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SIXTH WARD AND CROWLEY DRAINAGE DISTRICT
FINANCIAL REPORT
DECEMBER 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 26 2000

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BROUSSARD, POCHE', LEWIS & BREAUX, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

122 East 5th St.
P.O. Drawer 307
Crowley, Louisiana
70527-0307
phone: (337) 783-0650
fax: (337) 783-7238

Other Offices:

Lafayette, LA
(337) 988-4930

Opelousas, LA
(337) 942-5217

Abbeville, LA
(337) 898-1497

New Iberia, LA
(337) 364-4554

Church Point, LA
(337) 684-2855

Eunice, LA
(337) 457-0071

INDEPENDENT AUDITOR'S REPORT

The Honorable Billie C. Fulkerson
and the Board of Commissioners of
the Sixth Ward and Crowley Drainage District
Crowley, Louisiana

We have audited the general purpose financial statements of the Sixth Ward and Crowley Drainage District, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 1999 as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Sixth Ward and Crowley Drainage District as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 21, 2000 on our consideration of the District's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants.

Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemmon II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
George J. Trappey III, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*
Troy J. Breaux, CPA*
Fayette T. Dupre', CPA*

Retired:

Sidney L. Broussard, CPA 1980
Leon K. Poche', CPA 1984
James H. Breaux, CPA 1987
Erna R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999

Members of American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants

* A Professional Accounting Corporation

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The Honorable Billie C. Fulkerson
and the Board of Commissioners of
the Sixth Ward and Crowley Drainage District

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and individual account group financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Sixth Ward and Crowley Drainage District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Sixth Ward and Crowley Drainage District.

BROUSSARD, POCHE, LEWIS & BREWER, C.C.P.

Crowley, Louisiana
June 21, 2000

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1999

	Governmental Fund Types	
	General Fund	Debt Service Fund
ASSETS AND OTHER DEBITS		
Cash and cash equivalents	\$ 54,707	\$ 25,765
Investments	56,711	137,363
Receivables	227,938	-
Accrued interest receivable	1,070	1,151
Land, equipment, and buildings	-	-
Amount available in debt service fund	-	-
Total assets and other debits	\$ 340,426	\$ 164,279
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Accounts payable	\$ 2,165	\$ -
Other payables	7,509	-
Bonds payable	-	-
Total liabilities	\$ 9,674	\$ -
FUND EQUITY		
Investment in general fixed assets	\$ -	\$ -
Fund balances:		
Reserved for debt service	\$ -	\$ 135,000
Unreserved - undesignated	330,752	29,279
Total fund balances	\$ 330,752	\$ 164,279
Total liabilities and fund equity	\$ 340,426	\$ 164,279

See Notes to Financial Statements.

Governmental Fund Types	Account Groups		Totals	
	General	General	(Memorandum Only)	
	Fixed	Long-Term	1999	1998
Projects	Assets	Debt		
Fund				
\$ 924	\$ -	\$ -	\$ 81,396	\$ 47,656
8,727	-	-	202,801	193,119
118,458	-	-	346,396	442,582
153	-	-	2,374	2,373
-	361,614	-	361,614	332,084
-	-	135,000	135,000	243,522
<u>\$ 128,262</u>	<u>\$ 361,614</u>	<u>\$ 135,000</u>	<u>\$1,129,581</u>	<u>\$1,261,336</u>
\$ -	\$ -	\$ -	\$ 2,165	\$ 9,027
-	-	-	7,509	10,268
-	-	135,000	135,000	195,000
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135,000</u>	<u>\$ 144,674</u>	<u>\$ 214,295</u>
<u>\$ -</u>	<u>\$ 361,614</u>	<u>\$ -</u>	<u>\$ 361,614</u>	<u>\$ 332,084</u>
\$ -	\$ -	\$ -	\$ 135,000	\$ 243,522
128,262	-	-	488,293	471,435
<u>\$ 128,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 623,293</u>	<u>\$ 714,957</u>
<u>\$ 128,262</u>	<u>\$ 361,614</u>	<u>\$ 135,000</u>	<u>\$1,129,581</u>	<u>\$1,261,336</u>

