

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

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**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2020**



**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

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AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners  
Claiborne Parish Watershed District  
Homer, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the General Fund of Claiborne Parish Watershed District, a component unit of Claiborne Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountant's Responsibility**

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

### **Accountant's Conclusion**

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that Budgetary Comparison Schedule on page 21 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted Management's Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Claiborne Parish Watershed District  
Homer, Louisiana  
Independent Accountant's Report  
December 31, 2020

**Supplementary Information**

The accompanying schedule of compensation, benefits, and other payments to or on behalf of the agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated December 22, 2021, on the results of our agreed-upon procedures.

BOSCH & STATHAM, LLC



Ruston, Louisiana  
December 22, 2021



Independent Accountant's Report  
on Applying Agreed-Upon Procedures

To Claiborne Parish Watershed District and  
The Louisiana Legislative Auditor

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

*Public Bid Law*

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

*We identified one expenditure during the year for materials and supplies that exceeded \$30,000 and obtained documentation. The expenditure appears to have been made in accordance with the public bid law. We did not identify any expenditures for public works exceeding \$250,000.*

*Conclusion: We noted no errors or exceptions.*

*Code of Ethics for Public Officials and Public Employees*

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

*Management provided a list of the immediate family members of each board member as defined by the ethics law.*

*Conclusion: We noted no errors or exceptions.*

3. Obtain from management a listing of all employees paid during the fiscal year.

*The District does not have any employees.*

*Conclusion: We noted no errors or exceptions.*

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

*The District does not have any employees.*

*Conclusion: We noted no errors or exceptions.*

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

*We obtained a list of disbursements and a list of outside business interests of board members. No names nor outside business interests match the disbursements made.*

*Conclusion: We noted no errors or exceptions.*

*Budgeting*

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

*Management provided us with a copy of the original budget and budget amendments adopted during the year.*

*Conclusion: We noted no errors or exceptions.*

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

*We traced adoption of the original budget to the December 12, 2019, minutes of the meeting of the District's commissioners. Approval of budget amendments for 2020 were documented in the December 10, 2020, minutes.*

*Conclusion: We noted no errors or exceptions.*

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

*We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues for the year were below budgeted revenues by less than 2%. Expenditures for the year exceeded budgeted amounts by \$12,497 or 8%. The variance was due to an accrual. The contractor's application for payment was received in January 2021. Management was unable to estimate the value of the work that would be completed in December 2020, when the budget was amended.*

*Conclusion: We noted an exception as described above.*

*Accounting and Reporting*

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

*We obtained a list of disbursements made during the fiscal year and randomly selected six disbursements. We obtained supporting documentation from management for these disbursements and compared the selected disbursements to supporting documentation.*

- a. Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

*We noted no exceptions.*

*Conclusion: See above.*

- b. Report whether the six disbursements were coded to the correct fund and general ledger account

*We noted no exceptions.*

*Conclusion: See above.*

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

*There are no written policies. All checks were signed by board members.*

*Conclusion: The District does not have written policies.*

*Meetings*

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

*Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office. We inspected copies of the agenda where the secretary notated the posting date for each meeting.*

*Conclusion: We noted no errors or exceptions.*

*Debt*

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

*We scanned copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.*

*Conclusion: We noted no errors or exceptions.*

*Advances and Bonuses*

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

*Management asserted that there were no employees. We noted no evidence of payroll disbursements.*

*Conclusion: We noted no errors or exceptions.*

*State Audit Law*

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

*Due to delays resulting from the COVID-19 pandemic, we obtained an extension. The District's report will be submitted by December 31, 2021.*

*Conclusion: We noted no errors or exceptions.*

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

*The District did not enter into any such contracts while the District was not in compliance with the audit law.*

*Conclusion: We noted no errors or exceptions.*



*Prior Comments*

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

*The District's 2019 report, dated July 21, 2020, included the following exceptions: management did not provide lists of siblings or spouses of board members, one out of six disbursements did not agree to support, and the district does not have written policies. The disbursement and listing of siblings or spouses exceptions were resolved. The policy exception still exists during 2020.*

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

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

BOSCH & STATHAM, LLC

*Bosch & Statham*

Ruston, Louisiana  
December 22, 2021



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

Yes [  ] No [  ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.  
Yes [  ] No [  ]

**Debt**

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

**Advances and Bonuses**

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

**Prior-Year Comments**

We have resolved all prior-year recommendations and/or comments.  
Yes [  ] No [  ]

**General**

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.  
Yes [  ] No [  ]

We have evaluated our compliance with these laws and regulations prior to making these representations.  
Yes [  ] No [  ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.  
Yes [  ] No [  ]

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.  
Yes [  ] No [  ]

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.  
Yes [  ] No [  ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.  
Yes [  ] No [  ]

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

<u>Ottie Palmer</u>	Secretary	<u>3-25-21</u>	Date
<u>Marshall Jay Blanchard</u>	Treasurer	<u>25 MAR 21</u>	Date
<u>Mark King</u>	President	<u>3-25-21</u>	Date

