION	<u>\$ 220,932</u>

See Independent Accountant's Review Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

<u>Program Activities</u>	<u>Expenses</u>	<u>Fees, Fines & Charges for Services</u>	<u>Operating Grants & Contributions</u>	<u>Capital Grants & Contributions</u>	<u>Net (Expenses) Revenues & Changes in Net Position</u>
Governmental Activities:					
General Government	<u>\$271,824</u>	<u>\$ 18,352</u>	<u>\$ 203,837</u>	<u>\$ 26,882</u>	\$ (22,753)

General Revenues:	
Intergovernmental:	
State Apportionment	<u>52,032</u>
Total General Revenues	<u>52,032</u>
Change in Net Position	29,279
Net Position—Beginning of Year	<u>191,653</u>
Net Position—End of Year	<u>\$ 220,932</u>

See Independent Accountant's Review Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
BALANCE SHEET—GOVERNMENTAL FUNDS
JUNE 30, 2023

	MAJOR FUNDS		TOTAL FUNDS
	GENERAL FUND	OTHER FUND	
ASSETS:			
Cash		\$ 119,821	\$ 119,821
Accounts Receivable	\$ 4,336	26,115	30,451
Prepaid Expenses	-	545	545
TOTAL ASSETS	4,336	146,481	150,817
 LIABILITIES:			
Cash Overdraft	3,951	-	3,951
Accounts Payable	20,256	2,049	22,305
Accrued Compensated Leave	3,569	-	3,569
TOTAL LIABILITIES	27,776	2,049	29,825
 FUND BALANCES/DEFICIT:			
Nonspendable	-	545	545
Unassigned	(23,440)	143,887	120,447
TOTAL FUND BALANCES	(23,440)	144,432	120,992
TOTAL LIABILITIES & FUND BALANCES	\$ 4,336	\$ 146,481	\$ 150,817

See Independent Accountant's Review Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total Fund Balances of the Governmental Funds	\$	120,992
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital Assets used in Governmental Activities are not current financial resources and therefore, are not reported in the Governmental Funds Balance Sheet—		
Capital Assets:		
Depreciable Assets	\$	177,141
Less: Accumulated Depreciation	<u>(</u>	77,224)
		99,917
Right of Use Assets:		
Lease	\$	5,935
Less: Accumulated Amortization	<u>(</u>	3,442)
		2,493
Right of Use Liability		<u>(</u>
		2,470)
Net Position of Governmental Activities	\$	<u>220,932</u>

See Independent Accountant's Review Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	MAJOR FUNDS		TOTAL FUNDS
	GENERAL FUND	OTHER FUND	
REVENUES:			
Intergovernmental			
State Apportioned	\$ 52,032		\$ 52,032
Federal Farm Bill Funds (NRCS)	-	\$ 33,404	33,404
Federal Farm Bill Funds (LDAF)	-	113,099	113,099
Federal Farm Bill Funds (LDAF Watershed)	-	33,928	33,928
Federal Farm Bill Funds (LDAF McFarland)	-	21,720	21,720
Federal USFS Agreement	-	28,568	28,568
Miscellaneous			
Tree Sales	-	16,070	16,070
Other Income	-	2,282	2,282
	<u>52,032</u>	<u>249,071</u>	<u>301,103</u>
Total Revenues			
EXPENDITURES:			
General Administration			
Personnel & Related	169,902	-	169,902
Operating Services	4,015	19,054	23,069
Materials & Supplies	988	23,403	24,391
Travel & Training	6,422	20,383	26,805
Capital Outlay—Equipment	-	26,882	26,882
RUA—Lease Fina Principal	1,767	-	1,767
RUA—Lease Interest	138	-	138
	<u>183,232</u>	<u>89,722</u>	<u>272,954</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(131,200)</u>	<u>159,349</u>	<u>28,149</u>
Other Financing Sources/(Uses):			
Transfers In/(Out)	<u>130,529</u>	<u>(130,529)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>(671)</u>	<u>28,820</u>	<u>28,149</u>
FUND BALANCES—Beginning of Year	<u>(22,769)</u>	<u>115,612</u>	<u>92,843</u>
FUND BALANCES—End of Year	<u>\$ (23,440)</u>	<u>\$ 144,432</u>	<u>\$ 120,992</u>

