

**FIRST WARD GRAVITY DRAINAGE DISTRICT  
OF ACADIA PARISH**

Rayne, Louisiana

**COMPONENT UNIT FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2016**

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**TABLE OF CONTENTS**

<b><u>TITLE</u></b>	<b><u>STATEMENT OR SCHEDULE</u></b>	<b><u>PAGE</u></b>
<b>INDEPENDENT ACCOUNTANTS' REVIEW REPORT</b>		1-2
<b><u>BASIC FINANCIAL STATEMENTS</u></b>		
<b><u>GOVERNMENT-WIDE FINANCIAL STATEMENTS:</u></b>		
Statement of Net Position	A	4
Statement of Activities	B	5
<b><u>FUND FINANCIAL STATEMENTS:</u></b>		
Balance Sheet - Governmental Funds	C	7
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	D	8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	E	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	F	10
<b>NOTES TO FINANCIAL STATEMENTS</b>		12-22
<b><u>REQUIRED SUPPLEMENTAL INFORMATION</u></b>		
Budgetary Comparison Schedule - General Fund		24
<b><u>OTHER SUPPLEMENTAL INFORMATION</u></b>		
Schedule of Per Diem Paid to Board Members	1	26
Schedule of Compensation, Benefits, and Other Payments to Agency Head	2	27
Schedule of State Funding	3	28
Schedule of Current Year Findings	4	29
Schedule of Prior Year Findings	5	30
Schedule of Management's Corrective Action Plan	6	31
<b>INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES</b>		32-34
<b>LOUISIANA ATTESTATION QUESTIONNAIRE</b>		35-36

**BROADHURST, HAMILTON & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

1

ROBERT C. BROADHURST, CPA (1989)  
JOE E. HAMILTON, CPA  
BARBARA B. HAMILTON, CPA

NICOLE D. BROUSSARD, CPA

626 N. AVENUE G  
P. O. DRAWER 505  
CROWLEY, LOUISIANA 70527-0505  
TEL: (337) 783-6515  
FAX: (337) 788-1491  
E-mail: bhccpas@aol.com

June 26, 2017

**INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

To the Board of Commissioners  
First Ward Gravity Drainage District of Acadia Parish  
Acadia Parish Police Jury  
Rayne, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the First Ward Gravity Drainage District of Acadia Parish, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 2016, which collectively comprise the Drainage 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, with the exception of the matters described in the following paragraphs, 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.

**Accountant's Agreed Upon Procedures**

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 26, 2017, on the results of our agreed-upon procedures.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 24 be presented to supplement the basic financial statements. Such 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. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, we do not express an opinion, a conclusion, nor any assurance on it.

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

### **Other Supplementary Information**

The other supplementary information included in Schedules 1 thru 6 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 or reviewed the other supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

*Broadhurst, Hamilton & Company*

**BROADHURST, HAMILTON & COMPANY**

Certified Public Accountants

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2016**

**ASSETS**

**Current Assets:**

Cash and cash equivalents	\$ 229,934
Certificates of deposit	304,409
Ad valorem taxes receivable	353,001
State revenue sharing receivable	14,928
Prepaid insurance	<u>6,459</u>
 Total Current Assets	 \$ 908,731

**Noncurrent Assets:**

Depreciable capital assets, net	<u>66,561</u>
---------------------------------	---------------

**TOTAL ASSETS**

**\$ 975,292**

**LIABILITIES**

**Current Liabilities:**

Pension fund payable	\$ 13,600
Accrued interest payable	-
Current portion of long-term debt:	
Bonds payable	-
Notes payable	<u>-</u>
 Total Current Liabilities	 \$ 13,600

