VILLAGE OF CASTOR
ANNUAL FINANCIAL REPORT

DECEMBER 31, 2025

Village of Castor
Financial Report
December 31, 2025

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VILLAGE OF CASTOR

P. O. Box 216
Castor, LA 71016

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year ended December 31, 2025

The Management's Discussion and Analysis of the Village of Castor's financial performance presents a narrative overview and analysis of the Village's financial activities for the year ended December 31, 2025. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the Village of Castor's financial statements, which begin on page 8.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. These statements tell how the services were financed in the short-term as well as what remains for future spending.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources at the end of the year. As the Government-Wide Financial Statements includes the long-term view, comparisons between these two views may provide insight into the long-term impact of short-term financing decreases. Both the governmental funds balance sheet and the governmental funds operating statement provide a reconciliation to assist in understanding the difference between these two views.

The Village conducts its day-to-day operations through a governmental fund, the General Fund, and a business-type activity, the Village's utility system.

A Summary of basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	December 31, 2025			December 31, 2024		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
ASSETS:						
Current Assets	$ 155,914	$ 406,942	$ 562,856	$ 149,989	159,543	309,532
Noncurrent Assets:						
Customer Deposits	-	5,311	5,311	-	5,411	5,411
Capital Assets, Net of Accumulated Depreciation	85,681	1,147,145	1,232,826	98,529	737,391	835,920
Total Assets	$ 241,595	$ 1,559,398	$ 1,800,993	$ 248,518	$ 902,345	$ 1,150,863
LIABILITIES:						
Current Liabilities	$ 2,960	$ 200,240	$ 203,200	$ 2,802	$ 7,897	$ 10,699
Noncurrent Liabilities	-	63,000	63,000	-	-	-
Total Liabilities	$ 2,960	$ 263,240	$ 266,200	$ 2,802	$ 7,897	$ 10,699
NET POSITION:						
Net Investment in Capital Assets	$ 85,681	$ 1,078,145	$ 1,163,826	$ 98,529	$ 737,391	$ 835,920
Unrestricted	152,954	218,013	370,967	147,187	157,057	304,244
Total Net Position	$ 238,635	$ 1,296,158	1,534,793	$ 245,716	$ 894,448	$ 1,140,164

The governmental activities' assets exceeded their liabilities by $238,635 for the year ended December 31, 2025. This is a decrease of $16,402 from prior year.

Summary of Statement of Activities

	December 31, 2025			December 31, 2024		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
REVENUES						
Program Revenues-						
Charges for Services	$ 7,614	$ 101,147	$ 108,761	$ 614	$ 82,094	$ 82,708
Operating Grants	-	421,772	421,772	-	44,229	44,229
General Revenues	146,188	659	146,847	149,412	189	149,601
Transfers In	-	36,000	36,000	-	9,000	9,000
Total Revenues	$ 153,802	$ 559,578	$ 713,380	$ 150,026	$ 135,512	$ 285,538
EXPENSES:						
General Government	$ 125,314	$ -	$ 125,314	$ 121,471	$ -	$ 121,471
Public Safety	8,890	-	8,890	10,234	-	10,234
Operating Expenses	-	135,978	135,978	-	157,402	157,402
Transfers Out	36,000	-	36,000	9,000	-	9,000
Total Expenses	$ 170,204	$ 135,978	$ 306,182	$ 140,705	$ 157,402	$ 298,107
Change in Net Position	$ (16,402)	$ 423,600	$ 407,198	$ 9,321	$ (21,890)	$ (12,569)
Net Position, Beginning of Year	255,037	872,558	1,127,595	245,716	894,448	1,140,164
Net Position, End of Year	$ 238,635	$ 1,296,158	$ 1,534,793	$ 255,037	$ 872,558	$ 1,127,595

Governmental Activities

The governmental activities' assets exceeded their liabilities by $238,635 for the year ended December 31, 2025. This is a decrease of $16,402 from prior year.

Business-Type Activities

The Proprietary Fund, the water and sewer system, had an increase in net position of $423,600 from the year ending December 31, 2025. This compares to a decrease of $21,890 from the prior year.

General Fund Budgetary Highlights

The actual revenues were $380 less than the budgeted revenues, and actual expenditures were $1,752 less than the budgeted expenditures which are within the variances allowed by the Louisiana Local Government Budget Act.