See Independent Accountant's Review Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net Change in Fund Balance—Governmental Funds	\$	28,149
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Governmental Funds report Capital Outlays and Right of Use Asset expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. The cost of capital assets recorded in the current period is		26,882
The cost of Right of Use Asset is		-
Depreciation and amortization expense on capital assets are reported in the Government-wide Financial Statements, but they do not require the use of current financial resources and are not reported in the Fund Financial Statements. Current year depreciation expense is	(25,798)
Current year amortization expense is	(1,721)
Governmental Funds report the entire amount received from the Sales of Assets as Revenues, but the undepreciated cost of the assets reduces the gain from the sale in the Statement of Activities		-
Principal Reduction on Right of Use Liability		1,767
Other Financing Sources-Right of Use Asset		<u>-</u>
Change in Net Position of Governmental Activities	\$	<u><u>29,279</u></u>

See Independent Accountant's Review Report.

NOTES TO FINANCIAL STATEMENTS

DUGDEMONA SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1—INTRODUCTION

Dugdemona Soil and Water Conservation District (the “District”) was created by the Louisiana Legislature. The purpose for the District is primarily to assist farmers and other land users in the wise use of their lands and the prevention of erosion of farm and urban land and the pollution of waters in the state. The governing board of supervisors administers the operations and responsibilities of the District in accordance with Louisiana Statutes. The board is comprised of five members.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Dugdemona Soil and Water Conservation District conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

Basis of Presentation

Government-Wide Financial Statements (GWFS)

As required by Governmental Accounting Standards Board (GASB), the District has a Statement of Net Position and a Statement of Activities which report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities of the District primarily are financed through intergovernmental revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District maintains two funds. They are both categorized as governmental funds. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

DUGDEMONA SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

The major funds of the District are described below:

Governmental Fund:

General Fund—The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund (Other Fund)—The Special Revenue or Other Fund is the fund which segregates monies required to be used for specific activities. However, as all payroll runs through the general fund, monies are transferred out of the special revenue fund as required to pay for specific payroll related items of the District.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues, expenditures/expenses and deferred outflows or deferred inflows, if applicable, are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made.

Accrual Basis—Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District as a whole. Both of these statements are prepared using the economic 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.

Modified Accrual Basis—Fund Financial Statements (FFS)

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

Assets Liabilities and Equity

Cash and Cash Equivalents—The District's cash and cash equivalents are considered to be cash in demand deposits, interest bearing deposits and time deposits of less than 90 days.

Capital Assets—The District reports property and equipment in the governmental activities column in the GWFS. Capital assets are carried at historical or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$100 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized. Also the District's FFS expense assets as capital outlays in the year occurring.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The assets estimated useful lives are as follows:

Furniture, computers, office equipment	3-7 years
Operating Equipment (including vehicles, traps)	5-10 years

Right of Use Asset/Liability—Under GASB 87, Leases, a new subcategory of Capital Assets has been created: right of use asset. Now noncancellable leases, of more than a 12 month term, are required under GASB 87 to be recorded as a right of use asset and the related liability at the present value of asset payments, then to amortize its expense over the life of the asset, i.e. the term/life of the lease. This includes leases with governmental fiscal funding clauses, which allow cancellation at the end of a fiscal year if the governmental entity does not have funds to budget and allow continuation of lease of assets or does not choose to continue the lease, which is the type of lease the District has in order to be in compliance with state regulations related to debt.

