

GRAVITY DRAINAGE DISTRICT NO. ONE
OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Accountant's Review Report	1-2
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Balance Sheet	5
Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Position	6
Statement of Revenues, Expenditures, and Changes in Fund Balance	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities	8
Notes to Financial Statements	9-16
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budgetary Comparison Schedule	17
Other Supplementary Information	
Independent Accountant's Report on Applying Agreed-Upon Procedures	18-21
Louisiana Attestation Questionnaire	22-24
Schedule of Findings and Responses	25
Schedule of Prior Year Findings	26
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	27

James L. Nicholson, Jr., CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS
 www.jsdc-cpas.com

John S. Dowling, CPA - 1904-1984
 John Newton Stout, CPA - 1936-2005
 Chizal S. Fontenot, CPA - 1955-2012
 Russell J. Stelly, CPA - 1942 - 2019

Retired

Harold Dupre, CPA - 1996
 Dwight Ledoux, CPA - 1998
 Joel Lanclos, Jr., CPA - 2003
 G. Kenneth Pavy, II, CPA - 2020

Van L. Auld, CPA

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners
 Gravity Drainage District No. One of Ward Two
 of St. Landry Parish
 Sunset, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, and each major fund of Gravity Drainage District No. One of Ward Two of St. Landry Parish, a component unit of the St. Landry Parish Government as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 17 be presented to supplement the basic financial statements. Such information is presented for the purposes of additional analysis, 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. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

To the Board of Commissioners
Gravity Drainage District No. One of Ward Two
of St. Landry Parish
Sunset, Louisiana
Page 2

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 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 for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Supplementary Information

The accompanying Schedule of Compensation, Benefits, and Other Payments to the Agency Head or Chief Executive Officer on page 27 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

John S. Dowling & Company

Opelousas, Louisiana
May 26, 2021

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
 SUNSET, LOUISIANA
 STATEMENT OF NET POSITION
 DECEMBER 31, 2020

	<u>GOVERNMENTAL ACTIVITIES</u>
<u>ASSETS</u>	
Cash	\$ 435,392
Investments	670,044
Receivables	
Property taxes (net of allowances for uncollectibles)	278,040
State revenue sharing	9,938
Accrued interest receivable	1,640
<u>Total assets</u>	<u>1,395,054</u>
 <u>LIABILITIES</u>	
Payroll withholdings	191
<u>Total liabilities</u>	<u>191</u>
 <u>NET POSITION</u>	
Unrestricted	1,394,863
<u>Total net position</u>	<u>1,394,863</u>

See accompanying notes and independent accountant's review report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
 SUNSET, LOUISIANA
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2020

	NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION <u>GOVERNMENTAL ACTIVITIES</u>
<u>FUNCTIONS/PROGRAMS</u>	
<u>EXPENSES</u>	
<u>Governmental Activities</u>	
Public works	\$ (166,647)
<u>Total governmental activities</u>	<u>(166,647)</u>
<u>GENERAL REVENUES</u>	
Taxes	
Property	278,816
Intergovernmental	
State revenue sharing	14,907
Interest on property taxes	2,798
Investment earnings	9,143
<u>Total general revenues</u>	<u>305,664</u>
<u>Changes in net position</u>	139,017
Net position – January 1, 2020	<u>1,255,846</u>
Net position – December 31, 2020	<u><u>1,394,863</u></u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
BALANCE SHEET
GENERAL FUND
DECEMBER 31, 2020

ASSETS

Cash	\$ 435,392
Investments	670,044
Property taxes receivable (net)	278,040
Revenue sharing receivable	9,938
Accrued interest receivable	<u>1,640</u>
<u>Total assets</u>	<u><u>1,395,054</u></u>

LIABILITIES, DEFERRED INFLOWS OF
RESOURCES, AND FUND BALANCE

LIABILITIES

Payroll withholdings	\$ 191
<u>Total liabilities</u>	<u>191</u>

DEFERRED INFLOWS OF RESOURCES

Unavailable revenues - property taxes	22,815
Unavailable revenues - state revenue sharing	<u>9,938</u>
<u>Total deferred inflows of resources</u>	<u><u>32,753</u></u>

FUND BALANCE

Fund balance	
Unassigned	1,362,110
<u>Total fund balance</u>	<u><u>1,362,110</u></u>

