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**GRAYTON PARISH DISTRICT NO. 1  
OF Jefferson Davis Parish  
STATE OF LOUISIANA**

**COMBINED 1967 FINANCIAL REPORT**

**DECEMBER 31, 1967**

Under provisions of state law, this report is a public document. A copy of the report is given unaltered to the auditor, or receiver, city and other appropriate public officials. This report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, when appropriate, at the office of the parish clerk of court.

Printed Date July 14, 1968

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HEALTHY DRINKAGE DISTRICT #1  
OF JEFFERSON COUNTY PARISH

FINANCIAL REPORT  
DECEMBER 31, 1996

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GRAVITY DRAINAGE DISTRICT NO. 1  
OF JEFFERSON DAVIS PARISH

December 31, 1985

MEMBERS

Bobby Lovelace - President  
J. H. Broussard - Vice President  
Edward Doucet, Sr. - Board Member  
Bruce Macha - Board Member  
Wayne Charline - Board Member

SECRETARY/TREASURER

Clarence B. Broussard

LEGAL COUNSEL

Richard Cassidy - District Attorney

# McELROY, QUIRK & BURCH

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MEMBER  
TELEPHONE 208-47-0400  
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MEMBER OF THE AICPA

## INTERIM AUDITOR'S REPORT

Board of Directors  
Gravity Drainage District No. 1  
of Jefferson Davis Parish  
Lafayette, Louisiana

We have audited the accompanying component unit financial statements of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana, as of December 31, 1986, and for the year then ended. These component unit financial statements are the responsibility of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana, management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana, as of December 31, 1986, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

*McElroy, Quirk & Burch*

Lafayette, Louisiana  
July 11, 1987

WOPRTE DRAINAGE DISTRICT NO. 3  
OF JEFFERSON PARISH

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP  
December 31, 1998

ASSETS	Governmental		Proprietary	Totals
	Fund Types		General	
	Special	DEBT	Long-Term	
	Revenue	Reserve	Debt	Balance
Cash	\$ 33,474	\$ 28,148	\$ -	\$ 61,622
Certificates of deposit, at cost	613,328	-	-	613,328
Receivables	28,258	48,825	-	77,083
Due from other funds	3,128	-	-	3,128
Amount available in debt service fund	-	-	68,878	68,878
Amount to be provided for retirement of general long-term debt	-	-	168,122	168,122
<b>Total assets</b>	<b>\$ 684,188</b>	<b>\$ 76,973</b>	<b>\$ 176,998</b>	<b>\$ 938,159</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Due to other funds	\$ -	\$ 3,128	\$ -	\$ 3,128
Warrants payable	-	-	178,868	178,868
<b>Total liabilities</b>	<b>-</b>	<b>3,128</b>	<b>178,868</b>	<b>178,128</b>
<b>Fund equity:</b>				
Fund balances:				
Unreserved:				
Undesignated	681,128	68,845	-	749,973
<b>Total liabilities and fund equity</b>	<b>\$ 684,188</b>	<b>\$ 76,973</b>	<b>\$ 178,868</b>	<b>\$ 938,159</b>

See Notes to Financial Statements.

SEWAGE DRAINAGE DISTRICT NO. 1  
OF JEFFERSON DAVIS PARISH

COMBINED STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCES--ALL GOVERNMENTAL FUNDS TYPES  
Year Ended December 31, 1996

	Governmental		Total Governmental
	Special Revenues	Debt Service	
<b>Revenues:</b>			
Taxes	\$ 29,427	\$ 66,204	\$ 95,631
INTEREST ON INVESTMENTS	<u>12,422</u>	<u>568</u>	<u>12,990</u>
TOTAL REVENUES	<u>41,849</u>	<u>66,772</u>	<u>108,621</u>
<b>Expenditures:</b>			
Current operations:			
Maintenance work	7,360	-	7,360
Salaries and per diem	4,800	-	4,800
Legal and professional	1,455	-	1,455
Assessment for Louisiana State Employees' Retirement System	1,227	1,279	2,506
Debt service:			
Principal	-	60,800	60,800
Interest and fiscal charges	<u>12,312</u>	<u>12,312</u>	<u>24,624</u>
TOTAL EXPENDITURES	<u>16,842</u>	<u>62,391</u>	<u>79,233</u>
Excess (deficiency) of revenues over expenditures	25,007	4,381	29,388
Fund balance at beginning of year	<u>421,428</u>	<u>27,214</u>	<u>448,642</u>
Fund balance at end of year	<u>446,435</u>	<u>31,595</u>	<u>478,030</u>

SEE NOTES TO FINANCIAL STATEMENTS.

