

**FIRST WARD GRAVITY DRAINAGE DISTRICT  
OF ACADIA PARISH**

Rayne, Louisiana

**COMPONENT UNIT FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

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# BROADHURST, HAMILTON & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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June 22, 2022

## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

To the Board of Commissioners  
First Ward Gravity Drainage District of Acadia Parish  
Acadia Parish Police Jury  
Rayne, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the First Ward Gravity Drainage District of Acadia Parish, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 2020, which collectively comprise the Drainage District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountant's Responsibility**

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

### **Accountant's Conclusion**

Based on our review, with the exception of the matters described in the following paragraphs, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Accountant's Agreed Upon Procedures**

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 22, 2022, on the results of our agreed-upon procedures.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, we do not express an opinion, a conclusion, nor any assurance on it.

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

### **Other Supplementary Information**

The other supplementary information included in Schedules 1 thru 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited or reviewed the other supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

**Broadhurst, Hamilton & Company**

**BROADHURST, HAMILTON & COMPANY**

Certified Public Accountants

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana

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**STATEMENT OF NET POSITION**  
**AS OF DECEMBER 31, 2020**

**ASSETS**

**Current Assets:**

Cash and cash equivalents	\$ 55,941
Certificates of deposit	417,424
Ad valorem taxes receivable	441,436
State revenue sharing receivable	14,547
Prepaid insurance	<u>27,347</u>
 Total Current Assets	 \$ 956,695

**Noncurrent Assets:**

Depreciable capital assets, net	<u>60,493</u>
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**TOTAL ASSETS**

**\$ 1,017,188**

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows of resources	\$ <u>-</u>
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**LIABILITIES**

**Current Liabilities:**

Accounts payable	\$ 8,404
Pension fund payable	14,898
Accrued interest payable	-
Current portion of long-term debt:	
Bonds payable	-
Notes payable	<u>-</u>
 Total Current Liabilities	 \$ 23,302

**Noncurrent Liabilities:**

Portion due or payable after one year:	
Notes payable	<u>-</u>

**TOTAL LIABILITIES**

**\$ 23,302**

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources	\$ <u>-</u>
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**NET POSITION**

Net investment in capital assets	\$ 60,493
Unrestricted net position	<u>933,393</u>
 TOTAL NET POSITION	 <u>\$ 993,886</u>

See accompanying Notes and Independent Accountants' Review Report.

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)/ Revenues &amp; Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Governmental Activities:</b>					
Component Unit:					
Public Works	\$ 453,688	\$ -	\$ -	\$ -	\$ (453,688)
Interest on Long-term debt	-	-	-	-	-
<b>Totals</b>	<b><u>\$ 453,688</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (453,688)</u></b>
<b>General Revenues:</b>					
Property taxes					\$ 441,437
Grants and contributions not restricted to specific programs					14,547
Insurance proceeds					-
Investment earnings					6,989
Miscellaneous income					-
Gain/(Loss) on sale of assets					-
					<u>-</u>
					<b><u>\$ 462,973</u></b>
					<b><u>\$ 9,285</u></b>
					<b><u>984,601</u></b>
					<b><u>\$ 993,886</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**FUND FINANCIAL STATEMENTS**



FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**AS OF DECEMBER 31, 2020**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total Governmental Funds</b>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 55,941	\$ -	\$ 55,941
Certificates of deposit	417,424	-	417,424
Ad valorem taxes receivable	441,436	-	441,436
Due from other governmental agencies	14,547	-	14,547
Prepaid insurance	27,347	-	27,347
<b>TOTAL ASSETS</b>	<b>\$ 956,695</b>	<b>\$ -</b>	<b>\$ 956,695</b>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>			
<b>Liabilities:</b>			
Accounts payable	\$ 8,404	\$ -	\$ 8,404
Pension deduction payable	14,898	-	14,898
Total Liabilities	\$ 23,302	\$ -	\$ 23,302
<b>Fund Balance:</b>			
Restricted fund balance-debt service	\$ -	\$ -	\$ -
Unassigned fund balance	933,393	-	933,393
Total Fund Balance	\$ 933,393	\$ -	\$ 933,393
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 956,695</b>	<b>\$ -</b>	<b>\$ 956,695</b>

See accompanying Notes and Independent Accountants' Review Report.

