

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Consolidated Gravity Drainage District No. 1
of Ward 3 of St. Landry Parish
Arnaudville, 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 Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish, a component unit of the St Landry Parish Government as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish, as of December 31, 2024, and the respective changes in financial position 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish, 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 District'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.

The Board of Commissioners
Consolidated Gravity Drainage District No. 1
of Ward 3 of St. Landry Parish
Arnaudville, Louisiana

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 23 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 Board of Commissioners
Consolidated Gravity Drainage District No. 1
of Ward 3 of St. Landry Parish
Arnaudville, Louisiana

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation, benefits and other payments to Agency Head or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. This schedule 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 standard generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 June 19, 2025, on our consideration of Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated June 19, 2025, on the results of our statewide agreed-upon procedures performed 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. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



Opelousas, Louisiana
June 19, 2025

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2024

GOVERNMENTAL ACTIVITIES

ASSETS

Cash in bank	\$ 367,836
Investments	6,806,972
Accrued interest receivable	107,928
Property taxes receivable, net	924,625
Prepaid insurance	22,117
Right-to-use assets, net	137,771
Capital assets, net	342,467
<u>Total assets</u>	<u>8,709,716</u>

LIABILITIES

Accounts payable	2,866
Payroll tax payable	2,218
Lease payable	91,821
<u>Total liabilities</u>	<u>96,905</u>

NET POSITION

Net investment in capital assets	388,417
Unrestricted	8,224,394
<u>Total net position</u>	<u>8,612,811</u>

The accompanying notes are an integral part of this statement.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

NET (EXPENSES) REVENUES AND
CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES

Governmental Activities

General and Administrative	\$ (432,996)
<u>Total governmental expenses</u>	<u>(432,996)</u>
General Revenues	
Property taxes	927,323
Miscellaneous	1,406
Interest & investment earnings	205,373
Gain on sale of assets	8,464
<u>Total general revenues</u>	<u>1,142,566</u>
Change in net position	709,570
Net position - January 1, 2024	<u>7,903,241</u>
Net position -- December 31, 2024	<u>8,612,811</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
BALANCE SHEET – GOVERNMENTAL FUND
DECEMBER 31, 2024

ASSETS

Cash	\$ 367,836
Investments	6,806,972
Accrued interest receivable	46,171
Prepaid insurance	22,117
Prepaid equipment lease	49,749
Property taxes receivable, net	924,625

<u>Total assets</u>	8,217,470
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LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 2,866
Payroll tax payable	2,218
<u>Total liabilities</u>	5,084

DEFERRED INFLOWS OF RESOURCES

Unavailable revenues - property taxes	49,266
<u>Total deferred inflows of resources</u>	49,266

FUND EQUITY

Fund balance	
Nonspendable	71,866
Unassigned	8,091,254
<u>Total fund equity</u>	8,163,120

<u>Total liabilities and fund balance</u>	8,217,470
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The accompanying notes are an integral part of this statement.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

Total fund balance for the Governmental Fund		\$ 8,163,120
Prepaid Lease on fund financial statement is shown as a lease payment payment on Statement of Net Position		(49,749)
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.		49,266
Additional accrued interest on accrual basis		61,757
Capital assets and right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements.	\$ 907,494	
Less: Accumulated depreciation and amortization as of December 31, 2024	<u>(427,256)</u>	480,238
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities.		<u>(91,821)</u>
Total net position of governmental activities		<u><u>8,612,811</u></u>

The accompanying notes are an integral part of this statement.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

REVENUES

Taxes	
Property taxes	\$ 903,048
Miscellaneous	1,406
Interest income	200,690
<u>Total revenues</u>	<u>1,105,144</u>

EXPENDITURES

Current	
General and administrative	
Bank service charge	155
Fuel and oil	34,904
Insurance	24,986
Labor	131,575
Legal publications	40
Miscellaneous	678
Office expense	6,177
Payroll tax	12,423
Per diem	11,060
Professional fees	11,632
Recording right of way	990
Rent	3,600
Repairs and maintenance	54,562
Salaries	5,700
Debt service	
Principal	89,147
Interest	5,429
Capital outlay	87,961
<u>Total expenditures</u>	<u>481,019</u>

