

***Fifth Ward Gravity Drainage District No. 5
LAFOURCHE PARISH***

ANNUAL FINANCIAL REPORT

***AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2023***

Fifth Ward Gravity Drainage District No. 5
LAFOURCHE PARISH
As of and for the Year Ended December 31, 2023

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FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2023

This discussion and analysis of Fifth Ward Gravity Drainage District No. 5 (the District) financial performance provides an overview of the financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

The basic financial statements provide these insights into the results of this year's operations:

- Net position of our governmental activities decreased by \$303,649 or approximately 25% as a result of this year's operations.
- Total expenses for program activities were \$353,295. General revenues from ad valorem taxes collected and investment earnings of \$49,646 resulted in the decrease in net position.
- The governmental funds reported a total ending fund balance of \$293,243, all considered unassigned, a decrease of \$692,387 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (GWFS) - The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Government-Wide Financial Statements (GWFS)

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position and changes in them. You can think of the net position—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in the net position are one indicator of whether its financial health is improving or deteriorating.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2023

The Statement of Net Position and the Statement of Activities report governmental activities. Most of the basic fire protection services are reported as this type.

Fund Financial Statements (FFS)

The Fund Financial Statements provide detailed information about the most significant funds—not the operations as a whole.

The District utilizes the governmental type of fund with the following accounting approach. Most of the basic fire protection services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs.

We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations at the bottom and following the fund financial statements.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (GWFS)

The Statement of Net Position and the Statement of Activities reports all governmental activities. All of the governmental activities are reported as this type. Our analysis below focuses on the net assets of the governmental-type activities:

Condensed Statement of Net Position	2022	2023	Dollar Change
Current and Other Assets	\$1,020,698	\$ 295,474	\$ (725,224)
Capital Assets	130,140	549,752	419,612
Total Assets	1,150,838	845,226	(305,612)
Current Liabilities	4,194	2,231	(1,963)
Net Position	\$1,146,644	\$ 842,995	\$ (303,649)

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2023

As a result of this year's operations, net position decreased by \$303,649 or 25%. Current assets – mainly cash and investments and ad valorem taxes receivable decreased due to operations. Capital assets and the respective net invested in capital assets increased significantly and included the \$476,000 purchase of a new excavator. The balance in net position of \$842,995 represents the accumulated results of all past years' operations.

Condensed Statement of Changes in Net Position	2022	2023	Dollar Change
Expenses	\$ (215,108)	\$ (353,295)	\$ (138,187)
Operating Revenue	-	-	-
Operating income (expense)	(215,108)	(353,295)	(138,187)
General revenues	367,071	49,646	(317,425)
Change in Net Position	151,963	(303,649)	(445,612)
Net Position:			
Beginning of the year	994,681	1,146,644	151,963
End of the year	<u>\$1,146,644</u>	<u>\$ 842,995</u>	<u>\$ (303,649)</u>

The total revenues for the year in governmental activities were \$49,646 (all in general revenues), a decrease of over \$317,000 or 86%. The total cost of all public works services was \$353,295, an increase from the prior year by over \$138,000.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FFS)

Funds are used to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into the overall financial health.

The General Fund reported an ending fund balance of \$293,243 all considered unassigned and available for future use. This reflects a decrease of \$692,387 from the prior year.

The General Fund received \$32,145 in ad valorem taxes and \$17,501 in other revenues – a decrease from the prior year.

The District spent \$266,033 in current expenditures such as operating services and materials and supplies and repair and maintenance. Capital outlay of \$476,000 for a new excavator added to the current expenditures resulted in total expenditures of \$742,033 in the General Fund.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2023

The District began the year with \$985,630 in available fund balance with the decrease in fund balance of \$692,387 and ended the year with \$293,243 in unassigned available fund balance.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the year as follows:

Original Budgeted Revenues	\$295,466
Amendments were made for:	
Increased taxes – ad valorem	64,174
Decreased Intergovernmental revenue	(3,000)
Increased interest and other	1,830
Total revenue amendments	63,004
Amended Budgeted Revenues	\$358,470
Original Budgeted Expenditures	\$691,750
Amendments were made for:	
Increased current expenditures	94,950
Increased capital expenditures	0
Total expenditure amendments	94,950
Amended Budgeted Expenditures	\$786,700

The total revenue and expenditure variances were both favorable and in compliance with the Louisiana Local Budget Act.