**Noncurrent Liabilities:**

Portion due or payable after one year:	
Notes payable	<u>-</u>

**TOTAL LIABILITIES**

**\$ 13,600**

**NET POSITION**

Net investment in capital assets	\$ 66,561
Unrestricted net position	<u>895,131</u>
 <b>TOTAL NET POSITION</b>	 <b><u>\$ 961,692</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)/ Revenues &amp; Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental Activities:</b>				
Component Unit:				
Public Works	\$ 337,164	\$ -	\$ -	\$ (334,164)
Interest on Long-term debt	-	-	-	-
<b>Totals</b>	<b><u>\$ 337,164</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (334,164)</u></b>
<b>General Revenues:</b>				
Property taxes				\$ 404,995
Grants and contributions not restricted to specific programs				14,928
Insurance proceeds				1,511
Investment earnings				3,018
Miscellaneous income				-
Gain/(Loss) on sale of assets				-
				<u>-</u>
				<b><u>\$ 424,452</u></b>
				<b><u>\$ 87,288</u></b>
				<u>874,404</u>
				<b><u>\$ 961,692</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**FUND FINANCIAL STATEMENTS**



**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
AS OF DECEMBER 31, 2016**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 229,934	\$ -	\$ 229,934
Certificates of deposit	304,409	-	304,409
Ad valorem taxes receivable	353,001	-	353,001
Due from other governmental agencies	14,928	-	14,928
Prepaid insurance	6,459	-	6,459
	<u>6,459</u>	<u>-</u>	<u>6,459</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 908,731</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 908,731</u></b>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>			
<b>Liabilities:</b>			
Pension deduction payable	\$ 13,600	\$ -	\$ 13,600
	<u>13,600</u>	<u>-</u>	<u>13,600</u>
Total Liabilities	<u>\$ 13,600</u>	<u>\$ -</u>	<u>\$ 13,600</u>
<b>Fund Balance:</b>			
Restricted fund balance-debt service	\$ -	\$ -	\$ -
Unassigned fund balance	895,131	-	895,131
	<u>895,131</u>	<u>-</u>	<u>895,131</u>
Total Fund Balance	<u>\$ 895,131</u>	<u>\$ -</u>	<u>\$ 895,131</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 908,731</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 908,731</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2016**

<b>Total Fund Balance - Governmental Funds as of December 31, 2016</b>		<b>\$ 895,131</b>
<p>Total Net Position Reported for Governmental Activities in the Statement of Net Position is different because:</p>		
<p>Capital assets used in Governmental Activities are not financial resources and therefore are not recorded in the funds:</p>		
Capital Assets	\$ 265,083	
Accumulated Depreciation	<u>(198,522)</u>	66,561
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds:</p>		
Accrued interest payable	\$ -	
Bonds payable	-	
Notes payable	<u>-</u>	-
<p>Bond issue costs which are reported as expenditures in the year incurred in the governmental funds are deferred and amortized in the statement of activities:</p>		
Bond issue costs	\$ -	
Accumulated amortization	<u>-</u>	<u>-</u>
<b>Total Net Position of Governmental Activities as of December 31, 2016</b>		<b><u>\$ 961,692</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b><u>REVENUES:</u></b>			
Ad valorem taxes	\$ 404,995	\$ -	\$ 404,995
Intergovernmental -			
State revenue sharing	14,928	-	14,928
National emergency grant	-	-	-
Insurance proceeds	1,511	-	1,511
Investment earnings	3,018	-	3,018
Miscellaneous income	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	<u>\$ 424,452</u>	<u>\$ -</u>	<u>\$ 424,452</u>
<b><u>EXPENDITURES:</u></b>			
Current:			
Public works	\$ 309,132	\$ -	\$ 309,132
Capital outlay	19,121	-	19,121
Debt service:			
Bond Issue Costs	-	-	-
Principal	-	-	-
Interest	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total Expenditures	<u>\$ 328,253</u>	<u>\$ -</u>	<u>\$ 328,253</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b><u>\$ 96,199</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 96,199</u></b>
<b>OTHER FINANCING SOURCES/(USES):</b>			
Proceeds from issuance of certificates of indebtedness	\$ -	-	\$ -
Proceeds from sale of assets	-	-	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total Other Financing Sources/(Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b><u>\$ 96,199</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 96,199</u></b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b><u>798,932</u></b>	<b><u>-</u></b>	<b><u>798,932</u></b>
<b>FUND BALANCES - END OF YEAR</b>	<b><u>\$ 895,131</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 895,131</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Total Net Changes in Fund Balance per Statement of Revenues, Expenditures and Changes in Fund Balances at December 31, 2016</b>	<b>\$</b>	<b>96,199</b>
 The Changes in Net Position Reported for Governmental Activities in the Statement of Activities is different because:		
 Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		19,121
Depreciation expense		(28,032)
 The Net Effect of various miscellaneous transactions involving Capital Assets, such as sales, trade-ins, and donations is to decrease net position		
		-
 Bond proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly repayment of principal is reported as an expenditure in Governmental Funds and thus contributes to the change in Fund Balance. In the Statement of Net Position, however, the repayment of principal reduces the liability.		
Principal payments		-
Debt proceeds		-
 Governmental Funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Bond issue costs		-
Bond issue costs amortized		-
 Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in Governmental Funds.		
Interest expense accrual basis		-
Interest expense modified accrual basis		-
<b>Total Changes in Net Position per Statement of Activities at December 31, 2016</b>	<b>\$</b>	<b><u>87,288</u></b>