Economic Factors and Next Year's Budget

The budget for FY 2026 should not significantly differ from FY 2025.

Contacting the Village

This financial report is designed to provide our citizens and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Village of Castor, P. O. Box 216, Castor, LA 71016.

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INDEPENDENT AUDITOR'S REPORT

Mayor and Board of Aldermen
Village of Castor
P. O. Box 216
Castor, LA 71016

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, and major funds of the Village of Castor (Village), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village'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, business-type activities and major funds of the Village as of December 31, 2025, and the respective changes in financial position 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 and the *Louisiana Governmental Audit Guide*. 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 Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related 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 these 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 Village'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.

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 opinion. 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 Village'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 Village'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 Management's Discussion and Analysis and Budgetary Comparison Schedule 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, and Justice System Funding Schedule – Collecting/Disbursing Entity, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, and Justice System Funding Schedule – Collecting/Disbursing Entity, are 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 26, 2026, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village'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 26, 2026, 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.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

June 26, 2026

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Village of Castor
Statement of Net Position
December 31, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash & Cash Equivalents	$ 146,096	$ 269,440	$ 415,536
Revenue Receivable	9,818	113,902	123,720
Prepaid Rent	-	23,600	23,600
Total Current Assets	$ 155,914	$ 406,942	$ 562,856
Non-current Assets:			
Restricted Assets-			
Customer Deposits	$ -	$ 5,311	$ 5,311
Capital Assets (net)	85,681	1,147,145	1,232,826
Total Noncurrent Assets	$ 85,681	$ 1,152,456	$ 1,238,137
Total Assets	$ 241,595	$ 1,559,398	$ 1,800,993
LIABILITIES:			
Current Liabilities:			
Accounts Payable/Accruals	$ 2,960	$ 194,240	$ 197,200
Current Portion of LTD	-	6,000	6,000
Total Current Liabilities	$ 2,960	$ 200,240	$ 203,200
Long Term Liabilities:			
Long-Term Debt	-	63,000	63,000
Total Liabilities	$ 2,960	$ 263,240	$ 266,200
NET POSITION:			
Net Investment in Capital Assets	$ 85,681	$ 1,078,145	$ 1,163,826
Unrestricted	152,954	218,013	370,967
Total Net Position	$ 238,635	$ 1,296,158	$ 1,534,793

See accompanying notes and independent auditors' report.

Village of Castor
Statement of Activities
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	$ 125,314	$ -	$ -	$ -	$ (125,314)	$ -	$ (125,314)
Public Safety	8,890	7,614	-	-	(1,276)	-	(1,276)
Total Governmental Activities	$ 134,204	$ 7,614	$ -	$ -	$ (126,590)	$ -	$ (126,590)
Business-Type Activities:							
Water/Sewer	$ 135,978	$ 101,147	$ -	$ 421,772	$ -	$ 386,941	$ 386,941
Total Primary Government	$ 270,182	$ 108,761	$ -	$ 421,772	$ (126,590)	$ 386,941	$ 260,351
		General Revenues:					
		Taxes			$ 111,710	$ -	$ 111,710
		Licenses & Permits			28,618	-	28,618
		Lease/Rent			3,800	-	3,800
		Interest			-	209	209
		Miscellaneous			2,060	450	2,510
		Transfers			(36,000)	36,000	-
		Total General Revenues and Transfers			$ 110,188	$ 36,659	$ 146,847
		Change in Net Position			$ (16,402)	$ 423,600	$ 407,198
		Net Position, January 1, 2025			255,037	872,558	1,127,595
		Net Position, December 31, 2025			$ 238,635	$ 1,296,158	$ 1,534,793

See accompanying notes and independent auditors' report.

FUND FINANCIAL STATEMENTS

Village of Castor
Balance Sheet - Governmental Fund
December 31, 2025

		General Fund
ASSETS:		
Cash & Cash Equivalents	$	146,096
Revenue Receivable		9,818
Total Assets	$	155,914
LIABILITIES:		
Accounts Payable	$	2,117
Payroll Payable		843
Total Liabilities	$	2,960
FUND BALANCE:		
Unassigned		152,954
Total Liabilities and Fund Balance	$	155,914

See accompanying notes and independent auditors' report.