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SIXTH WARD AND CROWLEY DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 1999

	<u>Governmental Fund Types</u>			Totals	
	<u>General</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>(Memorandum Only)</u>	
				<u>1999</u>	<u>1998</u>
Revenues:					
Taxes:					
Ad valorem	\$188,513	\$ -	\$ -	\$188,513	\$285,743
Intergovernmental:					
State revenue sharing	39,426	-	-	39,426	39,426
Other	<u>3,669</u>	<u>7,117</u>	<u>416</u>	<u>11,202</u>	<u>11,470</u>
Total revenues	<u>\$231,608</u>	<u>\$ 7,117</u>	<u>\$ 416</u>	<u>\$239,141</u>	<u>\$336,639</u>
Expenditures:					
Current:					
Public works	\$159,468	\$ 16,090	\$ -	\$175,558	\$164,882
Capital outlay	36,455	-	-	36,455	748
Debt service:					
Principal retirements	-	60,000	-	60,000	55,000
Interest and fiscal charges	<u>-</u>	<u>10,270</u>	<u>-</u>	<u>10,270</u>	<u>13,750</u>
Total expenditures	<u>\$195,923</u>	<u>\$ 86,360</u>	<u>\$ -</u>	<u>\$282,283</u>	<u>\$234,380</u>
Excess (deficiency) of revenues over expenditures	\$ 35,685	\$(79,243)	\$ 416	\$(43,142)	\$102,259
Fund balances, beginning	<u>295,067</u>	<u>243,522</u>	<u>127,846</u>	<u>666,435</u>	<u>564,176</u>
Fund balances, ending	<u>\$330,752</u>	<u>\$164,279</u>	<u>\$128,262</u>	<u>\$623,293</u>	<u>\$666,435</u>

See Notes to Financial Statements.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 1999

	General Fund		
	Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:			
Taxes:			
Ad valorem	\$171,000	\$188,513	\$ 17,513
Intergovernmental:			
State revenue sharing	45,000	39,426	(5,574)
Other	<u>3,000</u>	<u>3,669</u>	<u>669</u>
Total revenues	<u>\$219,000</u>	<u>\$231,608</u>	<u>\$ 12,608</u>
Expenditures:			
Current:			
Public works:			
Salaries and taxes	\$ 89,500	\$ 72,570	\$ 16,930
Equipment	30,000	22,078	7,922
Fuel	7,000	3,565	3,435
Utilities	1,600	1,358	242
Office supplies	2,000	572	1,428
Office rent	3,000	3,000	-
Insurance	27,500	21,658	5,842
Chemicals	25,000	17,370	7,630
Per diem	4,600	3,341	1,259
Pension	6,000	5,891	109
Audit	3,800	3,600	200
Other	<u>4,000</u>	<u>4,465</u>	<u>(465)</u>
Total public works	<u>\$204,000</u>	<u>\$159,468</u>	<u>\$ 44,532</u>
Capital outlays	<u>\$ 15,000</u>	<u>\$ 36,455</u>	<u>\$(21,455)</u>
Debt service:			
Principal retirements	\$ -	\$ -	\$ -
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$219,000</u>	<u>\$195,923</u>	<u>\$ 23,077</u>
Excess (deficiency) of revenues over expenditures (totals forward)	<u>\$ -</u>	<u>\$ 35,685</u>	<u>\$ 35,685</u>