See accompanying Notes and Independent Accountants' Review Report.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes and the industry audit guide, Audits of State and Local Governments.

The following is a summary of certain significant accounting policies:

**A. Financial Reporting Entity:**

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

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

**B. Basis of Presentation:**

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

**1. Government-Wide Financial Statements**

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements include the financial activities of the overall government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in two parts: (1) Net investment in capital assets and (2) unrestricted net position.

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

**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 specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**2. Fund Financial Statements**

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

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

The District reports the following major governmental funds:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Debt Service Fund* – This fund is used to collect and accumulate monies for the repayment of bonds.

**C. Measurement Focus and Basis of Accounting:**

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

**1. Measurement Focus:**

**a. Government-Wide Financial Statements**

The government-wide fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non current) associated with its activities are reported. Government-wide fund equity is classified as net position.

**b. Fund Financial Statements**

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

**(Continued)**

**NOTES TO FINANCIAL STATEMENTS**

**2. Basis of Accounting:**

**a. Government-Wide Financial Statements**

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

**b. Fund Financial Statements**

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

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

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

**E. Equity Classifications:**

**1. Government-Wide Financial Statements**

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

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



**NOTES TO FINANCIAL STATEMENTS**

- b. *Restricted net position* – consists of net position with constraints place on the use either by:
- (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
  - (2) law through constitutional provisions or enabling legislation; and
- c. *Unrestricted net position* – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.” At December 31, 2016, the District only has unrestricted net position.

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

**2. Fund Financial Statements**

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

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

- a. *Nonspendable fund balance* – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- b. *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or be enabling legislation.
- c. *Committed fund balance* – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- d. *Assigned fund balance* – amounts a government *intends* to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority to.
- e. *Unassigned fund balance* – amounts that are available for any purpose; these amounts are reported only in the general fund.

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

The District has not established a stabilization arrangement.

**NOTES TO FINANCIAL STATEMENTS**

**F. Deposits and Investments**

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

The District had \$304,409 in investments in certificates of deposits as of December 31, 2016. These certificates are not subject to GASB Statement No. 31 requirements, thus they are stated at cost.

**G. Ad Valorem Taxes Receivable**

**1. Government-Wide Financial Statements**

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

**2. Fund Financial Statements**

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

All trade and property tax receivables are show net of uncollectibles. The District provides an allowance for doubtful accounts based on an estimate derived from a review of the entity's historical collection experience and a review of the current status of trade accounts receivable. All accounts receivable are considered collectible as of December 31, 2016, therefore the allowance for doubtful accounts at December 31, 2016 is \$ -0-.

The District levied taxes in 2016 on the assessed valuation of property in the District. The assessed valuation of the property for the District, exclusive of homestead exemptions, was \$50,814,339 for the year 2016. Taxes receivable at December 31, 2016 totaled \$353,001 all of which is considered collectible.

