

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Financial Report
For the Year Ended June 30, 2025



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INDEPENDENT AUDITORS' REPORT

To the Executive Board of the Combined Anti-Drug Team
Lake Charles, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Combined Anti-Drug Team as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Combined Anti-Drug Team basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Combined Anti-Drug Team, as of June 30, 2025, and the respective changes in financial position, and, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Combined Anti-Drug Team's

ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Combined Anti-Drug Team's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Combined Anti-Drug Team's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information on page 24 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Combined Anti-Drug Team has omitted 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 part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statement in appropriate, operational, economical, or historical context. Our opinion on the basic financial statement is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Combined Anti-Drug Team's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head and Justice System Funding Schedule- Receiving Entity are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head and Justice System Funding Schedule-Receiving Entity are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2025, on our consideration of the Combined Anti-Drug Team's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Combined Anti-Drug Team's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Combined Anti-Drug Team's internal control over financial reporting and compliance.



Lake Charles, Louisiana
November 3, 2025

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

STATEMENT OF NET POSITION

June 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash, interest bearing deposits and investments	\$ 5,304,977
Due from other governments	65,797
Prepaid expense	11,035
Capital assets, net of accumulated depreciation	<u>210,611</u>
 Total assets	 <u><u>\$ 5,592,420</u></u>
LIABILITIES	
Due to other governments	\$ 93,022
Accounts payable	<u>24,318</u>
 Total liabilities	 117,340
NET POSITION	
Invested in capital assets	210,611
Unrestricted	<u>5,264,469</u>
 Total net position	 <u>5,475,080</u>
 Total liabilities and net position	 <u><u>\$ 5,592,420</u></u>

The accompanying notes are an integral part of the basic financial statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Public safety	\$ 415,838	\$ 188,032	\$ -	\$ -	\$ (227,806)
 Total Governmental Activities	\$ 415,838	\$ 188,032	\$ -	\$ -	(227,806)
 General revenues:					
Intergovernmental					202,644
Interest earnings					206,644
Other					2,548
Total general revenues					411,836
 Change in net position					184,030
 Net position - beginning of year					5,291,050
 Net position - end of year					\$ 5,475,080

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND

June 30, 2025

	<u>General Fund</u>
<u>ASSETS</u>	
Cash, interest bearing deposits and investments	\$ 5,304,977
Receivables	65,797
Prepaid expense	<u>11,035</u>
Total assets	<u><u>\$ 5,381,809</u></u>
<u>LIABILITIES AND FUND BALANCE</u>	
Liabilities:	
Due to other governments	\$ 93,022
Accounts payable	<u>24,318</u>
Total liabilities	117,340
Fund balance:	
Unassigned	<u>5,264,469</u>
Total fund balance	<u>5,264,469</u>
Total liabilities and fund balance	<u><u>\$ 5,381,809</u></u>

The accompanying notes are an integral part of the basic financial statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

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

June 30, 2025

FUND BALANCE OF GOVERNMENTAL FUNDS \$ 5,264,469

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds.

Those assets consist of:

Cost of capital assets	\$ 456,476	
Less - accumulated depreciation	<u>(245,865)</u>	<u>210,611</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 5,475,080

The accompanying notes are an integral part of the basic financial statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

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

For the Year Ended June 30, 2025

	<u>General Fund</u>
REVENUES:	
Intergovernmental	\$ 202,644
Forfeitures	188,032
Interest earnings	206,644
Other	2,548
Total revenues	<u>599,868</u>
EXPENDITURES:	
Public safety:	
Personnel services	145,693
Operating services	199,753
Materials and supplies	34,430
Capital outlay	156,543
Total expenditures	<u>536,419</u>
NET CHANGE IN FUND BALANCE	63,449
FUND BALANCE AT BEGINNING OF YEAR	<u>5,201,020</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 5,264,469</u></u>

The accompanying notes are an integral part of the basic financial statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

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

For the Year Ended June 30, 2025

Total net changes in fund balance - governmental fund - per the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 63,449
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Amounts reported for governmental activities in the Statement
of Activities are different because:

Governmental funds report capital outlays as expenditures.
However, in the Statement of Activities, the cost of
those assets is allocated over their estimated useful lives
and reported as depreciation expense. This is the amount
by which capital outlay exceeds depreciation expense in
the current period.

Capital outlay	156,543	
Depreciation expense	<u>(35,962)</u>	
		<u>120,581</u>
Change in net position of governmental activities		<u>\$ 184,030</u>

The accompanying notes are an integral part of the basic financial statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

INTRODUCTION

The Combined Anti-Drug Team was formed by a mutual aid agreement entered into on November 22, 2004, by and between the Calcasieu Parish Sheriff's Office, City of Lake Charles, City of Westlake, City of DeQuincy, City of Vinton, City of Iowa, United States Marshal's Office Western District of Louisiana, and the Federal Bureau of Investigation. The agreement's purpose is to create a multi-agency law enforcement task force whose efforts are directed toward the investigation of narcotics and vice crimes.

