

LEBLAND AND CARPENTER  
A CORPORATION OF DELAWARE PUBLIC ACCOUNTANTS  
INCORPORATED, P.O. BOX 6627  
MORGAN CITY, LOUISIANA 70301

PHONE (504) 836-1000  
FACSIMILE (504) 836-1000

ORDER 2007/00000/LEBLAND CPA  
ISSUANCE 2007/00000/CPA

ISSUED  
ANNUAL FINANCIAL STATEMENTS OF  
THE CITY OF LOUISIANA  
CITY OF LOUISIANA  
FINANCIAL STATEMENTS

COMMENTS TO MANAGEMENT

To the Board of Directors  
Gravity Drainage DISTRICT No. 5  
Parish of St. Mary  
Morgan City, Louisiana

During the performance of our audit of the Gravity Drainage District No. 5 for the year ending September 30, 1996, we noted certain immaterial instances of noncompliance with state laws that were clearly inconsequential to the audit results. However, we feel these instances of noncompliance should be communicated to the Board of Commissioners for future reference.

BUDGET AMENDMENT

In accordance with LSA-R.S. 49:1109, where the governing authority (Board of Commissioners) has received notice of a five percent variance or there has been a change in operations upon which the original adopted budget was developed, the governing authority must adopt a budget amendment. During 1996 the Board should have become aware that there was a greater than five percent variance in revenues and expenditures as originally budgeted and should have adopted a budget amendment to reflect these changes.

Management responds that the adopted budget is employed as a management planning and control device during the year and was aware that total revenues were greater than budgeted and total expenditures were less than budgeted. The present accounting and reporting procedures of the District do not facilitate the preparation of budget/actual comparisons on an interim basis, nor is personnel available to prepare such comparisons. The Board is aware and constantly monitors the requirement that expenditures shall not exceed the total of estimated funds available for the fiscal year.

These comments regarding immaterial instances of noncompliance have been made to management for future reference in planning and monitoring the activities of the Gravity Drainage District No. 5.

*LeBlanc and Carpenter*

Morgan City, Louisiana  
January 24, 1997

COMMENTS TO MANAGEMENT

We noted certain immaterial instances of noncompliance that we have reported to the management of Greedy Drainage District No. 2 in a separate letter dated January 24, 1997.

This report is intended solely for the use of management and the St. Mary Parish Council and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the St. Mary Parish Council is a matter of public record.

*LeBlanc and Carpenter*

Morgan City, Louisiana  
January 24, 1997

**LEBLANC AND CARPENTER**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS  
1100 ORCHARD STREET  
MONROE CITY, LOUISIANA 70501

PHONE (504) 335-1222  
FACSIMILE (504) 335-1222

BOB J. ZIMMER, CPA  
THOMAS A. CARPENTER, CPA

MEMBER  
NATIONAL ASSOCIATION OF  
CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER  
SOCIETY OF CHARTERED  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
BASED ON AN ASSESSMENT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
Gravity Drainage District No. 5  
Parish of St. Mary  
Monroe City, Louisiana

We have audited the general purpose financial statements of the Gravity Drainage District No. 5, a component unit of the Parish of St. Mary, State of Louisiana as of and for the years ended September 30, 1988 and 1989, and have issued our report thereon dated January 24, 1997.

We conducted our audit in accordance with generally accepted auditing standards and 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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Gravity Drainage District No. 5 is the responsibility of Gravity Drainage District No. 5's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Gravity Drainage District No. 5'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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

**FROM AUDIT FINDINGS**

None.

GRAVITY DRAINAGE DISTRICT NO. 6  
OF THE  
PARISH OF ST. MARY  
STATE OF LOUISIANA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

PERIODS ENDED SEPTEMBER 30, 1996 AND 1995

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 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 financial statements.

Our examination disclosed that there is very little segregation of duties within the District's accounting function, particularly in the areas of cash receipts, bank reconciliations, cash disbursements, general ledger and journal entries. This weakness is due to the fact that the District employs only one person in the bookkeeping function. Due to the lack of segregation of duties, possible errors or irregularities could occur in the accounting records and not be detected. Understandably, due to the limited number of accounting personnel, the most ideal system of internal control or the most desirable accounting system may not be practicable. Also, the cost of additional employees might exceed any benefits gained. The management of the District is well aware of the loss of internal control that results with their limited staff and are constantly on watch for any problems that would arise.