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

	<b><u>Authorized Millage</u></b>	<b><u>Levied Millage</u></b>
First Ward Gravity Drainage District	<b><u>8.00 mills</u></b>	<b><u>8.00 mills</u></b>

**H. Inventories**

Inventories are valued at the lower of cost or market. At December 31, 2016, the District had no inventories.

**I. Prepaid Items**

At December 31, 2016, the District had no prepaid items.

**NOTES TO FINANCIAL STATEMENTS**

**J. Fixed Assets**

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

**1. 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 District maintains a threshold level of \$500, or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is reported in operations. Estimated useful lives, in years, for depreciable assets are as follows:

	<u>Years</u>
Building and Fence	5 - 10
Equipment	5 - 10

**2. 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.

**K. Compensated Absences**

Employees earn one week of vacation time after one year of employment and two weeks after three years of employment. Sick leave is earned by a full-time employee at the rate of one-quarter day for each month of continuous employment equivalent to one day per quarter and one bonus day upon completion of one year of employment. Vacation and sick leave may not be accumulated and carried into future years. At December 31, 2016, there are no accumulated vacation benefits that require accrual or disclosure.

**L. Long-term Debt**

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

**1. Government-Wide Financial Statements**

The government-wide financial statements, outstanding debt is reported as liabilities, bond issuance costs are capitalized, and interest is accrued on outstanding debt.

**2. 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 bond proceeds received, are reported as debt service expenditures.

**NOTES TO FINANCIAL STATEMENTS**

**M. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence. At December 31, 2016, the District had no extraordinary or special items.

**N. Interfund Transfers**

Permanent reallocation of resources between funds are classified as interfund transfers. Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

For the year ended December 31, 2016, the District had no interfund transfers.

**O. Use of Estimates**

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

**NOTE 2: BUDGET PRACTICES**

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

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

1. On or before the last meeting of each year, the District prepares an operating budget for the fiscal year commencing with the following January 1. The operating budget includes proposed expenditures and the means of financing them. The District prepares the operating budget of revenues and expenditures for the fiscal year based on current figures and past experience.
2. The proposed budget is presented to the government's Board of Commissioners for review. The Board holds a public hearing and may add to, subtract from or change the proposed budget as they deem necessary. Any changes in the budget must be within the revenues and reserves estimated.
3. Budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
4. The budget is then adopted by the board. At anytime during the year the Board can amend the budget as necessary.
5. All budgetary appropriations lapse at the end of each year.

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>(Unfavorable)/ Favorable</b>
<b>Net Change in Fund Balance</b>	<b><u>\$ 85</u></b>	<b><u>\$ 48,280</u></b>	<b><u>\$ 96,199</u></b>	<b><u>\$ 47,919</u></b>

(Continued)

**NOTES TO FINANCIAL STATEMENTS**

Actual amounts may not vary unfavorably more than 5% from the final amended budget at the individual fund level.

**NOTE 3: CASH AND DEPOSITS**

At December 31, 2016, the District had cash and cash equivalents totaling \$229,934 as follows:

Demand Deposits	\$ 229,934
Petty Cash	<u>-</u>
Total Cash and Cash Equivalents	\$ 229,934
Time Certificates of Deposit	<u>304,409</u>
Total Cash and Time Deposits	<u><u>\$ 534,343</u></u>

These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance (FDIC) must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2016, the District had \$541,240 in deposits (collected bank balances and time deposits). These deposits are secured from risk by \$541,240 of federal deposit insurance (FDIC). In addition, there was approximately \$400,000 of securities pledged as collateral and held by the custodial bank in the name of the depository bank.

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana R. S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 4: DUE FROM OTHER GOVERNMENTAL AGENCIES**

The following is a summary of receivables due from other governmental agencies at December 31, 2016:

Ad valorem tax	\$ 353,001
State revenue sharing	<u>14,928</u>
Total Due From Other Governmental Agencies	<u><u>\$ 367,929</u></u>

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5: CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
<b>Capital assets being</b>				
<b>Depreciated -</b>				
Building and Fence	\$ 4,567	\$ -	\$ -	\$ 4,567
Equipment	241,395	19,121	-	260,516
Less: Accumulated Depreciation	<u>(170,490)</u>	<u>(28,032)</u>	<u>-</u>	<u>(198,522)</u>
 <b>Governmental Activities</b>				
<b>Capital Assets, Net</b>	<b><u>\$ 75,472</u></b>	<b><u>\$ (8,911)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 66,561</u></b>

Depreciation expense for the year ended December 31, 2016 was charged to functions as follows:

Public Works	<u>\$ 28,032</u>
--------------	------------------

**NOTE 6: LONG-TERM LIABILITIES**

At December 31, 2016, the District had no long-term liabilities.

