

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

**Financial Report**

**December 31, 2014**

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

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# THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 2014, which collectively comprise the District's basic financial statements, as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Fifth Ward Consolidated Gravity Drainage District No. 1. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 25, 2015 on the results of our agreed-upon procedures.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The budgetary comparison schedule and schedule of compensation, benefits, and other payments to agency head or chief executive officer on pages 22 and 24 are presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental

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Accounting Standards Board or Louisiana State Law who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

*Thibodeaux Accounting Company*

***Thibodeaux Accounting Company***

A Limited Liability Company

Rayne, Louisiana

June 25, 2015

**Government-Wide Financial Statements**

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

STATEMENT OF NET POSITION  
December 31, 2014

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 98,619
Property taxes receivable	275,983
Due from other governmental agencies	8,797
Depreciable capital assets, net	<u>78,020</u>
Total Assets	<u><u>\$ 461,419</u></u>
 <b>LIABILITIES AND NET POSITION</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 89
Pension fund deduction payable	9,335
Bonds payable	23,000
Total Current Liabilities	<u>\$ 32,424</u>
 <b>LONG-TERM LIABILITIES:</b>	
Bonds payable	<u>\$ -</u>
Total Long-Term Liabilities	<u>\$ -</u>
Total Liabilities	<u>\$ 32,424</u>
 <b>NET POSITION</b>	
Net investment in capital assets	\$ 78,020
Unrestricted	<u>350,975</u>
Total Net Position	<u>\$ 428,995</u>
Total Liabilities and Net Position	<u><u>\$ 461,419</u></u>

See accompanying notes and independent accountant's review report.

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

**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2014**

Expenses:	
Governmental activities -	
Public works	\$ 233,224
Interest on long-term debt	<u>1,530</u>
Total governmental activities	<u>\$ 234,754</u>
General revenues:	
Property taxes	\$ 289,385
State revenue sharing	8,797
Other revenue	-
Gain on sale of equipment	-
Investment earnings	<u>299</u>
Total general revenues	<u>\$ 298,481</u>
Change in net position	\$ 63,727
Net position, beginning	<u>365,268</u>
Net position, ending	<u><u>\$ 428,995</u></u>

See accompanying notes and independent accountant's review report.

## **Fund Financial Statements**



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

BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 December 31, 2014

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash	\$ 98,374	\$ 245	\$ 98,619
Property taxes receivable	275,983	-	275,983
State revenue sharing receivable	8,797	-	8,797
	<u>\$ 383,154</u>	<u>\$ 245</u>	<u>\$ 383,399</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 89	\$ -	\$ 89
Pension fund deduction payable	9,335	-	9,335
	<u>\$ 9,424</u>	<u>\$ -</u>	<u>\$ 9,424</u>
<b>FUND BALANCES</b>			
Restricted	\$ -	\$ 245	\$ 245
Unassigned	373,730	-	373,730
	<u>\$ 373,730</u>	<u>\$ 245</u>	<u>\$ 373,975</u>
Total Fund Balances	<u>\$ 373,730</u>	<u>\$ 245</u>	<u>\$ 373,975</u>
Total Liabilities and Fund Balances	<u>\$ 383,154</u>	<u>\$ 245</u>	<u>\$ 383,399</u>

See accompanying notes and independent accountant's review report.

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

RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
December 31, 2014

Total fund balances - Governmental funds	\$ 373,975
Total net assets reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.	
Machinery and equipment, net	78,020
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds.	
Bonds payable	<u>(23,000)</u>
Net Position of Governmental Activities	<u>\$ 428,995</u>

See accompanying notes and independent accountant's review report.

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

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2014

	General Fund	Debt Service Fund	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues:			
Property taxes	\$ 289,385	\$ -	\$ 289,385
State revenue sharing	8,797	-	8,797
Other revenues	-	-	-
Investment earnings	294	5	299
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	\$ 298,476	\$ 5	\$ 298,481
	<u>          </u>	<u>          </u>	<u>          </u>
Expenditures:			
Current -			
Public works:			
Salaries and related benefits	\$ 54,731	\$ -	\$ 54,731
Telephone	1,098	-	1,098
Insurance	15,815	-	15,815
Fuel	19,370	-	19,370
Accounting and legal	12,353	-	12,353
Pension deduction	9,335	-	9,335
Repairs and maintenance	43,238	-	43,238
Spraying	50,900	-	50,900
Equipment leasing and renting	-	-	-
Subcontracting	6,400	-	6,400
Uncollectible taxes	-	-	-
Capital outlay	-	-	-
Miscellaneous	3,232	-	3,232
Debt Service:			
Interest expense	-	1,530	1,530
Principal payments	-	22,000	22,000
	<u>          </u>	<u>          </u>	<u>          </u>
Total Expenditures	\$ 216,472	\$ 23,530	\$ 240,002
	<u>          </u>	<u>          </u>	<u>          </u>
Excess (deficiency) of revenues over expenditures	\$ 82,004	\$ (23,525)	\$ 58,479
	<u>          </u>	<u>          </u>	<u>          </u>
Other financing sources (uses):			
Transfers in	\$ -	\$ 23,530	\$ 23,530
Transfers out	(23,530)	-	(23,530)
	<u>          </u>	<u>          </u>	<u>          </u>
Total other financing sources (uses)	\$ (23,530)	\$ 23,530	\$ -
	<u>          </u>	<u>          </u>	<u>          </u>
Net change in fund balances	\$ 58,474	\$ 5	\$ 58,479
	<u>          </u>	<u>          </u>	<u>          </u>
Fund balances, beginning	315,256	240	315,496
	<u>          </u>	<u>          </u>	<u>          </u>
Fund balances, ending	\$ 373,730	\$ 245	\$ 373,975
	<u>          </u>	<u>          </u>	<u>          </u>