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.

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 none of the reportable conditions described above is a material weakness.

This report is intended solely for the use of management and the St. Mary Parish Council and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the St. Mary Parish Council is a matter of public record.

*LeBlanc and Company*

Monroe City, Louisiana  
January 28, 1997

**LEBLANG AND CARPENTER**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS  
214 BRIDGEMIST, P.O. DRAWING 5401  
MOBILE CITY, LOUISIANA 70003

Phone: (504) 835-2222  
Fax: (504) 835-2222

BOBY JOHNSON, LEBLANG, CPA  
THOMAS H. CARPENTER, CPA

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER  
SOCIETY OF COST ACCOUNTANTS  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN ASPECT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT ACCOUNTING STANDARDS**

Board of Commissioners  
Gravity Drainage District No. 5  
Parish of St. Mary  
Morgan City, Louisiana

We have audited the general purpose financial statements of the Gravity Drainage District No. 5, a component unit of the Parish of St. Mary, State of Louisiana for the years ended September 30, 1996 and 1995, and have issued our report thereon dated January 24, 1997.

We conducted our audit in accordance with generally accepted auditing standards and 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 financial statements are free of material misstatement.

The management of Gravity Drainage District No. 5 is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates 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 audit of the general purpose financial statements of Gravity Drainage District No. 5 for the years ended September 30, 1996 and 1995, we obtained an understanding

GRAVITY DRAINAGE DISTRICT NO. 5  
OF THE  
PARISH OF ST. MARY  
STATE OF LOUISIANA

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

PERIODS ENDED SEPTEMBER 30, 1996 AND 1995



## NOTE 1 - BOND PAYABLE AND INTEREST PAYABLE (CONTINUED)

Group. The following schedule reconciles 1995 bond principal and interest recorded as expenditures:

	Principal	Interest	Outstanding at 9-30-96	
			Principal	Interest
Paid March 1, 1995	\$ 55,000	\$ 4,819	\$ --	\$ --
Paid September 1, 1995	--	3,300	--	--
Due March 1, 1996	68,000	3,300	--	--
Due September 1, 1996	--	1,850	--	--
Due March 1, 1997	<u>68,000</u>	<u>1,850</u>	<u>68,000</u>	<u>1,850</u>
TOTAL	\$175,000	\$ 18,713	\$ 68,000	\$ 1,850

## NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 2-28-79	Additions	Deletions	Balance 2-28-80
Drainage property, equipment and improvements	\$2,345,660	\$ --	\$ --	\$2,345,660
Total General Fixed Assets	\$2,345,660	\$ --	\$ --	\$2,345,660

A summary of sources of investment in general fixed assets follows:

	Balance 2-28-79	Additions	Deletions	Balance 2-28-80
Federal Grant	\$ 992,886	\$ --	\$ --	\$ 992,886
General obligation drainage bond	700,800	--	--	700,800
Operation & Maintenance Fund	637,972	--	--	637,972
St. Mary Parish Police Jury	15,002	--	--	15,002
Total Investment in General Fixed Assets	\$2,345,660	\$ --	\$ --	\$2,345,660

All drainage system property, equipment and improvements are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

## NOTE 5 - BONDS PAYABLE AND INTEREST PAYABLE

General Obligation Drainage Bonds dated June 1, 1977 are secured by ad valorem taxes assessed on all property in the Gravity Drainage District No. 5 of the Parish of St. Mary, Louisiana. Unmatured general long-term debt is generally accounted for in the General Long-Term Debt Account Group. However, as of September 30, 1980, the District had accumulated sufficient resources in the debt service fund to retire all general long-term debt principal and interest outstanding on the 1977 General Obligation Drainage Bonds. Therefore, the remaining principal and interest was recorded as 1980 debt service fund expenditures and fund liabilities. The principal amounts have been removed from the General Long-Term Debt Account.

NOTE C - AS VALUERS TRASS RECEIVABLE (CONTINUED)

For the years ended September 30, 1996 and 1995 the following tax mills were authorized for levy and dedicated as follows:

	1996	1995
Operation and maintenance fund	12.8 mills	12.8 mills
Debt service fund	<u>  .8 mills</u>	<u>  5.1 mills</u>
Total	12.8 mills	17.1 mills

NOTE D - CONTRACTS PAYABLE

The District had approved a contract with a local contractor to perform repairs to the pump pit at a pump station. The total contract amount was \$8,886.68 and had a balance of \$8,478.28 unpaid at September 30, 1995. The repairs under contract was completed in January, 1996.