<u>Debt Service Fund</u>			<u>Capital Projects Fund</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>3,000</u>	<u>7,117</u>	<u>4,117</u>	<u>500</u>	<u>416</u>	<u>(84)</u>
<u>\$ 3,000</u>	<u>\$ 7,117</u>	<u>\$ 4,117</u>	<u>\$ 500</u>	<u>\$ 416</u>	<u>\$ (84)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	8,000	-	8,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>18,500</u>	<u>16,090</u>	<u>2,410</u>	<u>500</u>	<u>-</u>	<u>500</u>
<u>\$ 18,500</u>	<u>\$ 16,090</u>	<u>\$ 2,410</u>	<u>\$ 8,500</u>	<u>\$ -</u>	<u>\$ 8,500</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -
<u>10,270</u>	<u>10,270</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 70,270</u>	<u>\$ 70,270</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 88,770</u>	<u>\$ 86,360</u>	<u>\$ 2,410</u>	<u>\$ 8,500</u>	<u>\$ -</u>	<u>\$ 8,500</u>
<u>\$(85,770)</u>	<u>\$(79,243)</u>	<u>\$ 6,527</u>	<u>\$(8,000)</u>	<u>\$ 416</u>	<u>\$ 8,416</u>

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT
 ACADIA PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
 ALL GOVERNMENTAL FUND TYPES (CONTINUED)
 Year Ended December 31, 1999

	<u>General Fund</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
Excess (deficiency) of revenues over expenditures (totals forwarded)	\$ -	\$ 35,685	\$ 35,685
Fund balances, beginning	<u>295,067</u>	<u>295,067</u>	-
Fund balances, ending	<u>\$295,067</u>	<u>\$330,752</u>	<u>\$ 35,685</u>

See Notes to Financial Statements.

<u>Debt Service Fund</u>			<u>Capital Projects Fund</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
\$ (85,770)	\$ (79,243)	\$ 6,527	\$ (8,000)	\$ 416	\$ 8,416
<u>243,522</u>	<u>243,522</u>	<u>-</u>	<u>127,846</u>	<u>127,846</u>	<u>-</u>
<u>\$157,752</u>	<u>\$164,279</u>	<u>\$ 6,527</u>	<u>\$119,846</u>	<u>\$128,262</u>	<u>\$ 8,416</u>

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

As provided by Louisiana Revised Statute 38:1607, the drainage district is governed by five commissioners. These five commissioners are referred to as the Board of Commissioners and are appointed by the parish police jury. The drainage 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 leveed and pumped in order to be drained and reclaimed.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. Subsequently, GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

In conformance with GASB Codification Section 2100, the drainage district is a component unit of the Acadia Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, and other governmental units that comprise the governmental reporting entity.

A. Fund accounting

The accounts of the drainage district are organized on the basis of funds and account groups, 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 comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are spent and the means by which spending activities are controlled. The following governmental funds are presented in the financial statements:

General Fund:

The general fund is the general operating fund of the drainage district. It accounts for all financial resources except those required to be accounted for in other funds.

Debt Service Fund:

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term obligation principal, interest, and related costs.

NOTES TO FINANCIAL STATEMENTS

Series 1991 Refunding Bonds:

This fund is used to accumulate monies for payment of \$470,000 (original principal) of certificates of indebtedness due in various installments. The proceeds of this issue were to refund the outstanding Public Improvement Bonds dated August 1, 1981.

Capital Projects Fund:

The capital projects fund is used to account for financial resources to be used for acquisition or construction of major capital projects (other than those financed by proprietary funds).

Construction Fund:

This fund is used to account for the collection and disbursement of funds for construction projects.

B. General fixed assets and general long-term debt

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public domain or infrastructures are not capitalized. Construction period interest is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

C. Basis of accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The District's accounts are reported on the modified accrual basis of accounting using the following practices in recording revenues and expenditures:

Revenues:

Ad valorem taxes and state revenue sharing are recorded in the year the taxes are assessed. 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 generally collected in December of the current year and January and February of the ensuing year.

NOTES TO FINANCIAL STATEMENTS

Expenditures:

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except for principal and interest on general long-term debt which is recognized when due.

D. Budget practices

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Secretary-Treasurer submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. The budget is then legally enacted through passage of an ordinance. Budget amounts shown in this report are as amended by the District in public meeting.
4. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. All budget appropriations lapse at year-end.