**NOTE 7: LEASES**

**Operating Leases**

The District is obligated under two lease agreements accounted for as operating leases. Operating leases do not give rise to a property right or a lease obligation, and therefore the results of the lease agreement are not reflected in the general fixed asset or liability account groups.

The District has two operating leases of the following nature:

- a. The District has a lease with John Deere for a John Deere 350-GLC excavator. The excavator has a monthly lease payment of \$4,521.

The future minimum annual commitments under this operating lease are as follows:

<u>Calendar Year</u>	
2017	\$ 9,042
2018	<u>-</u>
Total Future Minimum Lease Commitments	<b><u>\$ 9,042</u></b>

**NOTES TO FINANCIAL STATEMENTS**

- b. The District has a lease with John Deere for a John Deere 130-G excavator. The excavator has a monthly lease payment of \$2,250.

The future minimum annual commitments under this operating lease are as follows:

<u>Calendar Year</u>	
2017	\$ 27,000
2018	27,000
2019	15,750
2020	<u>-</u>
Total Future Minimum Lease Commitments	<u>\$ 69,750</u>

**NOTE 8: RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year ended December 31, 2016.

**NOTE 9: LITIGATION AND CLAIMS**

The District is not aware of any material claims, asserted or unasserted, pending as of December 31, 2016, that legal council believes is not adequately covered by insurance.

**NOTE 10: 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. There were no significant changes in coverages, retentions, or limits during the year ended December 31, 2016. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

**NOTE 11: NEW ACCOUNTING PRONOUNCEMENTS**

- A. **GASB Statement No. 63** – During the fiscal year ending December 31, 2012, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of resources, Deferred Inflows of Resources, and Net Position*. This statement provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The Statement of Net Assets is renamed the Statement of Net Position and includes the following elements: *assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position*.
- B. **GASB Statement No. 65** – In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The statement clarifies the appropriate reporting of deferred outflows of resources or deferred inflows of resources to ensure consistency in financial reporting. The provisions of GASB No. 65 were implemented by the District for the year ending December 31, 2012. The effect of implementation on the District's financial statements has not yet been determined.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 12: DATE OF MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 26, 2017, the date which the financial statements were available to be issued.



**REQUIRED SUPPLEMENTAL INFORMATION**

**FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH**  
**ACADIA PARISH POLICE JURY**  
Rayne, Louisiana

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
(See Independent Accountants' Review Report)

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>REVENUES:</u></b>				
Ad valorem taxes	\$ 324,000	\$ 348,746	\$ 404,995	\$ 56,249
Intergovernmental- Grants & State revenue sharing	15,285	9,454	14,928	5,474
Insurance proceeds	-	1,511	1,511	-
Interest earnings	1,700	3,018	3,018	-
Miscellaneous income	-	-	-	-
<b>Total Revenues</b>	<b>\$ 340,985</b>	<b>\$ 362,729</b>	<b>\$ 424,452</b>	<b>\$ 61,723</b>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Works:				
Salaries	\$ 92,000	\$ 93,638	\$ 81,743	\$ 11,895
Per diem - Board	11,250	15,300	15,300	-
Accounting	8,400	9,450	9,450	-
Advertising	-	28	28	-
Beaver contract	1,000	60	60	-
Consultant fees	2,000	-	-	-
Equipment lease	82,000	81,349	81,349	-
Equipment security expense	-	-	-	-
Fuel	35,000	23,284	23,284	-
Insurance	23,000	15,001	31,678	(16,677)
Office expense	1,500	2,573	2,573	-
Pension	12,800	13,600	13,600	-
Professional services	3,750	3,750	3,750	-
Property taxes on leased assets	-	2,045	2,045	-
Repairs	68,200	35,250	35,249	1
Rent	-	-	-	-
Uncollected taxes	-	-	9,023	(9,023)
Capital outlay	-	19,121	19,121	-
<b>Total Expenditures</b>	<b>\$ 340,900</b>	<b>\$ 314,449</b>	<b>\$ 328,253</b>	<b>\$ (13,804)</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 85</b>	<b>\$ 48,280</b>	<b>\$ 96,199</b>	<b>\$ 47,919</b>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Proceeds from the sale of assets	\$ -	\$ -	\$ -	\$ -
Operating transfers out	-	-	-	-
Total Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 85</b>	<b>\$ 48,280</b>	<b>\$ 96,199</b>	<b>\$ 47,919</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>798,932</b>	<b>798,932</b>	<b>798,932</b>	<b>-</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 799,017</b>	<b>\$ 847,212</b>	<b>\$ 895,131</b>	<b>\$ 47,919</b>