<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>624,125</u>
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OTHER FINANCING SOURCES

Unrealized gain/(loss) on investments	2,470
Sale of assets	33,384
<u>Total other financing sources</u>	<u>35,854</u>

<u>NET CHANGE IN FUND BALANCE</u>	659,979
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<u>FUND BALANCE</u> , beginning of year	<u>7,503,141</u>
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<u>FUND BALANCE</u> , end of year	<u>8,163,120</u>
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The accompanying notes are an integral part of this statement.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Total net change in fund balance, per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 659,979
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.		24,275
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 87,961	
The governmental fund reports capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets are allocated over their estimated useful life and reported as depreciation and amortization expense		
Depreciation and amortization	<u>(129,085)</u>	(41,124)
The net effect of various transactions involving capital assets to decrease net position		(24,920)
Increase in accrued interest on accrual basis		2,213
Payment of a lease is considered as an expenditure in the government funds, but their repayment reduces liabilities in the Statement of Net Position		<u>89,147</u>
Total change in net position per Statement of Activities		<u><u>709,570</u></u>

The accompanying notes are an integral part of this statement.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish, Arnaudville, Louisiana, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

The following is a summary of certain significant accounting policies and practices of the District.

A. FINANCIAL REPORTING ENTITY

The Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish was established for the purpose of opening and maintaining all natural drains in the District, where drainage is accomplished using the natural force of gravity.

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Government is the financial reporting entity for St. Landry Parish. The financial reporting entity consists of (a) the primary government (parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Governmental Accounting Standards establish criteria for determining which component units should be considered part of the St. Landry Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the parish government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish government appoints the District's governing body, the District was determined to be a component unit of the St. Landry Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION

Government-wide Financial Statements (GWFS). The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of 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. The accounts of the District are organized and operated on the basis of funds and account groups, 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, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government 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 funds of the District are classified into one category – governmental. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The District reports the following major governmental fund:

Governmental Fund

General Fund. The General Fund is the general operating fund of the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish. It is used to account for all financial resources except those required to be accounted for in other funds.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined in item "b" below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on the balance sheet. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

Revenues from local sources consist primarily of property taxes. Property tax revenues are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Purchase of various operating supplies are regarded as expenditures at the time purchased. The costs of governmental fund-type inventories are recorded as expenditures when purchased and items on hand at year-end, if any, are not recorded as assets. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

Equity Classifications

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

1. Net investment in capital assets - Consist of net capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consist of net position with constraints placed on the 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.
3. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Commissioners – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

Equity Classifications

The District considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar spending. Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

The District is required by state law to adopt an annual budget for its General Fund. The budget is prepared on a modified accrual basis. The Board of Commissioners may authorize revisions requiring alteration of levels of expenditures. Operating appropriations lapse at year-end.

The operating budget was adopted at a meeting held on December 5, 2023. The final budget was adopted at a meeting held on December 3, 2024.

D. ENCUMBRANCES

Encumbrance accounting is not used by the Drainage District.

E. INVESTMENTS AND CASH

Investments are stated at cost or amortized cost, which approximates market.

Louisiana statutes authorize the District to invest in United States bonds, treasury notes or certificates of deposit in state and national banks, or any other federally insured investment.

F. FIXED ASSETS

The accounting treatment over property, plant and equipment (capital assets) depends on whether they are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Prior to GASB No. 34, governments were not required to report general infrastructure assets. Although now required to capitalize infrastructure, the District, due to the nature of its operations, did not have infrastructure expenditures. Also, interest costs during construction are not capitalized.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their acquisition value at the date of donation.

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

Equipment

5 - 25 years

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. PENSION PLANS

The Drainage District does not have a pension plan. The employees of the Drainage District participate in the Social Security Retirement System.

H. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until that time.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

Property taxes and state revenue sharing receivable for the governmental fund types, which have been remitted within 60 days subsequent to the year-end, are considered measurable and available and recognized as revenues. All other property taxes and state revenue sharing are offset by deferred inflows of resources and, accordingly, have not been recorded as revenue.

2. CASH AND INVESTMENTS

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk, however, 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 market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposits in the amount of \$6,137,186 were exposed to custodial credit risk and collateralized with a line of credit with Federal Home Loan Bank and securities held by the pledging institution's trust department or agent, but not in the District's name.