Village of Castor
Reconciliation of Governmental Fund
Balance Sheet to the Statement of Net Position
December 31, 2025

Total Fund Balance for the Governmental Fund at December 31, 2025	$	152,954
Total Net Position reported for Governmental Activities in Statement of Net Position is different because:		
The following used in Governmental Activities are not current financial resources; and, therefore, are not reported in the Governmental Funds Balance Sheet-		
Capital Assets (Net)		85,681
Total Net Position of Governmental Activities at December 31, 2025	$	238,635

See accompanying notes and independent auditors' report.

Village of Castor
Statement of Revenues, Expenditures, and Changes in Fund Balance-
Governmental Fund
For the Year Ended December 31, 2025

		General Fund
REVENUES:		
Taxes	$	111,710
Licenses & Permits		28,618
Charges for Services		7,614
Miscellaneous		2,060
Lease/Rent		3,800
Total Revenues	$	153,802
EXPENDITURES:		
General Government	$	119,264
Public Safety		8,890
Total Expenditures	$	128,154
Excess of Revenues over Expenditures	$	25,648
OTHER FINANCING SOURCES (USES)		
Transfers Out		(36,000)
Excess of Revenues over Expenditures and Other Financing Uses:	$	(10,352)
Fund Balance-Beginning of Year		163,306
Fund Balance-End of Year	$	152,954

See accompanying notes and independent auditors' report.

Village of Castor
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities
December 31, 2025

Net change in fund balance-governmental fund	$	(10,352)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds. These timing differences are summarized below:		
Depreciation Expense		(6,050)
Change in net position per statement of activities	$	(16,402)

Village of Castor
Statement of Net Position
Proprietary Fund-Water & Sewer Fund
December 31, 2025

ASSETS:		
Current Assets-		
Cash & Cash Equivalents	$	269,440
Revenue Receivable		113,902
Prepaid Rent		23,600
Total Current Assets	$	406,942
Noncurrent Assets:		
Restricted Assets-		
Customer Deposits	$	5,311
Capital Assets-		
Land		11,250
Other Capital Assets, net of depreciation		1,135,895
Total Noncurrent Assets	$	1,152,456
Total Assets	$	1,559,398
LIABILITIES:		
Current Liabilities-		
Accounts Payable/Accruals	$	194,240
Current Portion of LTD		6,000
Total Current Liabilities	$	200,240
Long Term Liabilities:		
Long Term Debt		63,000
Total Liabilities	$	263,240
Net Position-		
Net Investment in Capital Assets	$	1,078,145
Unrestricted		218,013
Total Net Position	$	1,296,158

See accompanying notes and independent auditors' report.

Village of Castor
Statement of Revenues, Expenses, and Changes in Net Position-
Proprietary Fund-Water & Sewer Fund
For the Year Ended December 31, 2025

OPERATING REVENUES:	
Charges for Services	$ 101,147
OPERATING EXPENSES:	
Depreciation	$ 59,474
Personnel Services	2,533
Utilities	14,087
Repairs & Maintenance	42,287
Office	11,809
Testing	2,319
Miscellaneous	3,469
Total Operating Expenses	$ 135,978
Operating Income (Loss)	$ (34,831)
NON-OPERATING REVENUES (EXPENSES):	
Interest Income	$ 209
Grant Income	421,772
Miscellaneous Income	450
Total Non-operating Revenues (Expenses)	$ 422,431
Income Before Transfers	$ 387,600
Transfers	36,000
Change in Net Position	$ 423,600
Net Position-Beginning of Year	872,558
Net Position-End of Year	$ 1,296,158

See accompanying notes and independent auditors' report.