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2020**

<b>Total Fund Balance - Governmental Funds as of December 31, 2020</b>		<b>\$ 933,393</b>
<p>Total Net Position Reported for Governmental Activities in the Statement of Net Position is different because:</p>		
<p>Capital assets used in Governmental Activities are not financial resources and therefore are not recorded in the funds:</p>		
Capital Assets	\$ 167,514	
Accumulated Depreciation	<u>(107,021)</u>	60,493
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds:</p>		
Accrued interest payable	\$ -	
Bonds payable	-	
Notes payable	<u>-</u>	-
<p>Bond issue costs which are reported as expenditures in the year incurred in the governmental funds are deferred and amortized in the statement of activities:</p>		
Bond issue costs	\$ -	
Accumulated amortization	<u>-</u>	<u>-</u>
<b>Total Net Position of Governmental Activities as of December 31, 2020</b>		<b><u>\$ 993,886</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES:</b>			
Ad valorem taxes	\$ 441,437	\$ -	\$ 441,437
Intergovernmental - State revenue sharing	14,547	-	14,547
Insurance proceeds	-	-	-
Investment earnings	6,989	-	6,989
Miscellaneous income	-	-	-
	<b>\$ 462,973</b>	<b>\$ -</b>	<b>\$ 462,973</b>
<b>EXPENDITURES:</b>			
Current:			
Public works	\$ 437,240	\$ -	\$ 437,240
Capital outlay	25,853	-	25,853
Debt service:			
Bond Issue Costs	-	-	-
Principal	-	-	-
Interest	-	-	-
	<b>\$ 463,093</b>	<b>\$ -</b>	<b>\$ 463,093</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (120)</b>	<b>\$ -</b>	<b>\$ (120)</b>
<b>OTHER FINANCING SOURCES/(USES):</b>			
Proceeds from issuance of certificates of indebtedness	\$ -	-	\$ -
Proceeds from sale of assets	-	-	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (120)</b>	<b>\$ -</b>	<b>\$ (120)</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>933,513</b>	<b>-</b>	<b>933,513</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 933,393</b>	<b>\$ -</b>	<b>\$ 933,393</b>

See accompanying Notes and Independent Accountants' Review Report.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>Total Net Changes in Fund Balance per Statement of Revenues, Expenditures and Changes in Fund Balances at December 31, 2020</b>	<b>\$</b>	<b>(120)</b>
<p>The Changes in Net Position Reported for Governmental Activities in the Statement of Activities is different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay		25,853
Depreciation expense		(16,448)
<p>The Net Effect of various miscellaneous transactions involving Capital Assets, such as sales, trade-ins, and donations is to decrease net position</p>		
		-
<p>In the Statement of Activities, only the gain on the sale of assets is reported, whereas in the Governmental Funds Statements, the proceeds from the sale increase financial resources. Thus the change in net assets differs from the change in fund balance by the cost less accumulated depreciation of the asset sold.</p>		
Cost of Asset		-
Accumulated Depreciation		-
<p>Bond proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly repayment of principal is reported as an expenditure in Governmental Funds and thus contributes to the change in Fund Balance. In the Statement of Net Position, however, the repayment of principal reduces the liability.</p>		
Principal payments		-
Debt proceeds		-
<p>Governmental Funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Bond issue costs		-
Bond issue costs amortized		-
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in Governmental Funds.</p>		
Interest expense accrual basis		-
Interest expense modified accrual basis		-
<b>Total Changes in Net Position per Statement of Activities at December 31, 2020</b>	<b>\$</b>	<b><u>9,285</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTES TO FINANCIAL STATEMENTS**

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

The accompanying financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies for the District are described below:

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes and the industry audit guide, Audits of State and Local Governments.