NOTE E - OPERATION AND MAINTENANCE MILLAGE AGREEMENT

On October 24, 1983, a proposition to levy a twelve mills tax on all property subject to taxation in said Gravity Drainage District No. 5 passed. The tax levy will be for a period of ten years beginning with the year 1988, ending with the year 1997, for the purpose of constructing, maintaining, and operating the drainage system of the district.

NOTE F - BOARD OF COMMISSIONERS AND PER DIEM ALLOWANCE

As of September 30, 1986 or during the year then ended, the following individuals served on the Board of Commissioners and was paid per diem allowances as scheduled.

Name	Months of Service	Per Diem Received
Bob Beest	12	\$ 700
Archib Vinling	7	\$ 455
Kevin Landry	12	\$ 780
Mandel Wilson	12	\$ 780
Pete Covington	12	\$ 325
Carl Braemer	5	<u>  325</u>
		\$1,445

NOTE G - ST. MARY PARISH COUNCIL GRANT

During the year ended September 30, 1986, the District received \$2,000 in a grant from the St. Mary Parish Council for reimbursement of funds spent on an engineering survey and study of the Nyaardotta area to determine what type of problems exist and what improvements can be made to the drainage system to provide some relief to flooding experienced in that area by residents and businesses. In regard to all grant monies received, the District complied with the specific requirements for expenditure of the funds received.

NOTE B - CASH AND INVESTMENTS (CONTINUED)

Category 3 - Uncollateralized (this includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the District's name)

Cash and investments stated at cost consist of the following:

	Operation & Maintenance	Debt Service	Total
Cash - Checking	\$ 5,168	\$ --	\$ 5,168
Money market checking	18,483	25,553	44,044
certificate of deposit	--	48,028	48,028
Total cash and investments	\$ 43,651	\$ 73,581	\$117,232

Cash and investments categorized by level of risk are:

Accounts insured by the FDIC or collateralized with securities held by the District in its name	\$128,284
Accounts collateralized with securities held by the pledging financial institution's trust department in the District's name	--
Uncollateralized	-----
Total cash and investments	\$128,284

NOTE C - AD VALOREM TAXES RECEIVABLE

Ad valorem taxes receivable is calculated as nine twelfths of the amount estimated to be levied and collected from the taxpayers for 1996 property taxes that accrue daily and are collectible based on a one-year availability period after year-end. The St. Mary Parish Sheriff bills and collects property taxes for the District using the assessed values determined by the tax assessor of St. Mary Parish.

Taxes receivable for the years ended September 30, 1996 and 1995 are as follows:

	1996	1995
Operation and maintenance fund	\$45,036	\$46,287
Debt service fund	--	12,816
Total	\$45,036	\$59,103

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets

All items of property, plant and equipment are recorded in the general fixed assets group of accounts. Such assets are maintained on the basis of original cost less paid plus trade-in allowance, if applicable and no depreciation is computed or recorded thereon. Donated fixed assets are valued at their estimated fair market value on the date donated.

Bad Debts

Uncollectible amounts due for ad valorem taxes are recognized as bad debts in the year they are deemed uncollectible. The failure to utilize the allowance method to account for bad debts is not material to the financial statements.

Total Columns on the Combined Financial Statements

The total columns on the Combined Balance Sheet and the combined Statement of Revenues, Expenditures and Changes in Fund Balances are captioned Memorandum Only to indicate it is presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position 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.

NOTE B - CASH AND INVESTMENTS

The Gravity Drainage District No. 2 may invest in time deposits or certificates of deposits of state banks or savings and loan associations or savings banks organized under Louisiana law and national banks having principle offices in Louisiana. At present all of the District's cash and investments are in demand deposits and certificates of deposit. State law requires that deposits be fully collateralized at all times. Acceptable collateralization includes the \$100,000 FDIC/FSTIC insurance and the market value of securities purchased and pledged. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the District or with an unaffiliated bank or trust company for the account of the District.

The District's cash and investments are recognized to give an indication of the level of risk assumed by the District as September 30, 1994.

Category 1 - Insured or collateralized with securities held by the District or by its agent in the District's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.