Village of Castor
Statement of Cash Flows
Proprietary Fund-Water & Sewer Fund
For the Year Ended December 31, 2025

Cash Flows from Operating Activities:		
Cash Received from Customers	$	95,086
Cash Payments to Customer Deposits		-
Cash Paid to Suppliers		(97,658)
Cash Paid to Employees		(2,533)
Net Cash Used by Operating Activities	$	(5,105)
Cash Flows from Non-Capital Financing Activities:		
Transfers from Other Funds	$	36,000
Cash Flows from Capital & Related Financing Activities:		
Payments on Debt	$	(6,000)
Grant Proceeds		320,434
Acquisition of Capital Assets		(322,673)
Net Cash Used by Capital & Related Financing Activities	$	(8,239)
Cash Flows from Investing Activities		
Interest Income	$	209
Net Increase in Cash & Cash Equivalents	$	22,865
Cash & Cash Equivalents - Beginning of Year		251,886
Cash & Cash Equivalents - End of Year	$	274,751
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:		
Operating Income (Loss)	$	(34,831)
Adjustments to Reconcile Operating Income to Net Cash Provided (used) by Operating Activities:		
Depreciation	$	59,474
Changes in Assets & Liabilities:		
(Increase) Decrease in Accounts Receivable		(6,061)
(Increase) Decrease in Prepaid Rent		(23,600)
Increase (Decrease) in Accounts Payable		(87)
Increase (Decrease) in Customer Deposits		-
Total Adjustments	$	29,726
Net Cash Used by Operating Activities	$	(5,105)
Reconciliation of Cash & Cash Equivalents at Year End:		
Cash & Cash Equivalents	$	269,440
Restricted Cash		5,311
Total Cash Ending & Cash Equivalents	$	274,751

See accompanying notes and independent auditors' report.

NOTES TO FINANCIAL STATEMENTS

Village of Castor
Notes to Financial Statements
December 31, 2025

Introduction:

Pursuant to the provisions of Section 11, of Act No. 136, of the Session Acts of the General Assembly of the State of Louisiana, approved July 13, 1898, and Acts amendatory thereof, the Village of Castor, Louisiana, (Village) was declared a corporation by Proclamation executed by Governor John M. Parker on June 26, 1920. The Village is located in Ward 3 of Bienville Parish, State of Louisiana, and is managed by an elected Mayor and three aldermen. The Village provides a basic range of municipal services. These include police protection, public works (streets and lights), public improvements, sewer/water services, planning and zoning, social, cultural and general administration services. Management is compensated for services rendered to the Village. The Village has seven employees.

1. Summary of Significant Accounting Policies:

A. REPORTING ENTITY-

The Village is the basic level of government which has financial accountability and control over all activities related to the Village operations and services provided. The Village is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since the Village Mayor and Board of Aldermen are elected by the public and have decision making authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement 14, which are included in the Village's reporting entity.

The financial statements of the Village of Castor, Louisiana are prepared in accordance with generally accepted accounting principles (GAAP). The Village of Castor's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

B. BASIS OF PRESENTATION-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities using the economic resources measurement focus and accrual basis of accounting.

Village of Castor
Notes to Financial Statements
December 31, 2025

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

C. FUND ACCOUNTING-

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

The Village maintains two funds. One is categorized as a governmental fund and one as a proprietary fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. The Village considers both funds to be major.

The funds of the Village are described below:

Governmental Fund

General Fund

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

Proprietary Fund

Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Village's enterprise fund is the Utility Fund.

Village of Castor
Notes to Financial Statements
December 31, 2025

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Village as a whole. Both of these statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. CASH AND INTEREST-BEARING DEPOSITS-

For purposes of the Statement of Net Position and Statement of Cash Flows, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Village.

F. CAPITAL ASSETS-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of $500 or more for capitalizing capital assets.

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

Village of Castor
Notes to Financial Statements
December 31, 2025

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

Buildings and improvements	40 years
Equipment and vehicles	3-16 years
Utility system and improvements	10-50 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

G. RESTRICTED ASSETS-

Restricted assets include cash, interest-bearing deposits, and investments of the proprietary fund that are legally restricted as to their use. The restricted assets are related to utility meter deposits.

H. COMPENSATED ABSENCES-

There is no formal leave policy for the Village, therefore no entry is made to record compensated absences.

I. EQUITY CLASSIFICATIONS-

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

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

b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

Village of Castor
Notes to Financial Statements
December 31, 2025

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;

b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of $152,954. If applicable, the Village would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

J. ESTIMATES-

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

Village of Castor
Notes to Financial Statements
December 31, 2025

K. OPERATING REVENUES AND EXPENSES-

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. Operating revenues and expenses exclude capital and related financing, noncapital financing and investing activities.

