

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

**Annual Financial Statements**

As of and for the Year Ended December 31, 2024  
With Supplemental Information Schedules  
(with 2023 summarized comparative information)

**Washington Parish Gas Utility District #1**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

I have reviewed the accompanying financial statements of the business-type activities of the Washington Parish Gas Utility District #1, a component unit of the Washington Parish Council, as of and for the year ended December 31, 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

### Management's Responsibility for the Financial Statements

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

### Accountant's Responsibility

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

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

### Accountant's Conclusion

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule as listed in the table of contents be presented to supplement the basic financial statements.

Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the responsibility of management. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the information and, accordingly, do not express an opinion on such information.

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

### **Other Supplementary Information**

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

The prior year summarized comparative information has been derived from the District's 2023 financial statements that I reviewed.



Robert A. Neilson, CPA, LLC  
Bogalusa, Louisiana  
June 17, 2025

# **Financial Statements**

**Washington Parish Gas Utility District #1**  
**Statement of Net Position**  
**As of December 31, 2024**  
*With Comparative Totals as of December 31, 2023*

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 1,452,594	\$ 1,302,652
Investments	873,530	861,828
Accounts Receivable, Net	43,811	85,967
Employee Receivable	-	300
Inventory	15,280	23,352
Prepaid Insurance	23,069	21,620
Total Current Assets	<u>2,408,284</u>	<u>2,295,719</u>
Restricted Assets		
Cash and Cash Equivalents	<u>23,570</u>	<u>23,255</u>
Total Restricted Assets	<u>23,570</u>	<u>23,255</u>
Property, Plant, and Equipment		
Property, Plant, and Equipment, Net	<u>27,984</u>	<u>37,691</u>
Total Property, Plant, and Equipment	<u>27,984</u>	<u>37,691</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,459,838</u></b>	<b><u>\$ 2,356,665</u></b>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	\$ 18,326	\$ 11,630
Other Accrued Payables	<u>16,250</u>	<u>22,415</u>
Total Current Liabilities	<u>34,576</u>	<u>34,045</u>
Restricted Liabilities		
Customer Deposits	<u>23,570</u>	<u>23,255</u>
Total Restricted Liabilities	<u>23,570</u>	<u>23,255</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 58,146</u></b>	<b><u>\$ 57,300</u></b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$ 27,984	\$ 37,691
Restricted	23,570	23,255
Unrestricted	<u>2,350,138</u>	<u>2,238,419</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 2,401,692</u></b>	<b><u>\$ 2,299,365</u></b>

**Washington Parish Gas Utility District #1**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Year Ended December 31, 2024**  
*With Comparative Totals for the Year Ended December 31, 2023*

	<u>2024</u>	<u>2023</u>
<b>Operating Revenues</b>		
Gas Sales	\$ 263,395	\$ 339,511
Less Cost of Gas Sold	<u>(38,185)</u>	<u>(121,178)</u>
Gross Profit on Gas Sales	225,210	218,333
Other	<u>7,526</u>	<u>9,600</u>
Total Operating Revenues	232,736	227,933
<b>Operating Expenses</b>		
Billing Costs	23,497	17,947
Board of Commissioners	5,900	5,030
Depreciation	9,707	8,834
Insurance	56,192	64,002
Other	28,723	46,100
Payroll Taxes	4,146	3,998
Professional Fees	14,350	12,150
Repairs & Maintenance	5,529	1,835
Salaries & Wages	48,203	46,900
Supplies	10,797	4,037
Travel	<u>790</u>	<u>-</u>
Total Operating Expenses	207,834	210,833
<b>Operating Income (Loss)</b>	<u>\$ 24,902</u>	<u>\$ 17,100</u>
<b>Non Operating Revenues (Expenses)</b>		
Increase (Decrease) in the Appreciation on the Value of	-	200
Interest Income	<u>77,425</u>	<u>53,625</u>
Total Non Operating Revenues (Expenses)	77,425	53,825
<b>Change in Net Position</b>	<u>\$ 102,327</u>	<u>\$ 70,925</u>
<b>Total Net Position, Beginning (As Previously Reported)</b>	\$ 2,299,365	\$ 2,191,818
Prior Period Adjustment	-	36,622
<b>Total Net Position, Beginning (As Restated)</b>	\$ 2,299,365	\$ 2,228,440
<b>Total Net Position, Ending</b>	<u><u>\$ 2,401,692</u></u>	<u><u>\$ 2,299,365</u></u>