The accompanying notes are an integral part of this schedule.

**OTHER SUPPLEMENTAL INFORMATION**

FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana

**SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
(See Independent Accountants' Review Report)

<b><u>Name</u></b>	<b><u>Amount</u></b>
Martin Dischler	\$ 2,850
Terry Faul	1,050
Hubert Hoffpauir	1,200
Charles Melancon	1,350
Sanders Senegal	3,150
Allen J. Credeur, Jr.	1,800
Wallace Fontenot	1,950
Frank Menard	<u>1,950</u>
<b>Total Per Diem Paid To Board Members</b>	<b><u>\$ 15,300</u></b>

**SCHEDULE OF COMPENSATION, BENEFITS, AND  
OTHER PAYMENTS TO AGENCY HEAD  
FOR THE YEAR ENDED DECEMBER 31, 2016**  
(See Independent Accountants' Review Report)

<b>Agency Head Name:</b>	<b><u>Sanders Senegal, President</u></b>	<b><u>Hubert Hoffpauir, President</u></b>
	<b><u>6 Months</u></b>	<b><u>6 Months</u></b>
<b><u>Purpose</u></b>	<b><u>Amount</u></b>	<b><u>Amount</u></b>
Salary	\$ -	\$ -
Benefits-insurance	-	-
Benefits-retirement	-	-
Deferred compensation	-	-
Benefits-other	-	-
Car allowance	-	-
Vehicle provided by government	-	-
Cell phone	-	-
Dues	-	-
Vehicle rental	-	-
Per diem	3,150	1,200
Reimbursements	-	-
Travel	525	-
Registration fees	-	-
Conference Travel	-	-
Housing	-	-
Unvouchered expenses	-	-
Special meals	-	-
Other	-	-

FIRST WARD GRAVITY DRAINAGE DISTRICT OF ACADIA PARISH  
ACADIA PARISH POLICE JURY  
Rayne, Louisiana

**SCHEDULE OF STATE FUNDING**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(See Independent Accountants' Review Report)**

<b><u>Description of Funding</u></b>	<b><u>Amount</u></b>
State Revenue Sharing	\$ <u>14,928</u>
<b>Total State Funding</b>	<b>\$ <u>14,928</u></b>

**SCHEDULE OF CURRENT YEAR FINDINGS  
FOR THE YEAR ENDING DECEMBER 31, 2016**

I. Internal Control and Compliance Material to the Financial Statements

**Finding 2016 - 001: Possible Violation of Commissioner Compensation**

CONDITION: We found that a commissioner was paid a weekly mileage allowance totaling \$525.00 during the year ending December 31, 2016. According to the District's minutes this was approved by the Board of Commissioners' at a rate of \$25.00 per week.

