

RECEIVED
LEGISLATIVE AUDITOR
26 JUL 29 AM 9 13

DEFICANT
FILE COPY
DO NOT REMOVE

When using this
copy, please
return it to the
OFFICE OF THE
LEGISLATIVE AUDITOR

LANTIERA GRAVITY DRAINAGE DISTRICT NO. 113078
OF ST. LANDRY PARISH
COUNCILMAN, LOUISIANA
ELECTIONS, DISTRICT
FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the cabinet, or cabinet, orality and other responsible public officials. This report is available for public inspection at the State House of Representatives, the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-17-96

TABLE OF CONTENTS

	<u>PAGE</u>
<u>INDEPENDENT AUDITOR'S REPORT</u>	1
<u>FINANCIAL STATEMENTS</u>	
Balance Sheets - General Fund	2
Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund	3
Notes to the Financial Statements	6-8
<u>RELATED REPORTS</u>	
Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	9-11
Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	12-13



JOHN S. DOWLING & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Lowell Gravity Drainage
District No. Eleven of St. Landry Parish
Opelousas, Louisiana

We have audited the accompanying general purpose financial statements of the Lowell Gravity Drainage District No. Eleven of St. Landry Parish, a component unit of the St. Landry Parish Police Jury as of and for the years ended December 31, 1993 and 1994. These general purpose financial statements are the responsibility of Lowell Gravity Drainage District No. Eleven's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audits 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 general purpose financial statement presentation. We believe that our audits provide 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 Lowell Gravity Drainage District No. Eleven of St. Landry Parish, as of December 31, 1993 and 1994, and the results of its operations for the years then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 17, 1996 on our consideration of the Lowell Gravity Drainage District No. Eleven of St. Landry Parish's internal control structures and a report dated June 17, 1996 on its compliance with laws and regulations.

John S. Dowling & Company

Opelousas, Louisiana
June 17, 1996

LACHELL JUVENILE COURTHOUSE DISTRICT NO. SLAVEN
 OF ST. LOUISY PARISH
 OCELOOSA, LOUISIANA
 BALANCE SHEET - GENERAL FUND
 DECEMBER 31, 1993 AND 1994

	DECEMBER 31,	
	1993	1994
ASSETS		
Cash	\$89,791	\$48,330
Checks on hand	18,389	5,658
Time deposits	139,474	261,338
Ad valorem tax receivable		
Net of allowance for uncollectibles	17,850	24,178
State revenue sharing receivable	5,330	1,884
Other assets	250	250
Total assets	\$371,074	\$343,638
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Payroll taxes payable	\$1,248	\$587
FUND EQUITY		
Fund balance		
Unreserved and undesignated	\$37,816	\$82,321
Total fund equity	\$37,816	\$82,321
Total liabilities and fund equity	\$39,064	\$82,908

The accompanying notes are an integral part of this statement.

LAWYLL CANYON WASTEWATER DISTRICT NO. ELEVEN
OF ST. LOUISBY PARISH
NEWORLEANS, LOUISIANA
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 1970 AND 1971

	DECEMBER 31,	
	1971	1970
REVENUES		
Taxes		
Property tax	316,590	285,476
Intergovernmental		
State revenue sharing	9,672	9,672
Other		
Interest	8,892	11,718
<u>Total revenues</u>	<u>335,154</u>	<u>316,866</u>
EXPENDITURES		
Current operating		
Salary of secretary/treasurer	2,480	2,480
Commissioners' per diem and expenses	3,779	4,312
Payroll taxes	445	617
Renting sewage	85,438	111,565
Engineering assistance	500	500
Sewer bond premium		76
Audit fee		1,700
Office allowances	2,200	2,373
Chemical treatment of sewage	15,780	17,385
Legal advertising		184
Miscellaneous	75	165
<u>Total expenditures</u>	<u>106,707</u>	<u>150,568</u>
GRAND TOTALS: OF REVENUES	(64,855)	(34,860)
GRAND TOTALS: OF EXPENDITURES		
FUND BALANCE, beginning of year	362,771	418,821
FUND BALANCE, end of year	297,916	383,961

The accompanying notes are an integral part of this statement.

LOWELL GRANTY DRAINAGE DISTRICT NO. ELEVEN
OF ST. LANDRY PARISH
NEWORLEANS, LOUISIANA
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1984 AND 1986

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The entity being reported on is the Lowell Granty Drainage District No. Eleven of St. Landry Parish, which is a component unit of the St. Landry Parish Police Jury. The District was created by the St. Landry Parish Policy Jury as authorized by Louisiana Revised Statute 38:1751. The District is governed by a Board of Commissioners, which consists of five commissioners appointed by the St. Landry Parish Policy Jury.

The Granty Drainage District was established for the purpose of opening and maintaining all natural drains in the district, where drainage is accomplished using the natural force of gravity.

