

GRAVITY DRAINAGE DISTRICT NO. 5
OF CAMERON PARISH
GRAND CHENIER, LOUISIANA

ANNUAL FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' COMPLIATION REPORT

Year Ended December 31, 2019

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GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH

Management's Discussion and Analysis (Continued)

The second government-wide statement is the *Statement of Activities*, which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by property taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include principally general government and maintenance.

The government-wide financial statements are presented on pages 10 and 11 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The District has one kind of fund:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 13 through 16 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH

Management's Discussion and Analysis

Within this section of the Gravity Drainage District No. 5 of Cameron Parish's (District) annual financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the fiscal year ended December 31, 2019. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The District's assets in excess of its liabilities by \$1,888,105 (net position) for the fiscal year reported.
- Total revenues of \$157,319 were in excess of total expenditures of \$44,621, which resulted in a current year surplus of \$112,698, compared to prior year surplus of \$93,085.
- Total net position is unrestricted.
- Overall, the District continues to maintain a strong financial position and is continuing to work to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements. Comparative data for the prior year is presented.

Government-Wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the District's assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base, or the condition of District infrastructure in addition to the financial information provided in this report.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH

Management's Discussion and Analysis (Continued)

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the District's budget presentations. Budgetary comparison statements are included as "required supplemental information" for the general fund. These statements and schedules demonstrate compliance with the District's adopted and final revised budget. Required supplemental information can be found on page 24 of this report.

Financial Analysis of the District as a Whole

The District's net position at fiscal year-end is \$1,888,105. The following table provides a summary of the District's net position:

	<u>2019</u>	<u>2018</u>
Assets:		
Current assets	\$ 1,888,105	\$ 1,778,207
Liabilities:		
Current liabilities	<u> -</u>	<u> 2,800</u>
Net position:		
Unrestricted	<u>\$ 1,888,105</u>	<u>\$ 1,775,407</u>

The District reported positive balances in net position, which increased by \$112,698. The District's overall financial position did improve during the fiscal year 2019, mainly due to ad valorem tax revenue.

The following table provides a summary of the District's changes in net position:

	<u>2019</u>	<u>2018</u>
Revenues	\$ 157,319	\$ 160,332
Expenses		
Maintenance	20,823	25,964
Administration	<u>23,798</u>	<u>41,283</u>
Total Expenses	<u>44,621</u>	<u>67,247</u>
Change in Net Position	112,698	93,085
Beginning Net Position	<u>1,775,407</u>	<u>1,682,322</u>
Ending Net Position	<u>\$ 1,888,105</u>	<u>\$ 1,775,407</u>

Governmental Revenues

The District is heavily reliant on property taxes to support governmental operations. Property taxes, excluding grants and intergovernmental revenues, provided 99% (99% for 2018) of the District's total revenues. As a result, the general economy and the local businesses have a major impact on the District's revenue streams.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH

Management's Discussion and Analysis (Continued)

Budgetary Highlights

The General Fund – When the original budget was adopted, it was anticipated that the total revenues were going to be \$388,150 more than the prior year, mainly due to FEMA revenues. Expenditures were anticipated to be \$197,987 more than the previous fiscal year, mainly due to maintenance projects.

Capital Assets and Debt Administration

The District has neither capital assets nor debt.

Economic Conditions Affecting the District

Since the primary revenue stream for the District is property taxes, the District's property tax revenues are subject to changes in the economy.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the District's office, at (337) 775-5718.



RAYMOND GUILLORY, JR., C.P.A.
COY T. VINCENT, C.P.A.
MICHELLE LEE, C.P.A.
BRADLEY J. CASIDAY, C.P.A., C.V.A.
BRIAN MCCAIN, C.P.A.
GRAHAM A. PORTUS, E.A.
KATHRYN BLESSINGTON, C.P.A.
JACKLYN BARLOW, C.P.A.
BLAKE MANUEL, C.P.A.

