

**GRAVITY DRAINAGE DISTRICT NO. 2
OF RAPIDES PARISH
Alexandria, Louisiana**

**FINANCIAL STATEMENTS
AND
AUDITOR'S REPORTS**

December 31, 2020

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GRAVITY DRAINAGE DISTRICT NO. 2 OF RAPIDES PARISH

Management's Discussion and Analysis December 31, 2020

This section of the annual financial report presents our discussion and analysis of the Gravity Drainage District's financial performance during the fiscal year ended December 31, 2020.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Gravity Drainage District's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The government-wide financial statements report information about the Gravity Drainage District as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Gravity Drainage District's assets and all of the Gravity Drainage District's liabilities. All of the Gravity Drainage District's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by Ad valorem taxes and state revenue sharing.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Gravity Drainage District's most significant activities and are not intended to provide information for the Gravity Drainage District as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Gravity Drainage District's funds are governmental and fiduciary funds. These funds are used to account for essentially the same functions that are reported in the government-wide financial statements. However, unlike government-wide financial statements, the funds use a modified accrual basis of accounting that provides a short-term view of the Gravity Drainage District's finances. Assets reported by the funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

An analysis of the government-wide Statement of net position is presented as follows:

	<u>December 31, 2020</u>
Assets:	
Current and Other Assets	\$ 1,482,306
Total Assets	<u>\$ 1,482,306</u>
Liabilities:	
Current and Other Liabilities	\$ 3,938
Total Liabilities	<u>\$ 3,938</u>
Net position:	
Invested in Other Assets	10,013
Unrestricted / Undesignated	1,468,355
	<u>\$ 1,478,368</u>

GRAVITY DRAINAGE DISTRICT NO. 2 OF RAPIDES PARISH

Management's Discussion and Analysis December 31, 2020

As the presentation appearing above demonstrates, 99% of the Gravity Drainage District's net position is unrestricted for future use. Net position invested in capital assets consist of debt issuance costs less accumulated amortization. The Gravity Drainage District used these capital assets to issue revenue anticipation promissory notes for the initial year of activities; consequently, this amount is not available for future spending.

An analysis of the government-wide Statement of Activities is presented as follows:

	<u>December 31, 2020</u>
Revenues:	
Ad Valorem Taxes	\$ 971,624
State Revenue Sharing and Interest	1,776
Total Revenues	<u>\$ 973,400</u>
Program Expenses:	
Gravity Drainage District Services	\$ 278,102
Amortization Expense	746
Total Program Expenses	<u>\$ 278,848</u>
Change in net position	\$ 694,552
Net position-Beginning	783,816
Net position-Ending	<u>\$ 1,478,368</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

For the year ended December 31, 2020 net position was \$ 1,478,368.

BUDGET HIGHLIGHTS

State law requires that a budget be adopted for the general fund. For the year ended December 31, 2020, the budget was adopted based on projected activity for 2020 and actual revenues and expenditures for December 31, 2019.

CAPITAL ASSET ADMINISTRATION

For the year ended December 31, 2020, the only capital asset was debt issuance costs.

FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

At the present time, no known issues are expected to have a significant impact on future operations.

INDEPENDENT AUDITOR'S REPORT

Gravity Drainage District No. 2 of Rapides Parish
Alexandria, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of Gravity Drainage District No. 2 of Rapides parish (a governmental entity) as of and for the year ended December 31, 2020, and the related notes to the financial statements. These financial statements collectively comprise the Gravity Drainage District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Gravity Drainage District's management is responsible for the presentation 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 of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also involves evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gravity Drainage District No. 2 as of December 31, 2020, and the respective changes in net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during by audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated June 24, 2021 on my consideration of the District's internal control over financial reporting and my test of its compliance with certain provisions of laws, regulations, contracts and agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance and should be read in conjunction with this report in considering the results of my audit.