A. BASIS OF PRESENTATION

The accounting and reporting practices of the Lowell Granty Drainage District No. Eleven of St. Landry Parish conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Police Jury is the financial reporting entity for St. Landry 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 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 St. Landry Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining 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.

**LAWTOLL SANITARY DRAINAGE DISTRICT NO. ELEVEN
OF ST. LANDRY PARISH
LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDING DECEMBER 31, 1993 AND 1994**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. REPORTING ENTITY (Continued)

2. Organizations for which the police jury does not appoint a voting majority but are financially 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 appoints a voting majority of the District's governing body and the Police Jury has the ability to impose its will on the District, the District was determined to be a component unit of the St. Landry 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 governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The fund of the District is classified as a governmental fund. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies. The fund presented in the financial statements is described as follows:

General Fund

The General Fund is the general operating fund of the Lawtoll Sanitary Drainage District No. Eleven of St. Landry Parish. It is used to account for all financial resources.

LAWTELL CEMETERY DRAINAGE DISTRICT NO. ELEVEN
OF ST. LOUIS PARISH
LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1993 AND 1994

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied in a fund is determined by its measurement focus. All governmental fund types are accounted for using a modified financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is utilized by the governmental fund types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Louisiana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned when they are measurable and available.

Purchases of various operating supplies are regarded as expenditures at the time purchased. The costs of governmental fund-type equipment are recorded as expenditures when purchased and items on hand at year-end, if any, are not recorded as assets. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

10. INVESTMENTS AND CASH

Investments are stated at cost, which approximates market.

Louisiana statutes authorize the District to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investments.

11. FIXED ASSETS AND LONG-TERM LIABILITIES

The District does not have fixed assets or long-term liabilities as of December 31, 1993 or 1994. The District does not capitalize infrastructure assets, if any.

12. BUDGETS AND BUDGETARY ACCOUNTING

The Lawtell Cemetery Drainage District No. Eleven did not adopt budgets for the years ended December 31, 1993 and 1994.

LAFAYETTE PARISH DRAINAGE DISTRICT NO. ELEVEN
OF ST. LANDRY PARISH
LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1975 AND 1976

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. ENCUMBRANCES

The District does not employ the encumbrance system of accounting.

9. DEFERRED PLAN, VACATION AND SICK LEAVE

The District does not have a pension plan or a vacation and sick leave policy. There is only one employee. This employee participated in the Social Security Retirement System.

NOTE 2 - CASH AND INVESTMENTS

As December 31, 1975 and 1976, the bank balances of cash in the NOW checking accounts were \$40,180 and \$48,338, respectively, and the certificates of deposit were \$119,474 and \$261,218, respectively. The cash and investments are fully collateralized by federal deposit insurance or by collateral pledged by the banks in the Drainage District's name.

NOTE 3 - AD VALOREM TAXES

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the District. Property taxes are due on October 1 and become delinquent by January 1 of the following year. The St. Landry Parish Sheriff bills, collects, and distributes the property taxes for the District using the assessed values determined by the Tax Assessor of St. Landry Parish.

The District was required to remit 3.01653% in 1975 and 3.0034% in 1976 of the total ad valorem taxes per the tax roll to the pension fund. This amount is determined by the legislative auditor each year. Since the Sheriff collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, the ad valorem tax receivable and revenue are shown net of pension fund distributions. A breakdown of tax receivable is as follows:

	Total For <u>Tax Roll</u>	Pension Fund <u>Requirements</u>	Amount <u>Collected</u>	Allowance For <u>Uncollectibles</u>	Tax <u>Receivable</u>
1975	\$28,312	\$840		\$402	\$27,070
1976	26,753	818	\$1,908	649	25,128

An estimated allowance for uncollectible property tax has been set up based on prior years' experience.

LAWSON GRAVITY DRAINAGE DISTRICT NO. ELEVEN
OF ST. LARRY PARISH
LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1993 AND 1994

NOTE 4 - FUND BALANCE

The General Fund does not have a deficit fund balance for the years ended December 31, 1993 and 1994.

NOTE 5 - LITIGATION

The District was defendant in one lawsuit in which damages were awarded to the Plaintiffs in the amount of \$10,373 plus legal interest on that amount from date of Judicial Demand which was August 5, 1994.

Pursuant to Article XII, Section 1546 of the Louisiana Constitution of 1974, the District is not required to pay the judgments unless funds are appropriated for payment of the judgment. As of December 31, 1993, the District had not appropriated funds for payment of this judgment.