L. EXPENDITURES/EXPENSES-

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character
Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

M. BUDGET-

Prior to the beginning of each fiscal year, the Village adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

2. Cash and Cash Equivalents:

The cash and cash equivalents of the Village of Castor are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village will not be able to recover its deposits. 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 or exceed 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. 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 Village that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Village's name.

Bank account balances at December 31, 2025, totaled $425,079 and were fully secured by FDIC Insurance and pledged securities, as applicable.

Village of Castor
Notes to Financial Statements
December 31, 2025

3. Restricted Assets:

The Enterprise Fund has restricted assets as follows:

Customer Deposits	$5,311

4. Property Taxes:

The Village levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the Village on property values assessed by the Bienville Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

For the year ended December 31, 2025, 6.5 mills were levied on property in the Village for general purposes per La. Constitution Article VI, Part II, Section 27(A).

The property tax calendar is as follows:

Assessment Date	January 1
Levy Date	June 1
Tax Bills Mailed	November 15
Total Taxes are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	No Set Policy
Tax Sale	No Set Policy

Assessed values are established by the Bienville Parish Tax Assessor each year on a uniform basis at the following percent of fair market value:

Land	10%
Residential	10%
Industrial	15%
Machinery	15%
Commercial	15%
Public Service (excluding land)	25%

A reevaluation of all property is required to be completed no less than every four years. A reevaluation was completed for the tax roll of January 1, 2024.

5. Receivables:

The following is a summary of receivables at December 31, 2025:

Class of Receivable	General Fund	Proprietary Fund	Total
Other	$9,818	$ 0	$ 9,818
Water & Sewer Sales	0	113,902	113,902
Total	$9,818	$113,902	$123,720

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectible accounts is used.

Village of Castor
Notes to Financial Statements
December 31, 2025

6. Capital Assets:

Capital assets and depreciation activity for the year ended December 31, 2025, are as follows:

Governmental Activities	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital Assets Depreciated:				
Building	$ 238,134	$ -	$ -	$ 238,134
Office Furniture, Fixtures				
& Equipment	16,082	-	-	16,082
Vehicles	22,402	-	-	22,402
Parking Lot	15,000	-	-	15,000
Total Assets	$ 291,618	$ -	$ -	$ 291,618
Less, Accumulated Depreciation:				
Building	$ 146,403	$ 6,050	$ -	$ 152,453
Office Furniture, Fixtures				-
& Equipment	16,082	-	-	16,082
Vehicles	22,402	-	-	22,402
Parking Lot	15,000	-	-	15,000
Total Accumulated Depreciation	$ 199,887	$ 6,050	$ -	$ 205,937
Net Capital Assets	$ 91,731	$ (6,050)	$ -	$ 85,681
Business-Type Activities				
Capital Assets Not Depreciated				
Land	$ 11,250	$ -	$ -	$ 11,250
CIP - Water System	19,229	509,474	-	528,703
Capital Assets Depreciated:				
Water System	789,133	-	-	789,133
Sewer System	891,049	-	-	891,049
Sewer System - 2007	559,339	-	-	559,339
Building	6,450	-	-	6,450
Tanks	18,550	-	-	18,550
Total Assets	$ 2,295,000	$ 509,474	$ -	$ 2,804,474
Less, Accumulated Depreciation:				
Water System	$ 620,596	$ 21,978	$ -	$ 642,574
Sewer System	717,281	22,276	-	739,557
Sewer System - 2007	237,719	13,984		251,703
Building	6,450	-		6,450
Tanks	15,809	1,236	-	17,045
Total Accumulated Depreciation	$ 1,597,855	$ 59,474	$ -	$ 1,657,329
Net Capital Assets	$ 697,145	$ 450,000	$ -	$ 1,147,145

Depreciation expense of $6,050 was charged to the General Government function and $59,474 was charged to the business-type activities.

Village of Castor
Notes to Financial Statements
December 31, 2025

7. Long-Term Debt

On July 11, 2024, the Village issued Series 2024, Sales Tax Bonds in the amount of $75,000 for improving the water well system. The bonds have an interest rate of 4.00% and are to be repaid over ten years.

