

**FIFTH WARD CONSOLIDATED GRAVITY
DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

Financial Report

December 31, 2018

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

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THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Commissioners
of the Fifth Ward Consolidated Gravity
Drainage District No. 1 of Acadia Parish
Crowley, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management of the Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

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 American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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, 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.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Other Matters

Supplementary Information

The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer (on page 23) 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 the supplementary information and, accordingly, we do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the responsibility of management. We have reviewed the accompanying Budgetary Comparison Schedule (on page 21), 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 the information and, accordingly, do not express an opinion on such information.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. The Management Discussion and Analysis, 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.

Agreed-Upon Procedures

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 24, 2019 on the results of our agreed-upon procedures.



Thibodeaux Accounting Company

A Limited Liability Company

Rayne, Louisiana

June 24, 2019

Government-Wide Financial Statements

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO.1
ACADIA PARISH POLICE JURY

STATEMENT OF NET POSITION
December 31, 2018

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 162,555
Property taxes receivable	311,693
Due from other governmental agencies	8,536
Total Current Assets	<u>\$ 482,784</u>
NONCURRENT ASSETS	
Depreciable capital assets, net	<u>\$ 435,369</u>
Total Noncurrent Assets	<u>\$ 435,369</u>
 Total Assets	 <u>\$ 918,153</u>
 LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable	\$ 204
Pension fund deduction payable	10,469
Bonds payable	27,000
Total Current Liabilities	<u>\$ 37,673</u>
NONCURRENT LIABILITIES	
Bonds payable	<u>\$ 87,000</u>
Total Noncurrent Liabilities	<u>\$ 87,000</u>
 Total Liabilities	 <u>\$ 124,673</u>
 NET POSITION	
Net investment in capital assets	\$ 321,369
Unrestricted	472,111
 Total Net Position	 <u>\$ 793,480</u>
 Total Liabilities and Net Position	 <u>\$ 918,153</u>

See accompanying notes and independent accountant's review report.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Expenses:

Governmental activities -

Public works	\$ 241,046
Interest on long-term debt	<u>3,338</u>

Total governmental activities	<u>\$ 244,384</u>
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General revenues:

Property taxes	\$ 311,693
State revenue sharing	8,536
Other revenue	1,284
Investment earnings	<u>389</u>

Total general revenues	<u>\$ 321,902</u>
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Change in net position	\$ 77,518
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Net position, beginning	<u>715,962</u>
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Net position, ending	<u><u>\$ 793,480</u></u>
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See accompanying notes and independent accountant's review report.

Fund Financial Statements

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

BALANCE SHEET
GOVERNMENTAL FUNDS
 December 31, 2018

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 161,009	\$ 1,546	\$ 162,555
Property taxes receivable	311,693	-	311,693
State revenue sharing receivable	<u>8,536</u>	<u>-</u>	<u>8,536</u>
Total Assets	<u><u>\$ 481,238</u></u>	<u><u>\$ 1,546</u></u>	<u><u>\$ 482,784</u></u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 204	\$ -	\$ 204
Pension fund deduction payable	<u>10,469</u>	<u>-</u>	<u>10,469</u>
Total Liabilities	<u><u>\$ 10,673</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 10,673</u></u>
FUND BALANCE			
Restricted	\$ -	\$ 1,546	\$ 1,546
Unassigned	<u>470,565</u>	<u>-</u>	<u>470,565</u>
Total Fund Balance	<u><u>\$ 470,565</u></u>	<u><u>\$ 1,546</u></u>	<u><u>\$ 472,111</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 481,238</u></u>	<u><u>\$ 1,546</u></u>	<u><u>\$ 482,784</u></u>

See accompanying notes and independent accountant's review report.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2018

Total fund balances - Governmental funds	\$ 472,111
Total net assets reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.	
Machinery and equipment, net	435,369
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds.	
Bonds payable	<u>(114,000)</u>
Net Position of Governmental Activities	<u><u>\$ 793,480</u></u>