NOTE 6 - FEE DUES

Compensation paid to board members is summarized below:

	<u>1993</u>		<u>1994</u>	
	<u>Fee</u>	<u>Travel</u>	<u>Fee</u>	<u>Travel</u>
Curtis J. Miller	\$300	110	\$450	180
Thomas Criveton	600	50	720	71
Ralph Bessier	120	91	180	87
Alexis Boudreau, Jr.	880	50	720	80
Lowell E. Marshall	<u>120</u>	<u>50</u>	<u>180</u>	<u>70</u>
Total	<u>2,400</u>	<u>350</u>	<u>2,850</u>	<u>488</u>



JOHN S. DOWLING & COMPANY
DEFERRED PUBLIC ACCOUNTANTS

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
CERTIFIED AUDITING STANDARDS

The Board of Commissioners
Lacell Gravity Drainage
District No. Eleven of St. Landry Parish
Opelousas, Louisiana

We have audited the general purpose financial statements of the Lacell Gravity Drainage District No. Eleven of St. Landry Parish, as of and for the years ended December 31, 1993 and 1994, and have issued our report thereon dated June 12, 1995.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audits to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Lacell Gravity Drainage District No. Eleven is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, actions and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audits of the general purpose financial statements of the Lacell Gravity Drainage District No. Eleven of St. Landry Parish, for the years ended December 31, 1993 and 1994, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have

The Board of Commissioners
 Lowell Grading Drainage
 District No. Eleven of St. Landry Parish
 Page 2

been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Disbursements and Deposits

Condition: Payroll taxes were not properly remitted on a timely basis. Property tax, state revenue sharing and reimbursement checks received were not deposited on a timely basis.

Criteria: Disbursements must be adequately controlled in order to ensure that disbursements are made in accordance with the proper laws and Board direction. Deposits must be made in a timely manner.

Effect: The Drainage District will owe penalties and interest on payroll taxes not properly and timely remitted. By not depositing checks received on a timely basis, the DISTRICT does not have use of this money for drainage purposes and they are not earning interest on this money.

Inadequate Segregation of Accounting Functions

Condition: Due to the small number of employees, the Lowell Grading Drainage District No. Eleven did not have adequate segregation of functions within the accounting system.

Criteria: An entity should have an adequate segregation of accounting functions.

Effect: Based upon the size of the operation and the cost-benefit of additional personnel, it is not feasible to achieve complete segregation of duties within the accounting system.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose 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.

The Board of Commissioners
Louisiana Security Exchange
Directed Mr. Klaves of St. Landry Parish
Page 3

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable conditions described above are material weaknesses.

This report is intended solely for the information of management and the appropriate regulatory agency. However, this report is a matter of public record and its distribution is not limited.

John S. Dowling & Company

Opinionat, Louisiana
June 17, 1996



JOHN S. BOWLING & COMPANY
 CERTIFIED PUBLIC ACCOUNTANTS

ACCOMPLISHMENT OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
MADE IN ACCORDANCE WITH
FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

The Board of Commissioners
 Lowell Gravity Drainage
 District No. Eleven of St. Landry Parish
 Opelousas, Louisiana

We have audited the general purpose financial statements of Lowell Gravity Drainage District No. Eleven of St. Landry Parish, as of and for the years ended December 31, 1993 and 1994, and have issued our report thereon dated June 17, 1996.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audits to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Lowell Gravity Drainage District No. Eleven of St. Landry Parish is the responsibility of Lowell Gravity Drainage District No. Eleven of St. Landry Parish's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the Lowell Gravity Drainage District No. Eleven's 1993 or 1994 financial statements.

The Board of Commissioners
 Lowell Gravity Drainage
 District No. Eleven of St. Landry Parish
 Page 2

Forming a Budget

Condition: A budget for the General Fund for 1993 and 1994 was not prepared.

Criteria: LA R.S. 39:1901 states that each political subdivision shall prepare a budget for the General Fund.

Effect: Actual revenues and expenditures of the General Fund were not compared to budgeted revenues and expenditures, which did not allow management to plan the actions necessary for achieving desired or anticipated results.

Timely Deposits

Condition: Deposits were not made on a timely basis. Property tax and state revenue sharing remittances from the St. Landry Parish Sheriff and Ex-Officio Tax Collector dated 2/18/93 thru 2/17/93 were not deposited until the report date of June 17, 1994. Reimbursement checks received from the Secretary at the April 25, 1994 Board meeting were not deposited in 1993 or 1994.

Criteria: LA R.S. 39:3212 states that all funds shall be deposited daily whenever practicable.

Effect: There is risk of loss from burglary, misplacement or misappropriation. The Drainage District does not have use of these funds and they are not earning interest for the District.

We considered these instances of noncompliance in forming our opinion on whether Lowell Gravity Drainage District No. Eleven of St. Landry Parish's 1993 and 1994 general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated June 17, 1994, on these general purpose financial statements.

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

John S. Dawling & Company
 Accountants, Louisiana
 June 17, 1994