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**GRAVITY DRAINAGE DISTRICT NO.3
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana**

**Annual sworn Component Unit Financial Statements
December 31, 1997**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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: 8-1-1998

GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
JENNINGS, LOUISIANA

ANNUAL SWORN COMPONENT UNIT FINANCIAL STATEMENTS
DECEMBER 31, 1997

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TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

February 20, 1998

Office of Legislative Auditor
Attention: Ms. Dorothy Milner
1600 North Third
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Ms. Milner:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Jefferson Davis Parish Gravity Drainage District No. 9 as of and for the fiscal year ended December 31, 1997. 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,



Signature

Enclosure

GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
Bossier, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS AND CERTIFICATION OF
REVENUES \$50,000 OR LESS (if applicable)

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513 (D)(6)(g).

AFFIDAVIT

Personally came and appeared before the undersigned authority, Rolland McCown (name) who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Gravity Drainage District No. 9 as of December 31, 1997 and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

(Complete if applicable)

In addition, Rolland McCown (name), who, duly sworn, deposes and says that the Gravity Drainage District No. 9 received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 1997, and, accordingly, is not required to have an audit for the previously mentioned fiscal year-end.


Signature

Sworn to and subscribed before me, this 26th day of February, 1998


NOTARY PUBLIC

Officer Rolland McCown
Address 715 East Derouen
Welsh, LA 70591
Telephone No. 518-734-2722

Mike B. Gillespie, CPA

(A Professional Accounting Corporation)

112 West Plaquemine Street, Suite B

PO Box 1307, Jennings, L.A. 70501

Phone (504) 834-7773

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Gravity Drainage District #9
Jefferson Davis Parish, Louisiana

I have compiled the accompanying annual sworn component unit financial statements of the Gravity Drainage District No.9, a component unit of the Jefferson Davis Parish Police Jury, as of December 31, 1997, and for the year 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 annual sworn component unit statements and, accordingly, do not express an opinion or any other form of assurance on them.



Mike B. Gillespie, CPA

Jennings, Louisiana
February 28, 1998

GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
Bossier, Louisiana

GENERAL FUND
Balance Sheet as of December 31, 1997

ASSETS	
Cash and cash equivalents	\$ 4,064
Investments	<u>82,660</u>
TOTAL ASSETS	\$ <u>86,724</u>
LIABILITIES AND FUND EQUITY	
Fund Equity:	
Fund balance-unreserved-undesignated	\$ <u>86,724</u>
Total Fund Equity	<u>86,724</u>
TOTAL LIABILITIES AND FUND EQUITY	\$ <u>86,724</u>

See Accompanying Notes And Accountant's Report.

GRAVITY DRAINAGE DISTRICT NO.5
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana

GENERAL FUND
Statement of Revenues, Expenditures, and Change in Fund Balance
For the Year Ended December 31, 1997

REVENUES		
Ad valorem taxes, penalties, and interest	\$	43,368
Interest earnings		<u>3,812</u>
Total Revenues		<u>47,180</u>
EXPENDITURES		
Board per diem payments		1350
Advertising, dues, and subscriptions		96
Permits, Fees and Licenses		25
Professional services		1800
Operating services-contractors		38,627
Operating supplies and materials		6,446
Other expenditures		-0-
Intergovernmental:		
Deduction from ad valorem taxes-penalty		<u>1,318</u>
Total Expenditures		<u>49,382</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(2,202)
FUND BALANCE AT BEGINNING OF PERIOD		<u>90,386</u>
FUND BALANCE AT END OF PERIOD	\$	<u>88,184</u>

See Accompanying Notes And Accountant's Report.

**GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON RAYNE PARISH POLICE JURY
Jennings, Louisiana**

GENERAL FUND

**Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31,1997**

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Ad valorem taxes, penalties, and interest	\$ 41,500	\$ 43,248	\$ 1,748
Interest earnings	0-	3,012	3,012
Total Revenues	<u>41,500</u>	<u>46,260</u>	<u>4,760</u>
EXPENDITURES			
Board per diem payments	2,000	1,550	450
Advertising, dues, and subscriptions	100	90	10
Fees, Fom and Licenses	0-	25	(25)
Professional services	1,000	1,800	(800)
Operating services and materials	13,200	45,073	(11,873)
Other expenditures	3,500	0-	3,500
Intergovernmental:			
Deduction from ad valorem taxes-penalty	1,300	1,318	(18)
Total Expenditures	<u>41,300</u>	<u>49,822</u>	<u>(8,522)</u>
EXCESS OF REVENUES OVER EXPENDITURES	0-	(3,582)	(3,582)
FUND BALANCE AT BEGINNING OF PERIOD	<u>90,306</u>	<u>90,306</u>	<u>0-</u>
FUND BALANCE AT END OF PERIOD	<u>\$ 90,306</u>	<u>\$ 86,724</u>	<u>\$ (3,582)</u>

See Accompanying Notes And Accountant's Report.

**GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 1997**

INTRODUCTION

The Gravity Drainage District #9 (District) was created by the Jefferson Davis Parish Police Jury pursuant to LSA-RS 48:1751 to 1904. The District primarily has the power and authority, within its boundaries, to plan, construct, maintain and operate such works of improvement as land treatment for watershed protection, flood prevention works, irrigation improvements, recreation, municipal and industrial water storage, and fish and wildlife developments.

Under the provisions of LSA-RS 48:1758, the District shall be governed and controlled by five commissioners who shall be the governing authority of the district. These commissioners or their spouses must own at least five hundred dollars in real estate in the district, or they must be the representative of some corporation owning at least five hundred dollars in real estate in the district. Each commissioner shall serve a term of four years. In the absence of any petition or recommendation, the police jury may appoint commissioners at their discretion.

The District does not have an established office location, but advertises the location of its monthly meetings in a local newspaper. The District does not have any office staff.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements 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

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the police jury is determined on the basis of the following criteria:

**GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 1997**

1. *Appointment of governing board*
2. *Designation of management*
3. *Ability to significantly influence operations*
4. *Accountability for fiscal matters*
5. *Scope of public service*

Because the police jury appoints members of the board and has the ability to significantly influence operations, the District was determined to be a component unit of the Jefferson Davis Parish Police Jury, the governing body of the parish with the oversight responsibility. The accompanying financial statements present information only on the funds maintained by the District and do not present information of the Police Jury, the general government services provided by that governmental unit, or the other governmental unit, or the other governmental units that comprise the governmental reporting entity.

C. FUND ACCOUNTING

The District uses a fund (General Fund) to report on its financial position and the results of its operations. The District has no fixed assets or long-term debt, therefore it has not used an account group in its financial presentation. 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 general fund of the District is classified as a governmental fund. The general fund is the general operating fund of the District and accounts for all financial activities of the District, including acquisition of general fund assets and servicing of general long-term obligations.

**GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 1997**

D. 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 of the general fund 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

Ad valorem taxes are recognized as revenue during the budgetary period the levy was intended to finance. Ad valorem taxes are assessed for the calendar year, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. Any collections of ad valorem taxes prior to the period the levy was intended to finance are recorded as deferred revenues.

Interest earnings on time deposits with financial institutions are recorded when the time deposits have matured and the interest is available to the District.

Substantially all other revenues are recorded when received.

Expenditures

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

E. BUDGET PRACTICES

The District prepares the proposed annual budget usually in November or December of each year. The operating budget includes expenditures and the means of financing them. All budget appropriations lapse at year end.

The District is supposed to advertise at least fifteen days prior to the beginning of each fiscal year, pursuant to LSA-RS 36:1307, that the budget is available for public inspection at the police jury office subsequent to its adoption. The District did not advertise the availability of its budget as required by law for 1997.

**GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON RAVIS PARISH POLICE JURY
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 1997**

F. ENCUMBRANCES

The District does not utilize encumbrance accounting.

G. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they classified as cash equivalents. Investments are stated at cost.

H. FIXED ASSETS

The District has no fixed assets as discussed in Item C above.

I. PENSION PLAN

The District has no employees and therefore no participation in any of the public employee retirement systems.

J. LONG-TERM OBLIGATIONS

The District has no outstanding long-term obligations.

2. LEVIED TAXES

The District's tax millage for 1996 was utilized to fund expenditures for the year 1997. The tax millage for 1996 was 8.08. Tax collections for the 1996 tax millage were \$43,149.

3. CASH AND CASH EQUIVALENTS

**GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 1997**

At December 31, 1997, the District had cash and cash equivalents (book balances) totaling \$4,064 as follows:

Non-interest-bearing demand deposits	\$ 4,064
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At December 31, 1997, the District had \$4,064 in deposits (collected bank balances). These balances were fully insured from risk by Federal deposit insurance.

4. INVESTMENTS

At December 31, 1997, the District has investments totaling \$82,660 as follows:

	Carrying Amount	Market Value
Securities held by custodian bank	\$ 82,660	\$ 82,660

These investments were acquired under a repurchase agreement with Jeff Davis Bank & Trust Co. The investments are in the name of Jeff Davis Bank & Trust Co. and are held at Whitney National Bank of New Orleans, as custodian. Because the securities are not in the name of the District and are not held by the District or its agents, the securities are considered uninsured and unregistered, Category 3 in applying the credit risk of GASB Codification Section 150.164, to the extent that the carrying amount exceeds \$100,000 in FDIC coverage.

5. LITIGATION AND CLAIMS

The District is presently not involved in any litigation as plaintiff or defendant.

SUPPLEMENTARY INFORMATION

GRAVITY DRAINAGE DISTRICT NO.9
JEFFERSON DAVIS PARISH POLICE JURY
Jennings, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended December 31,1997

NAME

Charles Abell, Jr.	\$	150
Allan Roche		150
Edward Will		300
Francis J. Connor		300
Roland McCown		<u>150</u>
Total	\$	<u>1050</u>

See Accompanying Notes And Accountant's Report.