GRAVITY DRAINAGE DISTRICT NO. 1  
OF JEFFERSON LAUIS PARISH  
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The accounting policies of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana, conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 28:127 and 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. The following is a summary of the more significant policies:

a. Financial Reporting Entity

The accompanying financial statements include the various activities that are within the control and authority of the board of commissioners of the Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Statement No. 14 of the Governmental Accounting Standards Board. This statement defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Based on the foregoing criteria, the Gravity Drainage District No. 1 is a component unit of the Jefferson Davis Parish Police Jury and has no other fiscal or significant managerial responsibility over any other governmental unit that is not included in the financial statements of the Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana.

## NOTES TO FINANCIAL STATEMENTS

### B. Fund Accounting

The accounts of the Gravity Drainage District No. 1 of Jefferson Davis Parish are organized on the basis of funds and account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in those individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

#### GOVERNMENTAL FUNDS

Special Revenue Fund - Special Revenue Funds are used to account for specific revenues sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund - Debt Service Fund is used to account for the accumulation of moneys for, and the payment of, general long-term debt, principal, interest, and related cost.

### C. Fixed Assets and Long-Term Liabilities

The Gravity Drainage District has acquired no fixed assets in this date.

Long-term liabilities expected to be financed from governmental fund types are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The account group is not a "fund". It is measured only with the measurement of financial position, not with measurement of results of operations.

Because of their spending measurement focus, expenditures recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.



## NOTES TO FINANCIAL STATEMENTS

### D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement basis applied.

The governmental funds are maintained on the modified accrual basis of accounting, utilizing the following practices in recording revenues and expenditures.

**Revenues** - The governmental fund types use a narrow financial resources measurement focus and are accounted for using the modified accrual basis of accounting. The revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Those revenues susceptible to accrual are property taxes and interest revenue.

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

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### E. Cash and Certificates of Deposit

Cash balances of all funds are combined and invested in certificates of deposit. Interest earned on these time deposits is distributed to the individual funds on the basis of invested balances of the participating funds during the year.

## NOTES TO FINANCIAL STATEMENTS

The District is authorized by state statutes to open depositories in only those banks with branch offices in the state. State statutes also authorize the District to invest in U.S. Bonds and Treasury Notes and other federally insured instruments. Investments in time certificates of deposit can be placed with Louisiana state banks or with national banks having their principal office in the state.

### F. Total Columns on Combined Statements-Overview

Total columns on the combined statements-overview are captioned Memorandum only to indicate they are 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. Figures in such items comparable to a consolidation.

### G. Ad Valorem Taxes

Ad valorem taxes were levied by the parity drainage district No. 1 of Jefferson Davis Parish for the year 1994 in the amount of 10.40 mills on the dollar assessed valuation on all taxable property in the district, of which 5.21 mills is for the purpose of paying the principal and interest due on the sum of \$250,000 of Public Improvement Bonds, and 5.21 mills for the purpose of maintaining and operating the drainage works within the District. The taxes are collected by the Jefferson Davis Parish Sheriff and then are transferred to the District.

The ad valorem taxes are levied November 1st of each year. Ad valorem taxes are due by December 1st and are delinquent January 1st. Delinquent property taxes are assessed interest at one and one-quarter percent per month for the period of delinquency. Property owners with taxes still delinquent by March are notified by certified mail of impending sale. Sale of delinquent properties is held each year on the Wednesday closest to May 1st.

### H. Cash and Certificates of Deposit

The parity drainage District No. 1 maintains demand funds and time deposits (certificates of deposit) through local depository banks which are members of the Federal Reserve System.

NOTES TO FINANCIAL STATEMENTS

Deposits in excess of federally insured amounts are required by Louisiana state statute to be protected by collateral of equal market value. Accepted collateral includes general obligations of the U.S. Government, obligations issued or guaranteed by an agency established by the U.S. Government, general obligations bonds of any state of the U.S., or of any Louisiana parish, municipality or school district.

The District's bank demand and time deposits at year end were entirely covered by Federal Depositary Insurance or by pledge of securities owned by the financial institution in the District's name.

Bank and certificates of deposit of the District are classified into three categories to give an indication of the level of risk assumed at year end. Category 1 represents those deposits insured (inclusive of FDIC) or collateralized with securities held by the District or its agent in the District's name. Category 2 represents deposits collateralized with securities held by the pledging financial institution's trust department or agent in the District's name. Category 3 represents deposits uncollateralized including any securities held for the entity but not in the District's name.