Basis of Accounting (Continued)

availability period after year-end. AMORTIZATION AND DISCOUNT when the related FUND LIABILITY is incurred except that principal and interest on general long-term debt is recognized when due.

Budgets and Budgetary Accounting

The Gravity Drainage District No. 5 follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Formal budgetary integration is employed as a management control device during the year for the Operations and Maintenance Fund. The budget is prepared and adopted on a basis consistent with generally accepted accounting principles (GAAP), which for the operations and maintenance fund is the accrual basis of accounting.
- b. The Operations and Maintenance Fund Statement of Income, Expenses, and Changes in Retained Earnings - Budget and Actual presents comparisons of legally adopted budgets with actual data on a budgetary basis.
- c. The District approves and adopts total budget revenue and expenditures only. The District transfers budget amounts between expenditure classifications within the fund. Therefore, the level of budgetary responsibility is by total expenditures; however, for report purposes, this level has been expanded to classifications of expenditures. Unused appropriations lapse at the end of the year.

Cash and Investments

Cash includes amounts in demand deposit, checking and money market checking accounts.

State statutes authorize the District to invest in direct obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of principal and interest on such obligations is fully guaranteed by the United States; obligations of U.S. government instrumentalities which are federally sponsored; direct security repurchase agreements of obligations of the U.S. Treasury or U.S. government instrumentalities; time certificates of deposit or savings accounts; and mutual or trust fund institutions which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

Investments are stated at cost or amortized cost when applicable.

Fund Accounting (Continued)

expenses, as appropriate. An account group is a self-balancing set of accounts used for financial reporting purposes 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 funds are grouped by fund type and classified into three broad fund categories: governmental, proprietary and fiduciary. There are two account groups. The funds and account groups presented in these financial statements are described below.

GOVERNMENTAL FUNDS are accounted for on a current financial resources measurement focus. The balance sheets generally contain only current assets and current liabilities. The reported fund balance (net current assets) is a measure of "available spendable resources." Governmental funds' operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) of net current assets during a period.

THE OPERATION AND MAINTENANCE FUND is the general operating and administrative fund of the District. It accounts for all financial resources except those required to be accounted for in another fund or account group.

THE DEBT SERVICE FUND is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT ACCOUNT GROUPS are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

THE GENERAL FIXED ASSETS ACCOUNT GROUP is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

Basis of Accounting

THE MODIFIED ACCRUAL BASIS OF ACCOUNTING is used by all governmental funds types. Under the modified accrual basis of accounting, REVENUES ARE RECOGNIZED when susceptible to accrual (that is, when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers ad valorem taxes as available based on a one-year

GRAVITY DRAINAGE DISTRICT NO. 5 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA

Notes to Financial Statements

September 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Gravity Drainage District No. 5 was created and established pursuant to the provisions of an ordinance adopted by the St. Mary Parish Police Jury, in compliance with the provisions of Louisiana Revised Statutes. The District is managed by five board of commissioners as appointed by the St. Mary Parish Council. The District has full power and authority to drain lands in the District by construction, maintenance and operation of gravity and/or forced drainage facilities, including drains, drainage canals, ditches, pumps and pumping plants, dikes, levees and other related works.

The financial statements of Gravity Drainage District No. 5 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices.

Reporting Entity

GASB Statement No. 14, Governmental Reporting Entity, establishes criteria for determining which organizations should be included in a governmental financial reporting entity. The focal point for defining the financial reporting entity is the primary government. The Gravity Drainage District No. 5 is a component unit of the St. Mary Parish Council (primary government) and, as such, these financial reports may be included in the CDPF of the Council for the year ended December 31, 1996. The Gravity Drainage District No. 5 has followed GASB-14 guidance to determine that there are no financial statements of other organizations that should be combined with their statements to form a financial reporting entity.