TOTAL LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND FUND BALANCE

1,395,054

See accompanying notes and independent accountant's review report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020

Total fund balance for the governmental fund at December 31, 2020	\$ 1,362,110
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.	<u>32,753</u>
Net position at December 31, 2020	<u><u>1,394,863</u></u>

See accompanying notes and independent accountant's review report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

REVENUES

Taxes	
Property taxes	\$ 275,577
Intergovernmental	
State revenue sharing	15,053
Interest	
On property taxes	2,798
On investments	9,143
<u>Total revenues</u>	<u>302,571</u>

EXPENDITURES

Current operating	
General and administrative	
Professional fees	5,029
Office expense	569
Per diem	8,400
Bank charges	60
Travel	189
Salary	6,000
Payroll taxes	1,102
Soil and conservation fees	600
Election fees	9,624
Drainage	
Maintenance	135,074
<u>Total expenditures</u>	<u>166,647</u>

<u>NET CHANGE IN FUND BALANCE</u>	135,924
-----------------------------------	---------

<u>FUND BALANCE</u> , beginning of year	<u>1,226,186</u>
---	------------------

<u>FUND BALANCE</u> , end of year	<u><u>1,362,110</u></u>
-----------------------------------	-------------------------

See accompanying notes and independent accountant's review report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Total net change in fund balance for the year ended December 31, 2020 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 135,924
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received	<u>3,093</u>
<u>Total change in net position for the year</u> <u>ended December 31, 2020 per Statement</u> <u>of Activities</u>	<u><u>139,017</u></u>

See accompanying notes and independent accountant's review report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Gravity Drainage District No. One of Ward Two have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

The following is a summary of certain significant accounting policies and practices of the District.

A. FINANCIAL REPORTING ENTITY

The Gravity Drainage District No. One of Ward Two of St. Landry Parish 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.

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

Governmental Accounting Standards establish criteria for determining which component units should be considered part of the St. Landry Parish Government 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 Parish Government 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 Parish Government.
2. Organizations for which the Parish Government does not appoint a voting majority but are fiscally dependent on the Parish Government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Parish Government appoints the five commissioners of Gravity Drainage District No. One of Ward Two, and thus has the ability to impose its will on the Drainage District, the District was determined to be a component unit of the St. Landry Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Parish Government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. BASIS OF PRESENTATION

Government-wide Financial Statements (GWFS). The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of Gravity Drainage District No. One of Ward Two, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. 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 goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The accounts of the District are organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The funds of the District are classified into one category – governmental.

The District reports the following governmental fund:

Governmental Fund

General Fund. The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

C. 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.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined in item "b" on the next page.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING – CONTINUED

Measurement Focus - Continued

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on the balance sheet. 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.
- b. The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental 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.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Louisiana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Purchases of various operating supplies are regarded as expenditures at the time purchased. The costs of governmental fund type inventories are recorded as expenditures when purchased and items on hand at year-end, if material, are recorded as assets. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - CONTINUED

Equity Classifications

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

1. Net invested in capital assets - Consist of net capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consist 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.
3. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net invested in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board. Those committed amounts cannot be used for any other purpose unless the Board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes but are neither restricted nor committed. The Board has the authority to assign amounts to be used for specific purposes.

Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds that are not classified as nonspendable and are neither restricted nor committed.

4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - CONTINUED

Equity Classifications - Continued

The District considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

D. BUDGETS

The District adopted a 2020 budget for the General Fund in December 2019. The 2020 budget for the General Fund was later amended in December 2020.

E. ENCUMBRANCES

The District does not employ the encumbrance system of accounting.

F. INVESTMENTS IN CASH

Investments, which are time certificates of deposit are stated at cost, which approximates market.

Louisiana statutes authorize the District to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, the Louisiana Asset Management Pool, or any other federally insured investment.

G. 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 revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (2) - CASH AND INVESTMENTS

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk, however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security 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 bank. 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. No Deposits were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the District's name.

Bank balances	<u>\$ 1,106,111</u>
Federal deposit insurance	\$ 500,000
Pledged securities	<u>606,111</u>
Total FDIC insurance and collateral	<u>1,106,111</u>

NOTE (3) - AD VALOREM TAXES

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Property taxes are due on October 1 and become delinquent by January 1 of the following year. The St. Landry Parish Sheriff bills, collects, and distributes the property taxes for the District using the assessed values determined by the Tax Assessor of St. Landry Parish.

