

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
Rayne, Louisiana**

**Annual Financial Statements
December 31, 2021**

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
RAYNE, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS
DECEMBER 31, 2021**

TABLE OF CONTENTS

	Page
Accountant's Compilation Report	1
Basic Financial Statements:	2
Governmental Funds Balance Sheet/ Statement of Net Position	3
Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances/ Statement of Activities	4
Required Supplemental Information:	5
Budgetary Comparison Schedule	6
Notes to Budgetary Comparison Schedule	7-8
Other Supplementary Information:	9
Schedule of Compensation Paid to Commissioners	10
Schedule of Compensation, Benefits and Other Payments To Agency Head or Chief Executive Officer	11
Other Reports	
Management's Schedule of Prior Year Findings	12
Schedule of Current Year Findings and Responses	13-14
Management's Corrective Action Plan for Current Year Findings	15

Mike B. Gillespie
Certified Public Accountant
A Professional Accounting Corporation

Mike B. Gillespie, CPA, CGMA

Eric C. Gillespie, CPA

414 East Nezpique Street
P.O. Box 1347
Jennings, LA 70546
Telephone: (337) 824-7773
Fax: (337) 824-7774

ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Second Ward Gravity Drainage District No. 1
Of Acadia Parish
Rayne, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and the major fund of the Second Ward Gravity Drainage District No. 1 of Acadia Parish (District), a component unit of the Acadia Parish Police Jury, as of and for the year end December 31, 2021, 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.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the District's financial position, results of operations and the changes in fund balance. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that the accompanying budgetary comparison schedules and associated notes listed in the table of contents 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. This information is the responsibility of management. This information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Management has omitted the management discussion and analysis that accounting principles 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 the appropriate operational, economic, or historical content.

The accompanying other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The information was subject to my compilation engagement. We have not audited or reviewed the other supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such other supplementary information.

Mike B. Gillespie, CPA, APAC

Jennings, Louisiana
August 3, 2023

BASIC FINANCIAL STATEMENTS

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**Governmental Funds Balance Sheet / Statement of Net Position
Balance Sheet as of December 31, 2021**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Statement A			
ASSETS			
Cash and cash equivalents	\$ 429,691		429,691
Interest receivable on certificates of deposits	-		-
Due from other governments-ad valorem taxes (net of allowance for doubtful accounts of \$1,860)	184,094		184,094
Due from other governments-state revenue sharing	6,045		6,045
TOTAL ASSETS	<u>\$ 619,830</u>	<u>-</u>	<u>619,830</u>
LIABILITIES			
Accounts payable	\$ -		-
Pension fund payable	-		-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES			
Deferred property tax revenues			-
Deferred state revenue sharing			-
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Unassigned	619,830	(619,830)	-
Total Fund Balance	<u>619,830</u>	<u>(619,830)</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE	<u>\$ 619,830</u>		
NET POSITION			
Unrestricted		619,830	619,830
TOTAL NET POSITION		<u>619,830</u>	<u>619,830</u>

See accountant's report.

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**GENERAL FUND
Statement of Governmental Funds Revenues, Expenditures,
and Changes in Fund Balance / Statement of Activities
For the Year Ended December 31, 2021**

	General Fund	Adjustments	Statement B Statement of Activities
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURES/ EXPENSES			
Per diem expense - board members	\$ 10,500	-	10,500
Professional services	6,650	-	6,650
Operating services-contractors	84,697	-	84,697
Other expenditures	232	-	232
Intergovernmental:			
Deduction from ad valorem taxes-pension	5,998	-	5,998
Total Expenditures/ Expenses	<u>108,077</u>	<u>-</u>	<u>108,077</u>
GENERAL REVENUES			
Ad valorem taxes, including interest	189,500	-	189,500
State revenue sharing	6,045	-	6,045
Interest earnings	486	-	486
Other Revenue	-	-	-
Total General Revenues	<u>196,031</u>	<u>-</u>	<u>196,031</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	87,954	-	87,954
FUND BALANCE / NET POSITION AT			
Beginning of the Year	531,876	-	531,876
End of the Year	<u>\$ 619,830</u>	<u>-</u>	<u>619,830</u>

See accountant's report.

