

Consolidated Gravity Drainage District No. 1
Jennings, Louisiana
Financial Report
As of and for the Year Ended December 31, 2024

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LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS HABETZ O'NEAL
JESSICA LOTT-HANSEN

To the Board of Commissioners
Consolidated Gravity Drainage District No. 1
Jennings, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Consolidated Gravity Drainage District No. 1 of Jennings, Louisiana ("the District") a component unit of Jefferson Davis Police Jury, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of December 31, 2024, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual Governmental Fund – General Fund on page 25 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The District has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires 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 financial reporting for placing the basic financial statements in an appropriate, operational, economical, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency head, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "J. C. Williams, Jr." followed by a stylized flourish.

Lake Charles, Louisiana
August 27, 2025

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL
STATEMENTS(GWFS)

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

STATEMENT OF NET POSITION

December 31, 2024

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 766,724
Ad valorem tax receivable, net	182,881
State revenue sharing receivable	3,800
Intergovernmental receivable-FEMA	<u>225,963</u>
 Total Assets	 <u>1,179,368</u>
Liabilities	
Accounts payable	<u>129,812</u>
 Total Liabilities	 129,812
Net Position	
Restricted-grant	225,963
Unrestricted	<u>823,593</u>
 Total Net Position	 <u><u>\$ 1,049,556</u></u>

The accompanying notes are an integral part of the basic financial statements.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$1,172,546	\$ -	\$ 1,161,108	\$ (11,438)
Total Governmental Activities	<u>\$1,172,546</u>	<u>\$ -</u>	<u>\$ 1,161,108</u>	(11,438)

General revenues:

Ad valorem taxes	186,788
Interest	21,449
State revenue sharing	<u>3,697</u>
Total general revenues	<u>211,934</u>

Change in net position	200,496
Net position at beginning of year, as previously stated	877,752
Prior period adjustment	<u>(28,692)</u>
Net position at beginning of year, restated	<u>849,060</u>
Net position end of year	<u>\$ 1,049,556</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

BALANCE SHEET- GOVERNMENTAL FUND

December 31, 2024

	GENERAL FUND
Assets	
Cash and cash equivalents	\$ 766,724
Ad valorem tax receivable, net	182,881
State revenue sharing receivable	<u>3,800</u>
Total Assets	<u><u>\$ 953,405</u></u>
Liabilities and Fund Balance	
Current liabilities:	
Accounts payable	<u>\$ 129,812</u>
Total current liabilities	129,812
Fund balance:	
Unassigned	<u>823,593</u>
Total Liabilities and Fund Balance	<u><u>\$ 953,405</u></u>

The accompanying notes are an integral part of the basic financial statements.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

RECONCILIATION OF BALANCE SHEET- GOVERNMENTAL FUND TO THE
STATEMENT OF NET POSITION

For the Year Ended December 31, 2024

Total fund balance for governmental fund at December 31, 2024	\$ 823,593
Total net position reported for governmental activities in the Statement of Net Position difference.	
Certain long-term assets are not reported in the fund financial statements because they are not available to pay current-period expenditures, but they are reported as assets in the statement of net position.	
Intergovernmental receivable - FEMA	<u>225,963</u>
Total net position of governmental activities at December 31, 2024	<u><u>\$ 1,049,556</u></u>

The accompanying notes are an integral part of the basic financial statements.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUND

For the Year Ended December 31, 2024

	General Fund
Revenues	
Ad valorem taxes	\$ 186,788
State revenue sharing	3,697
Interest income	21,449
Intergovernmental revenue - FEMA	935,145
Total revenues	1,147,079
Expenditures	
Board and administrative compensation	10,350
Tax collection fees	5,539
Professional services	9,681
Levees, ditches, and road maintenance	1,141,216
Other expenditures	5,760
Total expenditures	1,172,546
Net change in fund balance	(25,467)
Fund balance at beginning of year, as previously stated	877,752
Prior period adjustment	(28,692)
Fund balance at beginning of year, restated	849,060
Fund balance ending of year	\$ 823,593

The accompanying notes are an integral part of the basic financial statements.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE- GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

Total net changes in fund balance at December 31, 2024 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (25,467)
 FEMA funding which is considered revenues on Statement of Revenues, Expenditures and Changes in Fund Balance	 <u>225,963</u>
Total changes in net position at December 31, 2024 per Statement of Activities	 <u><u>\$ 200,496</u></u>