The following is a summary of certain significant accounting policies:

**A. Financial Reporting Entity:**

As provided by Louisiana Revised Statute 38:1758, the Drainage District is governed by five commissioners. These five commissioners are referred to as the Board of Commissioners and are appointed by the parish police jury. The Drainage District was created under the authority of Louisiana Revised Statutes 38:1751–1802 and was established for the purpose of draining and reclaiming the drained or partially drained marsh, swamp, and overflowed lands in the district that must be levied and pumped in order to be drained and reclaimed.

In conformance with GASB Codification Section 2100, the Drainage District is a component unit of the Acadia Parish Police Jury, the governing body of the Parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general governmental services provided by that government unit, and other governmental units that comprise the governmental reporting entity.

**B. Basis of Presentation:**

The District's basic financial statements consist of both the government-wide and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

**1. Government-Wide Financial Statements**

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements include the financial activities of the overall government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in two parts: (1) Net investment in capital assets and (2) unrestricted net position.

The government-wide Statement of Activities reports the expenses of a given function offset by program revenues, directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses associated with a distinct functional activity. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.).

**(Continued)**

**NOTES TO FINANCIAL STATEMENTS**

The District reports all direct expenses by function in the government-wide Statement of Activities. 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the reported year's activities.

**2. Fund Financial Statements**

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

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major individual governmental funds, each reported in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. The District does not have any nonmajor funds.

The District reports the following major governmental fund:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

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

**1. Measurement Focus:**

**a. Government-Wide Financial Statements**

The government-wide fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non current) associated with its activities are reported. Government-wide fund equity is classified as net position.

**b. Fund Financial Statements**

Governmental fund financial statements are reported using the "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

**NOTES TO FINANCIAL STATEMENTS**

**2. Basis of Accounting:**

**a. Government-Wide Financial Statements**

In the government-wide statement of net position and statement of activities, the statements are presented using the accrual basis of accounting. Under the accrual basis of accounting revenues are recognized when earned and expenses are recorded as a liability when incurred or when the economic asset is used, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of assets or resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Grants, entitlements, donations and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

**b. Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and revenues are considered to be "available" when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**D. Deferred Outflows of Resources and Deferred Inflows of Resources:**

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

**E. Equity Classifications:**

**1. Government-Wide Financial Statements**

The District's net position are reported in three parts:

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



**NOTES TO FINANCIAL STATEMENTS**

- b. *Restricted net position* – consists of net position with constraints place on the use either by:
- (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
  - (2) law through constitutional provisions or enabling legislation; and
- c. *Unrestricted net position* – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.” At December 31, 2020, the District only has unrestricted net position.

Restricted or unrestricted amounts are considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted net position is available. Restricted amounts would be reduced first, followed by unrestricted amounts, when expenditures are incurred for purposes for which amounts in unrestricted net position could be used.

**2. Fund Financial Statements**

During the year ending December 31, 2012, the District adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. As a result, fund balance is classified as follows in the governmental fund financial statements. Proprietary fund equity is classified the same as in the government-wide statements.

Under GASB Statement No. 54 fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources are to be used.

- a. *Nonspendable fund balance* – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- b. *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or be enabling legislation.
- c. *Committed fund balance* – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- d. *Assigned fund balance* – amounts a government *intends* to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority to.
- e. *Unassigned fund balance* – amounts that are available for any purpose; these amounts are reported only in the general fund.

Restricted or unrestricted amounts are considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The District has not established a stabilization arrangement.

**(Continued)**

**NOTES TO FINANCIAL STATEMENTS**

**F. Deposits and Investments**

The entity's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of 90 days or less from the date of acquisition. State law and the District's investment policy allow the entity to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Under state law, the District may deposit funds with state banks organized under Louisiana Law and national banks having their principal offices in Louisiana.

The District had \$417,424 in investments in certificates of deposits as of December 31, 2020. These certificates are not subject to GASB Statement No. 31 requirements, thus they are stated at cost.

**G. Ad Valorem Taxes Receivable**

**1. Government-Wide Financial Statements**

Property taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

**2. Fund Financial Statements**

Property taxes attach as an enforceable lien on property as of January 1. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Assessor of Acadia Parish and are collected by the Sheriff. The taxes are remitted to the District net of deductions for pension fund contributions. Taxes are budgeted and the revenue recognized in the year they are levied.