Fund Accounting

The District reports its financial position and results of operations by using funds and account groups. EACH FUND IS A SEPARATE ACCOUNTING ENTITY with self-balancing accounts that include assets, liabilities, fund equity, revenues, and expenditures, or



GRAVITY DRAINAGE DISTRICT NO. 5 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA

Operation and Maintenance Fund  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual

For the years ended September 30, 1986 and 1985

	9-30-86			9-30-85
	Budget	Actual	Favorable (Unfavorable)	Actual
<b>REVENUES</b>				
Ad valorem taxes	\$ 61,000	\$ 58,360	\$ (2,700)	\$ 61,900
Interest income	450	788	338	600
FEMA reimbursements	--	6,800	6,800	--
<b>TOTAL REVENUES</b>	<u>61,450</u>	<u>65,948</u>	<u>4,448</u>	<u>62,500</u>
<b>EXPENDITURES</b>				
Advertising	500	668	168	544
Auto and truck	800	900	100	600
Audit fees	3,100	3,100	--	3,100
Engineering consultants	1,500	6,462	(4,962)	1,296
Fuel	4,800	3,348	1,452	3,303
Insurance	14,800	7,884	6,916	11,234
Secretary and accounting	2,400	2,425	25	2,476
Maintenance labor	17,800	16,260	1,540	12,808
Office supplies	200	344	144	203
Office rent	800	557	243	699
Per diem allowance	4,800	3,445	1,355	4,390
Repairs and maintenance				
Drainage equipment	12,800	6,580	6,220	1,983
Drainage system	4,800	--	4,800	10,888
Emergency operations	15,800	1,800	14,000	875
Dilution	7,800	4,720	3,080	4,346
Drainage System Improvements				
Construction costs	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<u>86,800</u>	<u>54,739</u>	<u>32,061</u>	<u>57,928</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(24,350)	10,209	35,256	5,572
<b>APPROPRIATION OF FUND BALANCE-CASH RESERVED</b>	24,350	--	--	--
<b>FUND BALANCE BY BEGINNING OF YEAR</b>	<u>83,280</u>	<u>83,280</u>	<u>--</u>	<u>72,336</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 58,930</u>	<u>\$ 93,489</u>	<u>\$ 35,256</u>	<u>\$ 83,280</u>

See accompanying notes to financial statements.

GRAVITY DRAINAGE DISTRICT NO. 5 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balance

For the years ended September 30, 2004 and 2005

	Governmental Funds		Totals	
	Operations & Maintenance	Debt Service	(Memorandum Only) 9-30-04	9-30-05
<b>REVENUES</b>				
Ad valorem taxes	\$ 59,280	\$ 6,425	\$ 65,705	\$ 60,220
Interest income	785	4,319	5,104	6,344
St. Mary Parish Council	6,800	--	6,800	--
<b>TOTAL REVENUES</b>	<b>\$ 66,865</b>	<b>\$ 10,744</b>	<b>\$ 77,609</b>	<b>\$ 66,564</b>
<b>EXPENDITURES</b>				
Advertising	600	--	600	644
Auto and truck	900	--	900	800
Audit fees	3,100	--	3,100	3,100
Engineering consultants	6,462	--	6,462	5,296
Fuel	2,143	--	2,143	3,103
Insurance	7,688	--	7,688	12,208
Secretary and accounting	2,425	--	2,425	2,475
Maintenance labor	18,208	--	18,208	12,605
Office supplies	144	--	144	203
Office rent	557	--	557	489
Per diem allowance	3,448	--	3,448	4,259
Repairs and maintenance:				
sewage equipment	4,588	--	4,588	1,482
sewage system	--	--	--	10,089
Emergency operations	1,580	--	1,580	935
Utilities	4,722	--	4,722	4,388
sewage system				
improvements:				
Construction costs	--	--	--	--
Bond principal retirement	--	--	--	170,800
Bond interest	--	--	--	14,713
Administrative fee	--	190	190	277
<b>TOTAL EXPENDITURES</b>	<b>58,702</b>	<b>190</b>	<b>58,892</b>	<b>247,820</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>8,163</b>	<b>8,554</b>	<b>16,717</b>	<b>(182,256)</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>92,300</b>	<b>14,127</b>	<b>106,427</b>	<b>289,801</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 100,463</b>	<b>\$ 22,681</b>	<b>\$ 123,144</b>	<b>\$ 107,545</b>

See accompanying notes to financial statements.