The annual debt service requirements to maturity are as follows:

Year	Principal	Interest	Total
2026	$ 6,000	$ 2,640	$ 8,640
2027	7,000	2,380	9,380
2028	7,000	2,100	9,100
2029	7,000	2,820	9,820
2030	8,000	1,520	9,520
2031-2035	34,000	2,800	36,800
Total	$69,000	$14,260	$83,260

The following is a summary of changes in long-term debt for the year ended December 31, 2025:

	Balance 12-31-24	Additions	Reductions	Balance 12-31-25
Series 2024, Sales Tax Bonds	$75,000	$0	$6,000	$69,000

8. Compensation Paid to Board Members:

The members of the Village Council received no compensation for their services.

9. Related Party Transactions:

The Village had no identified related party transactions for the year ended December 31, 2025.

10. Pending Litigation:

The Village is currently named, along with most water districts in the state of Louisiana, as a defendant in a civil suit. Attorneys for the defense are of the opinion that the plaintiff will be unable to establish a cause of action against the Village, thereby granting the Village full dismissal. In the event a dismissal is not granted, any judgments rendered in favor of the plaintiff or payment resulting from compromise settlements, if any, will be within the limits of the Village's liability insurance.

11. Subsequent Events:

Management has evaluated events through June 26, 2026, the date on which the financial statements were available for issue. Management concluded that no subsequent events have occurred that require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Village of Castor
General Fund
Budgetary Comparison Schedule
December 31, 2025

	Budget Original	Budget Final	Actual	Variance-Favorable (Unfavorable)
REVENUES:				
Taxes	$ 101,000	$ 109,934	$ 111,710	$ 1,776
Licenses & Permits	30,075	28,619	28,618	(1)
Charges for Services	7,600	7,617	7,614	(3)
Miscellaneous	3,200	2,062	2,060	(2)
Lease/Rent	4,000	5,950	3,800	(2,150)
Grants	25,000	-	-	-
Total Revenues	$ 170,875	$ 154,182	$ 153,802	$ (380)
EXPENDITURES:				
General Government	$ 125,435	$ 121,151	$ 119,264	$ 1,887
Public Safety	12,340	8,755	8,890	(135)
Total Expenditures	$ 137,775	$ 129,906	$ 128,154	$ 1,752
Excess (Deficiency) of Revenues over Expenditures	$ 33,100	$ 24,276	$ 25,648	$ 1,372
OTHER FINANCING SOURCES (USES)				
Operating Transfers Out	(25,000)	(36,000)	(36,000)	-
Excess (Deficiency) of Revenues over Expenditures and Other Uses	$ 8,100	$ (11,724)	$ (10,352)	$ 1,372
Fund Balance-Beginning of Year	163,306	163,306	163,306	-
Fund Balance-End of Year	$ 171,406	$ 151,582	$ 152,954	$ 1,372

SUPPLEMENTARY INFORMATION

Village of Castor
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2025

Agency Head Name: Vicki Pickett, Mayor

Purpose	Amount
Salary	$14,400
Benefits-Social Security	893
Benefits-Medicare	209
Car allowance	2,400
Total	$17,902

See independent auditors' report.

Village of Castor
Notes to Financial Statements
December 31, 2025

Justice System Funding Schedule - Collecting/Dibursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information

Entity Name	Village of Castor
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	2353
Date that reporting period ended (mm/dd/yyyy)	12/31/2025

Cash Basis Presentation	First Six Month Period Ended 6/30/2025	Second Six Month Period Ended 12/31/2025
Beginning Balance of Amounts Collected (i.e. cash on hand)	-	-
Add: Collections		
Criminal Fines - Other	46	-
Less: Disbursements To Governments & Nonprofits: (*Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.*)		
LA Commission on Law Enforcement	9	-
Department of the Treasury	-	-
North Louisiana Criminal Lab	30	-
Ware Youth Center	-	-
Supreme Court	2	-
LDHH THSCI	5	-
Less: Amounts Retained by Collecting Agency		
Collection Fee retained by the Village	-	-
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	-	-
Ending Balance of "Partial Payments" Collected but not Disbursed (*only applies if collecting agency does not disburse partial payments until fully collected*) - *This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.*	-	-

Other Information:

Ending Balance of Total Amounts Assessed but not yet Collected (*i.e. receivable balance*)	0	0
Total Waivers During the Fiscal Period (*i.e. non-cash reduction of receivable balances, such as time served or community service*)	0	0

OTHER REPORTS/SCHEDULES

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – LLC
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

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

Mayor and Board of Aldermen
Village of Castor
P. O. Box 216
Castor, LA 71016

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, business-type activities, and major funds of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village of Castor's (Village) basic financial statements and have issued our report thereon dated June 26, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village'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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial 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*.

