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ISLE WARRIOR GRAVITY DRAINAGE DISTRICT NO. 1
OF BIRMINGHAM PARISH

FINANCIAL REPORT

DECEMBER 31, 1990

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 12/1/90

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INDEPENDENT AUDITOR'S REPORT

**The Honorable Earl Duvine
 and the Board of Commissioners
 Iola Marianne Gravity Drainage District No. 1
 Abbeville, Louisiana**

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We have audited the general purpose financial statements of the Iola Marianne Gravity Drainage District No. 1, a component unit of the Vermilion Parish Police Jury, as of and for the two years ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Iola Marianne Gravity Drainage District No. 1 of Vermilion Parish as of December 31, 1998, and the results of its operations for the two years then ended, in conformity with generally accepted accounting principles.

Offices
 Baton Rouge, Louisiana 70801-2000
 Lake St. Charles, Louisiana 70001
 New Orleans, Louisiana 70112-2000
 Thibodaux, Louisiana 70301
 Shreveport, Louisiana 71201-2000
 Slidell, Louisiana 70451-2000
 Lake St. Charles, Louisiana 70001-2000

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The Honorable Earl Carter
and the Board of Commissioners
Iuka Maroon Gravity Drainage District No. 1

In accordance with Government Auditing Standards, we have also issued our report dated April 23, 1989 on our consideration of the district's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of Iuka Maroon Gravity Drainage District No. 1 taken as a whole. The schedules listed in the accompanying table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements of the Iuka Maroon Gravity Drainage District No. 1, of Washington Parish. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects in relation to the general purpose financial statements taken as a whole.

Broussard, Peltz, Lewis & Brooks, L.L.P.

Abbeville, Louisiana
April 23, 1989

ISLE MARSHES DEBRITZ DRAINAGE DISTRICT NO. 1
VERMILION PARISH POLICE JURY

BALANCE SHEET - ALL FUNDS TYPES AND ACCOUNT GROUPS
December 31, 1988

ASSETS AND OTHER DEBITS	Governmental fund types	
	General Fund	Debt Service Fund
Cash	\$ 56,355	\$ 20,435
Certificates of Deposit	-	55,981
Receivables	118,381	117,423
Due from general fund	-	22,522
Equipment	-	-
Amount available to debt service fund	-	-
Amount to be provided for retirement of general long-term debt	-	-
Total assets and other debits	\$ 274,736	\$ 216,361
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 8,881	\$ -
Deductions from ad valorem taxes	3,476	3,828
Other payables	89	-
Due to debt service fund	22,822	-
Notes payable	-	-
Capital lease payable	-	-
Total liabilities	\$ 35,268	\$ 3,828
Fund Equity:		
Investment in general fund assets	\$ -	\$ -
Fund balances:		
Reserved for debt service	\$ -	\$ 228,323
Unreserved - undesignated	178,866	-
Total fund balance	\$ 178,866	\$ 228,323
Total liabilities and fund equity	\$ 214,134	\$ 232,151

SEE NOTES TO FINANCIAL STATEMENTS.

Account Group			
General	General		
Fixed	Long-Term	Total	
Assets	Debt	Liabilities only	
\$ -	\$ -	\$ 128,488	
-	-	48,081	
-	-	257,428	
-	-	32,932	
240,455	-	240,455	
-	228,227	228,227	
-	228,227	228,227	
<u>\$ 240,455</u>	<u>\$ 228,227</u>	<u>\$ 468,682</u>	
\$ -	\$ -	\$ 8,041	
-	-	7,184	
-	-	47	
-	-	32,932	
-	808,088	808,088	
-	32,932	32,932	
<u>\$ -</u>	<u>\$ 832,078</u>	<u>\$ 840,129</u>	
<u>\$ 240,455</u>	<u>\$ -</u>	<u>\$ 240,455</u>	
\$ -	\$ -	\$ 228,227	
-	-	178,088	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 406,315</u>	
<u>\$ 240,455</u>	<u>\$ 228,227</u>	<u>\$ 468,682</u>	

1986 MEMPHIS CREDIT UNION'S REPORT NO. 1
VERMILION PARKER POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL GOVERNMENTAL FUNDS TYPES
Year Ended December 31, 1986