Budget amounts shown in the report are as amended by the Board in open meeting.

Expenditures may not legally exceed budgeted appropriations at the fund level.

E. Cash, cash equivalents, and investments

For reporting purposes of cash and cash equivalents, the District considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Under state law, the Sixth Ward and Crowley Drainage District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. Further, the District may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

NOTES TO FINANCIAL STATEMENTS

Cash, cash equivalents, and investments are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times be equal to the amount on deposit with the bank. The pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved. The following is a summary of cash and cash equivalents at December 31, 1999, with the related federal deposit insurance:

	<u>Bank Balance</u>	<u>FDIC Insurance</u>	<u>Balance Uninsured</u>
Demand deposits	\$ 88,451	\$ 88,451	\$ -
Savings and certificates of deposit	<u>204,057</u>	<u>100,351</u>	<u>103,706</u>
Total	<u>\$292,508</u>	<u>\$188,802</u>	\$103,706
Securities pledged and held by the custodial bank in bank's name (Category III)			<u>401,943</u>
Excess of FDIC Insurance plus pledged securities over deposits in financial institutions			<u>\$298,237</u>

F. Pensions

Employees of the drainage district are covered under the Federal Insurance Contribution Act (social security). The employees and the District contribute equally to the system.

G. Vacation and sick leave

The Sixth Ward and Crowley Drainage District does not have a formal policy on vacation and sick leave.

H. Total columns on statements

The total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Interfund eliminations have not been made in the aggregation of this data.

NOTES TO FINANCIAL STATEMENTS

Note 2. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Balance, December 31, 1998	\$ 1,500	\$ 1,731	\$328,853	\$332,084
Additions	-	-	79,000	79,000
Reductions	-	-	<u>49,470</u>	<u>49,470</u>
Balance, December 31, 1999	<u>\$ 1,500</u>	<u>\$ 1,731</u>	<u>\$358,383</u>	<u>\$361,614</u>

Note 3. Changes in General Long-Term Obligations

The following is a summary of the long-term obligations at December 31, 1999:

	<u>Bonded Debt</u>
Long-term obligations payable, beginning	\$195,000
Reductions	<u>60,000</u>
Long-term obligations payable, ending	<u>\$135,000</u>

General obligation bonds are comprised of the following individual issue:

Series 1991 refunding bonds, dated September 5, 1991, issue of \$470,000, retired in various annual installments, interest rates 5.2% to 6.3%, final maturity March 1, 2001	<u>\$135,000</u>
---	------------------

The annual requirements to amortize all bonds and/or certificates outstanding at December 31, 1999, including interest of \$8,630 are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 65,000	\$ 6,425	\$ 71,425
2001	<u>70,000</u>	<u>2,205</u>	<u>72,205</u>
Total	<u>\$135,000</u>	<u>\$ 8,630</u>	<u>\$143,630</u>

NOTES TO FINANCIAL STATEMENTS

Note 4. Receivables

The following is a summary of receivables at December 31, 1999:

	General <u>Fund</u>	Capital Projects <u>Fund</u>
Ad valorem tax	\$188,512	\$ -
State revenue sharing	39,426	
Other	-	-
Fifth Ward Consolidated Gravity Drainage District No. 1	<u>-</u>	<u>118,458</u>
	<u>\$227,938</u>	<u>\$118,458</u>

Note 5. Intergovernmental Agreement

Sixth Ward and Crowley Drainage District entered into an intergovernmental agreement with Fifth Ward Consolidated Gravity Drainage District No. 1 for funding the Lyons Point Gully Lower Region project. Sixth Ward and Crowley Drainage District provided 100% of the initial funding for the project. As of December 31, 1990, the project was complete and the total amount paid by Sixth Ward and Crowley Drainage District on behalf of Fifth Ward Consolidated Gravity Drainage District No. 1 was \$161,003. In 1990, it was agreed by both parties for Fifth Ward Consolidated Drainage District No. 1 to repay its debt by leasing their excavator, including the operator and all repair costs, for \$65 per hour to Sixth Ward and Crowley Drainage District. In 1995, it was agreed by both parties to change the hourly rate from \$65 per hour to \$85 per hour. As of December 31, 1999, Fifth Ward Consolidated Gravity Drainage District No. 1 has repaid a total of \$42,545 leaving a balance of \$118,458.