Paul Dauzat
Certified Public Accountant
June 24, 2021

GOVERNMENT WIDE FINANCIAL STATEMENTS

**Gravity Drainage District No. 2
of Rapides Parish
Alexandria, La.
Government Wide Statement of Net Position**

December 31, 2020

	<u>General Fund</u>
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 542,737
Receivables	929,556
Total Current Assets	<u>1,472,293</u>
Other Assets	
Debt Issuance Costs (net of accumulated amortization)	<u>10,013</u>
Total Assets	<u><u>\$ 1,482,306</u></u>
Liabilities	
Current Liabilities	
Payroll Taxes Payable	\$ 803
Accounts Payable	3,135
Total Current Liabilities	<u>3,938</u>
Total Liabilities	<u>3,938</u>
Net Position	
Invested in Other Assets (net of accumulated amortization)	10,013
Unrestricted	<u>1,468,355</u>
Total Net Position	<u><u>\$ 1,478,368</u></u>

The accompanying notes are an integral part of this statement.

Gravity Drainage District No. 2
of Rapides Parish
Alexandria, La.

GOVERNMENT WIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Revenues			Net (Expenses) Revenue
	Expenses	Charges For Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ 278,102	\$ -	\$ -	\$ 278,102
Amortization Expense	746	-	-	746
Total Governmental Activities	\$ 278,848	\$ -	\$ -	278,848

General Revenues:	
Ad Valorem Taxes	971,624
Interest Income	1,776
Total General Revenues	<u>973,400</u>
Increase (Decrease) in Net Position	694,552
Net Position - Beginning of the year	783,816
Net Position - End of the year	<u>\$ 1,478,368</u>

The accompanying notes are an integral part of this statement

Gravity Drainage District No. 2
Rapides Parish
Alexandria, La.

Reconciliation Of The Balance Sheet-Governmental Fund
To The Statement Of Net Position

December 31, 2020

Total fund balance-governmental fund (fund financial statement) \$ 1,468,355

Amounts reported for governmental activities in the statement of net position
(government-wide financial statements) are different because:

Capital assets used in governmental activities are
not financial resources and therefore are not
reported in governmental funds.

Cost of Assets	\$ 11,194	
Accumulated Amortization	\$ (1,181)	10,013

Total net position of governmental activities (government-wide financial
statements) \$ 1,478,368

The accompanying notes are an integral part of this statement

FUND FINANCIAL STATEMENTS

Gravity Drainage District No. 2
of Rapides Parish
Alexandria, La.

Balance Sheet
Governmental Fund

December 31, 2020

	<u>General Fund</u>
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 542,737
Receivables	<u>929,556</u>
Total Current Assets	<u>\$ 1,472,293</u>
Liabilities	
Current Liabilities	
Payroll Taxes Payable	\$ 803
Accounts Payable	<u>3,135</u>
Total Current Liabilities	<u>3,938</u>
Fund Balance	
Unassigned	<u>1,468,355</u>
Total Liabilities and Fund Balance	<u>\$ 1,472,293</u>

The accompanying notes are an integral part of this statement.

**Gravity Drainage District No. 2
of Rapides Parish
Alexandria, La.**

**Statement of Governmental Fund Revenues, Expenditures, and Changes In Fund Balance
For the Year Ended December 31, 2020**

	General Fund
Revenues	
Ad Valorem Tax	\$ 971,624
Interest Earnings	1,776
Total Revenues	973,400
Expenditures	
Current:	
Personnel	15,863
Advertising	4,489
Professional Fees	92,028
Insurance	1,730
Repairs & Maint	133,300
Retirement	30,619
Miscellaneous	73
Total Expenditures	278,102
Excess (deficiency) of revenues over expenditures	695,298
Fund Balance, Beginning of Year	773,057
Fund Balance, End of Year	\$ 1,468,355

The accompanying notes are an integral part of this statement

**Gravity Drainage District No. 2
Alexandria, La.**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of
Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2020**

Net Increase (Decrease) in fund balance - total governmental fund	\$ 695,298
 Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as amortization expense. This is the amount by which amortization expense exceeds capital outlays for the year.	 <u>(746)</u>
 Increase (Decrease) of net position of governmental activities	 <u><u>\$ 694,552</u></u>

The accompanying notes are an integral part of this statement.

**Gravity Drainage District No. 2
of Rapides Parish**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain significant accounting policies and practices of the Gravity Drainage District No. 2.

