

**Consolidated Gravity Drainage District No. 1
of Tangipahoa Parish
(A Component Unit of Tangipahoa Parish Government)
Tickfaw, Louisiana**

Annual Financial Report

As of and For the Year Ended December 31, 2024

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish**Tickfaw, Louisiana**

Table of Contents

As of and For the Year Ended December 31, 2024

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
Independent Auditor's Report	-	-	1 - 3
Required Supplemental Information (Part I):			
Management's Discussion and Analysis	-	-	5 - 9
Basic Financial Statements:			
Statement of Net Position	A	-	11
Statement of Activities	B	-	12
Governmental Fund Balance Sheet	C	-	14
Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide Statement of Net Position	D	-	15
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance	E	-	16
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Government-Wide Statement of Activities	F	-	17
Notes to the Financial Statements	-	-	19 - 37
Required Supplemental Information (Part II):			
Budgetary Comparison Schedule - General Fund	-	1	39
Schedule of Changes in the District's Total OPEB Liability and Related Ratios	-	2	40
Schedule of the Drainage District's Proportionate Share of the Net Pension Liability - Parochial Employee's Retirement System of Louisiana	-	3	41
Schedule of the Drainage District's Contributions - Parochial Employees Retirement System of Louisiana	-	4	42
Other Supplemental Information:			
Schedule of Expenditures of Federal Awards	-	5	44
Schedule of Compensation, Benefits, and Other Payments to Agency Head	-	6	45
Other Independent Auditor's Reports and Findings and Recommendations:			
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	-	-	47 - 48
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	-	-	49 - 51
Schedule of Findings and Questioned Costs			52 - 53
Summary Schedule of Prior Audit Findings	-	-	54

Dennis E. James, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan E. Lynch, CPA
B. Jacob Steib, CPA

Lyle E. Lambert, CPA
Lauren Kimble Smith, CPA



**JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.**
CERTIFIED PUBLIC ACCOUNTANTS
www.jlrcpafirm.com



Member of
American Institute of CPAs
Society of Louisiana CPAs

Independent Auditor's Report

To the Members of the Board of Commissioners of
Consolidated Gravity Drainage District No. 1 of
Tangipahoa Parish
Tickfaw, Louisiana

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of the Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish (the "District"), a component unit of Tangipahoa Parish Government, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the District, as of December 31, 2024, 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 Opinion

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

Emphasis of Matter – Change in Accounting Principle

As described in Note L to the financial statements, in 2024, the District adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis found on pages 5 through 9, the budgetary comparison schedule, the schedule of changes in the District's total OPEB liability and related ratios, the schedule of the District's proportionate share of the net pension liability, and the schedule of the District's contributions found on pages 39 through 42 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.

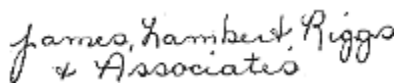
We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency 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 District's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to agency head and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, dated May 12, 2025, on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.



James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

May 12, 2025

Required Supplemental Information (Part I):
Management's Discussion and Analysis

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish

Tickfaw, Louisiana

Management's Discussion and Analysis

For the Year Ended December 31, 2024

Introduction

Consolidated Gravity Drainage District No.1 of Tangipahoa Parish (the "District") is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments*, and related standards.

The District's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District financial position, (d) identify any significant variations from the District's financial plan, and (e) identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this Management's Discussion and Analysis should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this Management's Discussion and Analysis.

Financial Highlights

- At December 31, 2024, the District's assets exceeded its liabilities by \$15,242,743 (net position). Of this amount, \$13,324,026 (unrestricted net position) may be used to meet the District's ongoing obligations for drainage work for its citizens.
- At December 31, 2024, the District's total assets increased by 2.10% or \$335,007. This is primarily due to the decreased expenditures on canal improvements.
- At December 31, 2024, the District's government fund reported an ending fund balance of \$13,773,793, an increase of \$812,734 for the year. This increase is due primarily to a decrease in canal improvement projects.
- Investment income for the year ended December 31, 2024, was \$634,905, an increase of \$59,729. This increase is due primarily to an increase in interest rates.
- Ad valorem taxes for the year ended December 31, 2024, were \$6,279,911, which represents an increase of \$223,468.

Overview of the Annual Financial Report

The financial statement focus is on both the District as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the District's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary schedules in addition to the basic financial statements.

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish

Tickfaw, Louisiana

Management's Discussion and Analysis (Continued)

For the Year Ended December 31, 2024

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on the District's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the District's various revenues. This is intended to summarize and simplify the reader's analysis of the cost and / or subsidy of various governmental services.

In the government-wide financial statements, the District's activities are of single type:

- Governmental activities – The District's basic services are reported here and are financed primarily through ad valorem taxes.

The government-wide financial statements include the Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish (component unit of the Tangipahoa Parish Government) only and can be found on Exhibits A and B of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The District uses a single category of funds to account for financial transactions: governmental funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental funds are used to account for all the District's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The basic governmental fund financial statements can be found on Exhibits C and E of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the District's more immediate decisions on the current use of financial resources.

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish**Tickfaw, Louisiana****Management's Discussion and Analysis (Continued)****For the Year Ended December 31, 2024**

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliations can be found on Exhibits D and F of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the District's net position for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position on Exhibit A of this report.

**Net Position
December 31, 2024 and 2023**

	Governmental Activities			
	2024	2023	\$ Change	% Change
Assets:				
Current and Other Assets	\$ 14,377,241	\$ 14,128,237	\$ 249,004	1.76%
Capital Assets	1,918,717	1,832,714	86,003	4.69%
Total Assets	<u>\$ 16,295,958</u>	<u>\$ 15,960,951</u>	<u>\$ 335,007</u>	2.10%
Deferred Outflows	<u>\$ 315,223</u>	<u>\$ 609,805</u>	<u>\$ (294,582)</u>	-48.31%
Liabilities:				
Other Liabilities	\$ 603,448	\$ 1,169,178	\$ (565,730)	-48.39%
Long-Term Liabilities	720,223	931,179	(210,956)	-22.65%
Total Liabilities	<u>\$ 1,323,671</u>	<u>\$ 2,100,357</u>	<u>\$ (776,686)</u>	-36.98%
Deferred Inflows	<u>\$ 44,767</u>	<u>\$ 55,271</u>	<u>\$ (10,504)</u>	-19.00%
Net Position:				
Net Investment in Capital Assets	\$ 1,918,717	\$ 1,832,714	\$ 86,003	4.69%
Unrestricted	13,324,026	12,582,414	741,612	5.89%
Total Net Position	<u>\$ 15,242,743</u>	<u>\$ 14,415,128</u>	<u>\$ 827,615</u>	5.74%

Approximately 13% of the District's net position reflects its investment in capital assets (land, buildings, furniture, and equipment) net of any outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Approximately 87% of the District's net position are unrestricted and may be used to meet the District's ongoing obligations to its citizens at the District's discretion.