Compensated Absences—Employees earn and accumulate annual and sick leave at various rates depending on their years of service. Unused annual and sick leave accumulates without limit. The number of hours of unused annual leave (note sick is not payable upon termination) for which an employee may receive a lump sum payment upon termination from District employment may not exceed 300 hours. As of June 30, 2023, the Dugdemona Soil and Water Conservation District had accumulated and vested \$6,574 in leave privileges required to be accrued.

Equity Classifications—In the GWFS, equity is classified as net assets and displayed in three components as applicable. The components are as follows:

Invested in Capital Assets—Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Assets—Net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Assets—All other net assets that do not meet the definition of "restricted" or "invested in capital assets".

In the Fund Financial Statements, governmental fund equity is classified as fund balance. The District has implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions" as required. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

DUGDEMONA SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact,
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- c. Committed fund balance - amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The major governmental funds have unassigned balance/(deficit) of \$(23,440) for the General Fund and \$143,887 for the Special/Other Fund with the remaining \$545 of the Special/Other Fund balance classified as nonspendable.

Budget

Each year a budget is submitted to the Office of Soil and Water Conservation, Louisiana Department of Agriculture and Forestry. State Funding for the year is based upon the allocation procedures established in the program rules and regulations. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

Estimates

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

NOTE 3—CASH AND CASH EQUIVALENTS

Cash and investments are stated at cost, which approximates market. 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 and national banks having their principal offices in Louisiana.

Custodial risk for deposits is the risk that in the event of failure of a depository financial institution, the District's deposits may not be recovered; they may not be able to recover the

DUGDEMONA SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
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collateral securities that are in the possession of an outside party. As of June 30, 2023, the carrying amount of the District's cash and cash equivalents totaled \$119,821 and an overdraft for book purposes of \$3,951, which was held in two financial institutions. 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 banks. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agents. These securities are held in the name of the pledging fiscal agent banks in a holding or custodial bank that is mutually acceptable to both parties. As of June 30, 2023, the District bank balances totaled \$3,868 and \$119,912, respectively; therefore, the District was fully insured by FDIC at fiscal year-end. The District does not have a policy for custodial credit risk.

NOTE 4—ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023, consisted of \$30,451 from intergovernmental sources. All receivables are considered to be collectible and therefore no allowance for doubtful accounts is recorded.

NOTE 5—CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2023 are as follows:

Governmental Activities	Balance <u>06/30/22</u>	Additions	Deletions	Balance <u>06/30/23</u>
Capital Assets:				
Depreciable:				
Equipment & Furniture	\$ 150,259	26,882	-	\$ 177,141
Less: Accumulated Depreciation	<u>(51,426)</u>	<u>(25,798)</u>	<u>-</u>	<u>(77,224)</u>
Subtotal Depreciable Assets, Net	98,833			99,917
Right of Use Assets:				
Copter Lease	5,935	-	-	5,935
Less: Accumulated Amortization	<u>(1,721)</u>	<u>(1,721)</u>	<u>-</u>	<u>(3,442)</u>
Subtotal Right of Use Assets, Net	4,214			2,493
Net Capital Assets	<u>\$ 103,047</u>			<u>\$ 102,410</u>

For the year ended June 30, 2023, depreciation expense of \$25,798 and amortization expense of \$1,721 are charged to the general governmental function.

NOTE 6—LEASES

In the past leases with a governmental fiscal funding clause were omitted from disclosure as they were considered cancellable. Under GASB 87 even with this clause, the lease is required to be recorded on both the fund financials and the government wide financial statements.

The District has a copy machine under a lease that began July 15, 2019, with a governmental fiscal funding clause. The lease terms are for 60 months at an annually increasing rate with an

DUGDEMONA SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

option to continue for an additional 3 months. Based on that data it appears to expire in October 2024. The terms also appear to imply a 4% interest rate. This right of use asset has been included in Capital Assets, Note 5.