REQUIRED SUPPLEMENTARY INFORMATION

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**Governmental Fund - General Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final	(See Note A)	
REVENUES				
Ad valorem taxes, including interest	\$ 161,890	178,774	\$ 178,774	\$ -
State revenue sharing	6,060	6,003	6,003	-
Interest earnings	630	485	486	1
Other revenue				-
Total Revenues	168,580	185,262	185,263	1
EXPENDITURES				
Per diem expense - board members	10,500	10,200	10,500	(300)
Professional services	7,450	6,650	6,650	-
Operating services-contractors	125,600	69,504	84,697	(15,193)
Other expenditures	1,400	231	231	-
Deductions from ad valorem taxes	5,500	5,500	5,998	(498)
Total Expenditures	150,450	92,085	108,076	(15,991)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	18,130	93,177	77,187	(15,990)
FUND BALANCE / NET POSITION AT				
Beginning of the Year	531,876	531,876	352,504	(179,372)
FUND BALANCE AT END OF YEAR	\$ 550,006	625,053	\$ 429,691	\$ (195,362)

See accountant's report.

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Notes to Budgetary Comparison Schedule
For the Year Ended December 31, 2021**

A. BUDGETARY PRACTICES

General Budget Practices The District follows the following procedures in establishing budgetary data reported in the accompanying budgetary comparison schedule:

Pursuant to the Louisiana Government Budget Act (LSA-RS 39:1301-1314), the District is required to adopt an annual budget no later than fifteen days prior to the beginning of each fiscal year.

Each year prior to December 15th, the District develops a proposed annual budget for the general fund. The budget includes proposed expenditures and the means of financing them. The proposed budget is advertised as available for public inspection at least 10 days prior to final adoption simultaneously with a notice of the date of public hearing. The public hearing is conducted during an open meeting in order to obtain public input. The budget is subsequently adopted by the Assessor through a formal budget resolution.

General fund appropriations (unexpended budget balances) lapse at end of fiscal year.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the object level. Budget amounts included in the accompanying financial statements include the original budget and all subsequent amendments. All budget revisions are approved by the Assessor.

Budget Basis of Accounting The governmental fund budgets are prepared on the cash basis of accounting. Legally, the District cannot budget total expenditures and other financing uses which would exceed total budgeted revenues and other financing sources including beginning fund balance. State statutes require the District to amend the budget to prevent overall projected revenues, expenditures, or beginning fund balance from causing an adverse budget variance of five percent or more in an individual fund. The District approves budgets at the object level and management is allowed to transfer amounts between line items within an object.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL MAJOR FUNDS

The following budgeted major funds had actual expenditures over budgeted expenditures for the fiscal year:

<u>Fund</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General	\$ 92,085	\$ 108,076	\$ (15,991)

Reason for unfavorable variance: Not applicable

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Notes to Budgetary Comparison Schedule
For the Year Ended December 31, 2021**

C. BUDGET BASIS TO ACTUAL GAAP RECONCILIATION

The following reconciles the amount shown as excess of receipts over disbursements on the non-GAAP budget basis (**page 6**), with the amount shown on the GAAP basis (**page 4**):

Excess (Deficiency) of revenues and other sources over Expenditures and other uses (Non-GAAP Budgetary Basis) – page 6	\$ 77,187
Add:	
Current-year receivables	190,139
Prior-year payables and deferred revenues	5,997
Less:	
Prior-year receivables	(185,369)
Current-year payables and deferred revenues	<u> </u>
Excess (Deficiency) of revenues and other sources over expenditures and other uses (GAAP Basis) – page 4	\$ <u><u>87,954</u></u>

The reconciliation of amounts reported on **page 6** as fund balance at end of year to amounts reported as fund balance on **page 4** is as follows:

Fund balance at end of year (Non-GAAP Budgetary Basis) – page 6	\$ 429,691
Revenue accruals	190,139
Expenditure accruals	-
Fund balance (GAAP Basis) – page 4	\$ <u><u>619,830</u></u>

OTHER SUPPLEMENTARY INFORMATION

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**SCHEDULE OF COMPENSATION PAID TO COMMISSIONERS
For the Year Ended December 31, 2021**

Curt Landry	\$ 2,550
Jamie Bergeron	1,800
Paul Guidry	1,950
Stephen Doucet	1,950
Valjene Richard	2,250
Total	\$ <u>10,500</u>

See accountant's report

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**Schedule of Compensation, Benefits and Other Payments to Agency Head
or Chief Executive Officer
For the Year Ended December 31, 2021**

Agency Head Name: Paul Guidry, President

Salary	\$	1,950
	\$	<u>1,950</u>

See accountant's report.