**Washington Parish Gas Utility District #1**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2024**  
*With Comparative Totals for the Year Ended December 31, 2023*

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities</b>		
Received from Customers	\$ 305,551	\$ 321,964
Received for Meter Deposit Fees	315	175
Other Receipts	7,826	9,600
Payments for Operations	(176,809)	(289,420)
Payments to Employees	(52,349)	(50,898)
Net Cash Provided by Operating Activities	<u>84,534</u>	<u>(8,579)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Capital Acquisitions	<u>-</u>	<u>(5,249)</u>
Net Cash Provided by Capital and Related Financing Activities	<u>-</u>	<u>(5,249)</u>
<b>Cash Flows from Investing Activities</b>		
Receipt of Interest	77,425	53,625
Loss from sale of Investments	(11,702)	30
Net Cash Provided by Investing Activities	<u>65,723</u>	<u>53,655</u>
<b>Net Cash Increase (Decrease) in Cash and Cash Equivalents</b>	\$ 150,257	\$ 39,827
<b>Cash Equivalents, Beginning of Year</b>	<u>1,325,907</u>	<u>1,286,080</u>
<b>Cash Equivalents, End of Year</b>	<u><u>\$ 1,476,164</u></u>	<u><u>\$ 1,325,907</u></u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>		
Cash and Cash Equivalents, Unrestricted	\$ 1,452,594	\$ 1,302,652
Cash and Cash Equivalents, Restricted	23,570	23,255
Total Cash and Cash Equivalents	<u>\$ 1,476,164</u>	<u>\$ 1,325,907</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)</b>		
Operating Income (Loss)	\$ 24,902	\$ 17,100
Adjustments to Reconcile Operating Income (Loss) to Net Cash		
Depreciation	9,707	8,834
Accounts Receivable	42,156	(17,547)
Employee Receivable	300	-
Inventory	8,072	(2,944)
Prepaid Insurance	(1,449)	(6,286)
Accounts Payable	6,696	(13,801)
Accrued Expenses	(6,165)	5,890
Customer Deposits	315	175
Net Cash Provided by Operating Activities	<u><u>\$ 84,534</u></u>	<u><u>\$ (8,579)</u></u>



# Washington Parish Gas Utility District #1

## Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

### Introduction

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

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

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

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The District's financial statements are prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The District applies all Governmental Accounting Standards Board (GASB) pronouncements as described in the following paragraphs as well as Financial Accounting Standards Board (FASB) statements and interpretations, and the Accounting Principle Board (APB), unless those pronouncements conflict or contradict with GASB pronouncements.

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

## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

*Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Footnote K – Net Position*. As required by the Governmental Accounting Standards Board (GASB), the District implemented GASB Statement No. 63 during the year ended December 31, 2012. The District did not have any deferred outflows or inflows of resources at December 31, 2024.

The District has also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The District did not have any deferred outflows or deferred inflows of resources as of December 31, 2024.

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

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

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **B. Financial Reporting Entity**

As the governing authority of the Parish, for reporting purposes, the Washington Parish Council is the financial reporting entity for Washington Parish.

The financial reporting entity consists of (a) the primary government, Parish Council, (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.