	General Fund	Debt Service Fund	Total Memorandum Only
Revenues:			
Taxes:			
Ad valorem	\$216,578	\$216,578	\$216,578
Intergovernmental:			
State revenue sharing	2,284	-	2,284
OTHER	3,278	3,282	12,182
Total revenues	\$222,140	\$222,862	\$228,852
Expenditures:			
Current:			
Public works - drainage:			
Salaries and related benefits	\$ 29,283	-	\$ 29,283
Compensation paid to board members	8,382	-	8,382
Contract labor	-	-	-
Drainage maintenance	54	-	54
Insurance	19,328	-	19,328
Repairs and maintenance	17,478	-	17,478
Material and supplies	8,285	-	8,285
Office	356	-	356
Accounting and legal	5,489	-	5,489
Uncollected taxes	2,877	2,421	6,898
Pension	2,476	2,828	7,224
Bank commission fees	-	2,480	2,480
Telephone	773	-	773
Appropriation - Vermilion Well and Water Conservation			
Fuel and lubricant	2,886	-	2,886
Equipment leasing	4,629	-	4,629
Miscellaneous	426	-	426
Capital outlay	2,189	-	2,189
Debt service:			
Principal retirements	2,222	18,280	20,222
Interest and fiscal charges	3,282	28,582	38,284
Total expenditures	\$188,482	\$128,218	\$388,576
Excess (deficiency) of revenues over expenditures	\$ 33,658	\$ 94,644	\$125,712
Fund balance, beginning	268,418	218,170	428,288
Fund balance, ending	\$188,656	\$228,218	\$488,422

See NOTES to Financial Statements.

11111 WARDEN GRAVITY BUSINESS DISTRICT NO. 1
VENTNOR PARK POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
Year ended December 31, 1997

	General Fund	Debt Serving Fund	Total Interfund Fund
Revenues:			
Taxes:			
Ad valorem	\$128,083	\$128,968	\$257,051
Intergovernmental:			
State revenue sharing	3,374	-	3,374
Other	5,622	5,622	11,244
Total revenues	\$137,079	\$134,590	\$271,669
Expenditures:			
Current:			
Public works - Utilities:			
Salaries and related benefits	48,981	-	48,981
Compensation paid to Board members	7,280	-	7,280
Contract labor	5,400	-	5,400
Firearms maintenance	8,550	-	8,550
Insurance	11,343	-	11,343
Repairs and maintenance	28,748	-	28,748
Material and supplies	7,204	-	7,204
Office	424	-	424
Accounting and legal	1,800	-	1,800
Unallocated taxes	818	818	1,636
Bank commission fees	-	3,343	3,343
Penalty	1,748	1,748	3,496
Telephone	488	-	488
Appropriations - Warden Bail & Water Conservation	1,900	-	1,900
Fuel and lubricant	-	-	-
Equipment moving	-	-	-
Miscellaneous	483	-	483
Capital outlay	84,821	-	84,821
Debt service:			
Principal retirements	1,188	70,088	71,276
Interest and fiscal charges	128	13,558	13,686
Total expenditures	\$188,908	\$87,484	\$276,392
Excess (deficiency) of revenues over expenditures	\$48,171	\$47,106	\$95,277
Other financing sources (uses):			
Proceeds from capital issues	\$ 33,881	\$ -	\$ 33,881
Proceeds from sale of assets	44,182	-	44,182
Total other financing sources	\$ 78,063	\$ -	\$ 78,063

15th WARDEN SEWAGE DRAINAGE DISTRICT NO. 1
 HERRINGTON PARKER POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES (CONTINUED)
 Year Ended December 31, 1995

	GENERAL FUND	FIRE SERVICE FUND	TOTAL MEMORANDUM FUND
Total other financing sources (uses):			
Grants received	\$ 78,191	\$ -	\$ 78,191
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 12,400	\$ 4,420	\$ 16,820
Fund balance, beginning	188,380	328,880	517,260
Fund balance, ending	\$200,780	\$333,300	\$534,080

See Notes to Financial Statements.

SOLE TRADING CREDIT DRAINAGE DISTRICT NO. 1
VERMILION PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

As provided by Louisiana Revised Statute 35:1706, the District is governed by five commissioners. These five commissioners are referred to as the Board of Commissioners and are appointed by the parish police jury. The District was created under the authority of Louisiana Revised Statute 35:1701-1803 and was established for the purpose of draining and reclaiming the undrained or partially drained marsh, swamp, and overflowed lands in the district that must be levied and pumped in order to be drained and reclaimed.

In April of 1964, the Financial Accounting Foundation established the governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. All GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements are prepared in accordance with such principles.

A. Reporting entity:

In conformance with GASB Codification Section 100, the Drainage District is a component unit of the Vermilion Parish Police Jury, the governing body of the Parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general government services provided by that governmental unit, and other governmental units that comprise the governmental reporting entity.

B. Fund accounting:

The District uses two funds (general fund and debt service fund) to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

General fund:

The general fund is classified as a governmental fund. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies. The general fund is the general operating fund of the district and accounts for all financial resources except those required to be accounted for in other funds.

