

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
BELL CITY, LOUISIANA

ANNUAL FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Year Ended December 31, 2021

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

July 21, 2022

Board of Commissioners
Cameron Parish Gravity Drainage District No. 4
Bell City, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and the major fund of Cameron Parish Gravity Drainage District No. 4, a component unit of Cameron Parish Police Jury, as of and for the year ended December 31, 2021, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, on page 22 is presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted management's discussion and analysis 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Board of Commissioners
Cameron Parish Gravity Drainage District No. 4
July 21, 2022
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Other Information

The other information on page 24 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other information has been compiled from information that is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplemental information, and accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

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BASIC FINANCIAL STATEMENTS

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Statement of Net Position

December 31, 2021

ASSETS	
Cash	\$ 5,257
Investments	469,292
Receivables	
Ad valorem taxes, net	30,759
Capital assets, net	<u>2,600,155</u>
TOTAL ASSETS	<u>3,105,463</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>
LIABILITIES	
Accounts payable	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>
NET POSITION	
Net investment in capital assets	2,600,155
Net position - unrestricted	<u>505,308</u>
	<u>\$ 3,105,463</u>

The accompanying independent accountants' compilation report and notes are an integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Statement of Activities

Year Ended December 31, 2021

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Revenues (Expenses) and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General government	\$ (226,930)	\$ -	\$ -	\$ (226,930)
		General Revenues:		
				29,745
				83
				248
				<u>30,076</u>
				(196,854)
				<u>3,302,317</u>
				<u>\$ 3,105,463</u>

The accompanying independent accountants' compilation report and notes are an integral part of these financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Balance Sheet - Governmental Fund

December 31, 2021

	2021	2020
ASSETS		
Cash	\$ 5,257	\$ 67,937
Investments	469,292	499,064
Receivable - ad valorem taxes, net	30,759	31,037
Total Assets	505,308	598,038
 TOTAL ASSETS	 \$ 505,308	 \$ 598,038
 LIABILITIES		
Liabilities		
Accounts payable	\$ -	\$ -
Total Liabilities	-	-
 FUND BALANCES		
Unassigned	505,308	598,038
Total Fund Balances	505,308	598,038
 TOTAL LIABILITIES AND FUND BALANCES	 \$ 505,308	 \$ 598,038

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

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

December 31, 2021

Total fund balance for governmental fund at December 31, 2021:	\$ 505,308
Total net assets reported for governmental activities in the Statement of Net Assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets, net of \$715,895 accumulated depreciation	<u>2,600,155</u>
Total net assets of governmental activities at December 31, 2021	<u><u>\$ 3,105,463</u></u>

The accompanying independent accountants' compilation report and notes are an integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

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

Year Ended December 31, 2021

	2021	2020
REVENUES		
Ad valorem taxes (net)	\$ 29,745	\$ 29,900
State revenue sharing	83	172
Intergovernmental income	-	37,831
Interest	248	4,154
TOTAL REVENUES	30,076	72,057
EXPENDITURES		
General Government		
Bank charges	-	25
Operating and maintenance	34,019	24,660
Per diem	2,795	2,275
Professional fees	53,736	63,188
Salaries	7,200	7,200
Capital outlay	25,056	92,628
TOTAL EXPENDITURES	122,806	189,976
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(92,730)	(117,919)
FUND BALANCE - BEGINNING	598,038	715,957
FUND BALANCE - ENDING	\$ 505,308	\$ 598,038

The accompanying independent accountants' compilation report and notes are an integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

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

Year Ended December 31, 2021

Total net changes in fund balance at December 31, 2021 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ (92,730)
<p>The change in net assets reported for governmental activities in the in the Statement of Activities is different because from the Statement of Revenues, Expenditures and Changes in Fund Balance However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 25,056	
Depreciation expense for the year ended December 31, 2021	<u>(129,180)</u>	<u>(104,124)</u>
Total changes in net assets at December 31, 2021 per Statement of Activities		<u>\$ (196,854)</u>

The accompanying independent accountants' compilation report and notes are an integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Notes to Financial Statements

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cameron Parish Gravity Drainage District No. 4 was created as a political subdivision of the State of Louisiana under the provisions of Louisiana Revised Statutes 38:1751-1802, and was established for the purpose of opening and maintaining all natural drains in the District where drainage is accomplished using the natural force of gravity. The District is governed by a board of 5 commissioners who are appointed by the Cameron Parish Police Jury.

1. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Cameron Parish Gravity Drainage District No. 4 includes all funds, account groups, et cetera, that are within the oversight responsibility of the Cameron Parish Gravity Drainage District No. 4.