## **Washington Parish Gas Utility District #1**

### **Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)**

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Washington Parish Council 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 criterion includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Parish Council 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 Council.
2. Organizations for which the Parish Council does not appoint a voting majority but are fiscally dependent on the Parish Council.
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 Council appoints the governing board and has the ability to significantly influence operations, the District was determined to be a component unit of the Washington Parish Council, 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 Council, the general government service provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

#### **C. Budget**

The proposed budget for 2024 was adopted at the November 15, 2023 board meeting. The budget is prepared on the accrual basis of accounting. The board forwarded a copy of the approved budget to the Washington Parish Council. The board reviews the budget to actual comparison on a monthly basis as part of their management of the system. At the November 19, 2024 board meeting, the board amended the budget for 2024 and adopted the 2025 budget.

#### **D. Cash and Cash Equivalents and Investments**

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

#### **E. Investments**

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

## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

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

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

#### F. Inventories

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

#### G. Prepaid Items

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

#### H. Restricted Assets

##### Customer Meter Deposits

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

#### I. Capital Assets

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

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

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

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

#### J. Compensated Absences

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

## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

There were no accumulated and vested leave benefits required to be reported, in accordance with GASB Statement No. 16, as of December 31, 2024.

#### K. Net Position

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

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

- **Restricted Component of Net Position** - The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

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

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

#### L. Comparative Data/Reclassifications

The financial statements are presented with certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended December 31, 2023, from which summarized information was derived.

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

## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

#### M. Extraordinary and Special Items

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

#### N. Estimates

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

#### O. New Accounting Pronouncement

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

## 2. CASH AND CASH EQUIVALENTS

At December 31, 2024 and 2023, the District has cash and cash equivalents (book balances) totaling, as follows:

	December 31, 2024	December 31, 2023
Demand Deposits	\$337,403	\$253,221
Time & Savings Accounts	213,371	187,749
Money Market Accounts	128,224	127,925
Louisiana Asset Management Pool	797,166	757,012
Total Cash and Cash Equivalents	1,476,164	1,325,907
Certificates of Deposits Held In Investments (See Note 3)	873,530	861,828
<b>Total Deposits</b>	<b>\$2,349,694</b>	<b>\$2,187,735</b>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Because the pledged securities are not registered in the District's name, the deposits are considered uncollateralized (Category 3) under the provisions of GASB Statement 3.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited

## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

funds upon demand. As additional security, the Federal Reserve Bank implemented new procedures during 1994 for handling book-entry collateral transactions. The procedures require that the pledgee must approve all releases and substitutions of collateral pledged to their account. If matching withdrawal or substitution instructions are not received from both the financial institution and the pledgee in a timely manner, the collateral transaction cannot be completed.

At December 31, 2024, the District's deposits (collected bank balances) in Whitney Bank totaling \$112,194. These deposits were secured from risk by \$250,000 of federal deposit insurance. The District had \$1,079,192 as of December 31, 2024, in Citizens Savings Bank. These funds are secured by \$250,000 in FDIC insurance for each type of account and pledged letters of credit. The District has additional certificates of deposit of \$106,721 at Whitney Bank and \$123,309 at Resource Bank all under the FDIC insurance of \$250,000. The certificate of deposits are held in investment accounts. Because the investment is held by its agent, the investment accounts as described in footnote 3 below, are considered insured and registered, Category 1, in applying the credit risk classification of GASB Codification Section 150.164. The pledged securities are exposed to custodial credit risk because while the amount is secured by pledged securities, the securities are held by the custodial bank in the name of the fiscal agent bank (Category 3).

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

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

At December 31, 2024, The District had \$797,166 in deposits in LAMP. In accordance with GASB Codification Section 150.165, the assets held in LAMP at December 31, 2024, are not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The investment in LAMP is stated at the value of the pool shares, which is the same as the fair value, and has been categorized as cash equivalents.

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

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

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

1. Credit risk: LAMP is rated AAA by Standards and Poor's.
2. Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities

## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement per paragraph 15 of the GASB 40 statement. However, LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments, as provided by LAMP, is 68 days as of December 31, 2024.
5. Foreign currency risk: Not applicable.