All trade and property tax receivables are show net of uncollectibles. The District provides an allowance for doubtful accounts based on an estimate derived from a review of the entity's historical collection experience and a review of the current status of trade accounts receivable. All accounts receivable are considered collectible as of December 31, 2020, therefore the allowance for doubtful accounts at December 31, 2020 is \$ -0-.

The District levied taxes in 2020 on the assessed valuation of property in the District. The assessed valuation of the property for the District, exclusive of homestead exemptions, was \$56,521,975 for the year 2020. Taxes receivable at December 31, 2020 totaled \$441,436 all of which is considered collectible.

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

	<b><u>Authorized Millage</u></b>	<b><u>Levied Millage</u></b>
First Ward Gravity Drainage District	<b><u>8.00 mills</u></b>	<b><u>8.00 mills</u></b>

**H. Inventories**

Inventories are valued at the lower of cost or market. At December 31, 2020, the District had no inventories.

**I. Prepaid Items**

At December 31, 2020, the District had no prepaid items.

**NOTES TO FINANCIAL STATEMENTS**

**J. Fixed Assets**

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

**1. Government-Wide Financial Statements**

The District's property and equipment with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements. The District maintains a threshold level of \$500, or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is reported in operations. Estimated useful lives, in years, for depreciable assets are as follows:

	<u>Years</u>
Building and Fence	5 - 10
Equipment	5 - 10

**2. Fund Financial Statements**

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**K. Compensated Absences**

Employees earn one week of vacation time after one year of employment and two weeks after three years of employment. Sick leave is earned by a full-time employee at the rate of one-quarter day for each month of continuous employment equivalent to one day per quarter and one bonus day upon completion of one year of employment. Vacation and sick leave may not be accumulated and carried into future years. At December 31, 2020, there are no accumulated vacation benefits that require accrual or disclosure.

**L. Long-term Debt**

The accounting treatment of long-term debt depends on whether the debt is being reported in the government-wide or fund financial statements.

**1. Government-Wide Financial Statements**

The government-wide financial statements, outstanding debt is reported as liabilities, bond issuance costs are capitalized, and interest is accrued on outstanding debt.

**2. Fund Financial Statements**

The governmental fund financial statements recognize the proceeds of debt as other financing sources of the current period. Issuance costs are reported as expenditures. For fund reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Issuance costs, even if withheld from the actual net bond proceeds received, are reported as debt service expenditures.

**NOTES TO FINANCIAL STATEMENTS**

**M. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence. At December 31, 2020, the District had no extraordinary or special items.

**N. Interfund Transfers**

Permanent reallocation of resources between funds are classified as interfund transfers. Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

For the year ended December 31, 2020, the District had no interfund transfers.

**O. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 reporting period. Consequently, actual results could differ from those estimates.

**NOTE 2: BUDGET PRACTICES**

The District prepares an operating budget of revenues and expenditures for the fiscal year based on current figures and past experience. The operating budget includes proposed expenditures and the means of financing them.

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

1. On or before the last meeting of each year, the District prepares an operating budget for the fiscal year commencing with the following January 1. The operating budget includes proposed expenditures and the means of financing them. The District prepares the operating budget of revenues and expenditures for the fiscal year based on current figures and past experience.
2. The proposed budget is presented to the government's Board of Commissioners for review. The Board holds a public hearing and may add to, subtract from or change the proposed budget as they deem necessary. Any changes in the budget must be within the revenues and reserves estimated.
3. Budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
4. The budget is then adopted by the board. At anytime during the year the Board can amend the budget as necessary.
5. All budgetary appropriations lapse at the end of each year.

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>(Unfavorable)/ Favorable</b>
<b>Net Change in Fund Balance</b>	<b><u>\$ (72,700)</u></b>	<b><u>\$ (13,088)</u></b>	<b><u>\$ (120)</u></b>	<b><u>\$ 12,968</u></b>

(Continued)

**NOTES TO FINANCIAL STATEMENTS**

Actual amounts may not vary unfavorably more than 5% from the final amended budget at the individual fund level.