This right of use asset lease was recorded at present value of payments which was calculated to be \$5,935 as of July 1, 2021. Its amortization recorded at \$1,721, as shown in Note 5. The related liability activity was as follows:

Right of use lease liability, July 1, 2022	\$	4,237
Principal Payments during the fiscal year	(<u>1,767)</u>
Right of use lease liability, June 30, 2023	\$	<u><u>2,470</u></u>

Interest Expense of \$138 was recorded related to payments on this lease as a separate expenditure on the fund financials and in general government expenses on the government-wide financial statements. The remaining payments, including their principal and interest are as follows:

YEAR ENDING JUNE 30	PRINCIPLE	INTEREST	TOTAL PAYMENTS
2024	\$ 1,839	\$ 66	\$ 1,905
2025	<u>631</u>	<u>4</u>	<u>635</u>
TOTALS	<u><u>\$ 2,470</u></u>	<u><u>\$ 70</u></u>	<u><u>\$ 2,540</u></u>

NOTE 7—SERVICES PROVIDED BY OTHER GOVERNMENTAL ENTITIES

The Winn Parish Police Jury provides the Dugdemona Soil and Water Conservation District with office facilities and the related utility costs of such facilities in Winn Parish while USDA provides office facilities and the related utility costs of such facilities in Caldwell Parish.

NOTE 8—INTERGOVERNMENTAL AGREEMENTS/FUNDING

The Dugdemona Soil and Water Conservation District has intergovernmental agreements with the following entities, USFS (US Department of Agriculture’s Forest Service), and LDAF (Louisiana Department of Agriculture and Forestry Office of Soil and Water Conservation). USFS has a “Cost Share Agreement” with the District “to manage and improve wildlife habitat” “in and around Kisatchie National Forest”. This agreement began in 2018 and expired December 31, 2022. A new agreement “Good Neighbor” began subsequent to the current fiscal year end. Funding is provided by LDAF through an agreement for “feral swine control measures and related wildlife management techniques for reducing damages to agriculture, native ecosystems, property and human and animal health and safety.” Funding is also provided through LDAF in an agreement for “watershed”. This agreement calls for a technician “to plan and install conservation practices within the district working with landowners to improve water

DUGDEMONA SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

quality, prevent erosion, and maintain wildlife habitat". As the District was created by State Legislature, it is partially funded by the State Legislature through NRCS (USDA Natural Resource Conservation Service).

NOTE 9—LITIGATION

The Dugdeмона Soil and Water Conservation District was not involved in any litigation as of June 30, 2023.

NOTE 10—PENSION PLAN/SOCIAL SECURITY BENEFITS

Substantially all employees of the Dugdeмона Soil and Water Conservation District are members of the Social Security System. The Employee contribution was 7.65% of gross salary and the District contributed an additional 7.65% of gross salary throughout the fiscal year. The District does not guarantee the benefits granted by the Social Security System.

NOTE 11—OTHER DISCLOSURES

Management has evaluated events through December 6, 2023, the date which the financial statements were available for issue. There were no items noted to be reported as subsequent events, with the exception of the new intergovernmental agreement with USFS titled "Good Neighbor Agreement" which began July 1, 2023.

REQUIRED AND OTHER SUPPLEMENTARY INFORMATION

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
BUDGETARY COMPARISON SCHEDULE—GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 1