See accompanying notes and independent accountant's review report.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	General Fund	Debt Service Fund	Total Governmental Funds
Revenues:			
Property taxes	\$ 311,693	\$ -	\$ 311,693
State revenue sharing	8,536	-	8,536
Other revenues	1,284	-	1,284
Investment earnings	383	6	389
	<u>321,896</u>	<u>6</u>	<u>321,902</u>
Total Revenues	\$ 321,896	\$ 6	\$ 321,902
Expenditures:			
Current -			
Public works:			
Salaries and related benefits	\$ 60,978	\$ -	\$ 60,978
Telephone	1,387	-	1,387
Insurance	14,427	-	14,427
Fuel	17,334	-	17,334
Accounting and legal	18,041	-	18,041
Pension deduction	10,469	-	10,469
Repairs and maintenance	20,833	-	20,833
Spraying	44,779	-	44,779
Equipment leasing and renting	-	-	-
Subcontracting	6,400	-	6,400
Election costs	-	-	-
Uncollectible taxes	176	-	176
Capital outlay	175,047	-	175,047
Miscellaneous	2,088	-	2,088
Debt Service:			
Interest expense	-	3,338	3,338
Principal payments	-	26,000	26,000
	<u>371,959</u>	<u>29,338</u>	<u>401,297</u>
Total Expenditures	\$ 371,959	\$ 29,338	\$ 401,297
Excess (deficiency) of revenues over expenditures	\$ (50,063)	\$ (29,332)	\$ (79,395)
Other financing sources (uses):			
Transfers in	\$ -	\$ 30,628	\$ 30,628
Transfers out	(30,628)	-	(30,628)
	<u>(30,628)</u>	<u>30,628</u>	<u>-</u>
Total other financing sources (uses)	\$ (30,628)	\$ 30,628	\$ -
Net change in fund balances	\$ (80,691)	\$ 1,296	\$ (79,395)
Fund balances, beginning	551,256	250	551,506
Fund balances, ending	\$ 470,565	\$ 1,546	\$ 472,111

See accompanying notes and independent accountant's review report.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Net Change in Fund Balances - Total Governmental Funds	\$ (79,395)
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The change in net assets reported for governmental activities
in the statement of activities is different because:

The governmental funds report capital outlays as expenditures.
However, in the statement of activities, the costs of those
assets is allocated over their estimated useful lives and
reported as depreciation expense.

Capital outlay	175,047
Depreciation expense	(44,134)

Loss on Sale of Asset	-
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Repayment of debt principal is an expenditure in the governmental funds in the fund financial statements, but the repayment reduces the long-term liabilities in the statement of net position in the government-wide financial statements.	26,000
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Bond Proceeds	-
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Change in Net Position of Governmental Activities	\$ 77,518
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See accompanying notes and independent accountant's review report.

Notes to the Financial Statements

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the Fifth Ward Consolidated Gravity Drainage District No. 1 (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental audits. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for the state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies of the District are described below.

Reporting Entity:

The District, a component of the Acadia Parish Police Jury, was created by the Acadia Parish Police Jury as authorized by Louisiana Revised Statute 38:1841. The ordinance creating this consolidated gravity drainage district was dated April 10, 1984, and combined three existing drainage districts: (1) Fifth Ward Gravity Drainage District No. 1 of the Parish of Acadia, (2) Fifth Ward Gravity Drainage District No. 2 of the Parish of Acadia, and (3) Fifth Ward Gravity Drainage District No. 3 of the Parish of Acadia. The District is governed by a five-member Board of Commissioners, appointed by the Acadia Parish Police Jury, and is authorized to construct, maintain, and improve the system of gravity drainage within the district.

Basis of presentation:

The District's basic financial statements consist of the government-wide statements 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.

Government-wide financial statements –

The government-wide financial statements include the statement of net position and the statement of activities of the District. The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. The District had no business-type activities for the year ended December 31, 2018. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions. In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

In the government-wide statement of net position, the governmental activities are reported on a full accrual, economic resources 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 - invested in capital assets, net of related debt and unrestricted.

The government-wide statement of activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.) The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

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 function. Depreciation expense is included as a direct expense. Interest on long-term debt for the governmental activities is considered an indirect expense and is reported separately on the statement of activities. The net cost (by function) is normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.). This 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 current year's activities.

Fund financial statements –

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

The fund financial statements provide information about the District's funds. The emphasis of the fund financial statements is on major individual governmental funds.

The District reports the following major governmental funds:

General Fund – This is the District's primary fund. It accounts for all of the District's general activities, including the collection and disbursement of specific or legally restricted monies. The General Fund is the general operating fund of the District and accounts for all financial resources except those required to be accounted for in other funds.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of, general long-term obligation principal, interest, and related costs.