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**MANAGEMENT'S SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2021**

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

No findings reported.

**SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO
FEDERAL AWARDS**

No findings reported.

SECTION III – MANAGEMENT LETTER

No findings reported.

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THIS SCHEDULE HAS BEEN PREPARED BY MANAGEMENT

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES
For the Year Ended December 31, 2021**

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FINANCIAL STATEMENTS

2021-1 Accounting, Auditing, and Financial Reporting Law Compliance

Criteria/ Specific Requirement: Procedures should be in place to provide reasonable assurance that the audit law (R.S. 24:513) is followed. The audit law states that Audit, review/attestation, and compilation reports are due to the Louisiana Legislative Auditor (LLA) no later than six months after the local auditee's fiscal year end.

Condition: Possible noncompliance with the audit law (R.S. 24:513) due to untimely filing of compilation report to Louisiana Legislative Auditor.

Cause of Condition: Management was unable to provide the current CPA firm with the required information in a timely manner needed to complete the compilation report within six months of the District's year end. The previous accountant failed to complete engagement due to illness.

Effect of Condition: Potential noncompliance with the audit law (R.S. 24:513).

Recommendation: Management should consider having books and records readily available after year end to ensure that a compilation can be performed in a timely manner to comply with the audit law (R.S. 24:513).

Management Response: Management agrees with the finding and going forward will provide all necessary information to complete the compilation report within six months of the District's year end beginning in the year 2023.

2021-2 State Budget Law Compliance

Criteria/ Specific Requirement: Procedures should be in place to provide reasonable assurance that the Louisiana Local Government Budget Act (R.S. 39:1301-16) is followed for all funds required under the law.

Condition: Possible noncompliance with the Local Government Budget Act (R.S. 39:1301-16) due to occurrence of adverse budget variances of more than five percent in expenses (actual expenses were higher than budgeted amounts by \$15,991) occurred in the fiscal year ended December 31, 2021.

Cause of Condition: Possibly due to budget amounts not being monitored and/or amended in a timely manner prior to yearend.

Effect of Condition: Finding results in potential noncompliance with the Local Government Budget Act (R.S. 39:1301-16).

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
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**SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES
For the Year Ended December 31, 2021**

Recommendation: Management should consider monitoring the budget to actual amounts and amending the budgets so that adverse budget variances do not exceed limits promulgated in Local Government Budget Act (R.S. 39:1301-16).

Management Response: Management agrees with the finding will implement recommendation. However, it should be noted that this shortfall was made up by prior year surplus carried over.

**SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO
FEDERAL AWARDS**

No findings reported.

SECTION III – MANAGEMENT LETTER

No findings reported.

**SECOND WARD GRAVITY DRAINAGE DISTRICT NO. 1
OF ACADIA PARISH
ACADIA PARISH POLICE JURY
Rayne, Louisiana**

**MANAGEMENT’S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS
For the Year Ended December 31, 2021**

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FINANCIAL STATEMENTS

2021-1 Accounting, Auditing, and Financial Reporting Law Compliance

Condition: Possible noncompliance with the audit law (R.S. 24:513) due to untimely filing of compilation report to Louisiana Legislative Auditor.

Recommendation: Management should consider having books and records readily available after year end to ensure that a compilation can be performed in a timely manner to comply with the audit law (R.S. 24:513).

Management Response: Management agrees with the finding and going forward will provide all necessary information to complete the compilation report within six months of the District’s year end beginning in the year 2023.

2021-2 State Budget Law Compliance

Condition: Possible noncompliance with the Local Government Budget Act (R.S. 39:1301-16) due to occurrence of adverse budget variances of more than five percent in revenues and/or adverse budget variances of more than five percent in expenditures occurred in the fiscal year ended December 31, 2022.

Recommendation: Management should consider monitoring the budget to actual amounts and amending the budgets so that adverse budget variances do not exceed limits promulgated in Local Government Budget Act (R.S. 39:1301-16).

Management Response: Management agrees with the finding will implement recommendation. However, it should be noted that this shortfall was made up by prior year surplus carried over.

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings reported.

SECTION III – MANAGEMENT LETTER

No findings reported.

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THIS SCHEDULE HAS BEEN PREPARED BY MANAGEMENT