The accompanying notes are an integral part of the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Louisiana Revised Statute 38:1607, Consolidate Gravity Drainage District No. 1 (the "District") is governed by five commissioners. These five commissioners are referred to as the Board of Commissioners and are appointed by the Jefferson Davis Parish Police Jury (the "Police Jury"). The District was created under the authority of Louisiana Revised Statutes 38:1601-1707 and was established for the purpose of draining and reclaiming the undrained or partially drained marsh, swamp, and overflowed lands in the District that must be levied and pumped in order to be drained and reclaimed.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Jefferson Davis Parish Police Jury is the financial reporting entity for Jefferson Davis 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 Statement No. 14 established criteria for determining which component units should be considered part of the Jefferson Davis Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

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 financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury financial statements would be misleading if data of the organization were not included because of the nature or significance of the relationship, the District was determined to be a component unit of the Jefferson Davis 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 government unit, or the other governmental units that comprise the financial reporting entity.

The District's basic financial statements include both government-wide and fund financial statements.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Basis of Presentation

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental Activities for the District.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Governmental Fund Financial Statements

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District's functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The District reports only one fund, the general fund, which accounts for all financial resources of the District.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Basis of Accounting/Measurement Focus

The amounts reflected in 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. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District's operations.

The amounts reflected in the governmental fund financial statements, use the modified accrual basis of accounting. 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 pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The government-wide financial statements are accounted for using an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

The government-wide financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar-year basis, become due on November 15 of each year, and become delinquent by December 31. The taxes are normally collected in December, January, and February of the fiscal year. Interest income on deposits is recorded when interest is earned. Substantially all other revenues are recorded when received.

FEMA revenues are recognized as intergovernmental revenue when all eligibility requirements have been met. Receivables for allowable costs incurred but not yet reimbursed are recorded as Intergovernmental receivable-FEMA. Because these resources are restricted for disaster recovery, related receivables and net position are reported as restricted.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Basis of Accounting/Measurement Focus – (Continued)

Expenditures

The District's primary expenditure includes board and administrative compensation, levee, ditches, and road maintenance expenses, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

The General Fund is the District's operating fund. It accounts for all financial resources of the District.

Cash, Cash Equivalents and Investments

For financial statement purposes, the District's cash and cash equivalents are considered cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Louisiana state statutes, as stipulated in R.S. 33:2955, authorize the District to invest in United States bonds, treasury notes, or certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana. The state statutes also authorize the District to invest in any other federally insured investment, or in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

Ad Valorem Tax Receivable

Ad valorem tax receivable totaled \$182,881 as of December 31, 2024. Uncollectible amounts due for ad valorem taxes are recognized as uncollectible using the allowance method. The allowance for doubtful accounts at December 31, 2024 was \$33,385.

Equity Classification

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

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

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.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District. These amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed.
- **Unassigned:** includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District board has provided otherwise in its commitment or assignment actions.

Estimates

The preparation of financial statements in conformity with GAAP requires 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.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Budget Practices

The District uses the following mandated requirements for budget practices:

- a. The proposed budget is prepared and submitted to the Advisory Board for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
- b. The proposed budget is made available for public inspection.
- c. The budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- d. All budgetary appropriations lapse at the end of each fiscal year.
- e. The budget is adopted on a basis consistent with GAAP. Budgeted amounts are as originally adopted or as finally amended by the Board.

Recently Issued Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements:

GASB Statement 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This standard is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The effect of implementation on the District's financial statements has not yet been determined.

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This standard is effective for fiscal years beginning after June 15, 2025. The effect of implementation of the District's financial statements has not yet been determined.

GASB Statement 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. This standard is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The effect of implementation on the District's financial statements has not yet been determined.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

2. CASH AND CASH EQUIVALENTS AND CERTIFICATES OF DEPOSIT

At December 31, 2024, the District has cash and cash equivalents (book balances) as follows:

Demand deposits	\$ 766,724
	<u>766,724</u>

The District does not have a policy for custodial credit risk, however, under state laws, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank (GASB Category 3) in a holding or custodial bank that is mutually acceptable to both parties.

The deposits (bank balance) at December 31, 2024, were secured as follows:

Demand deposits	\$ 1,694,673	Federal Deposit Insurance	\$ 250,000
	<u>\$ 1,694,673</u>	Pledge	<u>1,473,442</u>
			<u>\$ 1,723,442</u>

At December 31, 2024, all bank deposits were properly secured.