The accounting and reporting policies of the Combined Anti-Drug Team conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures conform to the requirements of the industry audit guide, *Audits of State and Local Governments*.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

For financial reporting purposes, the Combined Anti-Drug Team includes all funds, account groups, activities, et cetera, that are controlled by the Combined Anti-Drug Team. The Combined Anti-Drug Team is solely responsible for the operations of its office, which includes authority over budgeting, responsibility for deficits, and receipt and disbursements of funds. Other than certain operating expenditures of the Combined Anti-Drug Team's office that are paid or provided by the members of the joint agreement, the Combined Anti-Drug Team is financially independent. Accordingly, the Combined Anti-Drug Team is a separate governmental reporting entity. Certain units of local government, over which the Combined Anti-Drug Team exercises no oversight responsibility, such as the parish police jury, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Combined Anti-Drug Team.

B. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The accounts of the Combined Anti-Drug Team are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The Combined Anti-Drug Team's basic financial statements include both government-wide and fund financial statements.

A. Government-Wide Financial Statements

The Combined Anti-Drug Team's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the Combined Anti-Drug Team accompanied by a total column. Fiduciary activities of the Combined Anti-Drug Team are not included in these statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. BASIS OF ACCOUNTING/MEASUREMENT FOCUS – (Continued)

A. Government-Wide Financial Statements – (Continued)

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the Combined Anti-Drug Team’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the Combined Anti-Drug Team are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The Combined Anti-Drug Team has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. 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 Combined Anti-Drug Team considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Accordingly, the governmental fund uses the following practices in recording revenues and expenditures:

Revenues: Intergovernmental revenues and forfeitures are recorded when the Combined Anti-Drug Team is entitled to the funds.

Interest income on deposits is recorded when interest is earned. Substantially all other revenues are recorded when received.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. BASIS OF ACCOUNTING/MEASUREMENT FOCUS – (Continued)

B. Governmental Fund Financial Statements – (Continued)

Expenditures: The Combined Anti-Drug Team’s primary expenditures include salaries and investigations, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

The General Fund is the Combined Anti-Drug Team’s operating fund. It accounts for all financial resources of the Combined Anti-Drug Team.

When both restricted and unrestricted resources are available for use, it is the Combined Anti-Drug Team’s policy to use restricted resources first, then unrestricted resources as they are needed.

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

C. BUDGET PRACTICES

1. The proposed budget is prepared and submitted to the Advisory Board for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. The proposed budget is made available for public inspection.
3. The budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Board.

D. CASH AND INTEREST-BEARING DEPOSITS, AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Combined Anti-Drug Team 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. Louisiana Asset Management Pool (“LAMP”) is a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operated a local

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. CASH AND INTEREST-BEARING DEPOSITS, AND INVESTMENTS – (Continued)

governmental investment pool equivalent to a money market fund. LAMP invests in short-term instruments as permitted by statute.

E. INVESTMENTS

Under state law, the Combined Anti-Drug Team may invest in United States bonds, treasury notes or certificates.

F. RECEIVABLES

Receivables consist of all revenues earned at year-end and not yet received. Receivables are reported net of allowance for uncollectible accounts. Allowances are reported when accounts are proven to be uncollectible. The Combined Anti-Drug Team has determined there is no allowance for uncollectible accounts as of June 30, 2025.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. The minimum capitalization threshold is any individual item with a total cost greater than \$2,500.

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.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for immaterial amounts when declared as no longer needed for public purpose, no salvage value is taken into consideration for depreciation purposes.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Law enforcement equipment	3-10
Capital improvements	25-40

H. EQUITY CLASSIFICATIONS

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

Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

H. EQUITY CLASSIFICATIONS – (Continued)

- Restricted net position – Consists of assets with constraints placed on the use by either (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 position – All other assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Combined Anti-Drug Team considers restricted funds to have been spent first.

I. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

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

- Nonspendable: – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Combined Anti-Drug Team’s advisory board, the highest level of decision-making authority. These amounts cannot be used for any other purpose unless the board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned: This classification includes amounts that are constrained by the Combined Anti-Drug Team’s intent to be used for a specific purpose but are neither restricted nor committed. Amounts may be assigned by the advisory board of the Combined Anti-Drug Team.
- Unassigned: includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

I. FUND EQUITY – (Continued)

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Combined Anti-Drug Team considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Combined Anti-Drug Team board has provided otherwise in its commitment or assignment actions.