SUBSEQUENT EVENT

At the January 19, 2023 Board meeting a notice was made to the district that the Lafourche Parish Government will be putting a proposal on the March 23, 2023 ballot to remove the ad valorem millages from Fifth Ward Gravity Drainage District in order to increase the ad valorem millages for the Lafourche Parish Government. The proposal passed and the District was to be dissolved through a two-step council meeting vote. The next year's budget does not contain any revenue to be derived from ad valorem taxes.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2023

CAPITAL ASSETS

The summary of investment in capital assets and depreciation, for governmental activities follows:

	2022	2023
Vehicles/Boat	\$ 92,205	\$ 92,205
Equipment	500,182	976,182
Total Cost	592,387	1,068,387
Accumulated Depreciation	462,247	518,636
Net Capital Assets	\$ 130,140	\$ 549,752
Depreciation Expense	\$ 34,478	\$ 56,719

This year there was \$476,000 in additions and no deletions to the capital asset list. More detailed information about the capital assets is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the January 19, 2023 Board meeting a notice was made to the district that the Lafourche Parish Government will be putting a proposal on the March 23, 2023 ballot to remove the ad valorem millages from Fifth Ward Gravity Drainage District in order to increase the ad valorem millages for the Lafourche Parish Government. The proposal passed and the District was to be dissolved through a two-step council meeting vote. The next year's budget does not contain any revenue to be derived from ad valorem taxes.

Highlights of next year's adopted budget for the general fund include:

Projected Revenue	\$6,000
Projected Expenditures	(218,080)
	\$ (212,080)

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Fifth Ward Gravity Drainage District No. 5
164 West Main
Thibodaux, LA 70301



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners
Fifth Ward Gravity Drainage District
Thibodaux, LA

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Fifth Ward Gravity Drainage District No. 5, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprises the basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to managements' financial data and making inquiries of the 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 on the Financial Statements

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

Accountant's Responsibility

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

Accountant’s Conclusion

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

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated May 22, 2024 on the results of our agreed-upon procedures.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and budgetary comparison information 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, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

Other Information

The other information included in the accompanying Schedule of Compensation, Benefits and Other Payments to 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 my 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 information and, accordingly, do not express an opinion on such information.

Stagni & Company

May 22, 2024
Thibodaux, LA



STAGNI & COMPANY, LLC

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5

Statement of Net Position

December 31, 2023

ASSETS

Cash and cash equivalents	\$	295,474
Due from other government - ad valorem taxes		-
Capital assets, net of depreciation		<u>549,752</u>
Total assets		<u>845,226</u>

LIABILITIES

Accounts Payable		<u>2,231</u>
Total current liabilities		<u>2,231</u>

NET POSITION

Net Investment in capital assets		549,752
Unrestricted		<u>293,243</u>
Total net position	\$	<u>842,995</u>

See notes to the financial statements and independent accountant's review report.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5

Statement of Activities
For the Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants & Contributions</u>	
Public Works				
Operating Services	236,579	-	-	(236,579)
Materials and Supplies	54,125	-	-	(54,125)
Repairs and Maintenance	5,872	-	-	(5,872)
Depreciation	56,719	-	-	(56,719)
Total governmental activities:	<u>\$ 353,295</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(353,295)</u>
General revenues:				
Ad Valorem Taxes				32,145
Intergovernmental revenues				
State revenue sharing				8,382
Interest				4,685
Other				4,434
			Total general revenues	<u>49,646</u>
Change in net position				<u>(303,649)</u>
Net Position :				
			Beginning	1,146,644
			Ending	<u><u>\$ 842,995</u></u>

See notes to the financial statements and independent accountant's review report.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5

Balance Sheet - Governmental Funds
December 31, 2023

ASSETS

Cash	\$	295,474
Due from other governments		
Ad Valorem Tax		-
Total assets	\$	<u>295,474</u>

LIABILITIES

Current Liabilities:

Accounts Payable	\$	2,231
Total liabilities		<u>2,231.00</u>

FUND BALANCES

Unassigned		<u>293,243</u>
Total fund balances		<u>293,243</u>

RECONCILIATION TO STATEMENT OF NET ASSETS:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		<u>549,752</u>
	\$	<u>842,995</u>