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. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

June 26, 2026

Village of Castor
Schedule of Audit Results
Year Ended December 31, 2025

I. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the Village of Castor.

2. There were no material weaknesses noted in internal control during the audit of the financial statements.

3. There were no instances of noncompliance material to the financial statements of the Village of Castor disclosed during the audit.

II. Findings in Accordance with *Government Auditing Standards*

None identified.

III. Prior Year Findings

None identified.

T | C | B | T
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
STATEWIDE AGREED-UPON PROCEDURES

To the Village of Castor 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, 2025 through December 31, 2025. The Village of Castor's (Village) management is responsible for those C/C areas identified in the SAUPs.

The Village 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, 2025 through December 31, 2025. 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 for 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:

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories (or noted that the entity does not have any written policies and procedures), as applicable:

   - ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

   - ***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.

   - ***Disbursements***, including processing, reviewing, and approving.

   - ***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.)

- ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedule.

- ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- ***Credit Cards (and debit cards, fuel cards, P-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).

- ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

- ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 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.

- ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

- ***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.

- ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Procedure Results - We noted exceptions. The Village has no written policies and procedures.

Board or Finance Committee

2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent documents in effect during the fiscal period, and:

- Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

- Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.

Procedure Results – We noted no exceptions with regard to Board or Finance Committee.

Bank Reconciliations

3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. We selected the entity's main operating account and randomly selected 4 additional accounts (or all if less than 5). We randomly selected one month from the fiscal period, and obtained and inspected the corresponding bank statement and reconciliation for the selected accounts, and observed that:

- Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g. initialed and dated, electronically logged);

- Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date reconciliation was prepared (e.g. initialed and dated, electronically logged); and

- Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedure Results – We noted exceptions with regard to Bank Reconciliations. There was no evidence of management review of the bank reconciliations selected. There was also no evidence reflecting research of reconciling items.

Collections (excluding electronic funds transfers)

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).

5. We obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site selected. We obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties were properly segregated at each collection location such that:

- Employees that are responsible for cash collections do not share cash drawers/registers.

- 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. pre-numbered receipts) to the deposit.

- Each employee responsible for collecting cash is not 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.

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

6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed that the bond or insurance policy for theft was enforced during the fiscal period.

7. We randomly selected two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits were made on the same day). We obtained supporting documentation for each of the deposits selected and:

- We observed that receipts are sequentially pre-numbered.

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

- We traced the deposit slip total to the actual deposit per the bank statement.

- We observed 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).

- We traced the actual deposit per the bank statement to the general ledger.

Procedure Results – We noted exceptions with regard to Collections because there are only two employees with shared job duties.

Non-Payroll Disbursements – General (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. We randomly selected the required amount of disbursement locations (up to five).

9. For each location selected under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and we observed that job duties are properly segregated such that:

- At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

- At least two employees are involved in processing and approving payments to vendors.

- The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

- Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

10. For each location selected under #8 above, we obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, and obtained supporting documentation for each transaction and:

    - We observed that the disbursement matched the related original itemized invoice and that documentation indicates that deliverables included on the invoice were received by the entity.

    - We observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

11. Using the entity's main operating account and the month selected in procedure #3 under Bank Reconciliations, we randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. If no electronic payments were made from the main operating account during the month selected, we selected an alternative month and/or account for testing that does include electronic disbursements.

    Procedure Results – We noted exceptions with regard to Non-Payroll Disbursements because there are only two employees with shared job duties.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

12. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.

13. Using the listing prepared by management, we randomly selected the required amount of cards (up to five) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly selected one monthly bank statement), and obtained supporting documentation, and:

    - We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

    - We observed that finance charges and late fees were not assessed on the selected statements.

14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, we randomly selected the required number of transactions (up to ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, we observed that it is supported by (1) an original itemized receipt that identified precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

    Procedure Results – We noted no exceptions with regard to Credit Cards/Debit Cards/Fuel Cards/P-Cards.