	BUDGET			(UNFAVORABLE) FAVORABLE VARIANCE
	ORIGINAL	AMENDED	ACTUAL	
REVENUES:				
Intergovernmental:				
State Apportionment	<u>\$ 52,000</u>	<u>\$ 52,000</u>	<u>\$ 52,032</u>	<u>\$ 32</u>
Total Revenues	52,000	52,000	52,032	32
EXPENDITURES:				
General Administration:				
Personnel & Related	175,000	176,000	169,902	6,098
Operating Services	6,500	6,000	4,015	1,985
Materials & Supplies	1,500	1,000	988	12
Travel	5,000	6,500	6,422	78
ROUA-Lease Fina Principal	-	-	1,767	(1,767)
ROUA-Lease Interest	-	-	138	(138)
Total Expenditures	<u>188,000</u>	<u>189,500</u>	<u>183,232</u>	<u>6,268</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(136,000)</u>	<u>(137,500)</u>	<u>(131,200)</u>	<u>6,300</u>
Other Financing Sources/(Uses):				
Other Financing Source				
Transfers In/(Out)	<u>100,000</u>	<u>130,500</u>	<u>130,529</u>	<u>29</u>
Total Other Financing Sources/ (Uses)	100,000	130,500	130,529	29
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>(36,000)</u>	<u>(7,000)</u>	<u>(671)</u>	<u>6,329</u>
FUND BALANCE				
Beginning of Year	<u>(22,769)</u>	<u>(22,769)</u>	<u>(22,769)</u>	<u>-</u>
FUND BALANCE End of Year	<u>\$ (58,769)</u>	<u>\$ (29,769)</u>	<u>\$ (23,440)</u>	<u>\$ 6,329</u>

See Independent Accountant's Review Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
BUDGETARY COMPARISON SCHEDULE—OTHER FUND
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 2

	BUDGET		ACTUAL	(UNFAVORABLE)
	ORIGINAL	AMENDED		FAVORABLE VARIANCE
REVENUES:				
Federal Farm Bill Funds-NRCS	\$ 17,000	\$ 33,500	\$ 33,404	\$ (96)
Federal Farm Bill Funds-LDAF	115,000	113,000	113,099	99
Fed FB-LDAF Watershed Tech	21,000	35,000	33,928	(1,072)
Fed FB-LDAF McFarland Funds	-	21,500	21,720	220
USFS Agreement Funds	25,000	28,000	28,568	568
Tree Sales	10,500	5,000	16,070	11,070
Other	<u>1,000</u>	<u>1,000</u>	<u>2,282</u>	<u>1,282</u>
Total Revenues	<u>189,500</u>	<u>237,000</u>	<u>249,071</u>	<u>12,071</u>
EXPENDITURES:				
General Administration.				
Operating Services	13,000	1,000	864	136
Materials & Supplies	1,000	500	10,576	(10,076)
Travel & Training	2,000	500	446	54
Capital Outlay	-	-	-	-
USFS Grant Expenditures	5,000	10,000	9,901	99
LDAF Farm Bill Expenditures	52,500	46,000	44,720	1,280
LDAF FB Watershed Exp	-	6,000	5,648	352
LDAF FB McFarland Exp	<u>-</u>	<u>17,500</u>	<u>17,567</u>	<u>(67)</u>
Total Expenditures	<u>73,500</u>	<u>81,500</u>	<u>89,722</u>	<u>(8,222)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>116,000</u>	<u>155,500</u>	<u>159,349</u>	<u>3,849</u>
Other Financing Sources/(Uses). Transfers In/(Out)	(100,000)	(130,500)	(130,529)	(29)
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>16,000</u>	<u>25,000</u>	<u>28,820</u>	<u>3,820</u>
FUND BALANCE				
Beginning of Year	<u>115,612</u>	<u>115,612</u>	<u>115,612</u>	<u>-</u>
FUND BALANCE				
End of Year	<u>\$ 131,612</u>	<u>\$ 140,612</u>	<u>\$ 144,432</u>	<u>\$ 3,820</u>

(Continued)

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
BUDGETARY COMPARISON SCHEDULE—OTHER FUND (continued)
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 2

Reconciliation of Actual per Expenditures on Budgetary Comparison Schedule-Other Fund to the Statement of Revenues, Expenditures and Changes in Fund Balance—Other Fund

Portion attributable to.	District	USFS	LDAF	LDAF Watershed	LDAF McFarland	Totals
Operating	864	500	17,690	-	-	19,054
Supplies	10,576	3,921	8,670	236	-	23,403
Travel & Training	446	221	14,304	5,412	-	20,383
Capital Outlay	<u>-</u>	<u>5,259</u>	<u>4,056</u>	<u>-</u>	<u>17,567</u>	<u>26,882</u>
Totals	11,886	9,901	44,720	5,648	17,567	89,722

See Independent Accountant's Review Report.