3. AD VALOREM TAXES

GAAP for government prescribe a modified accrual basis to be applied to property tax revenues. An assessment is made to finance the budget of a particular period and the revenue produced from any property tax assessment should be recognized in the fiscal period for which it was provided (budgeted) and for which the collections are reasonably available.

Expected collections and collections of the 2024 levy are accrued as receivable and as revenue in the current year (2024). For budget purposes, property taxes collected in 2024 are designated as revenue appropriable in the 2024 budget year.

For the year ended December 31, 2024, taxes of 7.81 mills were levied on property with assessed valuations totaling approximately \$1,923,509. Total taxes levied for the year ended December 31, 2024 were \$186,840.

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

The parish bills and collects its property taxes using the assessed values determined by the Jefferson Davis Parish Tax Assessor.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Notes to the Financial Statements For the Year Ended December 31, 2024

4. COMPENSATION PAID TO BOARD COMMISSIONERS

Compensation paid to board of commissioners for the year ended December 31, 2024 were as follows:

Brent Buller	\$	1,350
Joseph R Ezell		1,650
Alan Hebert		1,500
Gareth Hill		1,800
Joseph L Tupper Jr		1,650
D. Keith Wall		2,400
	\$	<u>10,350</u>

Commissioners are compensated at the rate of \$150 per month.

5. RISK MANAGEMENT

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

6. HURRICANE DAMAGE

The District was significantly impacted by Hurricanes Laura (August 2020) and Delta (October 2020), which caused extensive drainage damage. As of December 31, 2024, remaining cost estimates to complete repair and cleanup activities total approximately \$2,800, which is expected to be substantially recovered through federal and state assistance programs.

For the year ended December 31, 2024, the District incurred \$974,995 in levee, ditch, and road maintenance expenses that were reimbursable under the Federal Emergency Management Agency (FEMA) program, and \$102,002 in related cost-share expenses. The District recognized \$1,161,108 in governmental reimbursement revenue during the year, of which \$225,963 was recorded as an intergovernmental receivable at December 31, 2024.

7. PRIOR PERIOD ADJUSTMENT

The beginning government-wide and general fund balance for 2023 contained an error related to applying an allowance for uncollectible taxes receivable in the amount of \$28,692 levied from prior years. The beginning government-wide and general fund balance have been restated to decrease the fund balance to correct the error.

REQUIRED SUPPLEMENTARY INFORMATION

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE- BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND- GENERAL FUND

For the Year Ended December 31, 2024

	GENERAL FUND			VARIANCE
	ORIGINAL	FINAL	ACTUAL	FAVORABLE
	BUDGET	BUDGET		(UNFAVORABLE)
Revenues				
Ad valorem taxes	\$ 180,600	\$ 180,600	\$ 186,788	\$ 6,188
State revenue sharing	3,800	3,800	3,697	(103)
Interest income	10,000	10,000	21,449	11,449
Intergovernmental revenue - FEMA	-	-	935,145	935,145
Total revenues	<u>194,400</u>	<u>194,400</u>	<u>1,147,079</u>	<u>952,679</u>
Expenditures				
Board and administrative compensation	15,500	15,500	10,350	5,150
Tax collection fees	-	-	5,539	(5,539)
Professional services	8,000	8,000	9,681	(1,681)
Levees, ditches, & road maintenance	325,000	325,000	1,141,216	(816,216)
Other expenditures	6,800	6,800	5,760	1,040
Total expenditures	<u>355,300</u>	<u>355,300</u>	<u>1,172,546</u>	<u>(817,246)</u>
Net change in fund balance	(160,900)	(160,900)	(25,467)	135,433
Fund balance at beginning of year, as previously stated	667,000	667,000	877,752	-
Prior period adjustment	-	-	(28,692)	-
Fund balance at beginning of year, restated	<u>667,000</u>	<u>667,000</u>	<u>849,060</u>	<u>-</u>
Fund balance, end of year	<u>\$ 506,100</u>	<u>\$ 506,100</u>	<u>\$ 823,593</u>	<u>\$ 135,433</u>

The accompanying notes are an integral part of the basic financial statements.