Basis of accounting:

Government-wide financial statements -

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Fund financial statements –

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become 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 be used to pay liabilities of the current period. Property taxes are recognized as revenue in the year they are billed. All other receivables collected within 60 days after year-end are considered available and recognized as revenue of the current year.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds.

Cash:

Cash includes amounts in demand deposits, with paying agent, and on hand.

Investments:

State statutes authorize the District to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

The District's investments at December 31, 2018 consisted of time certificates of deposit purchased from local financial institutions. These certificates are not subject to GASB Statement No. 31 requirements; thus, they are stated at cost.

Pensions:

Employees of the District are covered under the Federal Insurance Contribution Act (Social Security). The employees and the District contribute equally to the system. Pension expenditures, as shown with expenditures, is the amount deducted from property taxes for sheriff and assessor plans, as provided by state law.

Fixed Assets:

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

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 costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. The District uses \$1,000 as the capitalization threshold. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for furniture and equipment are 5-15 years.

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.

Compensated absences:

Full-time employees of the District with more than one year of service are allowed two weeks of vacation leave each year; full-time employees with one year of service or less are allowed one week of vacation leave each year. Sick leave is granted on an individual basis as the need occurs. Vacation and sick leave may not be accumulated and carried into the future years.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Long-term debt:

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

Government-wide financial statements –

In the government-wide financial statements, outstanding debt is reported as liabilities and bond issuance costs are capitalized.

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 bonds received, are reported as debt service expenditures.

Equity classifications:

Government-wide statements -

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position as follows:

1. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows or resources attributable to the acquisition, constructions, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.
2. Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the District's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
3. Unrestricted net position – consist of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies restricted resources first, then unrestricted resources as they are needed.

The District had no restricted assets.

Fund financial statements -

Fifth Ward Consolidated Gravity Drainage District No. 1 adopted GASB 54 in the year ended December 31, 2011. As such, fund balances of the governmental funds are classified as follows:

Nonspendable- funds that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

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

Committed- funds that are constrained by limitations that the government imposes on itself. These amounts are imposed at the highest level of authority. These amounts are binding unless removed in the same manner that it was imposed, and any action must be taken prior to year-end.

Assigned- funds whose intended use has been established. These amounts can be, but are not required to be, imposed at the highest level of authority. They do not have to be binding and action does not have to be taken prior to year-end.

Unassigned- all other spendable amounts.

Budgets and Budgetary Accounting:

The Fifth Ward Consolidated Gravity Drainage District No. 1 uses the following procedures in establishing the budgetary data reflected in the financial statements.

1. The Board prepares a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
3. The budget is employed as a management control device during the year that assists its user in financial activity analysis.

All budget appropriations lapse at year-end. The budgets presented are the originally adopted budget and the final amended budget.

Encumbrances:

Encumbrance accounting is employed as an extension of the formal budgetary process. Under this method, purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Any encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures of liabilities. There were no encumbrances outstanding at December 31, 2018 as the District does not utilize this method.

Use of estimates:

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

Interfund Transfers:

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District requires that banks pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage the District may have on deposit with those banks. These securities must be held in the District's name. Accordingly, the District has no custodial credit risk at December 31, 2018.

Note 3. Property Taxes Receivable

Property taxes receivable consists of taxes due from taxpayers and taxes collected in December of 2018 by the Acadia Parish Sheriff's Office, but not remitted to the District until 2019.

Note 4. Capital Assets

Capital assets activity for the year ended December 31, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated -				
Machinery and Equipment	\$ 440,180	\$ 175,047	\$ (37,984)	\$ 577,243
Less: accumulated depreciation	<u>(135,724)</u>	<u>(44,134)</u>	<u>37,984</u>	<u>(141,874)</u>
Governmental activities capital assets, net	<u>\$ 304,456</u>	<u>\$ 130,913</u>	<u>\$ -</u>	<u>\$ 435,369</u>

Depreciation was charged to functions as follows:

Governmental activities:	
Public works	<u>\$ 44,134</u>

Note 5. Property Taxes

Government-wide financial statements –

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

Fund financial statements -

Property taxes attach as an enforceable item on property as of January 1 or each year. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

Taxes are budgeted, and the revenue recognized in the year they are billed.

The taxes are based on assessed values determined by the Tax Assessor of Acadia Parish and are collected by the Sheriff. The taxes are remitted to the District net of deductions for Pension Fund contributions.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

The District authorized and levied district taxes of 8.24 and 8.56 mills for the year ended December 31, 2018.

