

13777

RECEIVED  
LEGISLATIVE AUDITOR  
2000 JUN 30 AM 8:54

**FINANCIAL REPORT OF THE  
DURALDE GRAVITY DRAINAGE DISTRICT NO. 4  
EVANGELINE PARISH, LOUISIANA  
FOR THE YEAR ENDED  
DECEMBER 31, 1999**

**OFFICIAL  
FILE COPY  
DO NOT SEND OUT**  
(Xerox necessary  
copies from this  
copy and PLACE  
BACK IN FILE)

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

TABLE OF CONTENTS

	Page No.
Affidavit	1
Compilation Letter	2
COMPONENT UNIT FINANCIAL STATEMENTS: (Combined Statement Overview)	
Combined Balance Sheet - All Fund Types and Account Groups	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund Type	4
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	5
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	6 - 8
LOUISIANA ATTESTATION QUESTIONNAIRE	9 - 10
SCHEDULE OF PRIOR YEAR FINDINGS	11
MANAGEMENT'S CORRECTIVE ACTION PLAN	12

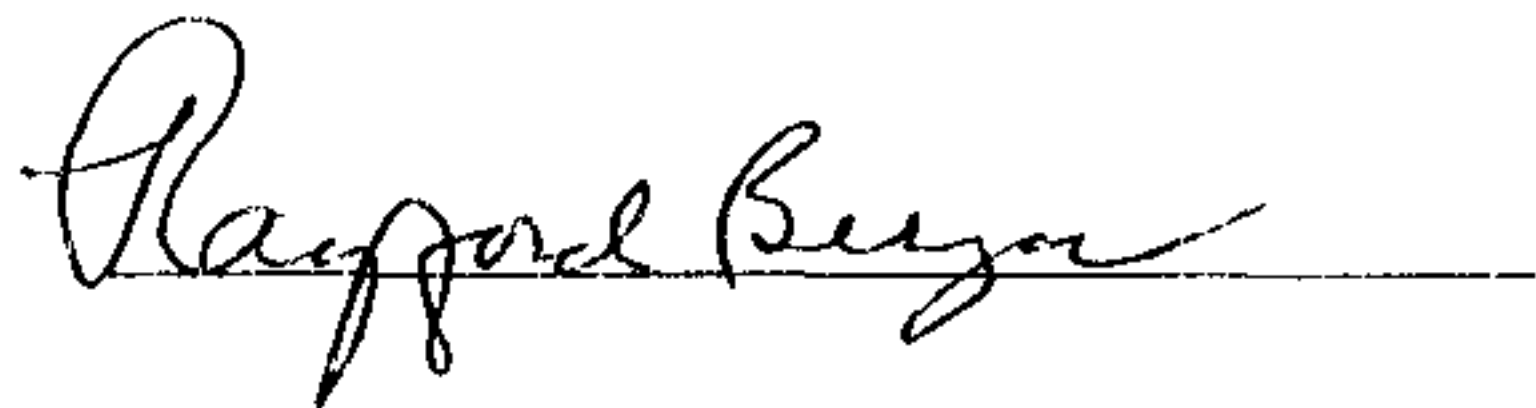
ANNUAL FINANCIAL STATEMENTS

June 15, 2000

Office of the Legislative Auditor  
1600 Riverside North  
P. O. Box 94397  
Baton Rouge, Louisiana 70804-9397

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Duralde Gravity Drainage District No. 4 of Evangeline Parish, Louisiana as of and for the fiscal year ended December 31, 1999. The report includes all funds under the control and oversight of the district. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,

A handwritten signature in cursive script, reading "Raymond Buzon", is written over a horizontal line.