SUPPLEMENTARY INFORMATION

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

December 31, 2024

Agency Head Name / Title: Joseph Tupper, Chairman

Purpose:	<u>Amount Paid</u>
Per diem	<u>\$ 1,650</u>
	<u><u>\$ 1,650</u></u>

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
Jennings, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2024

Federal Grantor/Pass- Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantors Number	Expenditures
Department of Homeland Security			
Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness:			
Public Assistance (Presidentially-Declared Disasters)	97.036	N/A	\$ 974,995
Total Department of Homeland Security Direct Programs			974,995
<i>Total Expenditures of Federal Awards</i>			<i>\$ 974,995</i>

The accompanying notes are an integral part of the basic financial statements.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the Year Ended December 31, 2024

NOTES TO SCHEDULE

A. BASIS OF PRESENTATION

The schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Consolidated Gravity Drainage District No. 1 under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Consolidated Gravity Drainage District No. 1, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Consolidated Gravity Drainage District No. 1.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

C. INDIRECT COST RATE

The Consolidated Gravity Drainage District No. 1 has not elected to use the 15% de minimis indirect cost rate allowed under the Uniform Guidance for the year ended December 31, 2024.

COMPLIANCE AND INTERNAL CONTROLS



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS HABETZ O'NEAL
JESSICA LOTT-HANSEN

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

To the Board of Commissioners
Consolidated Gravity Drainage District No. 1
Jennings, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Consolidated Gravity Drainage District No. 1 of Jennings, Louisiana ('the District')'s a component unit of Jefferson Davis Police Jury, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated August 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questionable costs as item 01-2024 (IC) that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed three instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 01-2024(C), 02-2024(C) 03-2024(C).

Consolidated Gravity Drainage District No. 1 Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and describe in the accompanying schedule of findings and questionable cost. The District's, response was not subject to the other audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lake Charles, Louisiana
August 27, 2025



LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
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JESSICA LOTT-HANSEN

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the Board of Commissioners
Consolidated Gravity Drainage District No. 1
Jennings, Louisiana

Report on Compliance for The Major Federal Program

Opinion on The Major Federal Program

We have audited Consolidated Gravity Drainage District No. 1 of Jennings, Louisiana ('the District')'s, a component unit of Jefferson Davis Police Jury, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the of the District's major federal programs for the year ended December 31, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on The Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 03-2024(C). Our opinion on the major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 01-2024 (IC) to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Longley, Williams & Co., LLP

Lake Charles, Louisiana
August 27, 2025

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2024

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified opinion

Internal control over financial reporting:

Material weaknesses identified?

____ Yes X No

Significant deficiency identified not considered
to be material weaknesses?

 X Yes ____ No

Noncompliance material to financial statements
noted?

____ Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

____ Yes X No

Significant deficiency identified not considered
to be material weaknesses?

 X Yes ____ No

Type of auditors' report issued on compliance
for major programs:

Unmodified opinion

Any audit findings disclosed that are required to
be reported in accordance with Uniform Guidance,
Section.510 (a)

 X Yes ____ No

Identification of major programs:

ALN
97.036

Name of Federal Program or Cluster
Disaster Grants- Public Assistance
(Presidentially Declared Disasters)

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

____ Yes X No

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

For the Year Ended December 31, 2024

SECTION II – CURRENT YEAR FINDINGS AND MANAGEMENT CORRECTIVE ACTION PLAN

Internal Control over Financial Reporting

Finding 01-2024 (IC) – Material Audit Adjustments

Finding: During our audit of the 2024 year end financial close process, we noted that a material adjustment was not identified and corrected until after the external auditor's review. This indicates that existing close controls did not operate effectively to detect material misstatements on a timely basis.

Criteria: Internal control over financial reporting should be designed to provide reasonable assurance that the government's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). Professional standards state that the need for the auditor to propose material audit adjustments is an indicator of a deficiency in internal control over financial reporting.

Condition: During our audit, we noted that management did not record accounts payable at year-end. In addition, management had not calculated or recorded an allowance for doubtful accounts related to accounts receivable. These misstatements were corrected through audit adjustments proposed by our audit and accepted by management.

Cause: The government's year-end closing and review procedures did not identify the need to accrue accounts payable and to evaluate and record an allowance for doubtful accounts.

Effect: Without adequate controls over the financial reporting process, there is an increased risk that the financial statements could be misstated and not detected by management, which could affect the users of the financial statements.

Recommendation: We recommend that management strengthen year-end financial reporting controls by reviewing vendor invoices and other obligations outstanding at year-end to ensure accounts payable are properly accrued, and implementing procedures to evaluate the collectability of receivables and to record an appropriate allowance for doubtful accounts.