See notes to the financial statements and independent accountant's review report.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General
REVENUES	
Property Taxes	\$ 32,145
Intergovernmental - State	
Revenue Sharing	8,382
Interest earned	4,685
Other Income	4,434
Total Revenues	49,646
EXPENDITURES	
Public Works - current:	
Operating Services	206,036
Materials and Supplies	54,125
Repairs and Maintenance	5,872
Total current expenditures	266,033
Capital outlay	476,000
Total expenditures	742,033
NET CHANGE IN FUND BALANCES	(692,387)
FUND BALANCES	
Beginning of year	985,630
Ending of year	\$ 293,243
Net change in fund balances - total governmental funds	\$ (692,387)
RECONCILIATION TO STATEMENT OF ACTIVITIES:	
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 Asset purchases	\$ 476,000
Adjust beginning balance	(30,543)
Depreciation	(56,719)
	388,738
Change in net assets of governmental activities	\$ (303,649)

See notes to the financial statements and independent accountant's review report.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds).

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are as follows:

In the government-wide Statement of Net Positions, 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 net assets are reported in three parts—net investment in capital assets; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the governmental activities. These functions are also supported by general government revenues (ad valorem taxes, intergovernmental revenues, interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants. This government-wide focus is more on the sustainability as an entity and the change in the net assets resulting from the current year's activities.

Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

Governmental Funds are those through which the governmental functions are financed. The acquisition, use, and balances of the expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The Governmental Fund is the General Fund. The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

C. Measurement Focus / Basis of Accounting

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. Property taxes are recognized as revenues in the year in which they are assessed. Other revenue is recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

The governmental fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The governmental funds use the following practices in recording revenues and expenditures:

- Ad valorem taxes and the insurance rebate are considered "measurable" at the time of availability since the timing of their collection coincides with the timing of the expenditures to be paid.
- Interest income on investments is recorded when the investments have matured and the income is available.
- Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.
- Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets

The District complies with the “Louisiana Local Government Budget Act” and henceforth, budgets are adopted for its governmental funds on a modified accrual basis that is consistent with generally accepted accounting principles.

Annual budgets are prepared and presented to the Board for adoption no later than 15 days prior to the beginning of the fiscal year. Budgets are adopted for the fiscal year and lapse at a year-end. The budget is amended by supplemental appropriations as needed to during the year to comply with state law.

E. Cash and Investments

Cash includes amounts in demand deposits, interest-bearing deposits, and money market accounts. 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. Under state law, the District may invest in United States bonds, treasury notes, or certificates. Investments are stated at cost.

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

F. Capital Assets

Capital assets, which include land, improvements, stations and equipment, are reported in the government-wide financial statements. Capital assets purchased or acquired with an original cost of \$5,000 or more are capitalized at historical cost. 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.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

CATEGORY	LIFE
DRAGLINE AND RELATED ASSETS	20 YEARS
BOAT	20 YEARS
EQUIPMENT	3-7 YEARS

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Fund Equity

For government-wide financial statements net assets are classified and displayed in three components:

- Net invested in capital assets – 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, if any.
- Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “net invested in capital assets.”

When both restricted and unrestricted resources are available for use, it is the District’s Policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned.

- Non-spendable fund balance cannot be spent because of its form.
- Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions.
- Committed fund balance is a limitation imposed by the Board through approval in minutes.
- Assigned fund balances is a limitation imposed by a designee of the Board.
- Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH
 NOTES TO FINANCIAL STATEMENTS
 For the Year Ended December 31, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. 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.

Note 2 DEPOSITS AND INVESTMENTS

Deposits:

A summary of deposits are listed as follows:

	Reported Amount	Bank Balance
Cash	\$295,474	\$297,663

State law requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished, as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. All of the District's deposits are adequately secured by FDIC insurance and the market value of securities pledged.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, 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 entity that the fiscal agent has failed to pay deposited funds upon demand.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

Note 3 AD VALOREM TAX REVENUE

Revenue: Property taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise, and moveable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at the percentages of actual value as specified by Louisiana law.

A reevaluation of all property is required to be completed no less than every four years. The Lafourche Parish Assessor informed the District that as a result of the devastation caused by Hurricane Ida they would be conducting a revaluation as per RS 47:1978.1. The revaluation was completed in February 2022. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes.

The tax rate for the year ended December 31, 2022 that the 2023 revenue was calculated was 4.160 mills assessed valuation on property within Fifth Ward Gravity Drainage District No. 5 for the purpose of public works within the District. The assessed values of real property upon which 2022 property tax were based was \$83,313,013.

The revenue reflected in 2023 is for revenue collected by the Sheriff above the receivable set up at December 31, 2022 for additional ad valorem taxes collected and protest taxes collected and remitted.