See accompanying notes and independent accountant's review report.

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2014

Net Change in Fund Balances - Total Governmental Funds	\$	58,479
<p>The change in net assets reported for governmental activities  in the statement of activities is different because:</p>		
<p>The governmental funds report capital outlays as expenditures.  However, in the statement of activities, the costs of those  assets is allocated over their estimated useful lives and  reported as depreciation expense.</p>		
Capital outlay		-
Depreciation expense		(16,752)
<p>Repayment of debt principal is an expenditure in the governmental  funds in the fund financial statements, but the repayment reduces  the long-term liabilities in the statement of net position in the  government-wide financial statements.</p>		
		22,000
Change in Net Position of Governmental Activities	\$	<u>63,727</u>

See accompanying notes and independent accountant's review report.

## **Notes to the Financial Statements**

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

NOTES TO FINANCIAL STATEMENTS

**Note 1. Summary of Significant Accounting Policies**

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

**Reporting Entity:**

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

**Basis of presentation:**

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

**Government-wide financial statements –**

The government-wide financial statements include the statement of net position and the statement of activities of the District. The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. The District had no business-type activities for the year ended December 31, 2014. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions. In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

In the government-wide statement of net position, the governmental activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in two parts - invested in capital assets, net of related debt and unrestricted.

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

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

**NOTES TO FINANCIAL STATEMENTS**

The District reports all direct expenses by function in the government-wide statement of activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is included as a direct expense. Interest on long-term debt for the governmental activities is considered an indirect expense and is reported separately on the statement of activities. The net cost (by function) is normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.). This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

**Fund financial statements –**

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

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

The District reports the following major governmental funds:

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

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

**Basis of accounting:**

**Government-wide financial statements -**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows 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 and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**Fund financial statements –**

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

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

**NOTES TO FINANCIAL STATEMENTS**

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

**Cash:**

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

**Investments:**

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

The District's investments at December 31, 2014 consisted of time certificates of deposit purchased from local financial institutions. These certificates are not subject to GASB Statement No. 31 requirements; thus, they are stated at cost.

**Pensions:**

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

**Fixed Assets:**

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

**Government-wide financial statements –**

The District's property and equipment with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. The District uses \$1,000 as the capitalization threshold. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for furniture and equipment are 5-15 years.

**Fund financial statements –**

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

**Compensated absences:**

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



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

NOTES TO FINANCIAL STATEMENTS

Long-term debt:

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

Government-wide financial statements –

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

Fund financial statements –

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

Equity classifications:

Government-wide statements -

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

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

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

The District had no restricted assets.

Fund financial statements -

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

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

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

NOTES TO FINANCIAL STATEMENTS

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

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

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

*Unassigned-* all other spendable amounts.

**Budgets and Budgetary Accounting:**

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

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

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

**Encumbrances:**

Encumbrance accounting is employed as an extension of the formal budgetary process. Under this method, purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Any encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures of liabilities. There were no encumbrances outstanding at December 31, 2014 as the District does not utilize this method.

**Use of estimates:**

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

**Interfund Transfers:**

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

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

NOTES TO FINANCIAL STATEMENTS

**Note 2. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District requires that banks pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage the District may have on deposit with those banks. These securities must be held in the District's name. Accordingly, the District has no custodial credit risk at December 31, 2014.

**Note 3. Property Taxes Receivable**

Property taxes receivable consists of taxes due from taxpayers and taxes collected in December of 2014 by the Acadia Parish Sheriff's Office, but not remitted to the District until 2015.