At the end of the current fiscal year, the District was able to report positive balances in its three categories of net position. The same held true for the prior fiscal year.

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish**Tickfaw, Louisiana****Management's Discussion and Analysis (Continued)****For the Year Ended December 31, 2024**

The District's activities increased its net position by \$827,615, with the increase primarily attributable to its drainage canal improvement activities.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the District's activities for the current year as compared to the prior year, restated for GASB 68. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities on Exhibit B of this report.

**Changes in Net Position
For the Years Ended December 31, 2024 and 2023**

	Governmental Activities			
	2024	2023	\$ Change	% Change
Revenues:				
Program Revenues	\$ 3,060,858	\$ 7,353,528	\$ (4,292,670)	-58.38%
General Revenues	<u>7,209,543</u>	<u>6,825,547</u>	<u>383,996</u>	5.63%
Total Revenues	10,270,401	14,179,075	(3,908,674)	-27.57%
Expenses:				
Public Works - Drainage	9,271,001	14,007,291	(4,736,290)	-33.81%
Depreciation	<u>171,785</u>	<u>144,847</u>	<u>26,938</u>	18.60%
Total Expenses	<u>9,442,786</u>	<u>14,152,138</u>	<u>(4,709,352)</u>	-33.28%
Changes in Net Position	827,615	26,937	800,678	2972.41%
Net Position, Beginning	<u>14,415,128</u>	<u>14,388,191</u>	<u>26,937</u>	0.19%
Net Position, Ending	<u>\$ 15,242,743</u>	<u>\$ 14,415,128</u>	<u>\$ 827,615</u>	5.74%

The District's governmental net position increased by \$827,615, or 5.74% of the prior year ending net position, to \$15,242,743. Revenues decreased by \$3,908,674 and expenses decreased by \$4,709,352 causing a positive change in net position.

Fund Financial Analysis

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term, inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the year.

At the end of the current year, the District's governmental funds reported ending fund balance of \$13,773,793. This represents an increase of \$814,734 or 6.34% of the prior year's ending balances.

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish

Tickfaw, Louisiana

Management's Discussion and Analysis (Continued)

For the Year Ended December 31, 2024

Major Governmental Fund Budgetary Highlights

District demonstrated legal compliance by adopting and amending its budget in accordance with provisions of the Local Government Budget Act. As required by state law, actual revenues and other sources were within 5% of budgeted revenues and other sources, and actual expenditures and other uses did not exceed budgeted expenditures and other uses by 5%.

Capital Assets and Debt Administration Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2024, amounts to \$1,918,717 (net of depreciation). There were a few asset purchases and some surplus assets. The total increase in the District's investment in capital assets for the current fiscal year was \$86,003 (net depreciation).

The following table provides a summary of the District's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information see Note 6 to the financial statements.

	Governmental Activities	
	2024	2023
Land	\$ 70,000	\$ 70,000
Buildings	807,428	844,186
Equipment	705,364	572,216
Leasehold Improvements	334,105	344,492
Office Furniture and Equipment	1,820	1,820
	<u>\$ 1,918,717</u>	<u>\$ 1,832,714</u>

Contacting the District's Financial Management

This financial report is designed to provide the District's users with a general overview of the District's finances and show the District's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to Consolidated Gravity Drainage District No.1 of Tangipahoa Parish, Post Office Box 31, Hammond, Louisiana 70404. The District's telephone number is (985) 542-4292.

**Basic Financial Statements –
Government-Wide Financial Statements**

Consolidated Gravity District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana
Statement of Net Position
December 31, 2024

Exhibit A

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 361,612
Investments, At Fair Value	7,810,027
Receivables, Net of Allowance for Uncollectibles	6,205,602
Land	70,000
Fixed Assets, Net	1,848,717
Total Assets	\$ 16,295,958
Deferred Outflows of Resources	
Changes in Assumptions	\$ -
Differences Between Expected and Actual Experience	50,418
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	171,597
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	1,303
Contributions Subsequent to the Measurement Date	91,905
Total Deferred Outflows of Resources	\$ 315,223
Liabilities	
Accounts Payable	\$ 13,395
Contracts Payable	196,604
Accrued Payroll and Payroll Liabilities	153,319
Deductions from Ad Valorem Taxes Payable	240,130
Portion Due in More Than One Year:	
Accrued Sick Leave	2,913
Net Pension Liability	106,473
Postemployment Healthcare Benefits Payable	610,837
Total Liabilities	\$ 1,323,671
Deferred Inflows of Resources	
Differences Between Expected and Actual Experience	\$ 25,580
Changes in Assumptions	18,550
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	637
Total Deferred Inflows of Resources	\$ 44,767
Net Position	
Invested in Capital Assets, Net	\$ 1,918,717
Unrestricted	13,324,026
Total Net Position	\$ 15,242,743

The accompanying notes are an integral part of this statement.

Consolidated Gravity District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana
Statement of Activities
For the Year Ended December 31, 2024

Exhibit B

	<u>Governmental Activities</u>
Expenses:	
Public Works - Drainage:	
Salaries and Related Benefits	\$ 1,385,542
Professional Fees	60,936
Insurance	113,066
Materials and Supplies	23,461
Repairs and Maintenance	81,652
Statutory Charges	240,130
Utilities	42,795
Fuel	53,388
Other Charges	27,904
Rehab Projects	
Debris Removal Projects	2,628,535
Other Rehab Projects	4,613,592
Depreciation	<u>171,785</u>
Total Expenses	9,442,786
Program Revenues:	
Operating Grants:	
Federal Grant Revenues	<u>3,060,858</u>
Total Program Revenues	<u>3,060,858</u>
Net Program (Expense) / Revenue	(6,381,928)
General Revenues:	
Ad Valorem Taxes	6,279,911
PILOT Revenue	140,981
State Revenue Sharing	105,354
Investment Earnings	634,905
Miscellaneous Income	37,334
Revenue from Non-Contributing Employer	11,058
Gain / (Loss) on Disposal of Fixed Assets	<u>-</u>
Total General Revenues	<u>7,209,543</u>
Change in Net Position	827,615
Net Position - Beginning of Year	<u>14,415,128</u>
Net Position - End of the Year	<u><u>\$ 15,242,743</u></u>

The accompanying notes are an integral part of this statement.