Enclosure

# MICHAEL W. JOHNSON

*Certified Public Accountant*

105 North 11th Street - Post Office Box 529  
EUNICE, LOUISIANA 70535  
Phone (337) 457-7951

MEMBER AMERICAN INSTITUTE  
OF  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER SOCIETY  
OF  
LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Commissioners  
Duralde Gravity Drainage District No. 4  
of Evangeline Parish, Louisiana  
Ville Platte, Louisiana

I have compiled the accompanying component unit financial statements of the Duralde Gravity Drainage District No. 4 of Evangeline Parish, Louisiana as of December 31, 1999, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying component unit financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

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

*Michael W. Johnson*

Michael W. Johnson  
Certified Public Accountant

June 15, 2000  
Eunice, Louisiana

**COMPONENT UNIT FINANCIAL STATEMENTS**

(Combined Statement Overview)

DURALDE GRAVITY DRAINAGE DISTRICT NO. 4  
OF EVANGELINE PARISH, LOUISIANA

Combined Balance Sheet, All Fund Types and  
Account Groups - December 31, 1999

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Assets:	
Cash and cash equivalents	\$268,740
Receivables - Taxes	41,722
Receivables - State Revenue Sharing	<u>1,794</u>
 TOTAL ASSETS	 <u>\$312,256</u>
 <u>LIABILITIES AND EQUITY</u>	
Equity:	
Fund Balance	
Unreserved-undesignated	\$312,256
Total Fund Balance	<u>\$312,256</u>
 TOTAL LIABILITIES AND FUND	
EQUITY	 <u>\$312,256</u>

See accompanying accountant's report.

DURALDE GRAVITY DRAINAGE DISTRICT NO. 4  
OF EVANGELINE PARISH, LOUISIANA

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Fund Types  
For the Year Ended December 31, 1999

	<u>GENERAL FUND</u>
<u>REVENUES:</u>	
Ad Valorem Taxes	\$ 39,292
State Revenue Sharing	<u>2,583</u>
Total Revenues	<u>\$ 41,875</u>
 <u>EXPENDITURES:</u>	
Current Operating	
Accounting	\$ 525
Board Member Per Diem	2,850
Office Expense	48
Construction and Maintenance	35,700
Bank Charges	12
Insurance	50
Rent	600
Administrative Fees	1,200
Miscellaneous	<u>436</u>
Total Expenditures	<u>\$ 41,421</u>
 <u>OTHER FINANCING SOURCES:</u>	
Interest	<u>\$ 14,783</u>
Total Other Financing Sources	<u>\$ 14,783</u>
 <u>EXCESS OF REVENUES AND OTHER FINANCING</u> <u>SOURCES OVER EXPENDITURES AND OTHER</u> <u>FINANCING USES</u>	
	<u>\$ 15,237</u>
 <u>FUND BALANCE, BEGINNING OF YEAR</u>	 <u>297,019</u>
 <u>FUND BALANCE, END OF YEAR</u>	 <u>\$312,256</u>

See accompanying accountant's report

DURALDE GRAVITY DRAINAGE DISTRICT NO. 4  
OF EVANGELINE PARISH, LOUISIANA

Comparative Statement of Revenues, Expenditures,  
and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
For the Year Ended December 31, 1999

	<u>GENERAL FUND</u>	
	<u>BUDGET</u>	<u>ACTUAL</u>
<u>REVENUES:</u>		
Ad Valorem Taxes	\$ 32,000	\$ 39,292
State Revenue Sharing	2,000	2,583
Total Revenues	<u>\$ 34,000</u>	<u>\$ 41,875</u>
<u>EXPENDITURES:</u>		
Current Operating:		
Accounting	\$ 1,000	\$ 525
Board Member Per Diem	4,000	2,850
Office Expense	-0-	48
Construction and Maintenance	36,500	35,700
Bank Charges	-0-	12
Insurance	100	50
Rent	600	600
Administrative Fees	1,200	1,200
Miscellaneous	500	436
Total Expenditures	<u>\$ 43,900</u>	<u>\$ 41,421</u>
<u>OTHER FINANCING SOURCES:</u>		
Interest	\$ 10,000	\$ 14,783
Total Other Financing Sources	<u>\$ 10,000</u>	<u>\$ 14,783</u>
<u>EXCESS (Deficiency) OF REVENUES AND OTHER</u> <u>FINANCING SOURCES OVER EXPENDITURES</u>	<u>\$ 100</u>	\$ 15,237
<u>FUND BALANCE, BEGINNING OF YEAR</u>		<u>297,019</u>
<u>FUND BALANCE, END OF YEAR</u>		<u>\$312,256</u>

See accompanying accountant's report.