NOTES TO FINANCIAL STATEMENTS

Debt service fund:

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term obligations principal, interest, and related costs.

C. General fixed assets and general long-term obligations:

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public domain or infrastructure are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the governmental funds.

The two account groups are not funds. They are considered only with the measurement of financial position and do not involve measurement of results of operations.

D. Basis of accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The District's accounts are reported on the modified accrual basis of accounting using the following practices in recording revenues and expenditures:

Revenues:

All valorem taxes and state revenue sharing are recorded in the year the taxes are assessed. All valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent by December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Expenditures:

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except for principal and interest on general long-term debt which is recognized when due.

NOTES TO FINANCIAL STATEMENTS

B. Budget practices:

Louisiana law exempts all special districts created before December 31, 1974, from the requirements of the Local Government Budget Act. The late Marine Grading Drainage District No. 1 of Terrebonne Parish was created November 17, 1911, and, accordingly, is exempt from the budgetary requirements. Management has determined that, due to the amount and nature of the expenditures, the adoption of a budget is not required for control purposes. The District did not adopt a budget for the two years ended December 31, 1990; therefore, the accompanying financial statements do not include a comparison of revenues and expenditures to budget.

F. Cash, cash equivalents, and certificates of deposit:

For reporting purposes, cash and cash equivalents include cash, demand deposits, and certificates of deposit with an original maturity of ninety days or less. Under state law, the late Marroes Gravity Business District No. 1 may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. Further, the District may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 1990, the District has cash (bank balances) totaling \$390,649, which is all in interest-bearing demand deposits and certificates of deposit. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) 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. At December 31, 1990, the District has \$181,883 in deposits (collective bank balances). At December 31, 1990, these deposits are fully secured from risk by federal deposit insurance and \$228,828 market value of Federal National Mortgage Association notes.

G. Pensions:

Employees of the business District are covered under the Federal Insurance Contribution Act (social security). The employees and the District contribute equally to the system.

H. Vacation and sick leave:

Full-time employees of the District with more than one year of service are allowed two weeks of vacation leave per year; full-time employees with one year's service or less are allowed one week of vacation leave per year. Sick leave is granted on an individual basis as needed. Vacation and sick leave may not be accumulated and carried into future years.

NOTES TO FINANCIAL STATEMENTS

2. Total columns on financial statements:

The total columns on the financial statements are captioned "Management only" (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations 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 3. Receivables

The following is a summary of receivables at December 31, 1998:

	General Fund	SWFT Service Fund
AD Union Fee	\$113,928	\$116,895
State revenue sharing	3,483	-
Other	-	488
	<u>\$117,411</u>	<u>\$117,383</u>

Note 3. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Equipment
Balance, December 31, 1996	\$ 347,431
Additions - 1997	88,821
Deductions - 1997	<u>(167,812)</u>
Balance, December 31, 1997	\$ 268,440
Additions - 1998	1,780
Deductions - 1998	<u> </u>
Balance, December 31, 1998	<u>\$ 270,220</u>

NOTES TO FINANCIAL STATEMENTS

Note 4. Changes in General Long-Term Debt Obligations

The following is a summary of the long-term obligation transactions during the year:

	<u>Bonded</u> <u>Debt</u>	<u>Capital</u> <u>Leases</u>	<u>Total</u>
Long-term obligations payable at December 31, 1994	4445,500	\$ -	4445,500
Additions:			
1997 Proceeds from capital lease	-	31,000	31,000
Reductions:			
1997 Principal payments	(70,000)	(3,188)	(73,188)
1998 Principal payments	(175,000)	(13,333)	(188,333)
Long-term obligations payable at December 31, 1998	<u>2600,500</u>	<u>14,479</u>	<u>2614,979</u>

General obligation bonds are comprised of the following individual issues:

Original issue of \$445,000 General Obligation Bonds dated November 3, 1983, retired in various annual installments, interest rate 8.5%, final maturity April 1, 2001	445,000
Original issue of \$160,000 General Obligation Bonds dated May 3, 1985, retired in various annual installments, interest rate 7.50% to 12.50%, final maturity March 1, 2005	160,000
Original issue of \$145,000 General Obligation Bonds dated May 3, 1989, retired in various annual installments, interest rate 7.45% to 11.50%, final maturity March 1, 2009	145,000
Original issue of \$158,000 General Obligation Bonds dated October 1, 1995, retired in various annual installments, interest rate 6.00% to 8.00%, final maturity March 1, 2015	158,000
Total General Obligation Bonds	908,000

NOTES TO FINANCIAL STATEMENTS

During 1999, the District purchased a tractor at a cost of \$26,000 and financed \$21,000 under a four year capital lease.