**Fund Financial Statements –
Governmental Fund Financial Statements**

Consolidated Gravity District No. 1 of Tangipahoa ParishExhibit C**Tickfaw, Louisiana**

Governmental Fund Balance Sheet

December 31, 2024

	<u>Fund</u>
Assets	
Cash and Cash Equivalents	\$ 361,612
Investments, At Fair Value	7,810,027
Receivables, Net of Allowance for Uncollectibles	<u>6,205,602</u>
Total Assets	<u>\$ 14,377,241</u>
Liabilities and Fund Balance	
Liabilities:	
Accounts Payable	\$ 13,395
Contracts Payable	196,604
Accrued Payroll and Payroll Liabilities	153,319
Deductions from Ad Valorem Taxes Payable	<u>240,130</u>
Total Liabilities	<u>603,448</u>
Fund Balance:	
Unassigned	<u>13,773,793</u>
Total Fund Balance	<u>13,773,793</u>
Total Liabilities and Fund Balance	<u>\$ 14,377,241</u>

The accompanying notes are an integral part of this statement.

**Consolidated Gravity District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Exhibit D

Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Position
For the Year Ended December 31, 2024

Total Governmental Fund Balance (Exhibit C)	\$ 13,773,793
----------------------------------------------------	----------------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,918,717
-------------------------------------------------------------------------------------------------------------------------	-----------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Accrued Sick Leave	(2,913)
Other Postemployment Healthcare Obligations	(610,837)

In accordance with Governmental Accounting Standards Board Statement No. 68, the net pension liability related to pension plans, deferred outflows of resources, and deferred inflows of resources are not recorded in the governmental funds.

Net Pension Liability	(106,473)
Deferred Outflows of Resources	315,223
Deferred Inflows of Resources	<u>(44,767)</u>

Net Position of Governmental Activities (Exhibit A)	<u>\$ 15,242,743</u>
------------------------------------------------------------	-----------------------------

The accompanying notes are an integral part of this statement.

**Consolidated Gravity District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Exhibit E

Statement of Governmental Funds Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended December 31, 2024

	<u>General Fund</u>
Revenues:	
Ad Valorem Taxes	6,279,911
PILOT Revenue	140,981
State Revenue Sharing	105,354
Investment Earnings	634,905
Federal Grant Revenues	3,060,858
Miscellaneous Income	<u>37,334</u>
Total Revenues	10,259,343
Expenditures:	
Salaries & Related Benefits	1,301,362
Professional Fees	60,936
Insurance	113,066
Materials and Supplies	23,461
Repairs and Maintenance	81,652
Statutory Charges	240,130
Utilities	42,795
Fuel	53,388
Other Charges	27,904
Rehab Projects	
Debris Removal Projects	2,628,535
Other Rehab Projects	4,613,592
Capital Outlay	<u>257,788</u>
Total Expenditures	<u>9,444,609</u>
Excess of Revenues over Expenditures	814,734
Fund Balance - Beginning of the Year	<u>12,959,059</u>
Fund Balance - End of the Year	<u><u>\$ 13,773,793</u></u>

The accompanying notes are an integral part of this statement.

**Consolidated Gravity District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Exhibit F

Reconciliation of the Governmental Funds Statement of Revenue, Expenditures, and
Changes in Fund Balance to the Government-Wide Statement of Activities
For the Year Ended December 31, 2024

Net Change in Fund Balance, Governmental Funds (Exhibit E)	\$ 814,734
-------------------------------------------------------------------	------------

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay	257,788
Depreciation Expense	(171,785)
Gain / (Loss) on Disposal of Fixed Assets	-

In accordance with Governmental Accounting Standards Board Statement No. 68, the net pension liability related pension plans is not required to be recorded in the governmental fund financial statements. Adjustments to pension expense related to charges in deferred outflows of resources and deferred inflows of resources are reflected in the statement of activities:

Net Change in Pension Expense	56,089
Contributions from Non-Employer Contributing Entities	11,058

The net change in long-term liabilities is reported in the government-wide statements, but not in the governmental fund statements:

Postemployment Health Care Benefits	<u>(140,269)</u>
-------------------------------------	------------------

Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 827,615</u>
----------------------------------------------------------------------	-------------------

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2024

Narrative Profile

The Consolidated Gravity Drainage District No.1 of Tangipahoa Parish (hereinafter referred to as "District") was created by the Tangipahoa Parish Police Jury as authorized by Act 19 of the 1950 Second Extraordinary Session of the Louisiana Legislature, as amended by Act 384 of the 1981 Regular Session of the Louisiana Legislature. The District was created to open and maintain all-natural drains in the district, where drainage is accomplished using the natural force of gravity. This may be accomplished by cutting and opening new drains, ditches, and canals. The District is governed by a board of commissioners consisting of nine (9) members of the Tangipahoa Parish Council who represent any portion of Wards 6, 7, or 8 of Tangipahoa Parish, which comprise the boundaries of the District. The District employs approximately thirteen (13) employees, including an administrator, office staff, and construction and maintenance employees. The District maintains an office and maintenance facility in Tickfaw, Louisiana. The District is presently responsible for maintaining approximately four hundred twenty (420) miles of drainage canals within the district.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying component unit financial statements of the District have been prepared in conformity with 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 accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999, and as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes (LRS) and to guides set forth in the *Louisiana Governmental Audit Guide* and to the industry audit guide, *Audits of State and Local Governmental Units*.

B. Reporting Entity

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a component unit of Tangipahoa Parish Government. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The District uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions relating to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Governmental Funds

Governmental funds account for all the District's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the District. The following are the District's governmental funds:

General Fund – the primary operating fund of the District that accounts for the operations of the District. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District's policy.

D. Measurement Focus/Basis of Accounting

Basic Financial Statements – Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include all the activities of the District with the interfund activities removed. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest earnings and other revenues not properly included among program revenues are reported instead as general revenues.

Basic Financial Statements – Governmental Funds

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of the current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District's operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become 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.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

The District considers all revenues available if they are collected within 60 days after the fiscal year end except ad valorem taxes and state revenue sharing, which are recognized in the period for which they are levied. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Revenues from ad valorem taxes and state revenue sharing are recognized in the period for which they are levied. Investment earnings are recognized when earned. Substantially all other revenues are recorded when received.

Expenditures – Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Reconciliation – Explanation of differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

E. Budget and Budgetary Accounting

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual budgets of state and local governments and have a keen interest in following the actual financial process of their governments over the course of the year. Many governments revise their budgets over the course of the year for a variety of reasons. As a result, the District's original budget is shown along with the comparison of the final budget and actual results.