**NOTE 3: CASH AND DEPOSITS**

At December 31, 2020, the District had cash and cash equivalents totaling \$100,654 as follows:

Demand Deposits	\$ 55,941
Petty Cash	<u>-</u>
Total Cash and Cash Equivalents	\$ 55,941
Time Certificates of Deposit	<u>417,424</u>
Total Cash and Time Deposits	<u>\$ 473,365</u>

These deposits are stated at cost, which approximates market value. 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 (FDIC) must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2020, the District had \$473,880 in deposits (collected bank balances and time deposits). These deposits are secured from risk by \$473,880 of federal deposit insurance (FDIC). In addition, there was approximately \$400,126 of securities pledged as collateral and held by the custodial bank in the name of the depository bank.

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana R. S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 4: DUE FROM OTHER GOVERNMENTAL AGENCIES**

The following is a summary of receivables due from other governmental agencies at December 31, 2020:

Ad valorem tax	\$ 441,436
State revenue sharing	<u>14,547</u>
Total Due From Other Governmental Agencies	<u>\$ 455,983</u>

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5: CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2020 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental Activities:</b>				
<b>Capital assets being</b>				
<b>Depreciated -</b>				
Building and Fence	\$ 4,567	\$ -	\$ -	\$ 4,567
Equipment	137,094	25,853	-	162,947
Less: Accumulated Depreciation	(90,573)	(16,448)	-	(107,021)
 <b>Governmental Activities</b>				
<b>Capital Assets, Net</b>	<b>\$ 51,088</b>	<b>\$ 9,405</b>	<b>\$ -</b>	<b>\$ 60,493</b>

Depreciation expense for the year ended December 31, 2020 was charged to functions as follows:

Public Works	<b>\$ 16,448</b>
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**NOTE 6: LONG-TERM LIABILITIES**

At December 31, 2020, the District had no long-term liabilities.

**NOTE 7: LEASES**

**Operating Leases**

The District is obligated under three lease agreements accounted for as operating leases. Operating leases do not give rise to a property right or a lease obligation, and therefore the results of the lease agreement are not reflected in the general fixed asset or liability account groups.

The District has three operating leases of the following nature:

- a. The District has a lease with John Deere for a John Deere 130-LC excavator. The excavator has a monthly lease payment of \$3,321.

The future minimum annual commitments under this operating lease are as follows:

<u>Calendar Year</u>	
2021	\$ 39,849
2022	36,528
 Total Future Minimum Lease Commitments	 <b>\$ 76,377</b>

**NOTES TO FINANCIAL STATEMENTS**

- b. The District has a lease with John Deere for a John Deere 650K LGP Cab Air Dozer. The dozer has a monthly lease payment of \$3,086.

The future minimum annual commitments under this operating lease are as follows:

<u>Calendar Year</u>	
2021	\$ 37,032
2022	<u>12,344</u>
Total Future Minimum Lease Commitments	<u>\$ 49,376</u>

- c. The District has a lease with John Deere for a John Deere 350-GLC excavator. The excavator has a monthly lease payment of \$5,485.

The future minimum annual commitments under this operating lease are as follows:

<u>Calendar Year</u>	
2021	\$ 65,820
2022	65,820
2023	<u>27,425</u>
Total Future Minimum Lease Commitments	<u>\$ 159,065</u>

**NOTE 8: RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year ended December 31, 2020.

**NOTE 9: LITIGATION AND CLAIMS**

The District is not aware of any material claims, asserted or unasserted, pending as of December 31, 2020, that legal council believes is not adequately covered by insurance.

**NOTE 10: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to cover any claims related to these risks. There were no significant changes in coverages, retentions, or limits during the year ended December 31, 2020. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

**NOTE 11: NEW ACCOUNTING PRONOUNCEMENTS**

- A. **GASB Statement No. 87** – In May 2017, the Governmental Accounting Standards Board issued GASB Statement No 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are the financing of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required

(Continued)

**NOTES TO FINANCIAL STATEMENTS**

to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or, if applied to earlier periods, the beginning of the earliest period restated). However, lessors should not restate the assets underlying their existing sales-type or direct financing leases. Any residual assets for those leases become the carrying values of the underlying assets.

