

**Delta Agriculture Research  
and Sustainability District  
St. Joseph, Louisiana**

Annual Financial Report  
Year Ended June 30, 2025

**Delta Agriculture Research  
and Sustainability District**  
Financial Statements and Independent Accountant's Report  
Year Ended June 30, 2025

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## **INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

To the Board of Commissioners  
Delta Agriculture Research  
and Sustainability District  
St. Joseph, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and each major fund of Delta Agriculture Research and Sustainability District (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

### ***Supplementary Information***

The accompanying schedule of compensation, benefits, and other payments to the District head on page 13 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. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund on page 12 be presented to supplement the basic financial statements.

Such information is presented for purposes of additional analysis and, 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 representation of management. We have not performed an audit, review or compilation on the required supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical content.

A handwritten signature in black ink, appearing to read "Marti and Pepi". The signature is written in a cursive, flowing style.

Houma, Louisiana  
December 26, 2025

## **FINANCIAL STATEMENTS**

**Delta Agriculture Research  
and Sustainability District**  
Statement of Net Position and  
Governmental Fund Balance Sheet  
June 30, 2025

(See Independent Accountant's Compilation Report)

	General Fund	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash	\$ 64,867	\$ -	\$ 64,867
Capital asset, net	-	1,359	1,359
Total Assets	\$ 64,867	1,359	66,226
<b>Liabilities</b>			
Payroll liabilities	\$ 172	-	172
<b>Fund Balance/Net Position</b>			
Fund balance:			
Unassigned	64,695	(64,695)	-
Total Liabilities and Fund Balance	\$ 64,867		
Net position - unrestricted			64,695
Net investment in capital assets			1,359
Total net position		\$ 66,054	\$ 66,054

See notes to financial statements

**Delta Agriculture Research  
and Sustainability District**  
Statement of Activities and Statement of Governmental Fund  
Revenues, Expenditures, and Changes in Fund Balance  
Year Ended June 30, 2025

(See Independent Accountant's Compilation Report)

	General Fund	Adjustments	Statement of Activities
<b>REVENUES</b>			
Intergovernmental-			
State appropriation	\$ 85,863	\$ -	\$ 85,863
Grants and contracts	110,313	-	110,313
Total revenues	<u>196,176</u>	<u>\$ -</u>	<u>196,176</u>
<b>EXPENDITURES</b>			
Current:			
Economic development:			
Personal services:			
Salaries and related benefits	120,212	-	120,212
Other services and charges:			
Other	60,764	-	60,764
Professional fees	171,860	-	171,860
Depreciation	-	302	302
Total expenditures/expenses	<u>352,836</u>	<u>302</u>	<u>353,138</u>
<b>Excess of Expenditures Over Revenues</b>	(156,660)	156,660	-
<b>Change in Net Position</b>	-	(156,962)	(156,962)
<b>Fund Balance/Net Position</b>			
Beginning of year	<u>221,355</u>	<u>1,661</u>	<u>223,016</u>
End of year	<u>\$ 64,695</u>	<u>\$ 1,359</u>	<u>\$ 66,054</u>

See notes to financial statements.

**Delta Agriculture Research  
and Sustainability District**  
Notes to Financial Statements  
Year Ended June 30, 2025

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Delta Agriculture Research and Sustainability District (the "District") conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

**A. Reporting Entity**

The District was created under the provisions of Louisiana Revised Statutes 3:341 through 347 for the primary object and purpose of promoting and encouraging agricultural research and sustainability to stimulate the economy through commerce, industry, and research and for the utilization and development of natural and human resources of the area by providing job opportunities. The boundaries of the district shall be coterminous with the boundaries of the parishes of East Carroll and Tensas.

Under the enabling legislation which created the District, the governing board is comprised of 26 members consisting of:

- the governor or his designee
- the commissioner of agriculture and forestry or his designee
- the president of the local governing authority for the parish of East Carroll or his designee
- the president of the local governing authority for the parish of Concordia or his designee
- the president of the local governing authority for the parish of Madison or his designee
- the president of the local governing authority for the parish of Tensas or his designee
- the president of Louisiana Tech University or his designee
- the president of the University of Louisiana at Monroe or his designee
- the president of the Southern University System or his designee
- the president of the Louisiana State University System or his designee
- the president of Grambling State University or his designee
- the state representative for House District 19 or his designee
- the state representative for House District 21 or his designee
- the state senator for Senate District 32 or his designee
- the state senator for Senate District 34 or his designee
- the mayor of the city of Tallulah or his designee
- the mayor of the town of Lake Providence or his designee
- the mayor of the town of Newellton or his designee
- the mayor of the town of St. Joseph or his designee
- the mayor of the town of Waterproof or his designee
- the mayor of the town of Clayton or his designee

**Delta Agriculture Research  
and Sustainability District**  
Notes to Financial Statements  
Year Ended June 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- the mayor of the town of Ferriday or his designee
- the mayor of the town of Vidalia or his designee
- the secretary of the Department of Economic Development or his designee as an ex officio nonvoting member
- the president of the Louisiana Farm Bureau Federation or his designee as an ex officio nonvoting member
- the president of the Louisiana Cotton and Grain Association or his designee as an ex officio nonvoting member

The District is considered a separate governmental entity because it is substantially autonomous.