The taxable value of the property tax for December 31, 2018 is \$18,553,173 net of the homestead exemption. Total taxes levied, exclusive of homestead exemptions, was \$311,693 for 2018, all of which is considered collectible.

Note 6. Per Diem Paid to the Board of Commissioners

The Board of Commissioners received no per diem for attendance of meetings for the year ended December 31, 2018. The Board of Commissioners at December 31, 2018 includes:

Thomas Carlson	Randy K. Thibodeaux	Thomas Faulk
Stephen Hamic	Wayne Wild	

Note 7. Long-Term Liabilities

On April 26, 2017, the District issued \$145,000 of Certificates of Indebtedness, Series 2017 due in annual installments of \$19,000 - \$23,000 through March 1, 2022, at an interest rate of 3.00% and annual installments of \$7,000 through March 1, 2022, at an interest rate of 1.5%. Interest payments are payable March 1 and September 1 of each year, commencing September 1, 2017. The debt will be retired from the proceeds of the 8.56 mills ad valorem tax, of which the Fifth Ward Consolidated Gravity Drainage District No. 1 is authorized to levy and collect through the year 2025 for the purpose of constructing, improving, maintaining and operating gravity drainage works within the District, including the acquisition of equipment. The ad valorem tax was granted by an election held on April 9, 2016.

The annual debt service requirements to maturity of all long-term liabilities outstanding as of December 31, 2018 is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	27,000	2,648	29,648
2020	28,000	1,928	29,928
2021	29,000	1,177	30,177
2022	30,000	397	30,397
	<u>\$ 114,000</u>	<u>\$ 6,150</u>	<u>\$ 120,150</u>

Interest costs incurred and expensed for the year ended December 31, 2018 totaled \$3,338. This amount relates to governmental activities and is reported as a separate line item on the statement of activities.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Note 8. Interfund Transfers

Interfund transfers for the year ended December 31, 2018 were as follows:

	Transfers From General
Transfers to:	
Debt Service Fund	\$ 30,628

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) move unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 9. 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.

Note 10. Deferred Inflows and Outflows

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, provided guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four component assets, deferred outflows of resources, liabilities and deferred inflows of resources. The District adopted GASB Statement 63 in 2012.

GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement is effective for periods beginning after December 15, 2012 and was implemented in fiscal year 2013. The District has determined that they have no deferred outflows or inflows as defined by this standard.

Note 11. Subsequent Events

The District has evaluated subsequent events through June 24, 2019, the date which the financial statements were available to be issued.

Required Supplementary Information

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property taxes	\$ 290,000	\$ 305,450	\$ 311,693	\$ 6,243
State revenue sharing	8,500	8,400	8,536	136
Other revenue	1,000	1,200	1,284	84
Investment earnings	43	375	383	8
Total Revenues	<u>\$ 299,543</u>	<u>\$ 315,425</u>	<u>\$ 321,896</u>	<u>\$ 6,471</u>
Expenditures:				
Current--				
Public works:				
Salaries and related benefits	\$ 58,000	\$ 61,500	\$ 60,978	\$ 522
Telephone	1,200	1,400	1,387	13
Insurance	16,000	14,750	14,427	323
Fuel	15,000	18,500	17,334	1,166
Accounting and legal	22,500	18,500	18,041	459
Pension deduction	10,500	10,650	10,469	181
Repairs and maintenance	30,000	22,000	20,833	1,167
Spraying	55,000	55,000	44,779	10,221
Equipment leasing and renting	-	-	-	-
Subcontracting	7,500	7,500	6,400	1,100
Election costs	1,000	1,000	-	1,000
Uncollected taxes	5,800	5,985	176	5,809
Capital outlay	-	175,000	175,047	(47)
Miscellaneous	7,100	5,500	2,088	3,412
Total Expenditures	<u>\$ 229,600</u>	<u>\$ 397,285</u>	<u>\$ 371,959</u>	<u>\$ 25,326</u>
Excess of revenues over expenditures	<u>\$ 69,943</u>	<u>\$ (81,860)</u>	<u>\$ (50,063)</u>	<u>\$ 31,797</u>
Other financing sources (uses):				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(29,338)	(29,338)	(30,628)	(1,290)
Total other financing uses	<u>\$ (29,338)</u>	<u>\$ (29,338)</u>	<u>\$ (30,628)</u>	<u>\$ (1,290)</u>
Net change in fund balance	\$ 40,605	\$ (111,198)	\$ (80,691)	\$ 30,507
Fund Balance, beginning	<u>473,701</u>	<u>551,256</u>	<u>551,256</u>	<u>-</u>
Fund Balance, end of year	<u><u>\$ 514,306</u></u>	<u><u>\$ 440,058</u></u>	<u><u>\$ 470,565</u></u>	<u><u>\$ 30,507</u></u>

See independent accountant's review report.