Basis Of Presentation:

The accompanying financial statements of Gravity Drainage District No. 2 have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

Reporting Entity:

As the governing authority of the parish, for reporting purposes, the Rapides Parish Police Jury is the financial reporting entity for Rapides Parish. The financial reporting entity consists of the (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Rapides Parish Police Jury created the Gravity Drainage District No. 2 in 2018 and subsequently, the District called an election of the District for ad-valorem tax millage on December 8, 2018 to authorize a levy of a special tax. The special tax call passed with a levy of ten (10) mills on all property subject to taxation within the District for a ten (10) year period beginning in the year 2019 and ending with the year 2028 for the purpose of acquiring, constructing, improving, maintaining and operating gravity drainage and other flood prevention works permitted by law.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Rapides Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The criteria includes:

- 1 Appointing a voting majority of an organization's governing body.
- 2 Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
- 3 Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

**Gravity Drainage District No. 2
of Rapides Parish**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

Based on criteria 1 through 3, the District was determined to be a component unit of the Rapides Parish Police Jury, the financial reporting entity. 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 government service provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

Fund Accounting:

The Gravity Drainage District's Office uses funds and account groups to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. In this financial statement, funds are classified into a governmental fund.

Each category, in turn, is divided into separate "fund types." The fund classifications and a description of each existing fund type follows:

Governmental funds are used to account for all or most a government's general activities, including the collection and distribution of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities or the general government not accounted for in some other fund. The general fund is the only governmental fund necessary for the Gravity Drainage District's Office.

Measurement Focus/Basis Of Accounting:

Government Wide Financial Statements (GWFS)

The government wide financial statements, "Statement of Net Position" and "Statement of Activities", report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which primarily rely on fees and charges for support. Gravity Drainage District No. 2 does not have any internal service, fiduciary or business-type funds.

The government wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. This approach differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with explanations to identify the relationship between the government wide and governmental funds.

**Gravity Drainage District No. 2
of Rapides Parish**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the Statement of Activities. The Statements of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program.

Fund Financial Statements (FFS):

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

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon thereafter to pay liabilities of the current period. The fund considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Other Financing Sources (Uses):

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

Budgets:

Budget amounts included in the accompanying financial statements include the original adopted budget and the final amendment. Appropriations lapse at year-end. Budgets for governmental funds are adopted annually on the modified accrual basis of accounting. The District exercises budgetary control at the functional level. The District does not utilize encumbrance accounting in its budget process.

Cash Equivalents:

Cash included amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**Gravity Drainage District No. 2
of Rapides Parish**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

Capital Assets:

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or described other method of valuation). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Gravity Drainage District maintains a threshold level of \$5000 or more for capitalizing assets.

Capital assets are recorded in the Statement of Net Position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, consisting solely of organization costs are amortized over a 15 year amortization.

NOTE 2 CASH AND CASH EQUIVALENTS

Under the state law, the Gravity Drainage District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Gravity Drainage District may 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.

NOTE 3 LEVIED TAXES

The Sheriff of Rapides Parish, as provided by State law, is the official tax collector of general property taxes levied by the Rapides Parish Police Jury. The taxes are remitted to Gravity Drainage District No. 2 as collected by the Rapides Parish Sheriff. The 2020 property tax calendar was as follows:

Millage rates adopted	June, 2020
Levey date	June, 2020
Tax bills mailed	November, 2020
Due date	December 31, 2020
Delinquent date	January 1, 2021

NOTE 4 RECEIVABLES

Receivables at December 31, 2020, are as follows:

Ad Valorem Tax	\$	929,472
Accrued Interest		84
		<hr/>
	\$	929,556

Revenue is considered available if it is collected within 60 days of year end.

**Gravity Drainage District No. 2
of Rapides Parish**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

NOTE 5 CAPITAL ASSETS

Capital assets and amortization activity as of and for the year ended December 31, 2020, are as follows:

<u>Governmental Activities</u>	<u>Balance Dec. 31, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 2019</u>
Debt Issuance Costs	\$ 11,194	\$ -	\$ -	\$11,194
Total	<u>\$ 11,194</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$11,194</u>
Less Accumulated Amortization:				
Debt Issuance Costs	\$ 1,181	\$ -	\$ -	\$1,181
Total	<u>\$ 1,181</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,181</u>
Capital Assets, net	<u>\$ 10,013</u>			<u>\$10,013</u>

NOTE 6 RISK MANAGEMENT

The Gravity Drainage District is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Gravity Drainage District carries commercial insurance for all risks and settled claims did not exceed commercial coverage for any of the past three fiscal years.

NOTE 7 ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 8 SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 24, 2021, which is the date the financial statements were available to be issued. There were no disclosure requirements.