The District follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The District prepares budgets on the modified accrual basis of accounting in accordance with GAAP. The District adopted a budget for the General Fund.
2. The District's administrator prepares the proposed budget and submits it to the board of commissioners no later than fifteen (15) days prior to the beginning of each fiscal year. The proposed budget for 2024 was presented to the board of commissioners on November 15, 2023.
3. The public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
4. A public hearing is held on the proposed budget at least ten (10) days after publication of the call for the hearing. The public hearing on the proposed budget for 2024 was held on December 13, 2023.
5. After holding the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted. The proposed budget for 2024 was adopted on December 13, 2023.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

6. Budgetary amendments require the approval of the board of commissioners. The budget for the District was amended on November 13, 2024 for the year ended December 31, 2024.
7. All budgetary appropriations lapse at year-end.
8. Periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the originally adopted budget amounts and final amended budgetary amounts.

F. Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the District to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

Investments for the District are reported at fair market value. The state investment pool Louisiana Asset Management Pool ("LAMP") operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

G. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated costs if historical costs are not available. Donated assets are recorded as capital assets at their acquisition value (entry price) at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

The cost of cutting and opening of new drains, ditches, and canals is not capitalized.

H. Compensated Absences

After sixty (60) days of employment, fulltime employees will be credited with vacation leave earned from the date of hire at an accrual rate of 1.5385 hours per eighty (80) hour pay period. After one (1) year of employment, each employee earns 3.0769 hours per pay period (or 80 hours per year). After five (5) years of employment, each employee earns 4.6154 hours per pay period (or 120 hours per year). After ten years of employment, each employee earns 6.1538 hours per pay period (or 160 hours per year).

Vacation leave may be carried over and accumulated in subsequent calendar years up to one hundred twenty hours (120) over the current year's accrual. Any vacation time earned in excess of this amount will be transferred over to sick leave and applied to sick leave according to sick leave policy. Accumulated vacation leave is fully vested.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Each employee shall accrue sick leave at a rate of 3.6923 hours per two-week pay period (96 hours or 12 days per year). Although employees may not use paid sick leave during the first sixty (60) days of employment, fulltime employees shall accrue sick leave during this period which may be used at the end of the sixty (60) days. At the time of retirement, death or a reduction in force from the District, employees will be paid for any unused sick leave at the straight time rate of pay earned at the time of separation up to one hundred eighty (180) working days or 1440 hours. Unused sick leave, in excess of one hundred eighty (180) working days or 1440 hours may be utilized in computing benefits at the time of retirement in accordance with retirement system policy. No payment for unused sick leave will be permitted if any employee other than the Administrator is discharged or leaves voluntarily prior to retirement.

The District Board may authorize up to eighty (80) hours advanced sick leave in any two (2) year calendar period to full-time employees. This advanced sick leave must be repaid from future earned sick and / or annual leave within ten (10) months at the rate of eight (8) hours per month.

The Administrator earned sixteen (16) hours of vacation leave and eight (8) hours of sick leave for each month of continuous service with the District. At the time of retirement or termination the Administrator shall be paid for any unused vacation time and sick time at the straight time rate of pay earned at the time of separation, sick leave shall be paid up to one hundred eighty (180) days.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the General Fund when leave is taken.

I. Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's pension plan and additions to / deductions from the plan's fiduciary net position have been determined on the accrual basis, which is the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

J. Net Position

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

1. Net Investment in Capital Assets – consists of the historical cost of capital assets, including any 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.
2. Restricted – this component of net position consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted – all other net position is reported in this category.

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.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

K. Fund Equity

In the governmental fund financial statements, fund balance is classified as follows:

1. Nonspendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
2. Restricted Fund Balance – amounts that can be spent only for specific purposes because of enabling legislation, or externally imposed conditions by grantors, creditors, or citizens.
3. Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the Board of Commissioners (the District's highest level of decision-making authority).
4. Assigned Fund Balance – amounts that are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. This intent should be expressed by the Board of Commissioners or the Administrator.
5. Unassigned Fund Balance – all amounts not included in other spendable classifications.

When fund balance resources are available for a specific purpose in multiple classifications, the District will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. As of December 31, 2024, the District did not have any nonspendable, restricted, committed, or assigned fund balances.

L. New Accounting Pronouncements

The GASB issued Statement No. 101, *Compensated Absences*. The Statement provides guidance on the recognition and measurement guidance for compensated absences for government end users. The Statement is effective for fiscal years beginning after December 15, 2023. The District adopted the provisions of GASB Statement No. 101, *Compensated Absences* during 2024.

M. Estimates

The preparation of financial statements in conformity with GAAP require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reported period. Actual results could differ from those estimates.

2. Levied Taxes

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The taxes are generally collected in December of the current year, and January and February of the ensuing year.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

The following is a summary of authorized and levied ad valorem taxes:

Taxes Due For:	Authorized Millage	Levied Millage	Expiration Date
Acquisition, Construction, and Maintenance	5.00	4.81	2031
Acquisition, Construction, and Maintenance	5.00	4.81	2029

3. Deposits and Investments

Cash and cash equivalent and investments as of December 31, 2024, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Cash Equivalents	\$ 361,612
Investments	<u>7,810,027</u>
Total Cash and Cash Equivalents and Investments	<u>\$ 8,171,639</u>

Deposits and investments (GASB Statement No. 3, *Deposits with Financial Institutions (Including Repurchase Agreements), and Reverse Repurchase Agreements*, as amended) as of December 31, 2024, consists of the following:

Deposits with Financial Institutions:

Interest-Bearing Demand Deposits	\$ 361,612
Certificates of Deposit	<u>-</u>
Total Deposits with Financial Institutions	361,612

Investments:

Louisiana Asset Management Pool	<u>7,810,027</u>
Total Investments	<u>7,810,027</u>

Total Deposits and Investments	<u>\$ 8,171,639</u>
--------------------------------	---------------------

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

At December 31, 2024, the District had \$397,264 in bank deposits (collected bank balances). \$250,000 is covered by FDIC insurance, and \$147,264 is uninsured but collateralized with a FHLB Letter of Credit.

Even though the pledged securities are not held in the entity's name, LRS 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand. Deposits collateralized by pledged securities are considered to be exposed to credit risk (Category 3) under the provisions of GASB Statement No. 40, *Deposit and Investment Risk Disclosures – An Amendment of GASB Statement No. 3*. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial risk. As of December 31, 2024, the District was in compliance with state law, which requires any uninsured cash balances with the fiscal agent bank to be adequately collateralized by a pledge of securities.

At December 31, 2024, the District investment balances are as follows:

	Carrying Amount	Fair Value
Louisiana Asset Management Pool (LAMP)	\$ 7,810,027	\$ 7,810,027
	<u>\$ 7,810,027</u>	<u>\$ 7,810,027</u>

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

GASB Statement No. 40 requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The following facts are relevant for investment pools:

Credit Risk: LAMP is rated AAAm by Standard & Poor's.

Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of Credit Risk: Pooled investments are excluded from the 5% disclosure requirement.

Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating / variable rate investments. The WAM for LAMP's total investments was 29 days as of December 31, 2024.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Foreign Currency Risk: Not applicable.

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

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

LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc., That report may be obtained by writing to LAMP, Inc. 650 Poydras Street, Suite 2220, New Orleans, Louisiana 70130, or by calling (800) 249-5267.

4. Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2024, \$147,264 of the District's bank balances are exposed to custodial credit risk because they are uninsured but collateralized with a FHLB Letter of Credit.

5. Receivables

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

<u>Class of Receivable</u>	<u>Total</u>
Ad Valorem Taxes	\$ 6,252,379
State Revenue Sharing	70,236
Other Receivable	<u>73,829</u>
Total	6,396,444
Less: Allowance for Uncollectible Ad Valorem Taxes	<u>(190,842)</u>
Total	<u><u>\$ 6,205,602</u></u>

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

6. Capital Assets

Capital assets and depreciation for governmental activities as of and for the year ended December 31, 2024:

	Balance 2023	Increases	Decreases	Balance 2024
Capital Assets Not Depreciated:				
Land	\$ 70,000	\$ -	\$ -	\$ 70,000
Total Capital Assets Not Depreciated	70,000	-	-	70,000
Capital Assets Being Depreciated:				
Building	1,433,210	-	-	1,433,210
Equipment	1,734,114	257,788	76,156	1,915,746
Infrastructure Improvements	415,468	-	-	415,468
Office Furniture & Equipment	20,090	-	-	20,090
Total Capital Assets Being Depreciated	3,602,882	257,788	76,156	3,784,514
Less Accumulated Depreciation For:				
Building	589,024	36,758	-	625,782
Equipment	1,161,898	124,640	76,156	1,210,382
Leasehold Improvements	70,976	10,387	-	81,363
Office Furniture & Equipment	18,270	-	-	18,270
Total Accumulated Depreciation	1,840,168	171,785	76,156	1,935,797
Capital Assets Being Depreciated, Net	1,762,714	86,003	-	1,848,717
Government Activities Capital Assets, Net	<u>\$ 1,832,714</u>	<u>\$ 86,003</u>	<u>\$ -</u>	<u>\$ 1,918,717</u>

Depreciation expense of \$171,785 for the year ended December 31, 2024, was charged to the governmental activities.

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

Description	Estimated Lives
Machinery & Equipment	5 - 10 Years
Furniture & Fixtures	5 - 20 Years
Vehicles	5 - 10 Years
Building & Building Improvements	10 - 40 Years

7. Compensated Absences

At December 31, 2024, employees of the District have accumulated and vested \$80,308 of employee leave benefits. This amount is recorded as a liability on the accompanying financial statements.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

8. Accounts, Salaries and Other Payables

The payables of \$603,448 at December 31, 2024, were as follows:

Class of Payable	Total
Accounts Payable	\$ 13,395
Contracts Payable	196,604
Accrued Annual Leave	80,308
Accrued Salaries and Wages Payable	25,377
Payroll Withholdings and Related Payables	47,634
Deductions from Ad Valorem Taxes Payable	240,130
Total Liabilities	<u>\$ 603,448</u>

9. Long-Term Obligations

The following is a summary of changes in long-term liabilities of the District for the year ended December 31, 2024:

	Balance 2023	Additions	Reductions	Balance 2024
Postemployment Healthcare Benefits	\$ 470,568	\$ 179,890	\$ 39,621	\$ 610,837
Net Pension Liability (Asset)	457,698	-	351,225	106,473
Compensated Absences	2,913	-	-	2,913
Total	<u>\$ 931,179</u>	<u>\$ 179,890</u>	<u>\$ 390,846</u>	<u>\$ 720,223</u>

10. Leases

The District records items under capital leases as an asset and an obligation in the accompanying financial statements. The District had no capital leases as of December 31, 2024.

11. Tax Abatements

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers attractive tax incentive for manufacturers within the state. The program abates, for up to ten years, local property taxes (ad valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. This exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and / or personal property items covered by the exemption. There are currently 19 tax abatements in Tangipahoa Parish, related to 11 companies, under the Louisiana ITEP. For the 2024 calendar year, estimated forgone ad valorem taxes due to this abatement program was \$29,981 for the District.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

12. Employee Pension Plan – Parochial Employees’ Retirement System of Louisiana

General Information about the Pension Plan

Plan Description – Employees of the District are eligible for participation in the Parochial Employees’ Retirement System of Louisiana (the “System”) – a cost-sharing, multiple-employer defined benefit pension plan administered by a Board of Trustees and established by Act 205 of the 1952 Regular Session of the Louisiana Legislature. The System issues a publicly available financial report that can be obtained at www.persla.org. The report may also be obtained by writing to the Parochial Employees' Retirement System of Louisiana, 7905 Wrenwood Blvd., Baton Rouge, Louisiana 70809, or by calling (225) 928-1361.

Benefits Provided – The System provides retirement, disability, and death benefits. Retirement benefits are determined as 3.0% of the employee’s final compensation multiplied by the employee’s years of creditable service. Employees, hired prior to 2007, who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3.0% of their final-average salary for each year of creditable service. Employees, hired after 2007, who retire at or after age 67 with at least 7 years of creditable service, at or after age 62 with at least 10 years of creditable service, or at age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3.0% of their final-average salary for each year of creditable service. Final-average salary is the employee’s average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Under state law, cost of living increases to benefits are allowable only if sufficient funds are available from investment income in excess of normal requirements. Cost of living increases cannot exceed 2% of the retiree’s original benefit for each full calendar year since retirement.

Contributions – Per Act 765 of the 1979 Regular Session of the Louisiana Legislature, contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System’s Board of Trustees. Employees are required to contribute 9.50% of their annual pay. The District’s contractually required contribution rate was 11.50% for the period January 1, 2024 through December 31, 2024. Contributions to the System from the District were \$93,148 for the year ended December 31, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the District reported \$106,473 for its proportionate share of the net pension liability / (asset). The net pension liability / (asset) was measured as of December 31, 2023, and the total pension asset used to calculate the net pension liability / (asset) was determined by an actuarial valuation as of that date.

