SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2
OF ACADIA PARISH

Rayne, Louisiana

COMPONENT UNIT FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2 OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana

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June 17, 2019

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Commissioners
Second Ward Gravity Drainage District No. 2 of Acadia Parish
Acadia Parish Police Jury
Rayne, LA

Management is responsible for the accompanying financial statements of the governmental activities of the Second Ward Gravity Drainage District No. 2 of Acadia Parish, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 2018, and related notes to the financial statements, which collectively comprise the Second Ward Gravity Drainage District No. 1 of Acadia Parish's basic financial statements as listed in the table of contents, 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 Accounting and Review Services Committee of the AICPA. 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.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 21 be presented to supplement the basic financial statements. 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, and historical context. The Schedule of Per Diem Paid to Board Members; Schedule of Compensation, Benefits and Other Payments to Agency Head; Schedule of State Funding; Schedule of Current Year Findings; Schedule of Prior Year Findings and Schedule of Management's Corrective Action Plan, on pages 23 through 28, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Management has omitted the management's discussion and analysis information that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Broadhurst, Hamilton & Company

BROADHURST, HAMILTON & COMPANY
Certified Public Accountants

GOVERNMENT-WIDE FINANCIAL STATEMENTS

SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2 OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2018

ASSETS

Current Assets:		
Cash and cash equivalents	$	121,971
Certificates of deposit		200,000
Ad valorem taxes receivable		99,554
State revenue sharing receivable		3,736
Total Current Assets	$	425,261
Non-Current Assets:		
Depreciable capital assets, net		-
TOTAL ASSETS	**$**	**425,261**

LIABILITIES

Current Liabilities:		
Pension fund payable	$	3,371
Total Current Liabilities	$	3,371
Non-Current Liabilities:		-
TOTAL LIABILITIES	$	3,371

NET POSITION

Net investment in capital assets	$	-
Restricted net position		-
Unrestricted net position		421,890
TOTAL NET POSITION	**$**	**421,890**

See accompanying Notes and Independent Accountants' Compilation Report.

SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2 OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense)/ Revenues & Changes in Net Position
Governmental Activities:					
Component Unit:					
Public Works	$ 98,015	$ -	$ -	$ -	$ (98,015)
	General revenues:				
	Property taxes				$ 99,554
	Grants and contributions not restricted to specific programs				3,736
	Investment earnings				1,816
	Total General Revenues, Special Items, and Transfers				$ 105,106
	Changes in Net Position				**$ 7,091**
	Net Position - Beginning of Year				**414,799**
	Net Position - End of Year				**$ 421,890**

See accompanying Notes and Independent Accountants' Compilation Report.

FUND FINANCIAL STATEMENTS

SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2 OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
AS OF DECEMBER 31, 2018

	General Fund
ASSETS	
Cash and cash equivalents	$ 121,971
Certificates of deposit	200,000
Ad valorem taxes receivable	99,554
State revenue sharing receivable	3,736
TOTAL ASSETS	**$ 425,261**
LIABILITIES AND FUND BALANCE	
Liabilities:	
Pension fund payable	$ 3,371
Total Liabilities	$ 3,371
Fund Balance:	
Unassigned	$ 421,890
Total Fund Balance	$ 421,890
TOTAL LIABILITIES AND FUND BALANCE	**$ 425,261**

See accompanying Notes and Independent Accountants' Compilation Report.