The annual requirements to amortize all capital leases and all bonds outstanding at December 31, 1999, are as follows:

Year ending	Capital lease		General Obligation Bonds		Total
	Principal	Interest	Principal	Interest	
1999	\$ 7,784	\$ 1,348	\$ 75,000	\$ 37,861	\$121,993
2000	8,284	883	80,000	30,880	119,947
2001	8,831	184	85,000	21,364	115,379
2002	-	-	45,000	17,851	62,851
2003	-	-	15,000	11,618	26,618
1999 and there- after			142,000	83,313	225,313
Total	\$ 24,900	\$ 2,415	\$282,000	\$163,526	\$772,842

ADDITIONAL INFORMATION

LESLIE HARRISON SANITARY DRAINAGE DISTRICT NO. 1
VERMILION POLICE JURY

SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS
Years Ended December 31, 1966 and 1967

NAME	1966	1967
Earl Darina, Supervisor	\$ 3,600	\$ 3,600
John G. Moshire	840	840
Beris R. Gagnard	840	840
Errol Suire	840	840
Louisea Leonard	840	840
Total	<u>\$ 6,840</u>	<u>\$ 6,840</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1978 Session of the legislature.

The board members receive \$40 per diem for attendance at meetings of the board.

The supervisor receives a fixed amount of \$360 per month for meeting attendance as well as the coordination of drainage work.



RHOUSSARD, POCHEK, LEWIS & BREAUX, L.L.P.
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
 INTERNAL CONTROL OVER FINANCIAL REPORTING BASED
 ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
 ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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The Honorable Earl Darles
 and the Board of Commissioners
 Isle Marene Gravity Drainage District No. 1
 Abbeville, Louisiana

We have audited the general purpose financial statements of Isle Marene Gravity Drainage District No. 1 of Verillion Parish, a component unit of the Verillion Parish Police Jury, as of and for the two years ended December 31, 1998, and have issued our report thereon dated April 23, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether Isle Marene Gravity Drainage District No. 1's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 98-1.

Barry J. P.
 Robert L. Broussard CPA
 Joseph J. Broussard CPA
 James W. Broussard CPA
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MEMBER OF THE ASSOCIATION OF
 CERTIFIED PUBLIC ACCOUNTANTS
 AND THE INSTITUTE OF
 CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Earl Warren
and the Board of Commissioners
Icish Warrens Gravity Drainage District No. 1

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Icish Warrens Gravity Drainage District No. 1's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Icish Warrens Gravity Drainage District No. 1's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs on item 98-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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 over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we considered the reportable condition described above, item 98-2, to be a material weakness.

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

Bronson, Beck, Lewis & Brown L.L.P.

Covington, Louisiana
April 28, 1999

1944 HERPONS GRADUITY DRAINAGE DISTRICT NO. 1 OF VERMILION PARISH
BAYOUVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Two Years Ended December 31, 1988

We have audited the financial statements of this Herpons Graduity Drainage District No. 1 of Vermilion Parish, as of and for the two years ended December 31, 1988, and have issued our report thereon dated April 22, 1989. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 1988 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards

The District did not receive any Federal awards for the two years ended December 31, 1988.

Section II Financial Statement Findings

II-1 Sale of Movable Property

Findings: During our audit, it was noted that an old excavator bucket was sold in 1988 without a call for bids for the proposed sale being published in the official journal of the municipality.

Cause: The District's Board of Commissioners approved the sale of the excavator bucket but failed to properly publish a request for bids for the proposed sale in their official journal and within the time period prescribed by law.

Recommendation: We recommend that the District publish notice of proposed sales and bid requests in its official journal as prescribed by law.

Response: The District will advertise for sealed bids as prescribed by law.

Questioned costs: \$0.00

WILEY OF MARSHBORO SEWAGE TREATMENT DISTRICT NO. 1 OF VERMONT FARMER

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Two Years Ended December 31, 1968

78-9 Segregation of Duties

Finding: In reviewing the internal control over financial reporting, we noted that there was an inadequate segregation of duties.

Cause: Due to the limited number of personnel performing administrative functions, the same person writes checks, checks the mail, reconciles the bank statements and enters information into the general ledger.

Recommendation: We recommend that duties be segregated in such a way as to facilitate an adequate segregation of duties.

Response: The Board has evaluated this inadequacy and has concluded that the District cannot afford to hire more administrative employees due to the District's limited resources. The costs would exceed the benefits.

Questioned costs: \$0.00

Section III Federal Award Findings and Questioned Costs

The District did not receive any Federal awards for the two years ended December 31, 1968.