The District’s proportion of the net pension liability / (asset) was based on a projection of the District’s December 31, 2024, contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2023, the District’s proportion was 0.111757%, which was an decrease of 0.007163% from its proportion measured as of December 31, 2022.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

For the year ended December 31, 2024, the District recognized pension expense of (\$56,089). At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 50,418	\$ 25,580
Changes of Assumptions	-	18,550
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	171,597	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,303	637
Employer Contribution Subsequent to the Measurement Date	91,905	-
Total	<u>\$ 315,223</u>	<u>\$ 44,767</u>

The District reported a total of \$91,905 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2023, which will be recognized as a reduction in net pension liability / (asset) for the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	
2024	\$ 14,824
2025	85,641
2026	144,535
2027	(69,750)
	<u>\$ 175,250</u>

Actuarial Assumptions – The total pension liability / (asset) in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Projected Salary Increases	4.75% (2.30% Inflation, 2.45% Merit)
Investment Rate of Return	6.40%, Net of Investment Expense

The mortality rate assumption used in the December 31, 2023 report, was based upon an experience study performed on plan data for the period January 1, 2018 through December 31, 2022. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

The long-term expected rate of return on pension plan investments was determined using a triangulation method, which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing / diversification. The resulting expected long-term rate of return is 7.50% for the year ended December 31, 2023.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.00%	1.12%
Equity	51.00%	3.20%
Alternatives	14.00%	0.67%
Real Assets	2.00%	0.11%
Total	100.00%	5.10%
Inflation		2.40%
Expected Arithmetic Nominal Return		7.50%

Discount Rate – The discount rate used to measure the total pension liability / (asset) was 6.40%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems’ Actuarial Committee. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability / (asset).

Sensitivity of the District’s Proportionate Share of the Net Pension Liability / (Asset) to Changes in the Discount Rate The following presents the District’s proportionate share of the net pension liability / (asset) calculated using the discount rate of 6.40%, as well as what the District’s proportionate share of the net pension liability / (asset) would be if it were calculated using a discount rate that is one percentage-point lower (5.40%) or one percentage-point higher (7.40%) than the current rate:

	1.0% Decrease (5.40%)	Current Rate (6.40%)	1.0% Increase (7.40%)
District's Proportionate Share of the NPL	\$ 759,707	\$ 106,473	\$ (441,851)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued System financial report.

Payables to the Pension Plan – As of December 31, 2024, the District owed \$-0- to the System for the District’s fourth quarter 2024 payroll contribution.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

13. Deferred Compensation Plan

Certain employees of the District participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

The District's contributions to the plan for the year ended December 31, 2023, were \$23,975.

The District's contribution is limited to and may not exceed 3.0% of the employees' annual salaries.

14. Postemployment Healthcare Benefits

General Information about the OPEB Plan

Plan Description – In accordance with a resolution adopted by the board of commissioners on July 16, 2003, employees who retire from the District with at least 7 years of service may qualify for participation in the Retirement Group Insurance Plan (RGIP). RGIP is a self-administered, single-employer, defined benefit plan. RGIP provides medical benefits to eligible retirees and their spouses. The participant must also have been covered under the Employee Group Insurance Plan for at least one year prior to retirement. A plan participant may only select coverage up to the extent that the participant had coverage under the Employee Group Insurance Plan prior to retirement. The participant may reduce coverage but may not increase coverage. RGIP does not issue a financial report; however, the entity is included in Tangipahoa Parish Government's annual financial report. You may obtain a copy of the annual financial report by contacting the Director of Finance at (985) 748-3211 or Tangipahoa Parish Government, P.O. Box 215, Amite, LA 70422.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Benefits Provided – The District provides medical, dental, and vision benefits for retirees and their dependents as follows:

Employees who meet any of the following eligibility requirements immediately prior to retirement are eligible for medical, dental, vision and life benefits. Coverage for medical, dental and vision benefits is provided from date of retirement, for the balance of the retiree's life, and is contingent on the payment of the retiree's premium.

For employees with retirement dates before 1/1/2020:

- Employees with 7 years of service with District and who have been covered under the Employee Group Insurance Plan for at least one year prior to retirement are eligible to continue coverage after termination. No portion of the medical or dental premium is paid for by the District.
- Employees with at least 10 years of service may elect to remain covered with the District paying 25% of the total premium up to \$350 per month.
- Employees with at least 15 years of service may elect to remain covered with the District paying 50% of the total premium up to \$500 per month.
- Once the participant and spouse are eligible for Medicare, the participant can elect to move to the District Medicare Supplement Plan. If elected, the District will pay 100% of the total premium up to \$350 per month.

For employees with retirement dates after 12/31/2019:

- Employees who are retirement eligible with at least (7) seven years of service may elect to remain covered under the current group insurance plan with the District paying the lesser of 4.00% of the retirees monthly insurance premium and HRA or \$40.00 per year of service toward the monthly insurance premium and HRA up to a maximum of the lesser of 90% or \$900.
- Employees with (7) seven years of service or more may elect to participate in the Medicare Supplement Reimbursement Plan in which the District will pay the lesser of \$40.00 per year of service, \$450.00, or 100% of the Medicare supplement monthly premium for the employee and their spouse (if they also participated in the Group Insurance Plan for one year prior to retirement).

Employees Covered by Benefit Terms – At January 1, 2024, the following employees were covered by the benefit terms:

Actives	14
Retirees	3
Beneficiaries	0
Spouses of Retirees	3
Total	<hr/> 20

Total OPEB Liability – The District's total OPEB liability of \$610,837 was measured as of December 31, 2024 and was determined by an actuarial valuation as of January 1, 2024.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Actuarial Assumptions and Other Inputs – The total OPEB liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary, Increases, Including Inflation	4.25%
Discount Rate	4.08%

The discount rate was based on the Bond Buyer's 20-year General Obligation Index immediately prior to or coincident with the measurement date. The discount rate has increased by 0.82% since the December 31, 2023 measurement date.

Mortality rates were based on the sex distinct PubG.H-2010 projected forward (fully generational) with MP-2021. Pub-2010 tables for disabled lives and contingent survivors are also used.

The actuarial assumptions used in the January 1, 2024, valuation were based on those used in the Retirement Group Insurance Plan valuation and actuarial experience.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate, election, demographic and health assumptions each period.

Changes in the Total OPEB Liability:

Balance at December 31, 2023	\$ 470,568
Changes for the Year:	
Service Cost	11,588
Interest on Total OPEB Liability	15,443
Effect of Plan Changes	-
Adjustment to Correct Prior Year Benefit Payments	-
Effect of Economic / Demographic Gains and Losses	152,860
Effect of Assumptions, Changes, or Inputs	(22,539)
Benefit Payments	(17,082)
Balance at December 31, 2024	<u>\$ 610,837</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) or 1 percentage point higher (5.08%) than the current rate:

	1.0% Decrease (3.08%)	Current Rate (4.08%)	1.0% Increase (5.08%)
Total OPEB Liability	\$ 667,017	\$ 610,837	\$ 562,983

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, calculated using the current healthcare cost trend rates as well

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

as what the District's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates:

	<u>1.0% Decrease</u>	<u>Current Trend Rate</u>	<u>1.0% Increase</u>
Total OPEB Liability	\$ 604,667	\$ 610,837	\$ 616,200

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended December 31, 2024, the District recognized an OPEB expense of \$32,734. At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred (Inflows) of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences Between Expected and Actual Experience	\$ (41,800)	\$ 182,323
Changes of Assumptions or Other Inputs	(59,216)	21,247
Total	<u>\$ (101,016)</u>	<u>\$ 203,570</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	
2025	\$ 5,418
2026	38,118
2027	35,135
2028	23,883
2029	-
Thereafter	-

15. Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District attempts to minimize risk from significant losses through the purchase of commercial insurance.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

16. Compensation of Board Members

On January 11, 2023, the board adopted a resolution to implement compensation as provided in R.S. 38:1794(B)(3)(b)(iii) stating that board members may receive compensation of not more than seven hundred fifty dollars per month for performing the duties imposed upon a member by virtue of appointment.