For the year ended December 31, 2020, a tax millage of 7.51 was assessed for maintenance. As per state requirements, each taxing district of the parish must remit a portion of total ad valorem taxes per the tax roll to the pension fund. This amount is determined by the legislative auditor each year. Since the Sheriff collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, property taxes are shown net of pension fund distributions as follows:

	<u>Total Per Tax Roll</u>	<u>Pension Fund Requirements</u>	<u>Allowance for Uncollectible Taxes</u>	<u>Tax Received in December</u>	<u>Tax Receivable</u>
2020	\$ 292,871	\$ (9,282)	\$ (5,549)	\$ -	\$ 278,040

An estimated allowance for uncollectible property tax has been set up based on prior years' experience.

Governmental funds report deferred revenue in connection with receivables for revenues over 60 days that are not considered to be available to liquidate liabilities of the current period.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (4) - FUND BALANCE

The General Fund does not have a deficit fund balance for the year ended December 31, 2020.

NOTE (5) - PER DIEM

A schedule of per diem paid to the board members is presented below:

<u>Governing Board Members</u>	<u>Office Held</u>	<u>Per Diem</u>
Jerry Domengeaux	Chairman	\$ 1,800
Robert P. Fox	Co-Chairman	1,800
Charles Johnson	Board Member	1,050
Peter Smith, Jr.	Board Member	1,800
Ronald Dugas	Board Member	1,800
Joseph Burleigh	Board Member	150
		<u>8,400</u>

NOTE (6) - FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to balance classification and fund.

	<u>General Fund</u>
Fund Balances:	
Nonspendable	\$ -
Restricted	-
Committed	-
Assigned	-
Total - Assigned	<u>-</u>
Unassigned	<u>1,362,110</u>
Total Fund Balances	<u>1,362,110</u>

NOTE (7) - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Gravity Drainage District No. One of Ward Two of St. Landry Parish does not provide any post-employment benefits to retirees and therefore is not required to report under GASB Statement No. 75, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE (8) – UNCERTAINTIES

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease (COVID-19) as a pandemic. We expect this matter may negatively impact the results of the District's operations and financial position, but the related financial impact cannot be reasonably estimated at this time.

NOTE (9) - SUBSEQUENT EVENTS

Subsequent events were evaluated through May 26, 2021, which is the date the financial statements were available to be issued. As of May 26, 2021, there were no subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUDGET			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	AMENDED	ACTUAL	
<u>REVENUES</u>				
Taxes				
Property taxes	\$ 219,000	\$ 220,000	\$ 275,577	\$ 55,577
Intergovernmental				
State revenue sharing	17,000	11,000	15,053	4,053
Interest				
On property taxes	900	2,800	2,798	(2)
On investments	1,000	1,000	9,143	8,143
<u>Total revenues</u>	<u>237,900</u>	<u>234,800</u>	<u>302,571</u>	<u>67,771</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative				
Professional fees	12,000	6,000	5,029	971
Office expense	700	800	569	231
Per diem	10,000	8,650	8,400	250
Bank charges	600	600	60	540
Travel	1,000	190	189	1
Salary	6,000	6,000	6,000	-
Advertising	500	-	-	-
Payroll taxes	3,200	1,206	1,102	104
Miscellaneous	2,000	-	-	-
Insurance	400	-	-	-
Soil conservation fees	600	600	600	-
Election fees	-	12,700	9,624	3,076
Drainage				
Maintenance	250,000	156,159	135,074	21,085
<u>Total expenditures</u>	<u>287,000</u>	<u>192,905</u>	<u>166,647</u>	<u>26,258</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(49,100)</u>	<u>41,895</u>	135,924	<u>94,029</u>
<u>FUND BALANCE</u> , beginning of year			1,226,186	
<u>FUND BALANCE</u> , end of year			<u>1,362,110</u>	

See independent accountant's review report.