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

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

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

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

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Notes to Financial Statements

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Based upon the application of these criteria, Cameron Parish Gravity Drainage District No. 4 is a component unit of the Cameron Parish Police Jury's reporting entity.

2. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments", issued in June 1999.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the District; and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

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

3. Measurement Focus/Basis of Accounting

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

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Notes to Financial Statements

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus

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

Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

4. Cash and Investments

Cash

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

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2021, the District had \$5,321 in deposits (collected bank balances), which was secured from risk by federal deposit insurance.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Notes to Financial Statements

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Investments

The \$469,292 in money market investments is invested in LAMP. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955. LAMP is a governmental investment pool that reports at fair value. The following facts are relevant for investment pools:

Credit risk: LAMP is rated AAAM by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

5. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

6. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Notes to Financial Statements

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Drainage & improvements	5-25 years
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In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the government fund upon acquisition.

7. Budgets

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

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

The proposed budget is presented to the government's Board of Commissioners for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

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

8. Equity Classification

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

- a. Net investment in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets, net of related debt".

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Notes to Financial Statements

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

When an expense is incurred that can be paid using either restricted (assigned) or unrestricted (unassigned) resources (net assets), the District's policy is to first apply the expenses toward restricted (assigned) resources and then toward unrestricted (unassigned) resources.

9. Use of Estimates

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

10. Subsequent Events

Management has evaluated subsequent events through July 21, 2022 the date the financial statements were available to be issued.

NOTE B – AD VALOREM TAXES

For the year ended December 31, 2021, taxes were levied on taxable assessed valuations of \$8,753,052 at a millage of 3.68.

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

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Notes to Financial Statements

December 31, 2021

NOTE C – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE D – CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2021, are as follows:

	Beginning of Year	Net Additions	End of Year
Governmental Activities:			
Construction in progress	\$ -	\$ -	\$ -
Drainage & improvements	<u>3,290,994</u>	<u>25,056</u>	<u>3,316,050</u>
	3,290,994	25,056	3,316,050
Less accumulated			
Depreciation	<u>586,715</u>	<u>129,180</u>	<u>715,895</u>
	<u>\$ 2,704,279</u>	<u>\$ (104,124)</u>	<u>\$ 2,600,155</u>

Depreciation expense was \$129,180 for the year ended December 31, 2021.

NOTE E – PER DIEM

Per diem paid to commissioners for the year consisted of the following:

Shane Broussard	\$ 520
Leslie Griffith	780
Dan Nunez	650
Todd Morales	715
Michael Semien	<u>130</u>
	<u>\$ 2,795</u>

REQUIRED SUPPLEMENTAL INFORMATION

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Budgetary Comparison Schedule - General Fund

Year Ended December 31, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Ad valorem taxes (net)	\$ 45,050	\$ 29,745	\$ (15,305)
State revenue sharing	225	83	(142)
Intergovernmental	-	-	-
Interest	243	248	5
TOTAL REVENUES	<u>45,518</u>	<u>30,076</u>	<u>(15,442)</u>
EXPENDITURES			
General Government			
Bank charges	-	-	-
Operating and maintenance	28,400	34,019	(5,619)
Per diem	3,900	2,795	1,105
Professional fees	25,000	53,736	(28,736)
Salaries	7,200	7,200	-
Capital outlay	150,000	25,056	124,944
TOTAL EXPENDITURES	<u>214,500</u>	<u>122,806</u>	<u>91,694</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(168,982)	(92,730)	76,252
FUND BALANCE - BEGINNING	<u>598,038</u>	<u>598,038</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ 429,056</u></u>	<u><u>\$ 505,308</u></u>	<u><u>\$ 76,252</u></u>

See independent accountants' compilation report.

OTHER INFORMATION

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

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

Year Ended December 31, 2021

Chief Executive Officer: Shane Broussard, Board President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Benefits- cell phone	-
Car allowance	-
Vehicle provided by government	-
Per diem	520
Reimbursements	-
Travel	-
Registration fees	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special Meals	-

See independent accountants' compilation report.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Bell City, Louisiana

Schedule of Findings and Responses

Year Ended December 31, 2021

1. Findings Relating to the Financial Statements

Finding 2021-001: Late Submission of Financial Statements

The 2021 financial statements were not filed with the Legislative Auditor within the due date of June 30, 2022, in violation of R.S. 24:514

Management response: The late filing is an isolated occurrence due to the continued physical obstacles from the 2020 Hurricane Laura. Compliance will be adhered to in the future.

2. Prior Year Findings

None