Concluded

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 3

No per diem noted.

See Independent Accountant's Review Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
SCHEDULE OF COMPENSATION FOR AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 4

In accordance with Act 706 of the 2014 Legislative Session as amended by Act 462 of 2015 Legislative Session the following Schedule of Compensation, Reimbursements, Benefits and Other Payment to the Political Subdivision Head or Chief Executive Officers is presented. Included in the Disclosure Requirements are any reimbursements of travel or per diem, payments of salary, or payments to retirement or health insurance, providing of a vehicle, etc. for the Agency Head.

The Agency Head of the Dugdemona Soil and Water Conservation District would be its Board Members: Don Price—Chairman, Steven F. Bates—Vice Chairman, Billy Gaines—Secretary/Treasurer, and Melvin Parker and Paul Johns—Members. During the review of the financial statements for Dugdemona Soil and Water Conservation District’s fiscal year ended June 30, 2023 the following payments were noted as required disclosures.

	Price	Bates	Gaines	Parker	Johns
Mileage	\$ 580	\$ 292	\$ 678	\$ 666	\$ 891
Lodging-Conference	198	198	0	198	198
Registration-Conference	195	195	0	195	195

See Independent Accountant’s Review Report.

Shanna Jones, CPA

*795 Big Creek Rd
Winnfield, LA 71483
792-8544*

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of the
Dugdemona Soil and Water Conservation District
301 West Main Street, Suite 210
Winnfield, Louisiana 71483

I have performed the procedures enumerated below on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2023, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Dugdemona Soil and Water Conservation District's (the "District") management is responsible for its financial records and compliance with applicable laws and regulations.

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 District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2023. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows.

PUBLIC BID LAW

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$60,000, 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), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures found to be in violation.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

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

Management provided me with the requested information.

(Continued)

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

Management provided me with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list provided by management for agreed-upon Procedure 3 appeared on the list provided by management for agreed-upon 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.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

BUDGETING

6. Obtained a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the original and amended budget.

7. Trace the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

I traced the adoption of the budgets to the minutes of the meetings.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5 % or more, or if actual expenditures exceed budgeted amounts by 5% or more.

There did not appear to be any violations of the Louisiana Budget Act.

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,

Each of the six selected disbursements agreed with 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

Each of the six disbursements appeared properly coded to the correct fund and general ledger account grouping.

- (c) report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of documentation supporting indicated approvals.

(Continued)

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.

Dugdemona Soil and Water Conservation District is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. 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.

I scanned copies of all bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like 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.

There were no payments that appeared to be either advances or bonuses.

STATE AUDIT LAW

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

The District's report was due on December 31, 2022 and was submitted timely.

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).

Management represented that the District's office was not on the noncompliance list at any time during the fiscal year.

PRIOR COMMENTS AND RECOMMENDATIONS

The prior year report dated October 18, 2022, did not include any suggestions, exceptions, recommendations, or comments.

I was engaged by the District to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. I was not engaged to and did not conduct an examination or review engagement, the objective of which

(Continued)

would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the District and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to the agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, 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 Louisiana Legislative Auditor as a public document.



Shanna Jones, CPA
Winnfield, Louisiana
December 6, 2023

Concluded

Dugdemona Soil and Water Conservation District
LOUISIANA ATTESTATION QUESTIONNAIRE

Shanna Jones, CPA
795 Big Creek Rd
Winnfield, LA 71483

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 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 []

(Continued)

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 []

(Continued)

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 our 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 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 with 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 issuance 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 up to 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 []

(Continued)

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

A handwritten signature in blue ink, appearing to read "Don Price", written over a horizontal line.

Don Price, Chairman
Dugdemona Soil and Water Conservation District

Concluded