# MICHAEL W. JOINSON

*Certified Public Accountant*

105 North 11th Street - Post Office Box 529  
EUNICE, LOUISIANA 70535  
Phone (337) 457-7951

MEMBER AMERICAN INSTITUTE  
OF  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER SOCIETY  
OF  
LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners  
Duralde Gravity Drainage District No. 4 of  
Evangeline Parish, Louisiana  
Ville Platte, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Duralde Gravity Drainage District No. 4 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Duralde Gravity Drainage District No. 4's compliance with certain laws and regulations during the year ended December 31, 1999 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### ***Public Bid Law***

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$15,000 or public works exceeding \$100,000.

### ***Code of Ethics for Public Officials and Public Employees***

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with a negative confirmation stating that they and their immediate family members are not involved in any way with any of the vendors that the Drainage District purchases from.

3. Obtain from management a listing of all employees paid during the period under examination.

No employees.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

No employees.

#### ***Budgeting***

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

Management provided us with a copy of the original budget as well as the amended budget.

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

We traced the adoption of the original budget to the minutes of a meeting held in January 1999, and the adoption of the amended budget to the minutes of a meeting held in December, 1999.

The state budget law requires the budget each year to be adopted prior to the commencement of the year being budgeted for, therefore, the original budget was not timely adopted (Finding No. 1999-1).

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

We compared the budgeted revenues and expenditures to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by more than 5% and actual expenditures did not exceed budgeted amounts by more than 5%.

#### ***Accounting and Reporting***

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

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

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

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

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

Each of the six selected disbursements were traced to the district's minute book where they were approved by the full commission.

#### **Meetings**

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

Duralde Gravity Drainage District No. 4 is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. Management has asserted that such documents were properly posted.

#### **Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

#### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

No employees.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Duralde Gravity Drainage District No. 4 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Michael W. Johnson*

Michael W. Johnson  
Certified Public Accountant

June 15, 2000  
Eunice, Louisiana

DURALDE GRAVITY DRAINAGE DISTRICT NO. 4  
P. O. BOX 239  
MAMOU, LOUISIANA 70554

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Government)**

June 23, 2000 (Date Transmitted)

Michael W. Johnson, CPA  
P. O. Box 529  
Eunice, LA 70535  
\_\_\_\_\_  
(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [] No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No [ ]



**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [] No [ ]



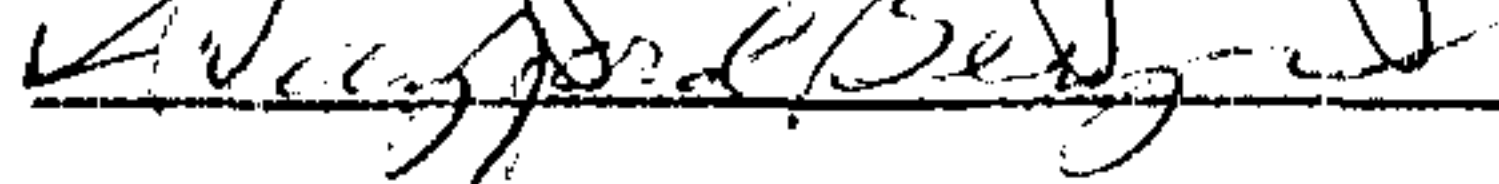
**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No [ ]

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

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

	Secretary	6-23-00	Date
	Treasurer	6-23-00	Date
	President	6-23-00	Date

DURALDE GRAVITY DRAINAGE DISTRICT NO. 4  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 1999

**Finding No. 1998-1 Budget not timely adopted**

In accordance with state budget law, management should adopt the budget each year prior to the commencement of the year being budgeted for.

Unresolved (See Finding No. 1999-1).

**Finding No. 1998-2 Failure to amend budget:**

In accordance with state budget law, management should monitor actual revenues and expenditures against budgeted amounts and amend the budget so that actual revenues do not fail to meet budgeted amounts by more than 5% and actual expenditures do not exceed budgeted amounts by more than 5%.

Resolved.

DURALDE GRAVITY DRAINAGE DISTRICT NO. 4  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED DECEMBER 31, 1999

**Finding No. 1999-1 Budget not timely  
adopted:**

In accordance with the state budget law, management should ensure that the District adopts the budget each year prior to the commencement of the year being budgeted for.

Management will ensure that the District adopts the budget each year prior to the commencement of the year being budgeted for. Management adopted the budget for the year ended December 31, 2000 prior to the commencement of the year.