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**BALANCE SHEET AND STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2020**

	<b>GENERAL FUND</b>	<b>ADJUSTMENTS</b>	<b>STATEMENT OF NET POSITION</b>
<b>ASSETS</b>			
Cash	\$ 313,709	\$ -	\$ 313,709
Investments	600,686	-	600,686
Receivables	21,152	-	21,152
<b>TOTAL ASSETS</b>	<u>\$ 935,547</u>	<u>-</u>	<u>935,547</u>
<b>LIABILITIES</b>			
Accounts payable	<u>\$ 76,232</u>	<u>-</u>	<u>76,232</u>
Fund balance - restricted for lake programs	859,315	(859,315)	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 935,547</u>	<u>(859,315)</u>	<u>76,232</u>
<b>NET POSITION</b>			
Net position, restricted		<u>859,315</u>	<u>859,315</u>
<b>TOTAL NET POSITION</b>		<u>\$ 859,315</u>	<u>\$ 859,315</u>

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES AND STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	GENERAL FUND	ADJUSTMENTS	STATEMENT OF ACTIVITIES
Expenditures/expenses:			
Water and soil conservation:			
Accounting	\$ 4,000	\$ -	\$ 4,000
Events	1,000	-	1,000
Lake development programs	10,235	-	10,235
Legal advertising	426	-	426
Office expenses	2,035	-	2,035
Postage and shipping	92	-	92
Promotion and community relations	3,950	-	3,950
Rent	4,800	-	4,800
Repairs and maintenance	97,777	-	97,777
Safety patrol services	16,175	-	16,175
Supplies	8,807	-	8,807
Tax collection fees	6,250	-	6,250
Total expenditures/expenses	<u>155,547</u>	<u>-</u>	<u>155,547</u>
General revenues:			
Taxes:			
Sales taxes	168,095	-	168,095
Franchise taxes	18,485	-	18,485
Interest earned	9,117	-	9,117
Total general revenues	<u>195,697</u>	<u>-</u>	<u>195,697</u>
<b>Change in fund balance/net position</b>	40,150	-	40,150
Fund balance/net position at beginning of year	819,165	-	819,165
<b>Fund balance/net position at end of year</b>	<u>\$ 859,315</u>	<u>\$ -</u>	<u>\$ 859,315</u>

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Introduction**

Claiborne Parish Watershed District (the District) was created in 1966 by Louisiana Revised Statute 38:2861, et. seq. The District is governed by a seven-member board of commissioners, appointed by the Claiborne Parish Police Jury. Commissioners serve four-year terms without compensation. During 2020, the District had no employees.

The District is responsible for Claiborne Parish including Lake Claiborne. The District's purpose is the conservation of soil and water, including surface and groundwater, and developing the natural resources and wealth of the district for sanitary, agricultural, industrial, and recreational purposes, as the same may be conducive to the public health, safety, convenience, or welfare or of public utility or benefit.

**Reporting entity**

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

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, establishes criteria for determining which component units should be considered part of the Claiborne Parish Police Jury for financial reporting purposes. The basic criteria 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. These criteria include:

1. Appointing a voting majority of an organization's governing body, and;
  - a. The ability of the 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 police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

*See independent accountant's review report*



**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Reporting entity (Continued)**

Because the police jury appoints the board of commissioners and the District provides services to all residents of Claiborne Parish, the Claiborne Parish Watershed District was determined to be a component unit of the Claiborne Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes activities) report information on all of the nonfiduciary activities of the District. 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. The District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are 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.

Separate financial statements are provided for governmental funds and proprietary funds. All individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements. The District has only a General Fund.

**Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement focus, basis of accounting, and financial statement presentation (Continued)**

Sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Claiborne Parish Watershed District reports only a General Fund at this time. The General Fund is the entity's operating fund. It accounts for all financial resources of the entity.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance Type Definitions**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, Claiborne Parish Watershed District classifies governmental fund balances as follows:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
Restricted	Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end. Fund balance may be committed by the Board.
Assigned	Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Board.
Unassigned	Includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

**Cash and cash equivalents**

The entity's cash and cash equivalents consist of cash on hand and demand deposits. As management does not consider certificates of deposit or short-term investments to be readily available, these instruments are not considered cash equivalents.

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

State law and the Claiborne Parish Watershed District's investment policy allow the entity to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. At December 31, 2020, investments consist solely of certificates of deposit.

**Receivables and payables**

All receivables are considered to be collectible; therefore, no provision for uncollectible amounts is made.

**Capital assets**

Capital assets are reported in the governmental activities column of the statement of net position. Capital assets are recorded as expenditures in the General Fund and capitalized. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The District's threshold for capitalization is \$5,000. At this time, the District does not have any capital assets.

**Long-term debt**

In the government-wide financial statements, long-term debt, such as certificates of indebtedness are reported as liabilities in the applicable governmental activities. In the fund financial statements, governmental fund types recognize long-term debt only to the extent that they will be paid with current resources.