OTHER SUPPLEMENTARY INFORMATION

James L. Nicholson, Jr., CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS
 www.jsdc-cpas.com

John S. Dowling, CPA - 1904-1984
 John Newton Stout, CPA - 1936-2005
 Chizal S. Fontenot, CPA - 1955-2012
 Russell J. Stelly, CPA - 1942 - 2019

Retired

Harold Dupre, CPA - 1996
 Dwight Ledoux, CPA - 1998
 Joel Landlos, Jr., CPA - 2003
 G. Kenneth Pavy, II, CPA - 2020

Van L. Auld, CPA

INDEPENDENT ACCOUNTANT'S REPORT
 ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
 Gravity Drainage District No. One of Ward Two
 of St. Landry Parish
 Sunset, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Gravity Drainage District No. One of Ward Two of St. Landry Parish and the Louisiana Legislative Auditor, on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2020, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The Procedures and associated findings are as followed:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.s) 39:1551-39:1775 (the state procurement code) or RS 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year for materials and supplies exceeding \$30,000 or public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

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

Management provided us with the required list including the noted information.

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

Management provided us with the required list.

To the Board of Directors
 Gravity Drainage District No. One of Ward Two
 of St. Landry Parish
 Sunset, Louisiana
 Page 2

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

None of the employees in procedure 3 were on the list from procedure 2.

5. Obtain a list of all disbursements made during the year, and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether vendors appear on both lists.

Management provided the requested information and vendors do not appear on both lists.

Budgeting

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

Management provided us with a copy of the original budget and the amended budget.

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

We traced the adoption of the original budget to the minutes of a meeting held on December 18, 2019, which indicated that the budget had been adopted by the commissioners of the District. We traced the amendment of the 2020 budget to the minutes of a meeting held on December 16, 2020.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5 % or more in total).

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

Accounting and Reporting

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

- (a) report whether the six disbursements agree to the amount and payee in the supporting documentation;

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

- (b) report whether the six disbursements were coded to the correct fund and general ledger account, and;

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

- (c) report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of documentation supporting each of the six selected disbursements and the corresponding monthly meeting minutes indicated approval by the board.

To the Board of Directors
 Gravity Drainage District No. One of Ward Two
 of St. Landry Parish
 Sunset, Louisiana
 Page 3

Meetings

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

The district is only required to post a notice of each meeting and the accompanying agenda on the door of its office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Board Commission and report any exceptions.

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

12. Obtain the list of payroll disbursements and meeting minutes for the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

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.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

Yes, the District provided for a timely report in accordance with R.S. 24:513.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management reported that they did not enter into any contracts.

Prior Comments and Recommendations

15. Obtain and report management's representation as to whether any prior year suggestions, recommendations, and/or comments have been resolved.

Our prior year report, dated June 16, 2020, included no comments or unresolved matters.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in the *Government Auditing*

To the Board of Directors
Gravity Drainage District No. One of Ward Two
of St. Landry Parish
Sunset, Louisiana
Page 4

Standards, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by the Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute: 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

John S. Dawling & Company

Opelousas, Louisiana
May 26, 2021

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

12/16/20 (Date Transmitted)

JCM S Powlitz & Co (CPA Firm Name)
PO Box 1549 (CPA Firm Address)
Ogelsburg LA 70571 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12/31/20 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes [☒] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [☒] No []

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

Yes [☒] No []

Budgeting

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

Yes [☒] No []

Accounting and Reporting

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

Yes [☒] No []

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

Yes [☒] No []

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

Yes [☒] No []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [☒] No []

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

Yes [☒] No []

Meetings

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

Yes [☒] No [☐]

Debt

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

Yes [☒] No [☐]

Advances and Bonuses

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

Yes [☒] No [☐]

Prior-Year Comments

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

Yes [☒] No [☐]

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [☒] No [☐]

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [☒] No [☐]

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

James Clavin Secretary 12-16-20 Date
Jeff Tommenga Treasurer _____ Date
Jeff Tommenga President 12-16-20 Date

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2020

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

N/A

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III – MANAGEMENT LETTER

No findings

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

N/A

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III – MANAGEMENT LETTER

No findings

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
AS OF DECEMBER 31, 2020

Agency Head Name: Jerry Domengeaux, Chairman

<u>Purpose</u>	<u>Amount</u>
Salary	\$1,800
Benefits-insurance	0
Benefits-retirement	0
Benefits	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	15
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

See independent accountant's review report.