Bank balances	\$ 7,175,560
Federal deposit insurance	\$ 1,038,374
Pledged securities	6,137,186
Total FDIC insurance and collateral	7,175,560
Total deposits not collateralized	\$ -

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

3. PROPERTY TAXES

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Property taxes are due on October 1 and become delinquent by January 1 of the following year. The St. Landry Parish Sheriff bills, collects, and distributes the property taxes for the District using the assessed values determined by the tax assessor of St. Landry Parish.

For the year ended December 31, 2024, a tax millage of 9.33 was assessed for maintenance. As per state requirements, each taxing district of the parish must remit a portion of total ad valorem taxes per the tax roll to the pension fund. This amount is determined by the legislative auditor each year. Since the Sheriff collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, property taxes are shown net of pension fund distributions as follows:

	<u>Total Tax Per Roll</u>	<u>Pension Fund Requirements</u>	<u>Property Tax Receivable</u>
General Fund	\$ 960,865	\$ (30,132)	\$ 930,733

4. PROPERTY TAXES RECEIVABLE

An estimated allowance for uncollectible property tax has been set up based on prior years' experience. A breakdown of property taxes receivable as of December 31, 2024, is as follows:

	<u>Taxes Receivable</u>	<u>Estimated Uncollectible</u>	<u>Collections in December</u>	<u>Net Taxes Receivable</u>
General Fund	\$ 930,733	\$ (5,731)	\$ (377)	\$ 924,625

Governmental funds report deferred revenue in connection with receivables for revenues over 60 days that are not considered to be available to liquidate liabilities of the current period.

5. CAPITAL ASSETS AND DEPRECIATION

Capital assets and depreciation activity as of and for the year ended December 31, 2024, for the District are as follows:

	<u>Balances 1/1/2024</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balances 12/31/2024</u>
Governmental activities				
Equipment	\$ 572,470	\$ 87,961	\$ (28,480)	\$ 631,951
Right-to-use lease assets	275,543	-	-	275,543
<u>Totals at historical cost</u>	<u>848,013</u>	<u>87,961</u>	<u>(28,480)</u>	<u>907,494</u>
Less accumulated depreciation and amortization				
Equipment	(255,807)	(37,237)	3,560	(289,484)
Right-to-use lease assets	(45,924)	(91,848)	-	(137,772)
<u>Total accumulated depreciation and amortization</u>	<u>(301,731)</u>	<u>(129,085)</u>	<u>3,560</u>	<u>(427,256)</u>
Governmental activities				
Capital assets, net	<u>546,282</u>	<u>(41,124)</u>	<u>(24,920)</u>	<u>480,238</u>

Depreciation and amortization expense was charged to governmental activities as follows:

Public works	\$ 129,085
	<u>129,085</u>

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

6. LEASE LIABILITY

On July 12, 2023, the District entered into a lease for a Caterpillar 330-07. The District is required to make periodic payments at its effective interest rate stated or implied within the lease. The lease is for a period of three years and requires annual payments of \$94,576 with an interest rate of 3% annually. During the year ended 2024, the District recorded \$91,848 in amortization expense and \$2,753 in interest expense.

Annual requirements to amortize long-term obligations and related interest are as follows:

<u>Year Ending</u> <u>December 31, 2024</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 91,821	\$ 2,755	\$ 94,576
	<u>91,821</u>	<u>2,755</u>	<u>94,576</u>

7. LONG-TERM DEBT

Changes in long-term liabilities during the year ended December 31, 2024 are as follows:

<u>Description of Debt</u>	<u>Balance</u> <u>1/1/2024</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>12/31/2024</u>	<u>Due</u> <u>Within One</u> <u>Year</u>
Lease payable	\$ 180,968	\$ -	\$ 89,147	\$ 91,821	\$ 91,821
	<u>180,968</u>	<u>-</u>	<u>89,147</u>	<u>91,821</u>	<u>91,821</u>

8. PER DIEM AND MILEAGE

Per diem and mileage paid to board members are summarized below:

<u>Board Members</u>	<u>2024</u>
Michael Meche	\$ 2,406
Teddy Stelly	2,018
Ted Miller	2,422
Brady Chautin	1,808
Keith Richard	2,406
Total	<u>11,060</u>

9. DEFICITS IN INDIVIDUAL FUND

The District did not have a deficit fund balance at December 31, 2024.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through June 19, 2025, which is the date the financial statements were available to be issued. As of June 19, 2025, there were no subsequent events noted.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

11. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The District does not provide any post-employment benefits to retirees and therefore is not required to report under GASB No. 75, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

12. FUND BALANCE CONSTRAINTS

The following is a summary of the fund balances of the District for the year ended December 31, 2024:

General Fund

Nonspendable	\$ 71,866
Unassigned	<u>8,091,254</u>
Total General Fund balance	<u><u>8,163,120</u></u>

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	GENERAL FUND			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
<u>REVENUES</u>				
Taxes				
Property taxes	\$ 780,000	\$ 926,757	\$ 903,048	\$ (23,709)
Interest income	-	-	200,690	200,690
Miscellaneous	-	1,406	1,406	-
<u>Total revenues</u>	<u>780,000</u>	<u>928,163</u>	<u>1,105,144</u>	<u>176,981</u>
<u>EXPENDITURES</u>				
Current				
General and administrative				
Bank service charge	120	120	155	(35)
Beaver trapping	3,000	-	-	-
Engineering assistance	1,000	1,000	-	1,000
Fuel and oil	100,000	36,346	34,904	1,442
Insurance	50,100	47,203	24,986	22,217
Labor	150,000	138,502	131,575	6,927
Legal publications	400	56	40	16
Medicare	4,000	2,196	2,149	47
Miscellaneous	31,035	6,110	678	5,432
Office expense	4,800	4,800	6,177	(1,377)
Per diem	12,000	11,074	11,060	14
Professional fees	15,000	11,462	11,632	(170)
Rent	3,600	3,600	3,600	-
Repairs and maintenance	40,000	69,957	55,552	14,405
Salary - Secretary/Treasurer	5,700	5,700	5,700	-
Social security	12,000	9,430	9,191	239
Unemployment taxes	1,200	1,083	1,083	-
Uniforms	1,000	256	-	256
Debt service				
Principal	94,576	94,576	89,147	5,429
Interest	-	-	5,429	(5,429)
Capital outlay	40,000	87,961	87,961	-
<u>Total expenditures</u>	<u>569,531</u>	<u>531,432</u>	<u>481,019</u>	<u>50,413</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>210,469</u>	<u>396,731</u>	<u>624,125</u>	<u>227,394</u>
<u>OTHER FINANCING SOURCES</u>				
Unrealized gain/(loss) on investments	-	-	2,470	2,470
Sale of assets	-	12,225	33,384	21,159
	-	12,225	35,854	23,629
<u>NET CHANGE IN FUND BALANCE</u>	<u>210,469</u>	<u>408,956</u>	<u>659,979</u>	<u>251,023</u>
<u>FUND BALANCE</u> , beginning of year			<u>7,503,141</u>	
<u>FUND BALANCE</u> , end of year			<u>8,163,120</u>	

See Independent Auditor's Report.

OTHER SUPPLEMENTARY INFORMATION

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
DECEMBER 31, 2024

Agency Head Name: Keith Richard, President

<u>Purpose</u>	<u>Amount</u>
Salary	\$2,400
Benefits-insurance	0
Benefits-retirement	0
Benefits	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	6
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

See Independent Auditor's Report.

RELATED REPORTS

James L. Nicholson, Jr., CPA
Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA
Molly Fontenot Duplechain, CPA

Van L. Auld, CPA



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Retired

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G. Kenneth Pavy, II, CPA - 2020

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

The Board of Commissioners
Consolidated Gravity Drainage District No. 1
of Ward 3 of St. Landry Parish
Arnaudville, 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 each major fund of the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 19, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses listed as item 2024-1 that we consider to be a material weakness.

The Board of Commissioners
Consolidated Gravity Drainage District No. 1
of Ward 3 of St. Landry Parish
Arnaudville, Louisiana

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.