NOTE 9 BOARD OF COMMISSIONERS COMPENSATION

	<u>Days</u>	<u>Total</u>
Ronnie Venson	52	\$ 3,150
Peter Dekeyzer	25	1,500
Robert Gaspard	20	1,200
Emile Williams	35	2,100
Jeff Dekeyzer	28	1,700
		<u>\$ 9,650</u>

**Gravity Drainage District No. 2
of Rapides Parish**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

NOTE 10 DEFICIT FUND BALANCE

The District had no deficit fund balances at December 31, 2020.

NOTE 12 RETIREMENT SYSTEM

Gravity Drainage District No. 2 contributes to the State of Louisiana Employees Retirement System. Contributions are deducted from tax revenues remitted and due to the District on an annual basis. The total contribution for 2020 was \$ 30,619.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

**Gravity Drainage District No. 2
of Rapides Parish
Alexandria, Louisiana**

**Budgetary Comparison Schedule-General Fund
For The Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable (Unfavorable)</u>
REVENUES				
Ad Valorem Tax	\$ 951,601	\$ 951,601	\$ 971,624	\$ 20,023
Interest Earnings	-	-	1,776	1,776
Total Revenues	<u>951,601</u>	<u>951,601</u>	<u>973,400</u>	<u>20,023</u>
EXPENDITURES				
Current:				
Personnel	23,500	23,500	15,863	7,637
Advertising	10,000	10,000	4,489	5,511
Professional Fees	334,500	104,500	92,028	12,472
Insurance	7,000	7,000	1,730	5,270
Repairs & Maint	179,000	179,000	133,300	45,700
Retirement	28,600	28,600	30,619	(2,019)
Office Expense	1,000	1,000	0	1,000
Miscellaneous	-	-	73	(73)
Total Expenditures	<u>583,600</u>	<u>353,600</u>	<u>278,102</u>	<u>75,498</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>368,001</u>	<u>598,001</u>	<u>695,298</u>	<u>97,297</u>
FUND BALANCE				
Beginning of Year	773,057	773,057	773,057	-
End of Year	<u>\$ 1,141,058</u>	<u>\$ 1,371,058</u>	<u>\$ 1,468,355</u>	<u>\$ 97,297</u>

The accompanying notes are an integral part of this statement

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

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

Gravity Drainage District No. 2 of Rapides Parish
Alexandria, Louisiana

I have audited the financial statements of Gravity Drainage District No. 2 as of and for the year ended December 31, 2020, and the related notes to the financial statements and have issued my report thereon dated June 24, 2021. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Gravity Drainage District's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Gravity Drainage District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Gravity Drainage District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Gravity Drainage District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Gravity Drainage District, others within the entity, and government entities and is not intended to be and should not be used by anyone other than these specified parties.

Purpose of This Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Paul Dautat
Certified Public Accountant
June 24, 2021

**GRAVITY DRAINAGE DISTRICT NO. 1 OF RAPIDES PARISH
SCHEDULE OF FINDINGS**

For The Year Ended December 31, 2020

I have audited the financial statements of Gravity Drainage District No. 2 as of and for the year ended December 31, 2020, and have issued my report thereon dated June 24, 2021. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2020, resulted in an unmodified opinion.

Section 1-Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weaknesses Yes No Significant Deficiency Yes No

Compliance:

Non Compliance Material to Financial Statements Yes No

Section 11-Financial Statement Findings

There were no financial statement findings.

GRAVITY DRAINAGE DISTRICT NO. 2 OF RAPIDES PARISH
SCHEDULE OF PRIOR YEAR FINDINGS
For The Year Ended December 31, 2020

There were no prior year findings for the year ended December 31, 2019.

GRAVITY DRAINAGE DISTRICT NO. 2 OF RAPIDES PARISH

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer

Year Ended December 31, 2020

Agency Head Name: Ronnie Venson, President

Purpose	Amount
Salary	\$3,150
State Supplemental	None
Benefits-Insurance	None
Benefits-Retirement	None
Accrued Leave	None
Car Allowance	None
Vehicle Provided By Government	None
Per Diem	None
Reimbursements	None
Travel	None
Registration Fees	None
Conference Travel	None
Continuing Professional Education Fees	None
Housing	None
Unvouchered Expenses	None
Special Meals	None