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

Board Member	Amount
Emile J. "Joey" Mayeaux, President	\$ 9,000
Lionell Wells, Vice President	9,000
Strader Dufreche Cieutat	9,000
Joseph Havis, III	9,000
Brigette D. Hyde	9,000
John G. Ingraffia	9,000
Louis L. "Nick" Joseph	9,000
H.G. "Buddy" Ridgel	9,000
David Vial	9,000
	<u>\$ 81,000</u>

17. Litigation

The District has no pending litigation as of the date of this report.

18. Subsequent Events

Management has evaluated the subsequent events through the date that the financial statements were available to be issued, May 12, 2025. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Required Supplemental Information (Part II):

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Schedule 1

Governmental Fund Budgetary Comparison Schedule – General Fund
For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues:				
Ad Valorem Taxes	5,013,500	6,013,500	6,279,911	\$ 266,411
PILOT Revenue	-	-	-	-
State Revenue Sharing	90,000	90,000	105,354	15,354
Investment Earnings	60,000	60,000	634,905	574,905
Federal Grant Revenues	1,500,000	3,000,000	3,201,839	201,839
Miscellaneous Income	(8,500)	(8,500)	37,334	45,834
Total Revenues	<u>6,655,000</u>	<u>9,155,000</u>	<u>10,259,343</u>	<u>1,104,343</u>
Expenditures:				
Salaries & Related Benefits	1,429,500	1,354,500	1,301,362	53,138
Professional Fees	72,500	72,500	60,936	11,564
Insurance	125,000	125,000	113,066	11,934
Materials and Supplies	28,500	28,500	23,461	5,039
Repairs and Maintenance	101,500	101,500	81,652	19,848
Statutory Charges	215,000	215,000	240,130	(25,130)
Utilities	40,000	40,000	42,795	(2,795)
Fuel	77,000	77,000	53,388	23,612
Other Charges	41,500	41,500	27,904	13,596
Rehab Projects	4,023,500	8,023,500	7,242,127	781,373
Capital Outlay	<u>375,000</u>	<u>375,000</u>	<u>257,788</u>	<u>117,212</u>
Total Expenditures	<u>6,529,000</u>	<u>10,454,000</u>	<u>9,444,609</u>	<u>1,009,391</u>
Excess of Revenues over Expenditures	126,000	(1,299,000)	814,734	2,113,734
Fund Balance -				
Beginning of the Year	<u>10,627,764</u>	<u>13,257,677</u>	<u>12,959,059</u>	<u>(298,618)</u>
End of the Year	<u>\$ 10,753,764</u>	<u>\$ 11,958,677</u>	<u>\$ 13,773,793</u>	<u>\$ 1,815,116</u>

See independent auditor's report.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Schedule 2

Schedule of Changes in the District's Total OPEB Liability and Related Ratios
For the Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:							
Service Cost	\$ 11,588	\$ 11,174	\$ 14,917	\$ 15,615	\$ 12,106	\$ 21,135	\$ 22,606
Interest	15,443	16,438	8,277	7,964	14,224	20,214	16,836
Change of Benefit Term	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	-	-	-	39,220	-	-
Adjustment to Correct Prior Year Benefit Payments	-	(16,537)	-	-	-	-	-
Effect of Economic / Demographic Gains or (Losses)	152,860	1,197	117,981	-	(250,795)	92,187	-
Changes in Assumptions or Other Inputs	(22,539)	18,990	(77,116)	3,306	49,945	(89,126)	(30,858)
Benefit Payments	<u>(17,082)</u>	<u>(15,720)</u>	<u>8,119</u>	<u>(8,079)</u>	<u>(15,261)</u>	<u>(3,320)</u>	<u>(3,736)</u>
Net Change in Total OPEB Liability	140,270	15,542	72,178	18,806	(150,561)	41,090	4,848
Total OPEB Liability - Beginning	<u>470,568</u>	<u>455,026</u>	<u>382,848</u>	<u>364,042</u>	<u>514,603</u>	<u>473,513</u>	<u>468,665</u>
Total OPEB Liability - Ending	<u>\$ 610,837</u>	<u>\$ 470,568</u>	<u>\$ 455,026</u>	<u>\$ 382,848</u>	<u>\$ 364,042</u>	<u>\$ 514,603</u>	<u>\$ 473,513</u>
Covered Employee Payroll	\$ 890,267	\$ 958,557	\$ 840,550	\$ 794,845	\$ 762,441	\$ 778,897	\$ 693,891
Total OPEB Liability as a Percentage of Covered Employee Payroll	68.61%	49.09%	54.13%	48.17%	47.75%	66.07%	68.24%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Notes to Schedule:

Changes of Benefit Terms: None

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate, election, demographic and health assumptions each period.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 to pay related benefits.

See independent auditor's report.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Schedule 3

Schedule of the District's Proportionate Share of the Net Pension Liability –
Parochial Employee's Retirement System of Louisiana
For the Year Ended December 31, 2024

<u>Fiscal Year*</u>	<u>District's Proportion of the Net Pension Liability</u>	<u>District's Proportionate Share of the Net Pension Liability</u>	<u>District's Covered Employee Payroll</u>	<u>District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2024	0.111757%	\$ 106,473	\$ 890,267	11.96%	98.03%
2023	0.118920%	\$ 457,698	\$ 958,557	47.75%	91.74%
2022	0.117377%	\$ (552,897)	\$ 840,550	-65.78%	110.46%
2021	0.114164%	\$ (200,177)	\$ 794,845	-25.18%	104.00%
2020	0.123838%	\$ 5,829	\$ 762,441	0.76%	99.89%
2019	0.116975%	\$ 519,177	\$ 778,897	66.66%	88.86%
2018	0.124326%	\$ (92,281)	\$ 693,891	-13.30%	101.98%
2017	0.132245%	\$ 272,360	\$ 767,578	35.48%	94.15%
2016	0.122887%	\$ 323,474	\$ 746,866	43.31%	92.23%
2015	0.120361%	\$ 32,908	\$ 734,767	4.48%	99.15%