Travel and Expense Reimbursement

15. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected five reimbursements, and obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

    - If reimbursed using a per diem, we observed that the approved reimbursement rate is no more than those rates established by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
    - If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
    - We observed that each reimbursement was supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
    - We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

    Procedure Results – We noted no exceptions with regard to Travel and Expense Reimbursements.

Contracts

16. We obtained from management a listing of all agreements/contracts for professional services, materials, and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. We obtained management's representation that the listing is complete. We randomly selected the required amount of contracts (up to five) from the listing, excluding our contract, and:

    - We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
    - We observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
    - If the contract was amended (e.g. change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).
    - We randomly selected one payment from the fiscal period for each of the selected contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

    Procedure Results – We noted no exceptions with regard to Contracts.

Payroll and Personnel

17. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected five employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

18. We randomly selected one pay period during the fiscal period. For the five employees/officials selected under #17 above, we obtained attendance and leave documentation for the pay period, and:

    - We observed that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

    - We observed that supervisors approved the attendance and leave of the selected employees/officials.

    - We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

    - We observed that the rate paid to the employees or officials agrees to the authorized salary/pay rate found in the personnel file.

19. We obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. If applicable, we selected two employees or officials and obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. If applicable, we agreed the hours to the employees or officials' cumulative leave records, and the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and the termination payment to entity policy.

20. We obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, workers' compensation premiums, etc.) have been paid, and associated forms have been filed, by required deadlines.

Procedure Results – We noted no exceptions with regard to Payroll and Personnel.

Ethics

21. Using the five randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained ethics compliance documentation from management, and:

    - We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

    - We observed that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Procedure Results – We noted no exceptions with regard to Ethics.

Debt Service

22. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.

23. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Procedure Results – We noted no exceptions with regard to Debt Service.

Fraud Notice

24. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

25. We observed whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Procedure Results – We noted no exceptions with regard to the Fraud Notice.

Information Technology Disaster Recovery/Business Continuity

26. We performed the following procedures:

    - We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on the physical medium (e.g., tapes, CDs), we observed that backups are encrypted before being transported.

    - We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquired of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.

    - We obtained a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. We randomly selected the required number of computers (at least 5) and observed while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

    - We randomly selected the employees/officials from procedure #17 under "Payroll and Personnel" above, obtained cybersecurity training documentation from management, and observed that the documentation demonstrates that the selected employees/officials with access to the entity's information technology assets have completed cybersecurity training as required by R.S. 42:1267.

Procedure Results – We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

27. We randomly selected the employees/officials from procedure #17 under "Payroll and Personnel" above, obtained sexual harassment training documentation from management, and observed that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

28. We observed that the entity has posted its sexual harassment policy and complaint procedures on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

29. We obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed that it includes the applicable requirements of R.S. 42:344:

    - Number and percentage of public servants in the agency who have completed the training requirements;
    - Number of sexual harassment complaints received by the agency;
    - Number of complaints which resulted in a finding that sexual harassment occurred;
    - Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
    - Amount of time it took to resolve each complaint.

Procedure Results – We noted no exceptions with regard to Sexual Harassment.

We were engaged by the Village 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 contained in *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 Village 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 results 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.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

June 26, 2026

Village of Castor
Management's Responses to Exceptions to
Statewide Agreed-Upon Procedures
For the Year Ended December 31, 2025

MANAGEMENT'S RESPONSE TO EXCEPTIONS:

Written Policies and Procedures:

Exception - The Village has no written policies and procedures.

Response - The Village will develop written policies and procedures to address the required financial and compliance areas.

Bank Reconciliations:

Exception - There was no evidence of management review of the bank reconciliations. There was also no evidence reflecting research on reconciling items.

Response - The Village will implement procedures to ensure and document management review of all bank reconciliations and research reconciling items.

Collections:

Exception - There are only two employees with shared job duties.

Response - The costs associated with implementing the segregated job duties would outweigh the anticipated benefits.

Non-Payroll Disbursements:

Exception - There are only two employees with shared job duties.

Response - The costs associated with implementing the segregated job duties would outweigh the anticipated benefits.