**Sales taxes**

The District has a .125 percent sale and use tax, which was passed by the voters for a period of seven years beginning January 1, 2007 to fund the operations of the District. In an election held October 19, 2013, the tax was renewed for seven years beginning January 1, 2014. The Claiborne Parish School Board serves as the collection agency for the parish. The school board's tax department provides collection services for a fee of three percent of amounts actually collected.

**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. Actual results could differ from those estimates.

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reconciliations of government-wide and fund financial statements**

The reconciliation of the items reflected in the fund statements to the government-wide statements is as follows:

Fund balance \$ 859,315

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources -

Long-term liabilities, such as certificates of indebtedness, are not due and payable in the current period and are therefore not reported in the governmental fund balance sheet. -

Net position of governmental activities \$ 859,315

Net change in fund balance \$ 40,150

The governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position -

Change in net position of governmental activities \$ 40,150

**NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Prior to November 30th, the Treasurer submits to the Board a proposed operating budget for the ensuing year. A public hearing is generally conducted in December to obtain taxpayer comment and the budget is legally adopted. Appropriations lapse at the end of each fiscal year.

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE C - CASH AND CASH EQUIVALENTS**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 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 bank has failed to pay deposited funds upon demand. However, one bank failed to pledge enough pledged securities to cover deposits. The uninsured and uncollateralized amount below is the amount of deposits that exceeds FDIC and pledged securities at one bank.

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 principal offices in Louisiana. At December 31, 2020, the District has demand deposits (book balances) totaling \$313,709. The district also has \$600,686 in certificates of deposit.

These deposits are stated at cost, which approximates market. Cash and cash equivalents (bank balances) at December 31, 2020, are \$903,034. As of December 31, 2020, the District's deposits are secured as follows:

Insured by FDIC	<u>\$ 604,174</u>
Uninsured and uncollateralized	
Collateralized by pledged securities not in the District's name	<u>298,860</u>
Total balances exposed to custodial credit risk	<u>298,860</u>
<b>Total bank balances</b>	<b><u><u>\$ 903,034</u></u></b>

**NOTE D - RECEIVABLES**

The following is a summary of receivables:

Sales taxes	\$ 16,879
Franchise taxes	<u>4,273</u>
Total	<b><u>\$ 21,152</u></b>

**NOTE E - RISK MANAGEMENT**

The District is exposed to risks of loss in the normal course of business for which it purchases commercial insurance policies. There have been no significant reductions in insurance coverage from coverage in the prior year by major categories of risk and no settlements exceeded insurance coverage for each of the past three fiscal years.

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE F – COMMITMENTS AND CONTINGENCIES**

The District was not involved in any litigation as of December 31, 2020.

**NOTE G - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 22, 2021, the date on which the financial statements were available to be issued.

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>Revenues:</b>				
Taxes	\$ 176,500	\$ 183,500	\$ 186,580	\$ 3,080
Investment earnings	10,500	9,100	9,117	17
<b>Total revenues</b>	<b>187,000</b>	<b>192,600</b>	<b>195,697</b>	<b>3,097</b>
<b>Expenditures - water and soil conservation:</b>				
<b>Current:</b>				
Accounting	3,000	4,000	4,000	-
Events	1,000	1,000	1,000	-
Lake development programs	30,000	10,000	10,235	(235)
Legal	500	500	-	500
Legal advertising	1,000	500	426	74
Office expenses	2,100	2,100	2,035	65
Postage and shipping	200	100	92	8
Promotion and community relations	4,000	4,600	3,950	650
Rent	4,800	4,800	4,800	-
Repairs and maintenance	43,500	85,500	97,777	(12,277)
Safety patrol services	18,000	18,000	16,175	1,825
Supplies	-	-	8,807	(8,807)
Tax collection fees	4,600	5,700	6,250	(550)
<b>Total expenditures</b>	<b>112,700</b>	<b>136,800</b>	<b>155,547</b>	<b>(18,747)</b>
<b>Excess of revenues over expenditures</b>	<b>74,300</b>	<b>55,800</b>	<b>40,150</b>	<b>(15,650)</b>
<b>Change in fund balance</b>	<b>74,300</b>	<b>55,800</b>	<b>40,150</b>	<b>(15,650)</b>
Fund balance at beginning of year	810,075	819,165	819,165	-
<b>Fund balance at end of year</b>	<b>\$ 884,375</b>	<b>\$ 874,965</b>	<b>\$ 859,315</b>	<b>\$ (15,650)</b>

Note: The budget is prepared on the modified accrual basis of accounting.

*See independent accountant's review report*

**CLAIBORNE PARISH WATERSHED DISTRICT  
HOMER, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, REIMBURSEMENTS,  
AND OTHER PAYMENTS TO OR ON BEHALF OF AGENCY HEAD (PRESIDENT)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>Wade Holloway, President</b>	
Compensation	\$ -
Benefits	-
Reimbursement for supplies bought for district	-

*See independent accountant's review report*