RECONCILIATION OF THE BALANCE SHEET - GENERAL FUND TO THE STATEMENT OF NET POSITION AS OF DECEMBER 31, 2018

Total Fund Balance for General Fund as of December 31, 2018	**$ 421,890**
Total Net Position Reported for Governmental Activities in the Statement of Net Position Different from the Balance Sheet	-
Total Net Position of Governmental Activities as of December 31, 2018	**$ 421,890**

See accompanying Notes and Independent Accountants' Compilation Report.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2018

REVENUES:		
Ad valorem taxes	$	99,554
Intergovernmental -		
State revenue sharing		3,736
Investment earnings		1,816
Total Revenues	$	105,106
EXPENDITURES:		
Current:		
Public works:		
Per diem expense - Board members	$	11,550
Accounting		4,200
Advertising		-
Beaver contract		60
Election expense		-
Insurance		100
Office expense		380
Pension fund		3,371
Professional services		1,850
Repairs & maintenance on District		59,490
Sub-contractor		16,515
Uncollected revenue sharing		-
Uncollected taxes		499
Total Expenditures	$	98,015
EXCESS OF REVENUES OVER EXPENDITURES	**$**	**7,091**
OTHER FINANCING SOURCES/(USES)		**-**
NET CHANGE IN FUND BALANCE	**$**	**7,091**
FUND BALANCE - BEGINNING OF YEAR		**414,799**
FUND BALANCE - END OF YEAR	**$**	**421,890**

See accompanying Notes and Independent Accountants' Compilation Report.

SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2 OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2018

Total Net Changes in Fund Balance per Statement of Revenues, Expenditures, and Changes in Fund Balance at December 31, 2018	**$**	**7,091**
Total Changes in Net Position Reported for Governmental Activities in the Statement of Activities different from the Statement of Revenues, Expenditures, and Changes in Fund Balance		-
Total Changes in Net Position per Statement of Activities at December 31, 2018	**$**	**7,091**

See accompanying Notes and Independent Accountants' Compilation Report.

STATEMENT F

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements–and Management's Discussion and Analysis–for State and Local Governments*. Certain of the significant changes in the Statement include the following:

1. For the first time the financial statements include:

   a. A Management Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations. The District has chosen not to present management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements.

   b. Financial statements prepared using full accrual accounting for all of the District's activities.

2. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying basic financial statements of the District (including the notes to the financial statements). The District implemented the Statement in 2003.

A. Financial Reporting Entity:

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

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

B. Basis of Presentation:

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

1. Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements include the financial activities of the overall government. Governmental activities, which normally are supported by taxes and intergovernmental revenues,

(Continued)

are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. All of the district's net position are reported as unrestricted.

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

The District reports all direct expenses by function in the government Statement of Activities. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

2. Fund Financial Statements

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

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

The District reports the following major governmental fund:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the general government.

C. Measurement Focus and Basis of Accounting:

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

1. Measurement Focus:

a. Government-Wide Financial Statements

The government-wide fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or

cost recovery) and financial position. All assets and liabilities (whether current or non current) associated with its activities are reported. Government-wide fund equity is classified as net position.

b. Fund Financial Statements

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

2. Basis of Accounting:

a. Government-Wide Financial Statements

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

b. Fund Financial Statements

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

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

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

NOTES TO FINANCIAL STATEMENTS

E. Equity Classifications:

1. Government-Wide Financial Statements

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

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

b. *Restricted net position* – consists of net position with constraints place on the use either by:

(1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or

(2) law through constitutional provisions or enabling legislation; and

c. *Unrestricted net position* – all other net position that do not meet the definition of "restricted" or "net investment in capital assets." At December 31, 2018, the District only has unrestricted net position.

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

2. Fund Financial Statements

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

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

a. *Nonspendable fund balance* – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).

b. *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

c. *Committed fund balance* – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

d. *Assigned fund balance* – amounts a government *intends* to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority to.

e. *Unassigned fund balance* – amounts that are available for any purpose; these amounts are reported only in the general fund.

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

F. Deposits and Investments

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

The District had $200,000 in investments in certificates of deposit as of December 31, 2018.

G. Property Taxes Receivable

1. Government-Wide Financial Statements

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

2. Fund Financial Statements

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

All trade and property tax receivables are shown net of uncollectibles. The District provides an allowance for doubtful accounts based on an estimate derived from a review of the entity's historical collection experience and a review of the current status of trade accounts receivable. All accounts receivable are considered collectible as of December 31, 2018, therefore the allowance for doubtful accounts at December 31, 2018 is $-0-.