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

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

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

### 3. INVESTMENTS

Investments are categorized into these three categories of credit risk:

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

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

At December 31, 2024, the District's investment balances were as follows:

	Carrying Amount	Fair Market Value
<u>Certificates of Deposit:</u>		
Citizens Savings Bank	\$643,500	\$643,500
Hancock Whitney Bank	106,721	106,721
Resource Bank	123,309	123,309
<b>Total Certificates of Deposit</b>	<b>\$873,530</b>	<b>\$873,530</b>

These deposits are stated at cost which approximates market value. The certificates of deposits totaling \$873,530 include deposits within three separate banks. Collateralization of the \$873,530 is as described in Note 2.



## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

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

#### 4. RECEIVABLES

The following is a summary of receivables at December 31, 2024 and 2023:

	Year Ended December 31, 2024	Year Ended December 31, 2023	Increase (Decrease)
Accounts Receivable			
Current	\$24,708	\$40,788	\$(16,080)
31-60 Days Past Due	2,090	3,999	(1,909)
61-90 Days Past Due	1,231	1,004	227
Over 90 Days Past Due	2,854	2,121	733
Subtotal	30,883	47,912	(17,029)
NSF	41	-	41
Unbilled Accounts Receivable	16,973	41,472	(24,499)
Allowance for Uncollectible Accounts	(4,086)	(3,417)	(669)
<b>Total Accounts Receivable, Net</b>	<b>\$43,811</b>	<b>\$85,967</b>	<b>\$(42,156)</b>

Uncollectible amounts due from customers' receivables are recognized as bad debts at the time information becomes available indicating the uncollectibility of the particular receivable. The bad debts are charged off against an allowance account. Bad debt expense for the year was \$669. Management feels the estimate for the bad debt allowance is sufficient to cover any bad debts recorded during the upcoming year.

Estimated unbilled revenues (accrued billings) are recognized at the end of each fiscal year on a pro-rata basis. The estimated amount is based on billings during the month following the close of the fiscal year. The accrued billings were \$16,973 at December 31, 2024 and \$41,472 at December 31, 2023.

#### 5. RESTRICTED ASSETS

The following is a summary of restricted assets at December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
Restricted Cash and Cash Equivalents		
Customer Deposits	\$23,570	\$23,255
<b>Total Restricted Assets</b>	<b>\$23,570</b>	<b>\$23,255</b>

## Washington Parish Gas Utility District #1

### Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)

#### 6. CAPITAL ASSETS

A summary of changes in capital assets during the fiscal year ending December 31, 2024 is as follows:

	Beginning Balance 12/31/2023	Additions	Deletions	Ending Balance 12/31/2024
Capital Assets being depreciated:				
Gas Utility System	\$502,362	\$ -	\$ -	\$502,362
Maintenance Equipment	58,264	-	-	58,264
Office Equipment	6,816	-	-	6,816
Total Assets being depreciation	\$567,442	-	-	\$567,442
Less Accumulated Depreciation	(529,751)	(9,707)	-	(539,458)
<b>Total Capital Assets, Net</b>	<b>\$37,691</b>	<b>\$(9,707)</b>	<b>\$ -</b>	<b>\$27,984</b>

Depreciation expense for the fiscal year ending December 31, 2024 totaled \$9,707.

#### 7. DISAGGREGATION OF ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts and other payables as of December 31, 2024 were as follows:

Vendors	\$18,326
Due to Other Government	14,545
Payroll Taxes Payable	<u>1,705</u>
<b>Total Accounts Payable and Accrued Liabilities</b>	<b><u>\$34,576</u></b>

#### 8. INTERGOVERNMENTAL AGREEMENT

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

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

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

For the fiscal year ending, the billing fees charged to the District was \$23,497.

## **Washington Parish Gas Utility District #1**

### **Notes to the Financial Statements As of and for the Year Ended December 31, 2024 (with 2023 summarized comparative information)**

#### **9. RESTRICTED AND DESIGNATED NET POSITION**

At December 31, 2024, Washington Parish Gas Utility District #1 recorded \$23,570 in Restricted Net Position (Restricted for Customer Deposits), representing the District's funds restricted by contracts with customers for meter deposits. Restricted Net Position is recorded net of any liability relating to those assets. A liability relates to restricted assets if the asset results from incurring the liability or if the liability will be liquidated with the restricted assets.

