

ZACHARY TAYLOR PARKWAY COMMISSION
BATON ROUGE, LOUISIANA
FINANCIAL STATEMENTS
JUNE 30, 1997

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Release Date 2-18-98

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ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana
Financial Statements
As of and for the Year Ended June 30, 1997

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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Mr. J. Curtis Jellis, Chairman
Zachary Taylor Parkway Commission
Houma Rouge, Louisiana 70095

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of The Zachary Taylor Parkway Commission and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions and the Zachary Taylor Parkway Commission's compliance with certain laws and regulations during the year ended June 30, 1997 included in the accompanying Louisiana Association 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, we make no representation regarding the sufficiency of the procedures described below either for the purposes 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 \$5,000, or public works exceeding \$50,000, 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 fiscal year ended June 30, 1997 for materials and supplies exceeding \$5,000 or for public works exceeding \$50,000.

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 listing of board members. Questionnaires regarding related party interest were completed by each of the board members and their alternates.

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

The Commission had no employees during the fiscal year ended June 30, 1997.

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

This step is inapplicable as the Commission had no employees during the fiscal year ended June 30, 1997, as noted in Item 3 above.

BUDGETING

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

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 on July 26, 1997, which indicated that the budget had been adopted by a unanimous vote of the members of the board. No amendments were made to the budget during the year.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year 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.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the chairman of the Board and/or another officer or member of the Board.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by USA-RS 42-1 through 42-12.

The Zachary Taylor Parkway Commission is only required to post a notice of each meeting and the accompanying agenda on the date of the Commission's office facility. Management has asserted that such notices are properly posted; however we could find no evidence supporting such assertion other than copies of the notices and agendas. The files indicated that such notices and agendas are mailed to each of the members approximately 30 days in advance.

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 for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

This step is inapplicable as the Commission had no employees during the fiscal year ended June 30, 1987, as noted in Item 3 above.

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 reported to you.

This report is intended solely for the use of management of the Zachary Taylor Parkway Commission 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.



ERICOSTE & COMPANY
Certified Public Accountants
Monroeville, Louisiana
December 17, 1987

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Mr. J. Curtis Jelle, Chairman
Zachary Taylor Parkway Commission
Baton Rouge, Louisiana

We have compiled the accompanying balance sheet of the Zachary Taylor Parkway Commission as of June 30, 1997 and the related statement of revenues, expenditures, and changes in fund balance, 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Ducote & Company

DUCOTE & COMPANY
Certified Public Accountants
Marksville, Louisiana
December 17, 1997

ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana

GOVERNMENTAL FUND - GENERAL FUND
BALANCE SHEET
June 30, 1997

ASSETS

Cash	\$ 99,572
Total Assets	<u>\$ 99,572</u>

LIABILITIES AND FUND BALANCE

Liabilities	\$ 17,601
Fund Balance - unreserved and undesignated	<u>81,971</u>
Total Liabilities and Fund Balance	<u>\$ 99,572</u>

See accountants' compilation report and the accompanying notes.

ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana

GOVERNMENTAL FUND-GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental Revenue:			
State appropriation	\$100,000	\$100,000	\$ -
Innocent earnings	-----	833	833
Total Revenue	<u>100,000</u>	<u>100,833</u>	<u>833</u>
EXPENDITURES			
Education and protection	30,000	12,243	17,757
Administrative services	7,500	6,345	1,155
Legal services	8,500	8,471	29
Equipment	5,000	-	5,000
Other	<u>9,000</u>	<u>833</u>	<u>8,167</u>
Total Expenditures	<u>100,000</u>	<u>27,862</u>	<u>72,138</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>1,000</u>	72,971	<u>\$ 73,971</u>
FUND BALANCE, BEGINNING OF YEAR			

FUND BALANCE, END OF YEAR			
		<u>\$ 73,971</u>	

See accountants' compilation report and the accompanying notes.

ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 1987

INTRODUCTION

The Zachary Taylor Parkway Commission was created by Act No. 288 of the State of Louisiana Legislature on June 11, 1975. The purpose of the Commission is to serve as the managing agency of the Zachary Taylor Parkway District and to be the official repository for information relating to and about the promotion and public education of the planning and designing of the Zachary Taylor Parkway. The district comprises the geographical territory of the parishes of Arcyolaia, East Feliciana, Pointe Coupee, Rapides, St. Helena, Washington, West Feliciana, and that portion of Tangipahoa which lies north of Louisiana Highway 40.

The Commission is composed of members from each of the parishes which comprise the district. Each parish also has an alternate member appointed to the Commission who is allowed to vote in the absence of the appointed member. Members to the Commission are appointed by the governing body of the parish they represent and are required to be a registered voter and cannot be a member of the parish's governing body.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Zachary Taylor Parkway Commission have been prepared in conformity with generally accepted accounting principles (GAAP) as applied 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 an independent district created by the State of Louisiana, the Zachary Taylor Parkway Commission is considered to be a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, (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.

ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. REPORTING ENTITY (continued)

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of Zachary Taylor Parkway Commission 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 Commission to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to the Commission.
2. Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Commission.
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.

The Zachary Taylor Parkway Commission is an independent district, created by State Statute, covering an eight parish territory. The members to the Commission are appointed by the governing authority of the parish they represent and each of the parishes in the District appoint one member and one alternate member to the Commission. However, no parish authority exercises control over the Commission, nor is the Commission fiscally dependent on any parish authority. Based on the above criteria, the Zachary Taylor Parkway Commission was determined not to be a component unit of any organization or to be the oversight entity for any component unit. The accompanying financial statements present information only on the funds maintained by the Zachary Taylor Parkway Commission.

ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING

The Commission 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 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.

B. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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 operating statement presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures.

REVENUES

Revenues are recognized when they become measurable and available to net current assets.

EXPENDITURES

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred.

ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETS

In accordance with Louisiana R. S. 39:1303, the Zachary Taylor Parkway Commission is a political subdivision within the meaning of the Louisiana Government Budget Act. However, since the total proposed expenditures for the fiscal year are below \$250,000, the Commission is not subject to the public participation laws with respect to the adoption of its annual operating budget. The Commission formally adopted its budget for the June 30, 1997 fiscal year by resolution at its July 28, 1996 meeting.

NOTE 2 - CASH

At year-end, June 30, 1997, cash consisted of deposits with banks, with a book value of \$80,572.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balance) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged 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 in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1997 the district had \$80,572, respectively, in deposits (collected bank balances). The entire bank balance was covered by Federal Depository Insurance.

NOTE 3 - CONTRACTS AND COMMITMENTS

On August 15, 1986, the Commission entered into a one year contract with the Zachary Taylor Parkway Association for management services. The Zachary Taylor Parkway Association is a nonprofit corporation, whose primary purpose is the gathering and disseminating information relative to the improvement of highway transportation along the LA Highway 1 - LA Highway 10 corridor. The contract provides that the Association provide the Commission with administrative and management services for a fee of \$600 per month plus certain expenses. Also, the contract is subject to termination if at any time the non-availability of funds precludes payment to be made in accordance with contract provisions.

ZACHARY TAYLOR PARKWAY COMMISSION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 1997

NOTE 3 - CONTRACTS AND COMMITMENTS (continued)

On August 16, 1996, the Commission entered into a contract for legal services with Ellis C. Magre, Attorney at Law. The contract expires on June 30, 1999, but may be terminated by either party with a thirty day notice. The contract provides a billing rate of \$50 per hour plus reasonable and necessary out of pocket costs; however the total of all monies paid will not exceed \$4,500 for the fiscal year ended June 30, 1997 and \$12,500 for subsequent fiscal years.