Management's response: Management concurs with this finding. The government will improve its year-end closing procedures to ensure all accounts payable are identified and recorded, and that an allowance calculation is prepared and reviewed prior to submission of the financial statements for audit.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

For the Year Ended December 31, 2024

Compliance

Finding 01-2024 (C) – Budget Amendment

Finding: The Louisiana Local Government Budget Act (Louisiana R.S. 39:1301–1315) requires political subdivisions to amend their budgets when it becomes evident that total actual expenditures for a fund are expected to exceed budgeted expenditures by 5% or more, or actual receipts for a fund are expected to fall short of budgeted revenues by 5% or more, and fund balance will be used to cover the shortfall.

Criteria: During the fiscal year, the District’s actual expenditures exceeded the amounts originally budgeted by more than 5%. The budget was not amended to reflect the changes as required by the Local Government Budget Act.

Effect: Failure to amend the budget as required results in noncompliance with the Local Government Budget Act and reduces transparency in the financial management process.

Cause: Management did not monitor the budget closely enough during the year to identify when a budget amendment was required under R.S. 39:1310.

Recommendation: We recommend management regularly monitor actual revenues and expenditures against the adopted budget and prepare amendments when variances meet or exceed the thresholds in R.S. 39:1310.

Management’s response: The budget variance was the result of additional FEMA Public Assistance grant activity that was not anticipated at the time the original budget was adopted. While the expenditures were allowable and required under the grant agreement, management acknowledges that the Local Government Budget Act requires a budget amendment when actual expenditures are expected to exceed budgeted amounts by more than 5 percent. Going forward, management will monitor budget-to-actual results on a periodic basis and present amendments to the board.

Compliance – Finding 02-2024 (C) – Late Report Submission

Finding: Louisiana Revised Statute 24:513 requires local auditees to submit annual financial statements to the Louisiana Legislative Auditor within six months after the close of the fiscal year. Timely submission is necessary to comply with state law and to provide financial information to oversight bodies.

Criteria: The District’s financial report for the year ended December 31, 2024, was due to the LLA by June 30, 2025, however, after a non-emergency extension was granted by the LLA the due date was extended to September 30, 2025. The report was submitted on September 30, 2025.

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

For the Year Ended December 31, 2024

Effect: Failure to submit the report timely results in noncompliance with Louisiana law.

Cause: The late submission was due to this being the first time a audit has been required for the district, as they have previously always filed compilations and reviews in the past, which has required additional time to perform necessary documentation and procedures. The District's bookkeeper was also on maternity leave which also caused delays in providing the necessary information to the auditors. The impact of this did not allow the auditors enough time to conduct the audit in a sufficient and timely manner.

Recommendation: The District should implement procedures to ensure that financial reports are completed and submitted within the timeframe required by state law.

Management's response: Management agrees with the finding and will take corrective action to ensure timely submission of future reports.

Finding 03-2024 (C) – Written Policy and Procedures

Finding: During our December 31, 2024 audit, we noted that there were no formally documented written policies and procedures.

Criteria: Per 2 CFR § 200.303 and related provisions in 2 CFR Part 200, non-Federal entities must establish and maintain effective internal control over Federal awards, including written policies and procedures for key compliance areas (e.g., allowable costs, cash management, procurement, subrecipient monitoring) to ensure compliance with Federal statutes, regulations, and award terms.

Effect: Without written policies and procedures for administering Federal awards, the entity increases the risk of inconsistent application of compliance requirements, potential noncompliance with 2 CFR Part 200 and award terms, and loss of institutional knowledge in the event of staff turnover.

Cause: The District has not developed written policies and procedures for administering Federal awards. Management has relied on existing practices and hired a consultant without formal documentation, and no written policies have been established to meet the requirements of 2 CFR Part 200.

Recommendation: The District should develop and implement formal written policies and procedures.

Management's response: Management agrees with the recommendation and will develop written policies and procedures.



LESTER LANGLEY, JR.
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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Consolidated Gravity Drainage District No. 1
Jennings, Louisiana

To the Governing Board of the Consolidated Gravity Drainage District No. 1 and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. The Consolidated Gravity Drainage District No. 1's management is responsible for those C/C areas identified in the SAUPs.

The Consolidated Gravity Drainage District No. 1 ("Gravity Drainage District") has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.

- iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- viii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/Electronic Municipal Market Access ("EMMA") reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Per discussion with management, we noted that the Gravity Drainage District has no written policies and procedures. Gravity Drainage District's policies are covered by the Jefferson Davis Police Jury's written policies and procedures for all areas noted above except for the Information Technology Disaster Recovery/Business Continuity. We have assessed whether the Gravity Drainage District had separate written policies and procedures for Information Technology Disaster Recovery/Business Continuity.

Exception: There were no written policies and procedures for Information Technology Disaster Recovery/Business Continuity.

Management's response: The Gravity Drainage District is working to add written policies where needed.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

There were no exceptions noted as a result of applying this procedure.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue fund. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Exception: Per inspection of the Gravity Drainage District's monthly meeting minutes, we noted that the Gravity Drainage District did not reference or include budget-to-actual comparisons.

Management's response: Management is in the process of creating their policies and procedures to address the above exception.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

There were no exceptions noted as a result of applying this procedure.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

There were no exceptions noted as a result of applying this procedure.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

There were no exceptions noted as a result of applying this procedure.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Exception: There was no evidence showing the bank reconciliation was prepared within 2 months of the related statement closing date.

Management's response: Management will begin documenting the date prepared for all bank reconciliations.

- ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

Exception: There was no evidence of a member of management/board member reviewing the reconciliation.

Management's response: Management will begin documenting the review of the bank reconciliations.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There were no exceptions noted as a result of applying this procedure.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

We obtained a listing of all deposit sites for the fiscal period and management's representation that the listing is complete.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- i. Employees responsible for cash collections do not share cash drawers/registers.

The Gravity Drainage District does not collect cash; therefore, this procedure is not applicable.

- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

The Gravity Drainage District does not collect cash; therefore, this procedure is not applicable.

- iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The Gravity Drainage District does not collect cash; therefore, this procedure is not applicable.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

The Gravity Drainage District does not collect cash; therefore, this procedure is not applicable.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

The Gravity Drainage District does not collect cash; therefore, this procedure is not applicable.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.

Due to the low volume of receipts there is no system in place to issue sequentially pre-numbered receipts thus making this procedure not applicable.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

There were no exceptions noted as a result of applying this procedure.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

There were no exceptions noted as a result of applying this procedure.

- iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Exception: We were unable to determine if deposits selected were made within one business day.

Management's response: The Gravity Drainage District will document when checks are received and ensure that all receipts are deposited within one business day.

- v. Trace the actual deposit per the bank statement to the general ledger.

There were no exceptions noted as a result of this procedure.

5) *Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)*

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Obtained a listing of locations from management, there is only one location.

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

There were no exceptions noted when applying this procedure.

- ii. At least two employees are involved in processing and approving payments to vendors.

There were no exceptions noted when applying this procedure.

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

There were no exceptions noted when applying this procedure.

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

There were no exceptions noted when applying this procedure.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

There were no exceptions noted when applying this procedure.

- C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

There were no exceptions noted when applying this procedure.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

There were no exceptions noted when applying this procedure.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g. sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from

the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does not include electronic disbursements.

There were no electronic disbursements noted, as such this procedure is not applicable.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

According to management there are no credit, debit, fuel or p-cards, as such this procedure is not applicable.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

There are no credit, debit, fuel or p-cards, as such this procedure is not applicable.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

There are no credit, debit, fuel or p-cards, as such this procedure is not applicable.

- C. Using the monthly statements or combined statements selected under #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

There are no credit, debit, fuel or p-cards, as such this procedure is not applicable.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- iii. Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no travel expenses during 2024; therefore, these procedures are not applicable.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

There were no exceptions noted when applying this procedure.

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

There were no exceptions noted when applying this procedure.

- iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

There were no exceptions noted when applying this procedure.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

There were no exceptions noted when applying this procedure.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

- i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

- iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

The Gravity Drainage District has no employees & no termination payments as such this procedure is not applicable.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

10) Ethics

A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

- ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

The Gravity Drainage District had no bonds/notes, as such this procedure is not applicable.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

The Gravity Drainage District had no bonds/notes, as such this procedure is not applicable.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

- B. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

The Gravity Drainage District has posted on its premises the notice to required by R.S. 24:523.1.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

- iv. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

- v. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from procedure #9A under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

The Gravity Drainage District has no employees; therefore, this procedure is not applicable.

We were engaged by the Consolidated Gravity Drainage District No. 1 to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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.

We are required to be independent of the Consolidated Gravity Drainage District No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, 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 LLA as a public document.



Langley, Williams & Co., LLC
Lake Charles, LA
August 27, 2025