#### **10. LITIGATION AND CLAIMS**

There were no outstanding litigations or claims as of December 31, 2024.

#### **11. RELATED PARTY TRANSACTIONS**

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

**Washington Parish Gas Utility District #1**  
**Schedule of Revenues, Expenses, and Changes in Net Position- Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2024**  
*With Comparative Totals for the Year Ended December 31, 2023*

	<b>Original Budget</b>	<b>Amended Budget</b>	<b>2024</b>	<b>Variance Favorable (Unfavorable)</b>	<b>2023</b>
<b>Operating Revenues</b>					
Gas Sales	\$ 323,549	\$ 310,347	\$ 263,395	\$ (46,952)	\$ 339,511
Less Cost of Gas Sold	(165,000)	(61,460)	(38,185)	23,275	(121,178)
Gross Profit on Gas Sales	158,549	248,887	225,210	(23,677)	218,333
Other	9,322	6,916	7,526	610	9,600
Total Operating Revenues	167,871	255,803	232,736	(23,067)	227,933
<b>Operating Expenses</b>					
Billing Costs	16,000	18,000	23,497	(5,497)	17,947
Board of Commissioners	4,840	5,867	5,900	(33)	5,030
Depreciation	11,176	11,176	9,707	1,469	8,834
Insurance	29,091	32,314	56,192	(23,878)	64,002
Other	47,019	22,464	28,723	(6,259)	46,100
Payroll Taxes	4,435	4,680	4,146	534	3,998
Professional Fees	13,050	15,517	14,350	1,167	12,150
Repairs & Maintenance	2,021	1,933	5,529	(3,596)	1,835
Salaries & Wages	48,860	49,867	48,203	1,664	46,900
Supplies	8,396	2,853	10,797	(7,944)	4,037
Travel	-	387	790	(403)	-
Total Operating Expenses	184,888	165,058	207,834	(42,776)	210,833
<b>Operating Income (Loss)</b>	<b>\$ (17,017)</b>	<b>\$ 90,745</b>	<b>\$ 24,902</b>	<b>\$ (65,843)</b>	<b>\$ 17,100</b>
<b>Non Operating Revenues (Expenses)</b>					
Increase (Decrease) in the Appreciation on the Value of Investments	-	-	-	-	200
Interest Income	56,591	67,338	77,425	10,087	53,625
Total Non Operating Revenues (Expenses)	56,591	67,338	77,425	10,087	53,825
<b>Change in Net Position</b>	<b>\$ 39,574</b>	<b>\$ 158,083</b>	<b>\$ 102,327</b>	<b>\$ (55,756)</b>	<b>\$ 70,925</b>
<b>Total Net Position, Beginning (As Previously Reported)</b>	<b>\$ 2,299,365</b>	<b>\$ 2,299,365</b>	<b>\$ 2,299,365</b>	<b>-</b>	<b>\$ 2,191,818</b>
<b>Prior Period Adjustment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 36,622</b>
<b>Total Net Position, Ending</b>	<b>\$ 2,338,939</b>	<b>\$ 2,457,448</b>	<b>\$ 2,401,692</b>	<b>\$ (55,756)</b>	<b>\$ 2,299,365</b>