**Note 4. Capital Assets**

Capital assets activity for the year ended December 31, 2014 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated - Machinery and Equipment	\$ 351,700	\$ -	\$ -	\$ 351,700
Less: accumulated depreciation	(256,928)	(16,752)	-	(273,680)
Governmental activities capital assets, net	\$ 94,772	\$ (16,752)	\$ -	\$ 78,020

Depreciation was charged to functions as follows:

Governmental activities:	
Public works	\$ 16,752

**Note 5. Property Taxes**

Government-wide financial statements –

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

Fund financial statements -

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

The District authorized and levied general corporate taxes of 8.24 and 8.56 mills for the year ended December 31, 2014.

The taxable value of the property tax for December 31, 2014 is \$16,427,576 net of the homestead exemption. Total taxes levied, exclusive of homestead exemptions, was \$275,983 for 2014, all of which is considered collectible.

**Note 6.** Per Diem Paid to the Board of Commissioners

The Board of Commissioners received no per diem for attendance of meetings for the year ended December 31, 2014. The Board of Commissioners at December 31, 2014 includes:

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

**Note 7.** Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended December 31, 2014:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Certificate of Indebtedness, Series 2006	\$ 45,000	\$ -	\$ (22,000)	\$ 23,000
Total	\$ 45,000	\$ -	\$ (22,000)	\$ 23,000

Long-term liabilities of the District is comprised of the following at December 31, 2014:

	Balance Outstanding	Amount Due in One Year
Certificates of Indebtedness dated February 9, 2006, due in annual installments through March 2015 at an interest rate of 4.50%.	\$ 23,000	\$ 23,000
Total	\$ 23,000	\$ 23,000

On February 9, 2006, the District issued \$175,000 of Certificates of Indebtedness, Series 2006 due in annual installments of \$16,000 - \$23,000 through March 1, 2015, at an interest rate of 4.50%. The debt will be retired from the proceeds of the 8.56 mills ad valorem tax.

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

NOTES TO FINANCIAL STATEMENTS

The annual debt service requirements to maturity of all long-term liabilities outstanding as of December 31, 2014 is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	<u>\$ 23,000</u>	<u>\$ 518</u>	<u>\$ 23,518</u>
	<u><u>\$ 23,000</u></u>	<u><u>\$ 518</u></u>	<u><u>\$ 23,518</u></u>

Interest costs incurred and expensed for the year ended December 31, 2014 totaled \$1,530. This amount relates to governmental activities and is reported as a separate line item on the statement of activities.

**Note 8. Interfund Transfers**

Interfund transfers for the year ended December 31, 2014 were as follows:

	<u>Transfers From General</u>
Transfers to:	
Debt Service Fund	<u><u>\$ 23,530</u></u>

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

**Note 9. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to cover any claims related to these risks.

**Note 10. New Accounting Pronouncements**

In June 2011, the GASB issued Statement 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB 63 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 four component assets, deferred outflows of resources, liabilities and deferred inflows of resources. The District adopted GASB Statement 63 in 2012.

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

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

**NOTES TO FINANCIAL STATEMENTS**

**Note 11. Subsequent Events**

The District has evaluated subsequent events through June 25, 2015, the date which the financial statements were available to be issued.

## **Required Supplementary Information**

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

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 260,000	\$ 258,500	\$ 289,385	\$ 30,885
State revenue sharing	16,000	8,800	8,797	(3)
Other revenue	-	-	-	-
Investment earnings	250	300	294	(6)
Total Revenues	<u>\$ 276,250</u>	<u>\$ 267,600</u>	<u>\$ 298,476</u>	<u>\$ 30,876</u>
<b>Expenditures:</b>				
Current--				
Public works:				
Salaries and related benefits	\$ 55,000	\$ 55,000	\$ 54,731	\$ 269
Telephone	1,500	1,500	1,098	402
Insurance	15,500	16,000	15,815	185
Fuel	25,000	25,000	19,370	5,630
Accounting and legal	13,000	13,000	12,353	647
Pension deduction	-	8,500	9,335	(835)
Repairs and maintenance	50,000	40,000	43,238	(3,238)
Spraying	55,000	55,000	50,900	4,100
Equipment leasing and renting	26,000	26,000	-	26,000
Subcontracting	6,000	6,500	6,400	100
Uncollected taxes	13,000	250	-	250
Capital outlay	-	-	-	-
Miscellaneous	2,700	6,665	3,232	3,433
Total Expenditures	<u>\$ 262,700</u>	<u>\$ 253,415</u>	<u>\$ 216,472</u>	<u>\$ 36,943</u>
Excess of revenues over expenditures	<u>\$ 13,550</u>	<u>\$ 14,185</u>	<u>\$ 82,004</u>	<u>\$ 67,819</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>\$ (24,000)</u>	<u>\$ (24,000)</u>	<u>\$ (23,530)</u>	<u>\$ 470</u>
Total other financing uses	<u>\$ (24,000)</u>	<u>\$ (24,000)</u>	<u>\$ (23,530)</u>	<u>\$ 470</u>
Net change in fund balance	\$ (10,450)	\$ (9,815)	\$ 58,474	\$ 68,289
Fund Balance, beginning	<u>264,036</u>	<u>315,256</u>	<u>315,256</u>	<u>\$ -</u>
Fund Balance, end of year	<u><u>\$ 253,586</u></u>	<u><u>\$ 305,441</u></u>	<u><u>\$ 373,730</u></u>	<u><u>\$ 68,289</u></u>

See independent accountant's review report.