The District levied taxes in 2018 on the assessed valuation of property in the District. The assessed valuation of the property for the District, exclusive of homestead exemptions, was $11,024,776 for the year 2018. Taxes receivable at December 31, 2018 totaled $99,554 all of which is considered collectible.

NOTES TO FINANCIAL STATEMENTS

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

	Authorized Millage	Levied Millage
Second Ward Gravity Drainage District #2	9.03 mills	8.89 mills

H. Inventories

Inventories are valued at the lower of cost or market. At December 31, 2018, the District had no inventories.

I. Prepaid Items

At December 31, 2018, the District had no prepaid items.

J. Fixed Assets

At December 31, 2018, the District had no fixed assets.

K. Compensated Absences

The District does not have a formal leave policy.

L. Long-term Obligations

At December 31, 2018, the District had no long-term obligations.

M. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

N. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence. At December 31, 2018, the District had no extraordinary or special items.

O. Use of Estimates

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

(Continued)

NOTES TO FINANCIAL STATEMENTS

NOTE 2: BUDGET PRACTICES

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

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

1. On or before the last meeting of each year, the District prepares an operating budget for the fiscal year commencing with the following January 1. The operating budget includes proposed expenditures and the means of financing them. The District prepares the operating budget of revenues and expenditures for the fiscal year based on current figures and past experience.

2. The proposed budget is presented to the government's Board of Commissioners for review. The Board holds a public hearing and may add to, subtract from or change the proposed budget as they deem necessary. Any changes in the budget must be within the revenues and reserves estimated.

3. Budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

4. The budget is then adopted by the board. At anytime during the year the Board can amend the budget as necessary.

5. All budgetary appropriations lapse at the end of each year.

	Original Budget	Final Budget	Actual	(Unfavorable)/ Favorable
Net Change in Fund Balance	**$ 44**	**$ (12,132)**	**$ 7,091**	**$ 19,223**

NOTE 3: CASH AND DEPOSITS

At December 31, 2018, the District had cash and cash equivalents totaling $121,971 as follows:

Demand Deposits	$ 121,971
Petty Cash	-
Total Cash and Cash Equivalents	$ 121,971

These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance (FDIC) must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2018, the District had $133,520 in deposits (collected bank balances). These deposits are secured from risk by $133,520 of federal deposit insurance (FDIC).

(Continued)

NOTES TO FINANCIAL STATEMENTS

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R. S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand. As of December 31, 2018, the District had $200,000 in secured time deposits. Of this amount, $200,000 was covered by federal deposit insurance (FDIC) and $-0- was covered by securities pledged as collateral held by the custodial bank in the name of the depository bank.

NOTE 4: RECEIVABLES

The following is a summary of receivables due at December 31, 2018:

Ad valorem taxes receivable	$	99,554
State revenue sharing receivable		3,736
Total Receivables	$	103,290

NOTE 5: LEASES

At December 31, 2018, the District had no leases.

NOTE 6: RELATED PARTY TRANSACTIONS

There were no related party transactions during the year ended December 31, 2018.

NOTE 7: LITIGATION AND CLAIMS

The District is not aware of any claims, asserted or unasserted, pending as of December 31, 2018.

NOTE 8: 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. Since the District is a component unit of the Acadia Police Jury, it falls under the liability protection of the police jury. The Acadia Police Jury has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The Acadia Police Jury is insured up to policy limits for each of the above risks. There were no significant changes in coverages, retentions, or limits during the year ended December 31, 2018. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

NOTE 9: NEW ACCOUNTING PRONOUNCEMENTS

A. ***GASB Statement No. 63*** – During the fiscal year ending December 31, 2012, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of resources, Deferred Inflows of Resources, and Net Position*. This statement provides 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 the following elements: *assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.*

(Continued)

NOTES TO FINANCIAL STATEMENTS

B. ***GASB Statement No. 65*** – In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The statement clarifies the appropriate reporting of deferred outflows of resources or deferred inflows of resources to ensure consistency in financial reporting. The provisions of GASB No. 65 were implemented by the District for the year ending December 31, 2012. The effect of implementation on the District's financial statements has not yet been determined.