Management is currently evaluating the effects of GASB Statement No. 87.

- B. GASB Statement No. 89** – In June 2018, the Governmental Accounting Standards Board issued GASB Statement No 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

Management is currently evaluating the effects of GASB Statement No. 89.

**NOTE 12: SUBSEQUENT EVENTS**

Management has evaluated subsequent events for possible recognition or disclosure in the financial statements through June 22, 2022, the date which the financial statements were available to be issued.

On January 30, 2020, the World Health Organization declared the Corona Virus "COVID-19" a global health emergency. On March 13, 2020, the President of the United States of America declared a national emergency and on March 22, 2020, Louisiana Governor John Bel Edwards issued a stay-at-home order limiting person-to-person contact and closing many non-essential businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration and its impact on the District. Therefore, the extent to which COVID-19 may impact the District's financial condition or results of operations cannot be reasonably estimated at this time.



**REQUIRED SUPPLEMENTAL INFORMATION**

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH**  
**ACADIA PARISH POLICE JURY**  
Rayne, Louisiana

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(See Independent Accountants' Review Report)

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>REVENUES:</u></b>				
Ad valorem taxes	\$ 409,000	\$ 432,081	\$ 441,437	\$ 9,356
Intergovernmental- Grants & State revenue sharing	15,000	15,045	14,547	(498)
Interest earnings	<u>3,500</u>	<u>3,782</u>	<u>6,989</u>	<u>3,207</u>
<b>Total Revenues</b>	<b>\$ 427,500</b>	<b>\$ 450,908</b>	<b>\$ 462,973</b>	<b>\$ 12,065</b>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Works:				
Salaries and related benefits	\$ 171,000	\$ 135,671	\$ 124,337	\$ 11,334
Per diem - Board members	15,000	12,765	12,765	-
Accounting	9,600	9,600	9,600	-
Advertising	200	112	112	-
Beaver contract	600	60	60	-
Consultant fees	2,000	7,244	7,244	-
Equipment lease	142,700	142,708	142,708	-
Fuel	25,000	14,820	14,820	-
Insurance	30,000	52,002	60,166	(8,164)
Office expense	1,400	1,848	1,847	1
Other expense	250	808	678	130
Pension	14,000	14,660	14,897	(237)
Professional services	3,950	-	-	-
Property taxes on leased assets	2,500	5,418	5,418	-
Repairs	32,000	40,426	40,426	-
Shop expense	50,000	-	130	(130)
Uncollected taxes	-	-	2,032	(2,032)
Capital outlay	<u>-</u>	<u>25,854</u>	<u>25,853</u>	<u>1</u>
<b>Total Expenditures</b>	<b>\$ 500,200</b>	<b>\$ 463,996</b>	<b>\$ 463,093</b>	<b>\$ 903</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ (72,700)</b>	<b>\$ (13,088)</b>	<b>\$ (120)</b>	<b>\$ 12,968</b>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Proceeds from the sale of assets	\$ -	\$ -	\$ -	\$ -
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources/(Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (72,700)</b>	<b>\$ (13,088)</b>	<b>\$ (120)</b>	<b>\$ 12,968</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>933,513</u>	<u>933,513</u>	<u>933,513</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 860,813</b>	<b>\$ 920,425</b>	<b>\$ 933,393</b>	<b>\$ 12,968</b>

The accompanying notes are an integral part of this schedule.

**OTHER SUPPLEMENTAL INFORMATION**

FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana

**SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(See Independent Accountants' Review Report)

<b><u>Name</u></b>	<b><u>Amount</u></b>
Aaron Cutrer	\$ 1,500
Martin Dischler	2,850
Gerald L. Foreman	2,550
Sanders Senegal	2,700
Wallace Fontenot	2,115
Frank Menard	<u>1,050</u>
<b>Total Per Diem Paid To Board Members</b>	<b><u>\$ 12,765</u></b>

FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS, AND  
OTHER PAYMENTS TO AGENCY HEAD  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(See Independent Accountants' Review Report)