The Board of Commissioners' are limited in the forms of compensation that they can receive by Louisiana R.S. 38:1794. Louisiana R.S. 38:1794 Sec F.(3) refers to commissioners of First Ward Drainage District of Acadia Parish. This section of the statute states that commissioners may receive compensation "for every day a commission member is actually employed in the services of the district and may be reimbursed any expenses incurred in performing the duties imposed upon him by virtue of his appointment". The daily compensation is determined by the board of commissioners and is subject to maximum limits imposed by Louisiana R.S. 38:1794. There appears to be no provision in the statute for a commissioner receiving a mileage allowance. The reimbursement of actual mileage expenses using the standards already established by the Board of Commissioners for employees would appear to be in compliance with the statute as long as the expenses are documented and the reimbursement is properly approved by the Board of Commissioners'.

RECOMMENDATION: Standard reading of the referenced statute indicates that commission members can only receive the standard daily approved compensation and reimbursement of actual expenses. The District should restrict compensation to commissioners to the forms specifically allowed in the applicable Louisiana Revised Statutes.

**Finding 2016 - 002: Violation of Open Meeting Laws and Regulations**

CONDITION: In reading the minutes for the year ending December 31, 2016, we found that on October 16, 2016, the District violated Open Meeting rules by incorrectly going into executive session without properly advertising the action and by not having a commissioner state a valid reason for entering into an executive session from which the public is excluded. This violation was reported by a member of the public and the District received a formal complaint from Louisiana Attorney General Jeff Landry on November 28, 2016. The District responded on January 9, 2017 and accepted responsibility for the inadvertent error.

RECOMMENDATION: The District should insure that they become familiar with the rules relating to executive sessions and insure that they comply in the future. If they are unsure as how the rules apply, they should consult their attorney for advice.

II. Internal Control and Compliance Material to Federal Awards

Not Applicable.

III. Management Letter

This report does not include a management letter.

**SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDING DECEMBER 31, 2016**

I. Internal Control and Compliance Material to the Financial Statements

Not Applicable

II. Internal Control and Compliance Material to Federal Awards

Not Applicable.

III. Management Letter

The prior report did not include a management letter.



**SCHEDULE OF MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDING DECEMBER 31, 2016**

**Finding 2016-001: Possible Violation of Commissioner Compensation**

The following response was provided by Mr. Ben Lormand, Secretary/Treasurer for the First Ward Gravity Drainage District of Acadia Parish:

The Board of Commissioners will comply with the applicable Louisiana Revised Statutes. The Board will establish a policy that outside of the daily approved rate for commissioners when performing District services, any future expense reimbursements will be for actual expenses incurred and must be accompanied by appropriate receipts and/or expense reports and be approved on an individual basis by the Board of Commissioners prior to payment.

**Finding 2016 - 002: Violation of Open Meeting Laws and Regulations**

The following response was provided by Mr. Ben Lormand, Secretary/Treasurer for the First Ward Gravity Drainage District of Acadia Parish:

On January 9, 2017, the Board of Commissioners accepted responsibility for this inadvertent error. The Board has agreed that every precaution should be taken to insure that the Board does not have any future violations of the open meeting laws.

ROBERT C. BROADHURST, CPA (1989)  
JOE E. HAMILTON, CPA  
BARBARA B. HAMILTON, CPA

NICOLE D. BROUSSARD, CPA

626 N. AVENUE G  
P. O. DRAWER 505  
CROWLEY, LOUISIANA 70527-0505  
TEL: (337) 783-6515  
FAX: (337) 788-1491  
E-mail: bhccpas@aol.com

June 26, 2017

**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

To the Board of Commissioners  
First Ward Gravity Drainage District of Acadia Parish  
Acadia Parish Police Jury  
Rayne, LA

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of First Ward Gravity Drainage District of Acadia Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about First Ward Gravity Drainage District of Acadia Parish's compliance with certain laws and regulations during the year ended December 31, 2016 included in the accompanying *Louisiana Attestation Questionnaire*. Management of First Ward Gravity Drainage District of Acadia Parish is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation 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 this 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 material 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).

*Result:* - During the current year, the District did not make any expenditures for material and supplies exceeding \$30,000. Also, the District did not make any expenditure for public works exceeding \$150,000 during the current year.

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

2. Obtain from management a list of 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.

*Result:* - Management provided us with the required list including the noted information.