There was no receivable for ad valorem taxes for the 2023 levy on the District's books because the ad valorem taxes for the District have been re-assigned to the Lafourche Parish Council. See Note 6 for additional information.

Note 4 COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members during the year ended December 31, 2023.

**FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5
LAFOURCHE PARISH**

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

Note 5 CAPITAL ASSETS

Capital assets and depreciation activity for the year is as follows:

Governmental Activities:	12/31/22 Balance	Additions	Decreases	12/31/23 Balance
Capital assets being depreciated				
Vehicles/Boat	\$92,205	\$ -	\$ -	\$92,205
Equipment	500,182	476,000	-	976,182
Total being depreciated	592,387	476,000	-	1,068,387

Less accumulated depreciation:

Vehicles/Boat	\$87,616	\$4,590	\$-	\$92,206
Equipment	374,631	52,129	-	426,430
Totals	462,247	56,719	-	518,636
Capital assets, net	\$130,140			\$549,752

Depreciation expense of \$56,719 for the year was charged to the governmental activities in the Statement of Activities.

Note 6 SUBSEQUENT EVENT

At the January 19, 2023 Board meeting a notice was made to the district that the Lafourche Parish Government will be putting a proposal on the March 23, 2023 ballot to remove the ad valorem millages from Fifth Ward Gravity Drainage District in order to increase the ad valorem millages for the Lafourche Parish Government. The proposal passed and the District was to be dissolved through a two-step council meeting vote. The next year's budget does not contain any revenue to be derived from ad valorem taxes.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5

Budget Comparison Schedule - General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final (Amended)		
REVENUES				
Taxes - Ad Valorem	\$ 277,266	\$ 341,440	\$ 32,145	\$ (309,295)
Intergovernmental - State				
Revenue Sharing	11,200	8,200	8,382	182
Interest earned	3,000	4,400	4,685	285
Other income	4,000	4,430	4,434	4
Total Revenues	<u>295,466</u>	<u>358,470</u>	<u>49,646</u>	<u>(308,824)</u>
EXPENDITURES				
Public Works- current:				
Accounting	10,000	12,500	12,800	(300)
Advertising	350	500	476	24
Auto expense	7,000	5,000	5,167	(167)
Bank charges	50	300	238	62
Insurance	15,000	50,000	25,711	24,289
Material and supplies	60,000	55,000	54,125	875
Office operations	650	2,000	1,940	60
Miscellaneous	6,000	10,900	108	10,792
Repairs and maintenance	14,000	10,000	5,872	4,128
Rent	2,700	3,500	2,475	1,025
Salaries and related benefits	100,000	160,000	156,285	3,715
Utilities	0	1,000	836	164
Total current expenditures	<u>215,750</u>	<u>310,700</u>	<u>266,033</u>	<u>44,667</u>
Capital Outlay	<u>476,000</u>	<u>476,000</u>	<u>476,000</u>	<u>-</u>
Total expenditures	<u>691,750</u>	<u>786,700</u>	<u>742,033</u>	<u>44,667</u>
NET CHANGE IN FUND BALANCES	(396,284)	(428,230)	(692,387)	(264,157)
FUND BALANCES				
Beginning of year	501,973	679,601	985,630	306,029
Ending of year	<u>\$ 105,689</u>	<u>\$ 251,371</u>	<u>\$ 293,243</u>	<u>\$ 41,872</u>

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2023

Agency Head Name: Randall Benoit, Vice President

Purpose	Amount
Salary	\$0
Benefits-insurance	\$0
Benefits-retirement	\$0
Deferred compensation (contributions made by the agency)	\$0
Benefits-other (describe)	\$0
Car allowance	\$0
Vehicle provided by government (enter amount reported on W-2 adjusted for various fiscal years)	\$0
Cell phone	\$0
Dues	\$0
Vehicle rental	\$0
Per diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Housing	\$0
Unvouchered expenses (example: travel advances, etc.)	\$0
Special meals	\$0
Other (including payments made by other parties on behalf of the agency head)	\$0

This form is used to satisfy the reporting requirement of R.S. 24:513(A)(3) on Supplemental Reporting



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES

To the Board of Commissioners
Fifth Ward Gravity Drainage District No. 5
Thibodaux, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Fifth Ward Gravity Drainage District No. 5, (the District) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating the management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2023 included in the accompanying *Louisiana Attestation Questionnaire*.

Management 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 the 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.