Note 6. Per Diem

The board members receive \$65 per diem for attendance at meetings of the board and 20-1/2¢ per mile for travel expenses. The compensation paid to the board for the year ended December 31, 1999 is as follows:

Terru Istre	\$ 520
Mike Faulk	585
Billie Fulkerson	871
Thomas Sarver	780
Wayne Baronet	<u>585</u>
	<u>\$ 3,341</u>

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BROUSSARD, POCHE, LEWIS & BREAUX, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

122 East 5th St.
P.O. Drawer 807
Crowley, Louisiana
70527-0307
phone: (337) 783-0650
fax: (337) 783-7238

Other Offices:

Lafayette, LA
(337) 988-4930

Opclousas, LA
(337) 942-5217

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Eugene C. Gildea, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
I. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
I. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
George J. Trappey III, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*
Troy J. Breaux, CPA*
Fayette T. Dupre, CPA*

Retired:

Sidney L. Broussard, CPA 1980
Leon K. Poche, CPA 1984
James H. Breaux, CPA 1987
Erna R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999

Members of American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants
* A Professional Accounting Corporation

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Billie C. Fulkerson
and the Board of Commissioners of
the Sixth Ward and Crowley Drainage District
Crowley, Louisiana

We have audited the general purpose financial statements of the Sixth Ward and Crowley Drainage District, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 21, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Sixth Ward and Crowley Drainage District's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 did not disclose any instances of noncompliance that required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Sixth Ward and Crowley Drainage District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal

To the Honorable Billie C. Fulkerson
and the Board of Commissioners of
the Sixth Ward and Crowley Drainage District

control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Sixth Ward and Crowley Drainage District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the schedule of findings and questioned costs as item 1999-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we considered the reportable condition described to be a material weakness.

This report is intended for the information of management and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Broussard, Poché, Lewis & Breaux, L.L.P.

Crowley, Louisiana
June 21, 2000

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 1999

We have audited the financial statements of Sixth Ward and Crowley Drainage District as of and for the year ended December 31, 1999, and have issued our report thereon dated June 21, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 1999 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards

The District does not have any federal awards.

Section II Financial Statement Findings

1999-1 General Administration

Finding: As in previous years, our review of the internal control structure indicated an inadequate segregation of duties.

Cause: An inadequate segregation of duties is due to the limited number of personnel performing the administrative functions.

Suggestion and response: The Sixth Ward and Crowley Drainage District Board has evaluated this inadequacy and concluded the related costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation.

Questioned Costs \$ - 0 -

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended December 31, 1999

I Internal Control and Compliance Material to the Financial Statements

1998 - General Administration

This same finding is included in the current year's schedule of findings and questions costs as 1999-1. The Board has provided as much segregation as possible with resources available.

II Internal Control and Compliance Material to Federal Awards

The prior year did not include any federal awards.

III Management Letter

The prior year's report did not include a management letter.

SIXTH WARD AND CROWLEY DRAINAGE DISTRICT

MANAGEMENT'S CORRECTIVE ACTION PLAN

Section I. Internal Control and Compliance Material to the Financial Statements

1999-1 General Administration

Management has ensured as much segregation as possible based on available resources. However, adequate segregation is not feasible.

Section II. Internal Control and Compliance Material to Federal Awards

There were no federal awards for the year ended December 31, 1999.

Section III. Management Letter

There was no management letter for the year ended December 31, 1999.

Responsible party: Billie C. Fulkerson, President