NOTE 10: DATE OF MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 17, 2019, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

Rayne, Louisiana

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES:				
Ad valorem taxes	$ 75,000	$ 79,769	$ 99,554	$ 19,785
Intergovernmental				
State revenue sharing	3,594	3,697	3,736	39
Investment earnings	1,400	1,627	1,816	189
Total Revenues	$ 79,994	$ 85,093	$ 105,106	$ 20,013
EXPENDITURES:				
Current:				
Per diem expense paid to Board of Commissioners	$ 10,500	$ 11,500	$ 11,550	$ (50)
Accounting	4,500	4,200	4,200	-
Advertising	100	-	-	-
Beaver contract	500	60	60	-
Election expense	-	-	-	-
Insurance	100	100	100	-
Office expense	100	360	380	(20)
Other expense	1,000	-	-	-
Pension	3,200	3,200	3,371	(171)
Professional services	2,500	1,850	1,850	-
Repairs & Maintenance on District	38,700	59,440	59,490	(50)
Sub-contractor	18,750	16,515	16,515	-
Uncollected revenue sharing	-	-	-	-
Uncollected taxes	-	-	499	(499)
Total Expenditures	$ 79,950	$ 97,225	$ 98,015	$ (790)
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**$ 44**	**$ (12,132)**	**$ 7,091**	**$ 19,223**
FUND BALANCES - BEGINNING OF YEAR	**414,799**	**414,799**	**414,799**	**-**
FUND BALANCES - END OF YEAR	**$ 414,843**	**$ 402,667**	**$ 421,890**	**$ 19,223**

See Accountant's Compilation Report.

OTHER SUPPLEMENTAL INFORMATION

SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2 OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana

SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
FOR THE YEAR ENDED DECEMBER 31, 2018

Name	Amount
Dwayne Gossen	$ 2,250
Leonard J. Habetz	1,950
Gerald L. Leonards	3,150
Darryl Zaunbrecher	2,250
Conrad J. Meyer	1,950
Total Per Diem Paid To Board Members	**$ 11,550**

See Independent Accountants' Compilation Report.

SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 2 OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD FOR THE YEAR ENDED DECEMBER 31, 2018

Agency Head Name: Gerald L. Leonards, President

Service Period: 12 Months

Purpose	Amount
Salary	$ -
Benefits-insurance	-
Benefits-retirement	-
Deferred compensation	-
Benefits-other	-
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	3,150
Reimbursements	-
Travel	-
Registration fees	-
Conference Travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
Total	**$ 3,150**

See Independent Accountants' Compilation Report.

SCHEDULE OF STATE FUNDING
FOR THE YEAR ENDED DECEMBER 31, 2018

Description of Funding	Amount
State Revenue Sharing	$ 3,736
Total State Funding	**$ 3,736**

See Independent Accountants' Compilation Report.

SCHEDULE OF CURRENT YEAR FINDINGS
FOR THE YEAR ENDING DECEMBER 31, 2018

I. Internal Control and Compliance Material to the Financial Statements

Not Applicable

II. Internal Control and Compliance Material to Federal Awards

Not Applicable.

III. Management Letter

This report does not include a management letter.

See Independent Accountants' Compilation Report.

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDING DECEMBER 31, 2018

I. Internal Control and Compliance Material to the Financial Statements

Not Applicable

II. Internal Control and Compliance Material to Federal Awards

Not Applicable.

III. Management Letter

The prior report did not include a management letter.

See Independent Accountant's Compilation Report.

SCHEDULE OF MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDING DECEMBER 31, 2018

I. A Management Corrective Action plan is not required for the year ending December 31, 2018.

See Independent Accountants' Compilation Report.