## **Supplementary Information**

**Washington Parish Gas Utility District #1**  
**Schedule of Insurance**  
**For the Year Ended December 31, 2024**

<b>Insurance Company/Policy Number</b>	<b>Coverage</b>	<b>Amount</b>	<b>Period</b>
Gemini Insurance Company VCGP031916	<u>Commercial General Liability:</u> Each Occurrence Limit General Aggregate Limit (Other than Products-Completed Operations) Products/ Completed Oper. Aggregate Personal & Advertising Injury Premises Damage Medical Payments	 2,000,000 3,000,000 3,000,000 2,000,000 50,000 5,000	6/11/2024 to 6/11/2025
Indian Harbor Insurance Company POL0950062-06	<u>Public Officials and Employment Practices Liability:</u> Public Officials Liability Non-Monetary Coverage - Defense Only - each claim Non-Monetary Coverage - Defense Only - aggregate claims Employment Practices Liability and Third Party Liability - each claim Policy Aggregate Limit of Liability Public Officials Crisis Management - maximum limit	 1,000,000 50,000 100,000 1,000,000 2,000,000 25,000	6/11/2024 to 6/11/2025
Louisiana Worker's Compensation Corp. 52455-A	<u>Workers Compensation:</u> Each Accident Policy Limit Each Employee	 1,000,000 1,000,000 1,000,000	4/25/2024 to 4/25/2025
Progressive Insurance 02178767	<u>Commercial Auto:</u> Bodily Injury and Property Damage Liability; combined single limit Uninsured/Underinsured Motorist, combined single limit Medical Payments-each person Comprehensive Collision Rental Reimbursement Roadside Assistance Comprehensive & Collision Deductibles	 1,000,000 1,000,000 5,000 As Scheduled As Scheduled As Scheduled As Scheduled 500	4/26/2024 to 4/26/2025

**Washington Parish Gas Utility District #1**  
**Schedule of Compensation Paid to Board of Commissioners**  
**For the Year Ended December 31, 2024**

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The Board of Commissioneres of the District consists of five members appointed by the Washington Parish Government. The following is a schedule of the compensation received by the board members. Compensation did not exceed provisions of R.S. 33:4305B[1].

<u>Name and Title/ Contact Number</u>	<u>Address</u>	<u>Compensation Received</u>	<u>Term Expiration</u>
Gary Pierce, President 985-732-3901	61034 Dollar Rd. Angie, LA 70426	\$ 1,100	12/31/2026
Hayward Boone 985-732-7660	60921 Seal Rd. Angie, LA 70426	1,200	12/31/2028
Huey Bickham 985-986-3770	30451 Johnny Will Jones Rd. Angie, LA 70426	1,200	12/31/2027
Tom Pigott 985-735-0450	22485 Mitch Rd. Bogalusa, LA 70427	1,200	12/31/2024
Dean Seal 985-241-2130	25246 Military Rd. Angie, LA 70426	1,200	12/31/2025
		<u><u>\$ 5,900</u></u>	

**Washington Parish Gas Utility District #1**  
**Schedule of Compensation, Benefits, and Other Payments to Agency Head**  
**For the Year Ended December 31, 2024**

Agency Head:

Gary Pierce, President

<u>Purpose</u>	<u>Amount</u>
Salary Compensation Received	\$ 1,100
Employer Paid Social Security & Medicare	<u>84</u>
TOTAL	<u><u>\$ 1,184</u></u>



**Washington Parish Gas Utility District #1**  
**Schedule of Gas Rates and Customers**  
**For the Year Ended December 31, 2024**

**GAS RATES**

\$28.00	First 500 Cubic Feet
\$1.10	Per 100 Cubic Feet over 500

**GAS CUSTOMERS**

	<u>2024</u>	<u>2023</u>	<u>Increase</u> <u>(Decrease)</u>
Active	<u>346</u>	<u>350</u>	(4)

**Washington Parish Gas Utility District #1**  
**Schedule of Current Year Findings and Responses**  
**December 31, 2024**

***Section I - Compliance and Other Matters***

**2024-1**

**Budget Amendments**

Criteria	Louisiana Revised Statute R.S.39:1311 requires the amendment of a budget when revenues and expenditures vary unfavorably by 5% or greater.
Condition	The District did not appropriately amend the budget.
Cause	The District amended the budget at fiscal year end with inaccurate projections of the year.
Effect	Although the District did amend the budget once during the fiscal year, the revenues and expenditures of the District varied unfavorably by more than 5% at the end of the fiscal year end.
Recommendation	The District should create a review process regarding the budget amendments.
Management's Response and Corrective Action Plan	The District will review all budget amendments more thoroughly to ensure accurate amendments are made to revenues and expenses.