Our applied procedures, together with any observation or findings, follow:

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$60,000, or public works exceeding \$250,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

Expenditures made during the year for materials and supplies exceeding \$60,000 were in accordance with LSA-RS 38:2211-2251, and no contracts were entered into for public works exceeding \$250,000. We examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of R.S. 38:2211-2296.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 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.

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.

Management provided the listing.

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.

None of the employees on the listing were immediate family members.

Budgeting

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

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

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

We traced the adoption of the original budget to the minutes held on January 19, 2023 which indicated that the budget had been adopted by the commissioners of the District by a unanimous vote. We traced the amended budget adoption to the minutes held on December 7, 2023.



7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted by 5% or more, or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget (amended) to actual revenues and expenditures. The revenue and expenditure variances were in compliance with the 5% variance.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
 - (a) trace payments to supporting documentation as to proper amount and payee;

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

- (b) determine if payments were properly coded to the correct fund and general ledger account, and

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

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Board of Commissioners. In addition, each of the disbursements was traced to the District's minutes where they were approved by the full Board.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. It was noted by inquiry during the year that agendas for meetings were posted or advertised on the door as required.



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.

We inspected all bank deposit slips for the period under examination and noted no deposits that 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, advance, or gifts.

No such payments were noted.

We were not engaged to, 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 information of the management 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 Statue 24:513, this is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
May 22, 2024



STAGNI & COMPANY, LLC

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

Stagni & Company, LLC
207 Lafayette Ave
Thibodaux, LA 70301

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of **December 31, 2023** and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No [] N/A []

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 [] N/A []

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 [] N/A []

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 [] N/A []

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 [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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 [] N/A []

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [] No [] N/A [x]

Meetings

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

Yes [x] No [] N/A []

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 [] N/A [x]

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 [x] No [] N/A []

Prior-Year Comments

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

Yes [] No [] N/A [x]

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [x] No [] N/A []

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes [x] No [] N/A []

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

Yes [x] No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

Yes [x] No [] N/A []

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

Yes [x] No [] N/A []

We are not aware of any material misstatements in the information we have provided to you.

Yes [x] No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes [] No [] N/A []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [] No [] N/A []

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

Randall Bence Chairman, 3/21/24 Date
Vice President

Adopted by the governing body by means of a formal resolution in an open meeting on March 21, 2024

Please attach resolution.

FIFTH WARD GRAVITY DRAINAGE DISTRICT NO. 5

PARISH OF LAFOURCHE

STATE OF LOUISIANA

Telephone: 985-447-8507

Fax: 985-447-4833

Offered by: Randall Benoit

Seconded by: *Nancy Oden*

RESOLUTION

A resolution to review and approve the Louisiana Attestation Questionnaire as a required part of the review and attestation engagement of Louisiana Governments.

WHEREAS, Fifth Ward Gravity Drainage District No. 5 of Lafourche Parish, Louisiana, received the Louisiana Attestation Questionnaire for review and approval by the Lafourche Parish Board of Commissioners of Fifth Ward Gravity Drainage District No. 5, Louisiana, and

WHEREAS, The Vice-President presented the questionnaire to the Board at their special meeting of March 31, 2024, where each portion was reviewed and a response recorded accordingly, and

WHEREAS, The completed questionnaire will be forwarded to the Drainage District's CPA, Stagni & Co., for review during the course of their engagement of services for the fiscal year ending December, 31, 2023, and

NOW, THEREFORE BE IT RESOLVED that the Board Commissioners of Drainage District No. 5 of Lafourche Parish Louisiana, has reviewed and approved all portions with a response of the Louisiana Attestation Questionnaire, and

BE IT FURTHER RESOLVED that the Board of Commissioners of Drainage District No.5, Lafourche Parish, does hereby authorize the Vice-President, Randall Benoit, to execute said questionnaire and forward same to the District's CPA

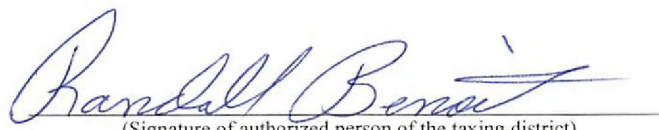
THERE WAS RECORDED:

YEAS: *3*

NAYS: *0*

ABSENT: *1*

I, Randall Benoit, Vice-President of the Board of Commissioners of Drainage District No. 5, Lafourche Parish, certify that the foregoing is a true and correct copy of the resolution adopted by the Board of Commissioners on March 21, 2024.



(Signature of authorized person of the taxing district)