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

October 19, 2020

Board of Commissioners
Gravity Drainage District No. 5 of Cameron Parish
Grand Chenier, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and major fund of the Gravity Drainage District No. 5 of Cameron Parish, a component unit of the Cameron Parish Policy Jury, as of and for the year ended December 31, 2019, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Account and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head, political subdivision head or chief executive officer is presented for purposes of additional analysis and is not required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information be presented to supplement the basic financial statements:

Budgetary Comparison Schedule
Management's Discussion and Analysis

145 East Street • Lake Charles, LA 70601
Mailing Address: P.O. Drawer 1847 • Lake Charles, LA 70602-1847
phone: 337.439.1986 • fax: 337.439.1366 • www.gcgcpa.com

Board of Commissioners
Gravity Drainage District No. 5 of Cameron Parish
Grand Chenier, Louisiana
October 19, 2020
Page Two

Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Thompson, Cassidy; Shillory

GOVERNMENT-WIDE FINANCIAL STATEMENTS

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Statement of Net Position

December 31, 2019

ASSETS	
Cash	\$ 1,496,980
Receivables	
Ad valorem taxes, net	157,077
Intergovernmental - FEMA	234,048
Total assets	<u>1,888,105</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>
LIABILITIES	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>
NET POSITION	
Net position - Unrestricted	<u>\$ 1,888,105</u>

The accompanying notes are an integral part of the basic financial statements.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Statement of Activities

Year Ended December 31, 2019

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Revenues (Expenses) and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General government	\$ 23,798	\$ -	\$ -	\$ (23,798)
Drainage work	20,823	-	-	(20,823)
Total governmental activities	<u>\$ 44,621</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(44,621)</u>
		General Revenues:		
				156,868
				451
				<u>157,319</u>
				112,698
				<u>1,775,407</u>
				<u>\$ 1,888,105</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Balance Sheet - Governmental Fund

December 31, 2019

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash	\$ 1,496,980	\$ 1,390,877
Receivable - ad valorem taxes, net	157,077	153,282
Receivable - FEMA	234,048	234,048
Total Current Assets	<u>1,888,105</u>	<u>1,778,207</u>
TOTAL ASSETS	<u><u>\$ 1,888,105</u></u>	<u><u>\$ 1,778,207</u></u>
LIABILITIES		
Accounts payable	\$ -	\$ 2,800
Total Current Liabilities	<u>-</u>	<u>2,800</u>
FUND BALANCES		
Assigned	30,000	30,000
Unassigned	1,858,105	1,745,407
Total Fund Balances	<u>1,888,105</u>	<u>1,775,407</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 1,888,105</u></u>	<u><u>\$ 1,778,207</u></u>

The accompanying notes are an integral part of the basic financial statements.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Reconciliation of the Balance Sheet-Governmental Fund to the
Statement of Net Position

December 31, 2019

Total fund balance for governmental fund at December 31, 2019:	\$ 1,888,105
Total net position reported for governmental activities in the Statement of Net Position is different because:	<u>-</u>
Total net position of governmental activities at December 31, 2019	<u>\$ 1,888,105</u>

The accompanying notes are an integral part of the basic financial statements.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Statement of Revenues, Expenditures and
Changes in Fund Balance - Governmental Fund

Year Ended December 31, 2019

	<u>2019</u>	<u>2018</u>
REVENUES		
Ad valorem taxes (net)	\$ 156,868	\$ 159,956
Interest	451	376
TOTAL REVENUES	<u>157,319</u>	<u>160,332</u>
EXPENDITURES		
General Government		
Advertising	114	132
Insurance	1,258	1,115
Maintenance	20,823	25,964
Office expense	179	803
Professional fees	22,247	39,233
Capital outlay	-	-
TOTAL EXPENDITURES	<u>44,621</u>	<u>67,247</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	112,698	93,085
FUND BALANCE - BEGINNING	<u>1,775,407</u>	<u>1,682,322</u>
FUND BALANCE - ENDING	<u>\$ 1,888,105</u>	<u>\$ 1,775,407</u>

The accompanying notes are an integral part of the basic financial statements.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance-Governmental Fund to the Statement of Activities

Year Ended December 31, 2019

Total net changes in fund balance at December 31, 2019 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 112,698
The change in net position reported for governmental activities in the in the Statement of Activities is different because:	<u>-</u>
Total changes in net position at December 31, 2019 per Statement of Activities	<u>\$ 112,698</u>

The accompanying notes are an integral part of the basic financial statements.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Notes to Financial Statements

December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Gravity Drainage District No. 5 of Cameron Parish was created on September 9, 1962, as a political subdivision of the State of Louisiana under the provisions of Louisiana Revised Statutes 38:1751-1802, and was established for the purpose of opening and maintaining all natural drains in the District where drainage is accomplished using the natural force of gravity. The District is governed by a board of 5 commissioners who are appointed by the Cameron Parish Police Jury. The commissioners do not receive compensation for serving on the board.

1. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Gravity Drainage District No. 5 of Cameron Parish includes all funds, account groups, et cetera, that are within the oversight responsibility of the Gravity District No. 5 of Cameron Parish.

As the governing authority, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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.

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

The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the Cameron Parish Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Cameron Parish Police Jury.
2. Organizations for which the Cameron Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Cameron Parish Police Jury.
3. Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature of significance of the relationship.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Notes to Financial Statements

December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Based upon the application of these criteria, Gravity Drainage District No. 5 of Cameron Parish is a component unit of the Cameron Parish Police Jury's reporting entity.

2. Basis of Presentation

The accompanying basic financial statements of the District 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 basic 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.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees and charges paid by the recipients of services offered by the District; and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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 District has one fund, the General Fund, which is therefore considered its major fund.

3. Measurement Focus/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.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Notes to Financial Statements

December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus

On the government-wide statement of net position and the statement of activities, the activities are presented using the economic resources measurement focus. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. 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. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

4. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2019, the District had \$1,501,045 in deposits (collected bank balances), of which all was secured from risk by federal deposit insurance and pledged securities held by the custodial bank in the name of the fiscal agent bank.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Notes to Financial Statements

December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

5. Accounts Receivable

Uncollectible amounts due for other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

6. Budgets

A budget is adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

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 appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

Expenditures may not legally exceed budgeted appropriations at the activity level.

7. Equity Classification

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Net position – restricted – Consists of net position with constraints placed 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.
- c. Net position - unrestricted – All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Notes to Financial Statements

December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as restricted, assigned and unassigned.

- a. Restricted fund balance – Includes fund balance amounts that are intended to be used for specific purposes based on generally outside actions.
- b. Assigned fund balance – Includes fund balance amounts that are intended to be used for specific purposes based on internal (Board) actions.
- c. Unassigned fund balance – Includes positive fund balance within the general fund which has not been classified within the above mentioned categories.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, expenditures are to be spent from restricted fund balance first and then unrestricted. Expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and finally, the unassigned fund balance.

8. Use of Estimates

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

9. Subsequent Events

Management has evaluated subsequent events through October 19, 2020. In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our citizens, employees and local industries all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

On August 27, 2020 Hurricane Laura made landfall in Southwest Louisiana as a Category 4 hurricane which was followed by Hurricane Delta on October 8, 2020. The full extent of damages to the District's facilities or effects on operations have not been determined.

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Notes to Financial Statements

December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

10. Comparative Data

Comparative totals for the prior have been presented in the accompanying financial statements in order to provide an understanding of charges in the District's financial position and operations.

NOTE B – AD VALOREM TAXES

For the year ended December 31, 2019, taxes were levied on taxable assessed valuations of \$26,173,278 at a millage of 6.21.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien.

NOTE C – 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 maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE D – CONTINGENCIES

Accounts receivable of \$234,048 at December 31, 2019 represents the amounts due from FEMA on project expenditures paid through December 31, 2019.

NOTE E – ASSIGNED FUND BALANCE

In 2015, the District assigned \$30,000 of fund balance for the mitigation of the Big Burn Spillway project.

REQUIRED SUPPLEMENTAL INFORMATION

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH
Grand Chenier, Louisiana

Budgetary Comparison Schedule - General Fund

Year Ended December 31, 2019

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Ad valorem taxes (net)	\$ 144,106	\$ 156,868	\$ 12,762
Interest	1,000	451	(549)
Intergovernmental - FEMA	344,822	-	(344,822)
TOTAL REVENUES	489,928	157,319	(332,609)
EXPENDITURES			
General Government			
Advertising	500	114	386
Insurance	1,500	1,258	242
Maintenance	276,100	20,823	255,277
Office expense	400	179	221
Professional fees	7,000	22,247	(15,247)
Capital outlay	-	-	-
TOTAL EXPENDITURES	285,500	44,621	240,879
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	204,428	112,698	(91,730)
FUND BALANCE - BEGINNING	1,775,407	1,775,407	-
FUND BALANCE - ENDING	\$ 1,979,835	\$ 1,888,105	\$ (91,730)

OTHER INFORMATION

GRAVITY DRAINAGE DISTRICT NO. 5 OF CAMERON PARISH

Schedule of Compensation, Benefits and Other Payments
To Chief Executive Officer

Year Ended December 31, 2019

Chief Executive Officer: Phillip Trosclair, Board President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Benefits-cell phone	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-