Balances at December 31, 1994 were as follows:

	<u>CARRYING</u> <u>AMOUNT</u>	<u>BANK</u> <u>BALANCE</u>
Demand deposits-interest bearing (Category 1)	\$ 42,643	\$ 42,643
Time deposits-interest bearing (Category 1)	<u>421,208</u>	<u>421,208</u>
Total	<u>\$ 463,851</u>	<u>\$ 463,851</u>

Certificates of deposit are stated at cost, which also equals fair market value.

NOTES TO FINANCIAL STATEMENTS

3. Individual Fund Receivables and Payable Balances

At December 31, 1998 these balances consisted of:

Fund	Interest Receivable	Interest Payable
Special Revenue Fund	\$ 1,118	\$ -
Debt Service Fund	-	3,124
	<u>\$ 1,118</u>	<u>\$ 3,124</u>

4. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 1999:

	Balance 12.31.98	Additions	Retirements	Balance 12.31.99
General obligation bonds	<u>\$ 228,000</u>	<u>\$ -</u>	<u>\$ 228,000</u>	<u>\$ 228,000</u>

Bonds payable at December 31, 1998 are comprised of the following issues:

**General Obligation Bond**

\$488,000 1978 Public Improvement serial bonds due in annual installments of \$18,000 to \$48,000 through 1999; interest at 4.5% to 6.125%

\$ 488,000

The annual requirements to amortize debt outstanding as of December 31, 1999, including interest payments of \$14,150, are as follows:

Annual Requirements to Amortize Long-Term Debt  
December 31, 1999

Year Ending December 31,	General Obligation
1997-1999	\$ 181,000

NOTES TO FINANCIAL STATEMENTS

8. Schedule of Commissioners' Compensation

Commissioners:	
J. H. Brown	\$ 400
M. J. Dancy	400
Bobby Lovelace	400
Stacy Sachs	500
Wayne Whittier	500
Clarence K. Summers	<u>400</u>
Total	<u>\$ 2,600</u>

9. Attachment for the Louisiana State Employees' Retirement System

The Jefferson Davis Parish Sheriff's Office reduced the November tax collections for the yearly contribution to the Louisiana State Employees' Retirement Fund in the amount of \$1,800. Since this fund is not on behalf of any of the District's employees, no additional disclosure is required.

# MCLELLAY, QUIRK & BRUNCH

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MEMBER  
NATIONAL ASSOCIATION  
OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER  
LAWRENCE BARBER BOYD FOUNDATION

MEMBER OF FIRM  
MEMBERSHIP FIRM NO. 027  
FIRM OFFICE NO. 011

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
Gravity Drainage District No. 1  
of Jefferson Davis Parish  
Wahib, Louisiana

We have audited the general purpose financial statements of the Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana, a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended December 31, 1984, and have issued our report thereon dated July 12, 1987.

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 general purpose financial statements are free of material misstatement.

The management of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana 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 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 Gretnay Drainage District No. 1 of Jefferson Davis Parish, Louisiana, for the year ended December 31, 1996, 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 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 financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express 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.

Because of the entity's size and the limited number of accounting personnel, it is not feasible to segregate duties to achieve effective internal accounting control. Management of the District has considered this weakness and determined that it would not be most effective to employ additional personnel to obtain adequate segregation of duties. Management has attempted to mitigate this weakness by its supervision and review procedures.

A material weakness is a reportable condition in which the design or operation 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 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 the reportable condition described above is a material weakness. This condition was considered in determining the nature, timing and extent of the procedures to be performed in our audit of the financial statements of the Gretnay Drainage District No. 1 of Jefferson Davis Parish, Louisiana for the year ended December 31, 1996.

This report is intended for the information of management and other state and parish audit agencies. However, this report is a matter of public record, and its distribution is not limited.

*W. Claggy, Director & Auditor*

Lake Charles, Louisiana  
July 13, 1991



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

BOARD OF DIRECTORS  
Gravity Drainage District No. 1  
of Jefferson Davis Parish  
Briar, Louisiana

We have audited the general purpose financial statements of the Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana, a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended December 31, 1996, and have issued our report thereon dated July 15, 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. These standards require that we plan and perform the audit 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 Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana, is the responsibility of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana'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 no instances of noncompliance during the year ended December 31, 1996 that are required to be reported under Government Auditing Standards. However, the District did not comply with the requirement that the audited financial statements and reports on internal control structure and on compliance be submitted to the Louisiana Legislative Auditor not later than June 15, 1997.