* The amounts presented for each fiscal year were determined as of December 31 of the current year

See independent auditor's report.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Schedule 4

Schedule of the District's Contributions –
Parochial Employee's Retirement System of Louisiana
For the Year Ended December 31, 2024

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency / (Excess)</u>	<u>District's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2024	\$ 93,148	\$ 93,148	\$ -	\$ 890,267	10.46%
2023	\$ 92,775	\$ 92,775	\$ -	\$ 958,557	9.68%
2022	\$ 96,471	\$ 96,471	\$ -	\$ 840,550	11.48%
2021	\$ 93,407	\$ 93,407	\$ -	\$ 794,845	11.75%
2020	\$ 93,312	\$ 93,312	\$ -	\$ 762,441	12.24%
2019	\$ 90,294	\$ 90,294	\$ -	\$ 778,897	11.59%
2018	\$ 82,698	\$ 82,698	\$ -	\$ 693,891	11.92%
2017	\$ 95,947	\$ 95,947	\$ -	\$ 767,578	12.50%
2016	\$ 101,836	\$ 101,836	\$ -	\$ 746,866	13.64%
2015	\$ 102,165	\$ 102,165	\$ -	\$ 734,767	13.90%

* The amounts presented for each fiscal year were determined as of December 31 of the current year

See independent auditor's report.

Other Supplemental Information

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Schedule 5

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/ Pass-Through Grantor / Program Title	Assistance Listing Number	Federal Award Number	Pass-Through Grantor's Number	Disbursements / Expenditures
United States Department of Agriculture				
Natural Resources Conservation Service - Emergency Watershed Protection Program	10.923	NR237217XXXXC010	-	<u>1,299,347</u>
Total Federal Funds				<u>\$ 1,299,347</u>

Note 1 - Basis of Presentation

This schedule of expenditures of federal awards includes federal grant activity of the Consolidated Gravity Drainage District No. 1, Tickfaw, Louisiana, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Note 2

The Consolidated Gravity Drainage District No. 1 has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

See independent auditor's report.

**Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish
Tickfaw, Louisiana**

Schedule 6

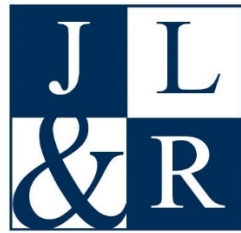
Schedule of Compensation, Benefits, and Other Payment to Agency Head
For the Year Ended December 31, 2024

Agency Head: Kiley Bates, Administrator

Purpose	Amount
Salary	\$ 170,290
Benefits - Insurance	18,058
Benefits - Retirement (11.5% - Parochial)	19,583
Deferred Compensation (3.00%)	5,109
Benefits - Medicare	2,469
Car Allowance	-
Vehicle Provided by Government	-
Vehicle Rental	-
Reimbursement for Cell Phone	600
Reimbursement for Mileage	12,418
Dues	110
Per Diem	-
Reimbursements	-
Travel	-
Registration Fees	1,845
Conference Travel	1,334
Conference Lodging	2,452
Unvouchered Expenses	-
Special Meals	546
Other	281
	<u>\$ 235,095</u>

See independent auditor's report.

Other Independent Auditor's Reports and Findings



Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Consolidated Gravity Drainage District No. 1
of Tangipahoa Parish
Tickfaw, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish (the "District"), a component unit of Tangipahoa Parish Government, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 12, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

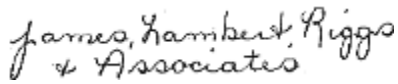
Report on Compliance and Other Matters

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

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

May 12, 2025

Dennis E. James, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan E. Lynch, CPA
B. Jacob Steib, CPA
Lauren Kimble Smith, CPA
Lyle E. Lambert, CPA



JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS
www.jlrcpafirm.com

AICPA®
Member of
American Institute of CPAs
Society of Louisiana CPAs

Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance

To the Board of Commissioners
Consolidated Gravity Drainage District No. 1
of Tangipahoa Parish
Tickfaw, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended December 31, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

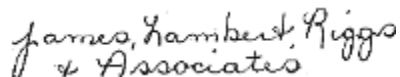
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over

compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

May 12, 2025

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish

Tickfaw, Louisiana

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2024

We have audited the basic financial statements of the Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish as of and for the year ended December 31, 2024, and have issued our report thereon dated May 12, 2025. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Uniform Guidance. Our audit of the basic financial statements as of December 31, 2024, resulted in an unmodified opinion

Section I Summary of Auditor's Reports

1. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weakness	<u> </u>	Yes	<u> X </u>	No
Significant Deficiencies	<u> </u>	Yes	<u> X </u>	No

Compliance:

Compliance Material to the Financial Statements	<u> </u>	Yes	<u> X </u>	No
-------------------------------------------------	---------------	-----	--------------	----

2. Federal Awards

Internal Control:

Material Weakness	<u> </u>	Yes	<u> X </u>	No
Significant Deficiencies	<u> </u>	Yes	<u> X </u>	No

Type of Opinion on Compliance for Major Programs	<u> X </u>	Unmodified	<u> </u>	Modified
	<u> </u>	Disclaimer	<u> </u>	Adverse

Are there findings required to be reported in accordance with the Uniform Guidance?	<u> </u>	Yes	<u> X </u>	No
-------------------------------------------------------------------------------------	---------------	-----	--------------	----

Was a management letter issued?	<u> </u>	Yes	<u> X </u>	No
---------------------------------	---------------	-----	--------------	----

3. Identification of Major Programs

Assistance Listing Number(s)

10.923

Name of Federal Program (or Cluster)

National Resources Conservation Service –
Emergency Watershed Protection Program

Dollar threshold used to distinguish between Type A and Type B Programs:	<u>\$750,000</u>
--------------------------------------------------------------------------	------------------

Is the auditee a "low-risk" auditee, as defined by the Uniform Guidance?	<u> </u>	Yes	<u> X </u>	No
--------------------------------------------------------------------------	---------------	-----	--------------	----

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish

Tickfaw, Louisiana

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2024

Section II Financial Statement Findings

Internal Control Matters

None

Compliance and Other Matters

None

Section III Federal Award Findings and Questioned Costs

No matters were reported.

Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish

Tickfaw, Louisiana

Summary Schedule of Prior Audit Findings

For the Year Ended December 31, 2024

	Fiscal Year		
	Findings		
<u>Ref. #</u>	<u>Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>

Internal Control over Financial Reporting

None

Compliance and Other Matters

None

Note: This schedule has been prepared by the management of the Consolidated Gravity Drainage District No. 1 of Tangipahoa Parish.