

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana**

**Annual Financial Statements
December 31, 2021**

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
JENNINGS, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Grand Marais Gravity Drainage District
Jefferson Davis Parish, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and the major fund of the Grand Marais Gravity Drainage District (District), a component unit of the Jefferson Davis 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. I 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

July 12, 2022

BASIC FINANCIAL STATEMENTS

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, 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 A Statement of Net Position</u> |
|--|-------------------------|--------------------|--|
| ASSETS | | | |
| Cash and cash equivalents | \$ 523,980 | | 523,980 |
| Interest receivable on certificates of deposits | 209 | | 209 |
| Due from other governments-ad valorem taxes (net of allowance for doubtful accounts of \$1,076) | 122,346 | | 122,346 |
| TOTAL ASSETS | <u>\$ 646,535</u> | <u>-</u> | <u>646,535</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 42,500 | | 42,500 |
| Payroll tax payable | 367 | | 367 |
| Total Liabilities | <u>42,867</u> | <u>-</u> | <u>42,867</u> |
| DEFERRED INFLOW OF RESOURCES | | | |
| Deferred property tax revenues | <u>144,178</u> | | <u>144,178</u> |
| Total Deferred Inflow of Resources | <u>144,178</u> | <u>-</u> | <u>144,178</u> |
| FUND BALANCE | | | |
| Unassigned | <u>459,490</u> | <u>(459,490)</u> | <u>-</u> |
| Total Fund Balance | <u>459,490</u> | <u>(459,490)</u> | <u>-</u> |
| TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE | <u>\$ 646,535</u> | | |
| NET POSITION | | | |
| Unrestricted | | 459,490 | 459,490 |
| TOTAL NET POSITION | | <u>459,490</u> | <u>459,490</u> |

See accountant's report.

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, 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 |
|--|-------------------------|--------------------|--|
| EXPENDITURES/ EXPENSES | | | |
| Personal services- salaries and benefits | \$ 10,173 | - | 10,173 |
| Professional services | 5,510 | - | 5,510 |
| Operating services-contractors | 98,888 | - | 98,888 |
| Other expenditures | 1,887 | - | 1,887 |
| Intergovernmental: | | | |
| Deduction from ad valorem taxes-pension | 4,446 | - | 4,446 |
| Total Expenditures/ Expenses | 120,904 | - | 120,904 |
| GENERAL REVENUES | | | |
| Ad valorem taxes, including interest | 142,835 | - | 142,835 |
| Interest earnings | 1,879 | - | 1,879 |
| Other Revenue | 1 | - | 1 |
| Total General Revenues | 144,715 | - | 144,715 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 23,811 | - | 23,811 |
| FUND BALANCE / NET POSITION AT BEGINNING OF YEAR | 435,679 | - | 435,679 |
| FUND BALANCE / NET POSITION AT END OF YEAR | \$ 459,490 | - | 459,490 |

See accountant's report.

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, 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) (See Note A) | Variance Favorable (Unfavorable) |
|--|------------------|---------|--|--|
| | Original | Final | | |
| REVENUES | | | | |
| Ad valorem taxes, including interest | \$ 143,422 | 141,861 | \$ 142,836 | \$ 975 |
| Interest earnings | 100 | 2,228 | 2,241 | 13 |
| Other Revenue | - | 1 | 1 | - |
| Total Revenues | 143,522 | 144,091 | 145,078 | 987 |
| EXPENDITURES | | | | |
| Personal services- salaries and benefits | 12,300 | 9,958 | 10,173 | (215) |
| Professional services | 2,500 | 5,610 | 5,510 | 100 |
| Operating services-contractors | 123,022 | 56,388 | 56,388 | (1) |
| Other expenditures | 5,700 | 1,889 | 1,888 | 1 |
| Deductions from ad valorem taxes | | 4,446 | 4,446 | (0) |
| Total Expenditures | 143,522 | 78,290 | 78,405 | (115) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | | | | |
| | - | 65,801 | 66,673 | 872 |
| FUND BALANCE AT BEGINNING OF YEAR | | | | |
| | 435,679 | 435,679 | 435,679 | - |
| FUND BALANCE AT END OF YEAR | | | | |
| | \$ 435,679 | 501,480 | \$ 502,352 | \$ 872 |

See accountant's report.

REQUIRED SUPPLEMENTARY INFORMATION

GRAND MARAIS GRAVITY DRAINAGE DISTRICT
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 modified 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:

| Fund | Final Budget | Actual | Unfavorable Variance |
|------|--------------|--------|-------------------------|
| N/A | \$ | \$ | \$ |

Reason for unfavorable variance: Not applicable

GRAND MARAIS GRAVITY DRAINAGE DISTRICT
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 | \$ | 66,672 |
| Add: | | |
| Current-year receivables | | 121,986 |
| Prior-year payables and deferred revenues | | |
| Less: | | |
| Prior-year receivables | | (42,500) |
| Current-year payables and deferred revenues | | <u>(122,346)</u> |
| Excess (Deficiency) of revenues and other sources over expenditures and other uses (GAAP Basis) – page 4 | \$ | <u><u>23,812</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 | \$ | 502,350 |
| Revenue accruals | | (360) |
| Expenditure accruals | | <u>(42,500)</u> |
| Fund balance (GAAP Basis) – page 4 | \$ | <u><u>459,490</u></u> |

OTHER SUPPLEMENTARY INFORMATION

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana**

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

| | |
|----------------|------------------------|
| John Berken | \$ 1,800 |
| Melvin Leblanc | 1,800 |
| Cecil Compton | 1,350 |
| John Carbalan | 1,500 |
| Jody Fontenot | 600 |
| | |
| Total | \$ <u>7,050</u> |

See accountant's report

GRAND MARAIS GRAVITY DRAINAGE DISTRICT
Jennings, 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: John Berken, President

| | | |
|--------|----|--------------|
| Salary | \$ | 1,800 |
| | \$ | <u>1,800</u> |

See accountant's report.

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, 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**

2020-1 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, 2020. This condition existed in the prior years.

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).

Current Status: The recommendation was adopted in 2021 fiscal year. No similar findings were noted in the 2021 fiscal year.

**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

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, 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

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 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.

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. This finding is resolved as of the filing date with the Louisiana Legislative Auditors office.

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings reported.

SECTION III – MANAGEMENT LETTER

No findings reported.

**GRAND MARAIS GRAVITY DRAINAGE DISTRICT
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, 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. This finding is resolved as of the filing date with the Louisiana Legislative Auditors office.

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