## **Other Supplementary Information**

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

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
For the Year Ended December 31, 2014

Agency Head Name: Thomas Faulk, President

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

See independent accountant's review report.

# THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

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

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish's compliance with certain laws and regulations during the year ended December 31, 2014, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

The District had one expenditure exceeding the \$30,000 amount for supplies and did comply with the public bid law. There was no public works expenditure exceeding the \$150,000 limit.

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

2. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list of board members, including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) appeared on the list provided by management in agreed-upon procedure (2).

## **Budgeting**

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

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

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on December 23, 2013. The amended budget was adopted on December 10, 2014.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more, or if actual expenditures exceed budgeted amounts by 5% or more.

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

## **Accounting and Reporting**

8. Randomly select six disbursements made during the period under examination and:

- a. Trace payments to supporting documentation as to proper amount and payee;

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

- b. Determine if payments were properly coded to the correct fund and general ledger account; and

Six payments were properly coded to the correct fund and general ledger account.

- c. Determine whether payments received approval from proper authorities.

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

## **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11-28 (the open meetings law).

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

## **Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits, which appeared to be proceeds of bank loans, bonds, or like indebtedness.

## **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

A reading of the minutes of the District for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

## **Prior Comments and Recommendations**

The prior year review issued by Thibodeaux Accounting Company, LLC dated June 27, 2014, included comments or unresolved matters. The prior review found that the District did not comply with the public bid law for materials and supplies exceeding \$30,000. This matter was resolved in 2014.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

## ***Thibodeaux Accounting Company***

A Limited Liability Company

Rayne, Louisiana

June 25, 2015

FIFTH WARD CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT NO. 1

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

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

Stephen Hamic, Vice Pres.

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

\_\_\_\_\_ (Date Transmitted)

\_\_\_\_\_  
Thibodeaux Accounting Company, LLC  
\_\_\_\_\_  
P.O. Box 34  
\_\_\_\_\_  
Rayne, LA 70578  
\_\_\_\_\_  
\_\_\_\_\_ (Auditors)

In connection with your review of our financial statements as of December 31, 2014 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

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

Yes [] No [ ]

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

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

Yes [] No [ ]

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

Yes [] No [ ]

**Budgeting**

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

Yes [] No [ ]

**Accounting and Reporting**

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

Yes [] No [ ]

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

Yes [] No [ ]

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

Yes [] No [ ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [] No [ ]

**Meetings**

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

Yes [] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [] No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

<u>John F. Crato</u>	Secretary	<u>June 17, 2015</u>	Date
<u>John F. Crato</u>	Treasurer	<u>June 17, 2015</u>	Date
<u>Norman Rank</u>	President	<u>June 17, 2015</u>	Date

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

**SCHEDULE OF PRIOR YEAR FINDINGS**  
**For the Year Ended December 31, 2014**

2013-1 Public Bid Law

Finding: The District failed to comply with the Public Bid Law.

Current Status: This matter is resolved.

2013-2 Noncompliance with Mandatory Ethics Education

Finding: LA R.S. 42:1170 requires that each public servant complete the 1-hour education and training on the Code of Governmental Ethics. This includes a public employee of which is defined in LA R.S. 42:1102 as anyone, whether compensated or not, who is appointed to a post or position where the appointee is to serve the governmental entity or anyone that is engaged in the performance of a governmental function.

Current Status: This matter is unresolved.



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

**SCHEDULE OF CURRENT FINDINGS AND CORRECTIVE ACTION PLAN**  
**Year Ended December 31, 2014**

2014-1      Noncompliance with Mandatory Ethics Education

**Finding:**                      LA R.S. 42:1170 requires that each public servant complete the 1-hour education and training on the Code of Governmental Ethics. This includes a public employee of which is defined in LA R.S. 42:1102 as anyone, whether compensated or not, who is appointed to a post or position where the appointee is to serve the governmental entity or anyone that is engaged in the performance of a governmental function.

**Cause:**                         The District was unclear as to what was required in regards to the ethics course requirement.

**Recommendation:**        The District should make sure that all public servants complete the course each calendar year, including but not limited to the employee and all members of its Board of Commissioners, in order to comply with this requirement in the future.

**Response:**                    Management concurs.

**Planned Corrective Action:** The District will ensure that all public servants complete the one-hour required governmental ethics course training during the year.