Agency Head Name: Wallace Fontenot  
President

Service Period:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Deferred compensation	-
Benefits-other	-
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	2,115
Reimbursements	-
Travel	-
Registration fees	-
Conference Travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
<b>Total</b>	<b><u>\$ 2,115</u></b>

FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana

**SCHEDULE OF STATE FUNDING**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(See Independent Accountants' Review Report)**

<b><u>Description of Funding</u></b>	<b><u>Amount</u></b>
State Revenue Sharing	\$ <u>14,547</u>
<b>Total State Funding</b>	<b>\$ <u>14,547</u></b>

**SCHEDULE OF CURRENT YEAR FINDINGS**  
**FOR THE YEAR ENDING DECEMBER 31, 2020**

I. Internal Control and Compliance - Financial Statements

Not Applicable.

II. Internal Control and Compliance - Federal Awards

Not Applicable.

III. Management Letter

This report does not include a management letter.

**SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDING DECEMBER 31, 2020**

I. Internal Control and Compliance - Financial Statements

2020-1 Required Ethics Training not Completed

Finding: Four board commissioners and the board secretary of the District did not complete the annual one hour of ethics education and training required by Louisiana Revised Statute 42:1170 (3)(a)(i). The statute requires that all public servants complete a minimum of one hour of education and training on the Code of Governmental Ethics during each year of their public employment or term of office.

Cause: In past years the members participated in a course with other agencies. For the current year, a course was scheduled, but subsequently cancelled. Another course or individual completion of the on-line ethics course were not rescheduled and completed.

Recommendation: The District should comply with the requirements of the above referenced statute on an annual basis.

Response: The Board of Commissioners and management concur.

Corrective Action: The Secretary and each member of the Board of Commissioners will be personally responsible for providing the Board Secretary with an ethics completion certificate on an annual basis.

Current Status: All commissioners and the board secretary of the District completed the annual one hour of ethics education and training required by Louisiana Revised Statute 42:1170 (3)(a)(i) during the year ending December 31, 2020.

II. Internal Control and Compliance - Federal Awards

Not Applicable.

III. Management Letter

This report does not include a management letter.



**SCHEDULE OF MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDING DECEMBER 31, 2020**

- I. A Management Corrective Action plan is not required for the year ending December 31, 2020.

ROBERT C. BROADHURST, CPA (1989)  
JOE E. HAMILTON, CPA  
BARBARA B. HAMILTON, CPA

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June 22, 2022

**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

To the Board of Commissioners  
First Ward Gravity Drainage District of Acadia Parish  
Acadia Parish Police Jury  
Rayne, LA

We have performed the procedures enumerated below, which were agreed to by the First Ward Gravity Drainage District of Acadia Parish and the Louisiana Legislative Auditor (the specified parties), on the District's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the fiscal year ended December 31, 2020, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

***Public Bid Law***

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

*Result:* - During the current year, the District did not make any expenditures for material and supplies exceeding \$30,000. Also, the District did not make any expenditure for public works exceeding \$250,000 during the current year.

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

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

*Result:* - Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

*Result:* - Management provided us with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures obtained in Procedures (2) and (3).

*Result:* - None of the employees included on the list provided by management for Agreed-upon Procedure (3) appeared on the list provided by management for Agreed-upon Procedure (2).

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

*Result:* - Management provided the requested information. None of the businesses of board members, employees and board members' and employees' immediate families appeared as vendors on the list of disbursements.

### **Budgeting**

6. Obtain a copy of the legally adopted budget and all amendments.

*Result:* - Management provided us with a copy of the original budget and all amendments to the budget during the year.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book and report on any exceptions.

*Result:* - We traced the adoption of the original budget to documentation in the minutes of the meeting of the District's commissioners held on December 9, 2019. The minutes reflected that the budget had been adopted by the commissioners of First Ward Gravity Drainage District of Acadia Parish by a unanimous vote. We traced an amendment to the budget to the minutes for a meeting held on December 14, 2020. The minutes reflected that the amended budget was also approved by the District's commissioners by a unanimous vote.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total)

*Result:* - We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues by 2.6757%. For revenues any amount above a negative (5.00%) is favorable and acceptable. Actual expenditures were less than budgeted amounts by 0.1946%. For expenditures, any amount below a positive 5.00% is favorable and acceptable for the year.