J. FORFEITED ASSETS

The Combined Anti-Drug Team acquires various assets which are forfeited by defendants in accordance with judgments rendered by the courts in certain drug-related cases. It is the policy of the agency to sell all forfeited assets and record the proceeds as revenue at the time of the sale. As of June 30, 2025, the Combined Anti-Drug Team has assets which have not been sold and are not reported in the accompanying general purpose financial statements.

K. 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 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.

L. RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENT

In December 2023, GASB approved statement No. 102, “*Certain Risk Disclosures.*” This statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The standard is effect for fiscal years beginning after June 15, 2024. There was no material impact from the implementation on the Combined Anti-Drug Team financial statements.

M. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENT

In April 2024, GASB approved statement No. 103, “*Financial Reporting Model Improvement.*” The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. The standard is effect for fiscal years beginning after June 15, 2025. Earlier implementation is encouraged. The Combined Anti-Drug Team is in the process of assessing the impact on the financial statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash on deposit, certificates of deposit and money market accounts. These deposits are stated at cost, which approximates fair value. Under state law, the resulting bank balances of these deposits must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The estimated fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

As of June 30, 2025, the Combined Anti-Drug Team has \$3,447,694 in deposits (collected bank balances) in local financial institutions, including certificates of deposit. These deposits are secured from risk by \$2,491,374 of federal deposit insurance and \$3,025,264 of pledged securities held by the custodial bank in the name of the Combined Anti-Drug Team. As such, these deposits are not considered subject to custodial credit risk according to GASB Statement No. 3.

The Combined Anti-Drug Team periodically invests in the LAMP, a local government investment pool (see Summary of Significant Accounting Policies). In accordance with GASB codification Section I50.165 investments in LAMP are not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments that have 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. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted-average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The Combined Anti-Drug's balance with LAMP at June 30, 2025 is \$1,839,114.

Credit Risk - LAMP is rated AAA by Standard & Poor's.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Combined Anti-Drug Team's deposits may not be recovered. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security, or the pledge of securities owned by the fiscal agent bank. The fair 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 Combined Anti-Drug Team or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. LAMP participant investments in the pool are evidenced by shares of the pool.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

3. RECEIVABLES

The receivables of \$65,797 as of June 30, 2025, are amounts due from restitutions, forfeitures, overtime reimbursements and interest.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Governmental activities:				
Capital assets being depreciated:				
Law enforcement equipment	\$ 316,917	\$ 110,273	\$ (16,984)	\$ 410,206
Capital improvements	-	46,270	-	46,270
Total capital assets being depreciated	316,917	156,543	(16,984)	456,476
Less accumulated depreciation				
Total capital assets being depreciated, net	(226,887)	(35,962)	16,984	(245,865)
	\$ 90,030	\$ 120,581	\$ -	\$ 210,611

Depreciation expense in the amount of \$35,962 was charged to public safety.

5. CONTINGENCIES

The Combined Anti-Drug Team is involved in lawsuits arising in the ordinary course of its business that, in the opinion of management, will not have a material effect on the Combined Anti-Drug Team's results of operations.

6. EXPENDITURES OF THE COMBINED ANTI-DRUG TEAM'S OFFICE PAID BY THE MEMBERS OF THE JOINT AGREEMENT

The Combined Anti-Drug Team members are employees of the agencies participating in the mutual aid agreement. The personnel services and equipment provided by those agencies are not included in the accompanying basic financial statements. However, all overtime incurred by such personnel, whom are working on behalf of the Combined Anti-Drug Team, is paid by the Combined Anti-Drug Team to those agencies and is included in the accompanying financial statements.

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

Notes to the Financial Statements
For the Year Ended June 30, 2025

7. RISK MANAGEMENT

The Combined Anti-Drug Team is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omission; injuries to employees; auto liability; and natural disasters. The Combined Anti-Drug Team has purchased commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

8. RELATED PARTY TRANSACTIONS

The following schedule presents significant transactions between the Combined Anti-Drug Team and agencies participating in the mutual aid agreement:

Agency	Significant Transactions
Calcasieu Parish Sheriff's Office	Intergovernmental revenues: Co-op agreement - \$45,000 Reimbursement - \$82,644 Public safety expenses: Personnel services - \$144,793
City of Lake Charles	Intergovernmental revenues: Co-op agreement - \$75,000
Iowa Police Department	Public safety expenses: Operating services - \$3,401
Calcasieu Parish District Attorney	Public safety expenses: Operating services - \$57,918

As of June 30 2025, amounts due from related parties includes the following:

Calcasieu Parish District Attorney	\$ 30,857
Calcasieu Parish Sheriff's Office	\$ 34,940

As of June 30 2025, amounts due to related parties includes the following:

Iowa Police Department	\$ 456
Calcasieu Parish Sheriff's Office	\$ 14,841
Calcasieu Parish District Attorney	\$ 78,085