GASB Statement No. 14, "The Financial Reporting Entity", and GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units-an amendment of GASB Statement No. 14" established the criterion for determining which component units should be considered part of the District for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the District and the potential component unit.
4. Imposition of will by the District on the potential component unit.
5. Financial benefit/burden relationship between the District and the potential component unit.

The District has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

**B. Basis of Presentation**

The District's financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements.

Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the District. The government-wide

**Delta Agriculture Research  
and Sustainability District**  
Notes to Financial Statements  
Year Ended June 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities are financed through intergovernmental revenues.

Fund Financial Statements:

The daily accounts and operations of the District are organized on the basis of fund and account groups, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the governmental fund of the District:

General Fund - The General Fund is the general operating fund of the District. It is used to account for and report all financial resources except those that are required to be accounted for and reported in another fund. The General Fund is always a major fund.

**C. Measurement Focus and Basis of Accounting**

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

Government-wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Financial Statements:

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

**Delta Agriculture Research  
and Sustainability District**  
Notes to Financial Statements  
Year Ended June 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

**D. Capital Assets**

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

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$1,000 or more are valued at historical cost, or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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 estimated useful life of the District's sole capital asset (computer) is seven years.

Fund Financial Statements:

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.

**Delta Agriculture Research  
and Sustainability District**  
Notes to Financial Statements  
Year Ended June 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**F. Operating Budgetary Data**

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners (the "Board") adopted a budget for the District's General Fund. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District amended its budget once during the year. All budgeted amounts that are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

**G. Equity**

Government-wide Statements:

Equity is classified as net position and displayed in three components:

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, if any.

Restricted - Consists of assets less liabilities (net position) with constraints placed on the use either by (1) external groups such as creditors, granters, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or other enabling legislation.

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

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. As of June 30, 2025, and for the year then ended, the District did not have restricted resources.

**Delta Agriculture Research  
and Sustainability District**  
Notes to Financial Statements  
Year Ended June 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to maintain intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the District's Board. Committed fund balances may be established, modified, or rescinded only through resolutions approved by the District's Board.

Assigned - amounts that do not meet the criteria to be classified as either restricted or committed but that are intended to be used for specific purposes. Assigned fund balances may be established, modified or rescinded by the District's Board.

Unassigned - all other spendable amounts.

For the classification of government fund balances, the Commission considers an expenditure to be made from the most restrictive first when more than one classification is available. The Commission's fund balance total of \$64,695 was classified as unassigned.

**NOTE 2 - DEPOSITS**

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investment, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-I/P-1) commercial paper of domestic corporations.

State law requires deposits (cash) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

**Delta Agriculture Research  
and Sustainability District**  
Notes to Financial Statements  
Year Ended June 30, 2025

**NOTE 2 – DEPOSITS (continued)**

The year-end balance of deposits are as follows:

	<u>Bank Balance</u>	<u>Reported Amount</u>
Cash	<u>\$ 64,867</u>	<u>\$ 64,867</u>

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2025, the District's bank deposits were covered by FDIC insurance and not exposed to custodial credit risk.

**NOTE 3 - CAPITAL ASSET**

As of June 30, 2025, the District owns a computer with an original cost of \$2,114. Accumulated depreciation related to this asset was \$755, resulting in net capital asset of \$1,359.

**NOTE 4 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and errors and omissions for which the District is uninsured. As of June 30, 2025, and for the year then ended no claims or legal actions were filed, outstanding, or settled against the District.

**NOTE 5 - COMPENSATION OF BOARD MEMBERS**

No compensation was paid to board members for the year ended June 30, 2025.

**NOTE 6 - SUBSEQUENT EVENTS**

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through December 26, 2025, which is the date the financial statements were available to be issued. Management determined that no event occurred that requires disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Delta Agriculture Research  
and Sustainability District**

Statement of Governmental Fund Revenues, Expenditures and Changes  
in Fund Balance – Budget and Actual – General Fund  
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amount	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental-				
State appropriation	\$ 200,000	\$ 300,000	\$ 85,863	\$ (214,137)
Grants and contracts	20,000	55,000	110,313	55,313
Total revenues	<u>\$ 220,000</u>	<u>\$ 355,000</u>	<u>\$ 196,176</u>	<u>\$ (158,824)</u>
<b>EXPENDITURES</b>				
Current:				
Economic development:				
Personal services:				
Salaries and related benefits	115,500	143,500	120,212	23,288
Other services and charges:				
Other	26,400	22,300	60,764	(38,464)
Professional fees	44,500	73,500	171,860	(98,360)
Total expenditures	<u>186,400</u>	<u>239,300</u>	<u>352,836</u>	<u>(113,536)</u>
<b>Excess (Deficiency) of Revenue Over Expenditures</b>	33,600	115,700	(156,660)	(272,360)
<b>Fund Balance</b>				
Beginning of year	<u>221,355</u>	<u>221,355</u>	<u>221,355</u>	<u>-</u>
End of year	<u>\$ 254,955</u>	<u>\$ 337,055</u>	<u>\$ 64,695</u>	<u>\$ (272,360)</u>

See Independent Accountant's Compilation Report.