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

*Result:* - 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.

*Result:* - None of the employees included on the list of employees provided by management 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.

*Result:* - Management provided us with a copy of the original budget and all amendments to the budget during the year.

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

*Result:* - We traced the adoption of the original budget to the minutes of a meeting held on December 14, 2015 which indicated that the budget had been adopted by the commissioners of First Ward Gravity Drainage District of Acadia Parish by a unanimous vote. We traced an amendment to the budget to the minutes for a meeting held on December 15, 2016. The amended budget was also approved by a unanimous vote.

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.

*Result:* - We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues were more than budgeted amounts by 17.0163%. For revenues any amount above a negative (5.00%) is favorable and acceptable. Actual expenditures were greater than budgeted amounts by 4.3899%. For expenditures, any amount below a positive 5.00% is favorable and acceptable for the year.

### ***Accounting and Reporting***

8. Randomly select six (6) disbursements made during the period under examination and:

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

*Result:* - We examined supporting documentation for each of the six selected disbursements and found that the 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

*Result:* - All six of the payments were properly coded to the correct fund and general ledger account.

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

*Result:* - Inspection of documentation supporting each of the six selected disbursements indicated proper approvals. In addition, each of the disbursements were traced to the district's minutes where they were approved by the full commission.

***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 through 42:28 (the open meetings law).

*Results:* - The First Ward Gravity Drainage District of Acadia Parish is only required to post a notice of each meeting and the accompanying agenda or advertise notice of public meetings. Management has asserted that proper posting or advertisement of public meetings was made for regular and special meetings. Management has copies of dated notices that they assert were properly posted.

We did find that the District violated the open meeting laws contained in La. R.S. 42.16 and La R.S. 42.17 by entering into executive session without proper notice to the public and without any member stating a valid reason for entering into the executive session. This occurred on October 10, 2016, and was addressed in a complaint filed by Louisiana Attorney General Jeff Landry on November 28, 2016. The commissioners responded to Attorney General Jeff Landry and accepted responsibility for inadvertently failing to properly follow open meeting procedures on January 9, 2017. The Commissioners' agreed that every precaution would be taken to insure that they would fully comply with open meeting regulations in the future. See Finding 2016 -002.

***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.

*Results:* - 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.

*Results:* - 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.

We were not engaged to perform, and did not perform, an audit, 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 the First Ward Gravity Drainage District 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 Legislative Auditor as a public document.

*Broadhurst, Hamilton & Company*  
**BROADHURST, HAMILTON & COMPANY**  
Certified Public Accountants

# FIRST WARD DRAINAGE DISTRICT

P. O. BOX 289  
108 SO. ADAMS  
RAYNE, LA 70578

---

Phone 337-334-2132  
Fax 337-334-2133

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

January 23, 2017

**Broadhurst, Hamilton & Company**  
P. O. Drawer 505  
Crowley, LA 70527-0505

In connection with your review of our financial statements (**First Ward Gravity Drainage District of Acadia Parish**) as of December 31, 2016 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 the date of this letter.

### 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 audited or compiled in accordance with LSA-RS 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**

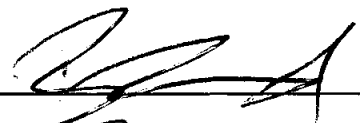
It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.  
Yes [] No [ ]

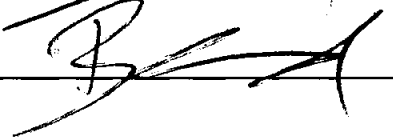
**Advances and Bonuses**

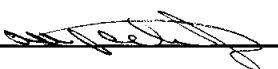
It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.  
Yes [] No [ ]

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 which may occur subsequent to the issuance of your report.

  
\_\_\_\_\_  
Secretary \_\_\_\_\_ 01/25/2017 \_\_\_\_\_ Date

  
\_\_\_\_\_  
Treasurer \_\_\_\_\_ 01/25/2017 \_\_\_\_\_ Date

  
\_\_\_\_\_  
President \_\_\_\_\_ 01/25/2017 \_\_\_\_\_ Date