Consolidated Gravity Drainage District 1 of Ward 3 of St. Landry Parish's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 use of the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish, its Commissioners and the appropriate regulatory agency and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Opelousas, Louisiana
June 19, 2025

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2024

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements.
2. No significant deficiencies and one material weakness relating to the audit of the financial statements was reported.
3. No instances of noncompliance relating to the audit of the financial statements were reported.
4. No management letter was issued.
5. There was no single audit required under The Uniform Guidance.

B. 2024 FINDINGS- FINANCIAL STATEMENT AUDIT

Internal Control Material to the Financial Statements

2024-1 Inadequate Segregation of Accounting Duties

Condition: Due to the small number employees, Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish does not have adequate segregation of duties within the accounting system.

A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion.

Criteria: Accounting duties should be performed by different individuals.

Cause: Due to the small number of accounting personnel, the Consolidated Gravity Drainage District No. 1 of Ward 3 of St. Landry Parish did not have adequate segregation of duties within the accounting system.

Effect: Accounting functions are not segregated, and it is important that you are aware of this condition because errors or fraud could occur and not be detected.

Recommendation: A system of internal control procedures should be established in order to mitigate the problem of having such a small number of employees performing the daily operating activities.

Response: The District believes that the cost to hire additional accounting personnel is not cost beneficial based upon the size of the District's operations.

C. FINDINGS AND QUESTIONED COST – MAJOR FEDERAL AWARDS PROGRAM AUDIT

N/A

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
DECEMBER 31, 2023

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2023-1 Inadequate Segregation of Accounting Functions – Unresolved

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

None

SECTION III – MANAGEMENT LETTER

None

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Michael A. Roy, CPA
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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2024

To the Board of Commissioners
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. The District's management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all 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:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
The District does not have a written policy or procedure for budgeting.
 - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
The District does not have a written policy or procedure for purchasing.
 - iii. **Disbursements**, including processing, reviewing, and approving.
The District does not have a written policy or procedure for disbursements
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
The District does not have a written policy or procedure for receipts and collections.

To the Board of Commissioners
Consolidated Gravity Drainage District No.1
of Ward 3 of St. Landry Parish
and the Louisiana Legislative Auditor

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
The District does not have a written policy or procedure for payroll and personnel.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
The District does not have a written policy or procedure for contracting.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
The District does not have a written policy or procedure for travel and expense reimbursement
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
The District does not have credit cards, debit cards, fuel cards or P-cards.
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
The District does not have a written policy or procedure for ethics.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
The District does not have debt service.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
Not applicable to the District, accounting records are kept by hand in a ledger book.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
The District has a sexual harassment policy.

2) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
There is only one deposit site and obtained management's representation that the listing is complete.
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

To the Board of Commissioners
Consolidated Gravity Drainage District No.1
of Ward 3 of St. Landry Parish
and the Louisiana Legislative Auditor

There is only one collection location and obtained management's representation that the listing is complete.

- i. Employees responsible for cash collections do not share cash drawers/registers;

No exceptions noted.

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

The employee responsible for collecting cash is also responsible for preparing/making bank deposits.

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

The employee responsible for collecting cash is responsible for posting collection entries to the general ledger.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

No exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.

Not applicable. The District does not have pre-numbered receipts or a receipt book.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

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

No exceptions noted.

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

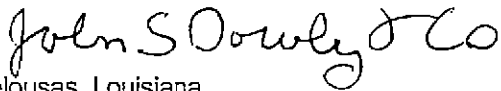
No exceptions noted.

To the Board of Commissioners
Consolidated Gravity Drainage District No.1
of Ward 3 of St. Landry Parish
and the Louisiana Legislative Auditor

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Opelousas, Louisiana
June 19, 2025

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1 OF WARD 3 OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
FOR THE YEAR ENDED DECEMBER 31, 2024

Management's responses to the following agreed-upon procedure sections:

Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. Budgeting
 - ii. Purchasing
 - iii. Disbursements
 - iv. Receipts/Collections
 - v. Payroll/Personnel
 - vi. Contracting
 - vii. Travel and expense reimbursement
 - ix. Ethics

Management's Response: A written policy and procedures manual will be developed in the future. Due to limited resources, this will be a long-term project.

Collections

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. prenumbered receipts) to the deposit.
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Management's Response: Segregation of duties within the accounting system is not economically feasible.