### **Accounting and Reporting**

9. Obtain a list of all disbursements made during the year. Randomly select six (6) disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

*Result:* - We examined supporting documentation for each of the six selected disbursements and found that the payments were for the proper amounts and made to the correct payees.

- (b) Report whether the six disbursements were coded to the correct fund and general ledger account.

*Result:* - All six of the disbursements were properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

*Result:* - Inspection of documentation supporting each of the six selected disbursements indicated proper approvals. In addition, each of the disbursements were traced to the district's minutes where they were approved by the full commission.

**Meetings**

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report if there were any exceptions.

*Results:* - Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Although management has asserted such documents were properly posted, no evidence was provided to support management's assertion other than unmarked copies of the notices and agendas. These copies were available for all meetings reflected in the minute book.

Due to COVID-19 restrictions, some board meetings were held by telephone.

**Debt**

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

*Results:* - We scanned copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

**Advances and Bonuses**

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

*Results:* - We scanned payroll disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. We found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

**State Audit Law**

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

*Results:* - The District's report was due on June 30, 2020. Due to COVID-19 restrictions placed on businesses by the State of Louisiana, the District applied for and received an extension to timely file its report. The report was submitted electronically on June 29, 2022.

The District obtained an extension due to COVID-19 through November 30, 2021. The District's independent CPA was diagnosed with the flu and pneumonia in late November 2021 and was unable to complete the review timely. The initial treatments failed to provide a cure and the independent CPA was eventually diagnosed with Atrial Fibrillation (Afib). After several set backs our independent CPA is now healthy and the review report has been issued.

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

*Results:* - Management represented that the District has not been on the noncompliance list and have been in compliance with R.S. 24:513 (the audit law).

**Prior-Year Comments**

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

*Results:* - Our prior year report, dated August 7, 2020, had one finding related to the failure of four commissioners and the board secretary to complete the annual one hour of ethics education and training required by Louisiana Revised Statute 42:1170 (3)(a)(i). This finding has been corrected and all commissioners and the board secretary timely completed the one hour of ethics education and training during the year ending December 31, 2020. did not contained any suggestions, exceptions, recommendations, and/or comments.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

**Broadhurst, Hamilton & Company**

**BROADHURST, HAMILTON & COMPANY**  
Certified Public Accountants

P. O. BOX 289  
108 SO. ADAMS  
RAYNE, LA 70578

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Phone 337-334-2132

Fax 337-334-2133

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

April 21, 2021 (Date Transmitted)

**Broadhurst, Hamilton & Company  
P. O. Drawer 505  
Crowley, LA 70527-0505**

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2020 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the **Louisiana Governmental Audit Guide**, we make the following representations to you.

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [ **X** ] No [ ]

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

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

Yes [ **X** ] No [ ]

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

Yes [ **X** ] No [ ]

**Budgeting**

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

Yes [ **X** ] No [ ]

**Accounting and Reporting**

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

Yes [ **X** ] No [ ]

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

Yes [ **X** ] No [ ]

We have had our financial statements reviewed in accordance with LSA-RS 24:513.

Yes [ **X** ] No [ ]

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).  
Yes [ **X** ] No [   ]

We have complied with R.S. 24:513.A.(3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.  
Yes [ **X** ] No [   ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:11 through 42:28.  
Yes [ **X** ] No [   ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.  
Yes [ **X** ] No [   ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.  
Yes [ **X** ] No [   ]

**Prior Year Comments**

We have resolved all prior-year recommendations and/or comments.  
Yes [ **X** ] No [   ]

**General**

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.  
Yes [ **X** ] No [   ]

We have evaluated our compliance with these laws and regulations prior to making these representations.  
Yes [ **X** ] No [   ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.  
Yes [ **X** ] No [   ]

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.  
Yes [ **X** ] No [   ]

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.  
Yes [ **X** ] No [   ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.  
Yes [ **X** ] No [   ]

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

Ben Lormand Secretary 05/15/2021 Date

Ben Lormand Treasurer 05/15/2021 Date

Walter Fontenot Jr President 05/15/2021 Date