Account Group	Totals	
	(Memorandum Only)	
	2-28-28	2-28-25
\$ --	\$ 69,284	\$ 45,937
--	60,180	115,180
--	46,838	69,988
--	6,838	3,220
<u>\$ 2,345,668</u>	<u>\$ 2,345,668</u>	<u>\$ 2,345,668</u>
\$2,345,668	\$2,325,945	\$2,375,728
-----	-----	-----
\$ --	1,219	1,664
--	--	4,878
--	60,000	120,000
<u>--</u>	<u>1,638</u>	<u>6,542</u>
<u>--</u>	<u>82,882</u>	<u>132,732</u>
--	22,991	14,127
<u>2,345,668</u>	<u>2,345,668</u>	<u>2,345,668</u>
<u>--</u>	<u>81,526</u>	<u>81,328</u>
<u>\$ 2,345,668</u>	<u>\$ 2,427,194</u>	<u>\$ 2,427,194</u>
\$2,345,668	\$2,325,945	\$2,375,728
-----	-----	-----

See accompanying notes to financial statements.

GRAVITY DRAINAGE DISTRICT NO. 8 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA

Combined Balance Sheet - All Fund Types and Account Group

September 30, 1996

	<u>Governmental Funds</u>	<u>Debt</u>
	<u>Operation &amp; Maintenance Fund</u>	<u>Service Fund</u>
<b>ASSETS</b>		
Cash	\$43,653	\$25,554
Investments, at cost	--	40,000
Receivables		
Ad valorem taxes	48,034	0
Prepaid insurance	8,036	--
Drainage property, equipment and improvements	--	--
<b>TOTAL ASSETS</b>	<b>\$99,723</b>	<b>\$65,554</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 1,218	\$ --
Contracts payable	--	--
Bonds payable	--	60,000
Interest payable	--	1,554
<b>TOTAL LIABILITIES</b>	<b>1,218</b>	<b>61,554</b>
<b>FUND BALANCE</b>		
Fund balance - unreserved	--	25,554
Investment in fixed assets	--	--
Fund balance	<u>20,306</u>	<u>--</u>
<b>TOTAL FUND BALANCE</b>	<b>20,306</b>	<b>25,554</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$99,723</b>	<b>\$65,554</b>

**LEBLANG AND CARPENTER**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS  
200 BUREAU ST., FPO BOX 1048  
MORGAN CITY, LOUISIANA 70381

PHONE 336-9300  
FAX 336-934-0000

JOHN JACQUES LEBLANC, CPA  
TREASURER & CARPENTER, CPA

**MEMBER**  
ASSOCIATION OF  
CERTIFIED PUBLIC ACCOUNTANTS  
—  
SOCIETY OF CHARTERED  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Gravity Drainage District No. 5  
Parish of St. Mary  
Morgan City, Louisiana

We have audited the accompanying general purpose financial statements of Gravity Drainage District No. 5, a component unit of the Parish of St. Mary, State of Louisiana, as of and for the years ended September 30, 1996 and 1995, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 audit provides a reasonable basis for our opinion.

In our opinion, the component unit general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Gravity Drainage District No. 5 as of September 30, 1996 and 1995, 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 January 24, 1997 on our consideration of Gravity Drainage District No. 5's internal control structure and a report dated January 24, 1997 on its compliance with laws and regulations.

*LeBlanc and Carpenter*

Morgan City, Louisiana  
January 24, 1997

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT. . . . .	1
GENERAL PURPOSE FINANCIAL STATEMENTS (Combined Statements - Overview)	
Combined Balance Sheet-All Fund Types And Account Group . . . . .	2-3
Combined Statement Of Revenues, Expenditures, And Changes In Fund Balances. . . . .	4
OPERATION AND MAINTENANCE FUND Statement of Revenues, Expenditures, And Changes In Fund Balance - Budget and Actual . . . . .	5
Notes To Financial Statements . . . . .	6-13
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> . . . . .	14-15
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u> . . . . .	16-17
COMMENTS TO MANAGEMENT. . . . .	18

1412

PROPERTY  
TERRITORIAL ARCHIVES  
ST JULIO 21 1933

NATIONAL  
FILE COPY  
DO NOT REMOVE

EXACT REPRODUCTION  
MADE FROM THE  
ORIGINAL FILED  
IN 1933

GRAVITY TANKERS DISTRICT NO. 5  
OF THE  
PARISH OF ST. MART  
STATE OF LOUISIANA

REPORT ON ADMINISTRATION OF  
FINANCIAL STATEMENTS

FOR THE YEARS ENDED  
OCTOBER 30, 1936 AND 1935

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or reviewer, county and other responsible public officials. This report is available for public inspection at the District Energy Office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: FEB 24 1937