REQUIRED SUPPLEMENTARY INFORMATION

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended June 30, 2025

	Budget Amounts		Actual	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
REVENUES				
Intergovernmental	\$ 203,800	\$ 207,467	\$ 202,644	\$ (4,823)
Forfeitures	400,000	130,327	188,032	57,705
Interest earnings	144,000	204,637	206,644	2,007
Other	6,000	17,770	2,548	(15,222)
Total revenues	753,800	560,201	599,868	39,667
EXPENDITURES				
Public safety:				
Personnel services	344,940	164,020	145,693	18,327
Operating services	382,250	214,159	199,753	14,406
Materials and supplies	49,000	39,221	34,430	4,791
Capital outlay	207,000	155,273	156,543	(1,270)
Total expenditures	983,190	572,673	536,419	36,254
EXCESS (DEFICIENCIES) OF REVENUES OVER (UNDER) EXPENDITURES				
	(229,390)	(12,472)	63,449	
FUND BALANCE AT BEGINNING OF YEAR				
	5,201,020	5,201,020	5,201,020	
FUND BALANCE AT END OF YEAR				
	\$4,971,630	\$5,188,548	\$5,264,469	

The accompanying notes are an integral part of the basic financial statements.

OTHER SUPPLEMENTAL INFORMATION

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

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

For the Year Ended June 30, 2025

Agency Head Name / Title: Rebecca Veillon, Director

Purpose:	Amount Paid By	
	Combined Anti-Drug Team	Calcasieu Parish Sheriff's Audit
Salary	\$ -	\$ 122,568
Benefits - insurance	-	16,199
Benefits - retirement	-	26,851
Benefits - other	-	1,654
Per diem	-	141
	\$ -	\$ 167,413
	\$ -	\$ 167,413

The accompanying notes are an integral part of the basic financial statements.

Justice System Funding Schedule - Receiving Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information	
Entity Name	Combined Anti-Drug Team (CAT)
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	7437
Date that reporting period ended (mm/dd/yyyy)	June 30, 2025

If legally separate court funds are required to be reported, a separate receiving schedule should be prepared for each fund.

Cash Basis Presentation

First Six Month Period Ended 12/31/2024	Second Six Month Period Ended 6/30/2025
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10. Receipts From: (Must include one agency name and one collection type - see below - on each

Calcasieu Parish District Attorney - Asset forfeiture/sale
Subtotal Receipts

\$ 25,040	\$ 104,942
25,040	104,942

11. Ending Balance of Amounts Assessed but Not Received (only applies to those agencies that assess on behalf of themselves, such as courts)

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Collection Types to be used in the "Receipts From:" section above	
a	Civil Fees
b	Bond Fees
c	Asset Forfeiture/Sale
d	Pre-Trial Diversion Program Fees
e	Criminal Court Costs/Fees
f	Criminal Fines - Contempt
g	Criminal Fines - Other
h	Restitution
i	Probation/Parole/Supervision Fees
j	Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)
k	Interest Earnings on Collected Balances
l	Other (do not include collections that fit into more specific categories above)

INTERNAL CONTROL
AND
COMPLIANCE



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS HABETZ O'NEAL
JESSICA LOTT-HANSEN

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

Combined Anti-Drug Team
Lake Charles, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Combined Anti-Drug Team as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Combined Anti-Drug Team's basic financial statements, and have issued our report thereon dated November 3, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Combined Anti-Drug Team's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Combined Anti-Drug Team's internal control. Accordingly, we do not express an opinion on the effectiveness of the Combined Anti-Drug Team's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

This report is intended solely for the information and use of the Combined Anti-Drug Team, the Sheriff’s management, the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.



Lake Charles, Louisiana
November 3, 2025

COMBINED ANTI-DRUG TEAM
Lake Charles, Louisiana

CURRENT AND PRIOR YEAR AUDIT FINDINGS
AND RESPONSES

For the Years Ended June 30, 2025 and 2024

SECTION 1 – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:	UNQUALIFIED
Internal control over financial reporting:	
Material weaknesses identified?	NO
Significant deficiencies identified not considered to be material weaknesses?	NO
Noncompliance required to be reported under <i>Government Audit Standards</i> ?	NO

SECTION 2 – CURRENT YEAR FINDINGS AND MANAGEMENT CORRECTIVE ACTION PLAN

Internal Control Over Financial Reporting:

There were no findings with regards to internal control.

Compliance:

There were no findings with regards to compliance.

SECTION 3 – PRIOR YEAR FINDINGS AND MANAGEMENT CORRECTIVE ACTION PLAN

Internal Control Over Financial Reporting:

There were no findings with regards to internal control.

Compliance:

There were no findings with regards to compliance.