**Washington Parish Gas Utility District #1  
Schedule of Prior Year Findings and Responses  
December 31, 2023**

**None**

## **Other Reports**

**ROBERT A. NEILSON**  
CERTIFIED PUBLIC ACCOUNTANT, L.L.C.

ROBERT A. NEILSON  
MEMBER  
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**INDEPENDENT ACCOUNTANT'S REVIEW REPORT ON APPLYING AGREED-UPON  
PROCEDURES FOR COMPLIANCE WITH LAWS AND REGULATIONS**

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

I have performed the procedures enumerated below on the Washington Parish Gas Utility District #1's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2024 as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2024. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

**Public Bid Law**

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000 Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.
  - *There were no expenditures during the fiscal period that required public bids.*

**Code of Ethics for Public Officials and Public Employees**

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

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

#### **Budgeting**

6. Obtain a copy of the legally adopted budget and all amendments.
  - *The District provided a copy of the original and amended budget for fiscal year ending December 31, 2024.*
7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.
  - *The adoption of the original and amended budgets could be traced to the board meeting minutes.*
8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. .
  - *Although the budget was amended, actual revenues failed to meet budgeted revenues by more than 5% and actual expenditures exceeded budgeted expenditures by more than 5%. See the related finding in the review report.*

#### **Accounting and Reporting**

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

### Meetings

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

### Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.
  - *No deposits were related to the proceeds of bank loans, bonds, or indebtedness.*

### Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.
  - *A reading of the minutes of the District and inspection of payroll records indicated no approval of such payments nor any payments made of these types to employees.*

### State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.
  - *For the fiscal year ending, December 31, 2024, the District was in compliance with this law.*
14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).
  - *The District was in compliance with the state audit law; therefore, it did not enter into any contracts as referenced above.*

### Prior-Year Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved.
  - *There were no prior-year suggestions, recommendations, and/or comments per the 2023 review report dated June 25, 2024.*

I was 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 the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. I was not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly,

I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

I am 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 the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Robert A. Neilson, CPA  
Bogalusa, Louisiana  
June 17, 2025



**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

Dear Chief Executive Officer:

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

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

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

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Michael J. Waguespack, CPA  
Louisiana Legislative Auditor

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
(For Attestation Engagements of Governmental Agencies)

\_\_\_\_\_ (Date Transmitted)

Robert A. Neilson, CPA, LLC

\_\_\_\_\_ (CPA Firm Name)

P.O. Box 98

\_\_\_\_\_ (CPA Firm Address)

Bogalusa, LA 70429

\_\_\_\_\_ (City, State Zip)

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

**Public Bid Law**

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

Yes ☒ No ☐ N/A ☐

**Code of Ethics for Public Officials and Public Employees**

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

**Budgeting**

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

Yes ☒ No ☐ N/A ☐

**Accounting and Reporting**

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

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

Yes [☒] No [ ] N/A [ ]

#### Meetings

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

Yes [☒] No [ ] N/A [ ]

#### Debt

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

Yes [☒] No [ ] N/A [ ]

#### Advances and Bonuses

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

Yes [☒] No [ ] N/A [ ]

#### Prior-Year Comments

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

Yes [☒] No [ ] N/A [ ]

#### General

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

Yes [☒] No [ ] N/A [ ]

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

Yes [☒] No [ ] N/A [ ]

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

Yes [☒] No [ ] N/A [ ]

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

Yes [☒] No [ ] N/A [ ]

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

Yes [☒] No [ ] N/A [ ]

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

Yes [☒] No [ ] N/A [ ]

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

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

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

<u>Mary Adams</u>	Secretary	<u>5/20/25</u>	Date
<u>Gay Price</u>	Treasurer		Date
	President	<u>5/20/25</u>	Date