**SUPPLEMENTARY INFORMATION**

**Delta Agriculture Research  
And Sustainability District**  
Schedule of Compensation, Benefits, and  
Other Payments to District Head  
Year Ended June 30, 2025

<b>Purpose:</b>	<b><u>Executive Director</u></b>	
	Ms. Lynncal Bering	Dr. Jimmy Jones
Salary	\$ 20,079	\$ 68,635
Benefits - insurance	-	-
Benefits - retirement	-	-
Benefits - other	-	-
Mileage	880	702
Vehicle provided by government	-	-
Per diem	-	-
Reimbursements	881	221
Travel	-	-
Registration fees	-	-
Conference travel	-	3,176
Continuing professional education fees	-	-
Housing	-	-
Unvouchered expenses	-	-
Special meals	-	-
	\$ 21,840	\$ 72,734

This schedule is used to satisfy the reporting requirements of R.S. 24:513(A)(3).

See Independent Accountant's Compilation Report.

**Delta Agriculture Research  
and Sustainability District**  
Schedule of Findings and Responses  
Year Ended June 30, 2025

**Section I – Summary of Accountant’s Review Report**

Financial Statements

Noncompliance material to financial statements  
noted?

  X   Yes             No

**Section II – Financial Statement Findings**

**Compliance and Other Matters**

2025-001 – Budget Amendment

Statement of Condition: The District failed to amend its budget when a greater than 5% unfavorable variance in its budgeted revenues and expenditures existed.

Criteria: Louisiana Revised Statutes 39:1310-1311 requires governmental entities to adopt a budget amendment if there is a 5% unfavorable variance in revenues or expenditures.

Effects of Condition: The District is not in compliance with the Local Budget Act.

Cause of Condition: The District’s actual revenues were less than budgeted revenues by \$158,824, an unfavorable variance of 44.7% and actual expenditures exceeded budgeted expenditures by \$113,536, an unfavorable variance of 47.4%.

Recommendation: We recommend that the District adopt procedures that will require it to budget for all anticipated revenues and expenditures, to monitor budget to actual revenue and expenditures at frequent intervals, and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Response: The District will implement the recommendation as detailed above.

Questioned Costs: \$ -0-

**REPORTS BY MANAGEMENT**

**Delta Agriculture Research  
and Sustainability District**  
Schedule of Prior Findings and Resolution Matters  
Year Ended June 30, 2025

Note: Prior findings relate to the June 30, 2024 review engagement.

**Compliance and Other Matters**

2024-001 Budget Amendment

Statement of Condition: The District failed to amend its budget when a greater than 5% unfavorable variance in its budgeted revenues existed.

Criteria: Louisiana Revised Statute 39:1310-1311 requires governmental entities to adopt a budget amendment if there is a 5% unfavorable variance in revenues or expenditures.

Effects of Condition: The District is not in compliance with the Local Budget Act.

Cause of Condition: The District's actual revenues were less than budgeted revenues by \$88,180, an unfavorable variance of 23.5%.

Recommendation: We recommend that the District adopt procedures that will require it to budget for all anticipated revenues and expenditures, to monitor budget to actual revenue and expenditures at frequent intervals, and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Response: The District will implement the recommendation as detailed above.

Status: Ongoing, see finding 2025-001

2024-002 Noncompliance with State Audit Law

Statement of Condition: Noncompliance with Louisiana Audit Law requirement.

Criteria: Louisiana Revised Statute 24:513 requires the submission of a review/attestation report to the Louisiana Legislative Auditor within six months of year end for all entities receiving \$200,000 to \$499,999 of public funds during the accounting period. The District submitted its report after the due date.

Effects of Condition: The late filing of required reports could delay the availability of such financial information to interested parties and/or those monitoring compliance.

Cause of Condition: There was a transition in the management of the District near its year end which caused a delay in providing the information requested during the engagement.

**Delta Agriculture Research  
and Sustainability District**  
Schedule of Prior Findings and Resolution Matters  
Year Ended June 30, 2025

Recommendation: We recommend that the District adopt procedures that will result in the timely filing of reports required by the Louisiana audit law.

Response: The management agrees with this finding and considers it an isolated incidence.

Status: Resolved.

**Delta Agriculture Research  
and Sustainability District**  
Management's Corrective Action Plan  
Year Ended June 30, 2025

The contact person for all corrective actions noted below is Dr. Jimmy Jones, Executive Director.

**Compliance and Other Matters**

2025-001 Budget Amendment

Condition: The District failed to amend its budget when a greater than 5% unfavorable variance in its budgeted revenues and expenditures existed.

Recommendation: We recommend that the District adopt procedures that will require it to budget for all anticipated revenues and expenditures, to monitor budget to actual revenues and expenditures at frequent intervals, and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Planned Action: The District will implement the recommendation as detailed above.