Other Supplementary Information

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
For the Year Ended December 31, 2018

Agency Head Name: Thomas Faulk, President

Purpose	Amount
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Benefits-other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	\$ -

See independent accountant's review report.

THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. BOX 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Commissioners
of the Fifth Ward Consolidated Gravity
Drainage District No. 1 of Acadia Parish
Crowley, Louisiana

We have performed the procedures enumerated below, which were agreed to by Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish and the Louisiana Legislative Auditor, on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2018, 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 materials and supplies exceeding \$30,000, and public works exceeding \$154,450. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

The District had two expenditures exceeding the \$30,000 amount for materials and supplies. We examined documentation that indicated these expenditures had been properly advertised and accepted in accordance with the provisions of the applicable statutes of the public bid law. There were no public works expenditures exceeding the \$154,450 limit.

Code of Ethics for Public Officials and Public Employees

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

Management provided us with the requested information.

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

Management provided us with the requested information.

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

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.

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.

Management provided us with a copy of the original budget and the amendment made to the budget during the period covered.

7. Trace documentation for the adoption of the budget adoption and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced the adoption of the original budget to documentation in the minutes of the meeting of the District's Commissioners held on December 20, 2017. We traced the amendment of the 2018 budget to the minutes of the meeting held on December 12, 2018.

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.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues. Expenditures for the year did not exceed budgeted expenditures by 5% or more.

Accounting and Reporting

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

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

We examined supporting documentation for the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

Six payments 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.

Inspection of the minutes of the Board meetings indicates that the Board approved all selected disbursements.

Meetings

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

Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management has asserted that such documents were properly posted.

Debt

11. Obtain bank deposit slips for the fiscal year, 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.

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.

We scanned payroll disbursements and read the 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.

Management provided information for a timely report in accordance with R.S. 24:513.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 30:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.) while the agency was not in compliance with R.S. 24:513 (the audit law).

The District was in compliance with R.S. 24:513 for the year ended December 31, 2018.

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.

Our prior year report, dated June 21, 2018, did not include any suggestions, exceptions, recommendations, 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 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 Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thibodeaux Accounting Company

Thibodeaux Accounting Company

A Limited Liability Company

Rayne, Louisiana

June 24, 2019

FIFTH WARD CONSOLIDATED GRAVITY
DRAINAGE DISTRICT NO. 1

Tommy Faulk, Pres.
John F. Craton, Sec.

P. O. Box 1305
Crowley, LA 70527-1305
(337)785-1000
(337)785-2000 Fax

Stephen Hamic, Vice Pres.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

_____ (Date Transmitted)

THIBODEAUX ACCOUNTING COMPANY, LLC (CPA Firm Name)
P.O. BOX 34 (CPA Firm Address)
RAYNE, LA 70578 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2018 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the 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 ☒ 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 ☒ 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 ☒ 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 ☒ 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 ☒ No []

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

Yes ☒ No []

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

Yes ☒ 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 ☒ 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 ☒ No ☐

Meetings

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

Yes ☒ 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 ☒ 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 ☒ No ☐

Prior-Year Comments

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

Yes ☒ 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 ☒ No ☐

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

Yes ☒ 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 ☒ No ☐

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes ☒ No ☐

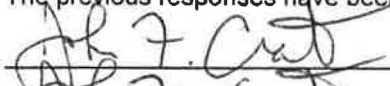
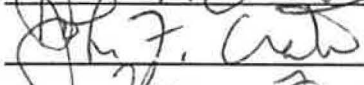
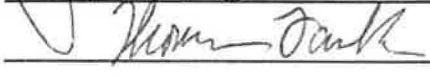
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes ☒ 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 ☒ No ☐

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

	Secretary	6/12/2019	Date
	Treasurer	6/12/2019	Date
	President	6/12/2019	Date

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2018

There were no findings noted during the prior year of December 31, 2017.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

SCHEDULE OF CURRENT FINDINGS AND CORRECTIVE ACTION PLAN
Year Ended December 31, 2018

There were no findings noted during the current year.