11th HARBOR GRAVITY DIVISION DISTRICT NO. 1 OF VERMONT PACIFIC

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Two Years Ended December 31, 1998

I. Internal Control and Compliance Material to the Financial Statements

1998 - General Administration

Finding: In reviewing the internal control structure, we noted inadequate segregation of duties exists.

Cause: Inadequate segregation of duties exists due to the limited number of personnel performing the administrative functions.

Current status: An inadequate segregation of duties still exists. The Board has evaluated this inadequacy and concluded the reduced costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation. This finding is discussed in the current schedule of findings and questioned costs as item 24-2.

II. Internal Control and Compliance Material to Federal Awards

The prior year's report did not disclose any findings relative to federal awards.

III. Management Letter

The prior year's report did not include a management letter.

ISLE MACROSE GRAVITY DRAINAGE DISTRICT NO. 1
OF VERMILION PARISH

MANAGEMENT'S CORRECTIVE ACTION PLAN
Two Years Ended December 31, 1998

Section I. Internal Control and Compliance Material to the Financial Statements

98-3 Sale of Excavator Property

Finding: During our audit, it was noted that an old excavator bucket was sold in 1998 without a call for bids for the proposed sale being published in the official journal of the municipality.

Cause: The District's Board of Commissioners approved the sale of the excavator bucket but failed to properly publish a request for bids for the proposed sale in their official journal and within the time period prescribed by law.

Recommendation: We recommend that the District publish notice of proposed sales and bid requests in its official journal as prescribed by law.

Response: The DISTRICT WILL advertise for sealed bids as prescribed by law.

Questioned costs: 1-0.

98-7 Segregation of Duties

Finding: In reviewing the internal control over financial reporting, we noted that there was an inadequate segregation of duties.

Cause: Due to the limited number of personnel performing administrative functions, the same person writes checks, checks the mail, reconciles the bank statement and enters information into the general ledger.

Recommendation: We recommend that duties be segregated in such a way as to facilitate an adequate segregation of duties.

Response: The Board has evaluated this inadequacy and has concluded that the District cannot afford to hire more administrative employees due to the District's limited resources. The costs would exceed the benefits. The Board feels that its requirement of two signatures on all checks as well as the oversight of the Treasurer should help compensate for the inadequate segregation of duties.

Questioned costs: 1-1.

Section II. Internal Control and Compliance Material to Federal Awards

The District did not receive any federal awards for the two years ended December 31, 1998.

LELE HARBOR DRAINAGE DISTRICT NO. 1
OF VERMILION PARISH

MANAGEMENT'S CORRECTIVE ACTION PLAN (CONTINUED)
Tax Year Ended December 31, 1988

Section III. Management Action

1988-1 Board Member Compensation

Condition: According to Internal Revenue Code § 51.513(c)-3, "...officers... whether elected or appointed..." are included in the definition of employee. Therefore, any board member is considered an employee of the District and the compensation paid to them is subject to social security (if not a member of a retirement system), Medicare (if the board member were appointed or re-appointed after March 31, 1980), and federal and state income tax withholding in 1987 and 1988.

Cause: Compensation paid to board members is reported to them at year-end using Form 1099. No taxes are withheld from these amounts or paid by the District on their behalf.

Effect: The District is not withholding taxes from the board's compensation payments or remitting the payments as required by the Internal Revenue Service.

Recommendation: We recommend that payments to the Board be subject to taxes and withholdings as are employee payments. Each board member should be required to complete a form W-4 annually.

Response: The District will begin withholding and remitting applicable payroll taxes from board compensation immediately.

Responsible party: Earl Barker, President



BROUSSARD, POCHE, LEWIS & BREAU, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

April 23, 1998

THE HONORABLE M.
POCHE, BROUSSARD
COMPTROLLER, LOUISIANA
STATE HOUSE
JAY WALKER BUILDING
MONROE, LOUISIANA

The Honorable Earl Darter
and the Board of Commissioners
Tenth Monroe Gravity Drainage District No. 1
Moberlyville, Louisiana

Lafayette, LA
601 284-4000
Baton Rouge, LA
225 384-6000
Birmingham, LA
214 384-4000
New Orleans, LA
504 584-4000
Greenville, SC
252 384-4000
Houston, TX
281 384-4000

We have audited the general purpose financial statements of Tenth Monroe Gravity Drainage District No. 1, a component unit of the Vermilion Parish Police Jury, as of and for the two years ended December 31, 1998, and have issued our report thereon dated April 23, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable in financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

As PART OF OUR EXAMINATION, we have issued our report on the financial statements, dated April 23, 1998, and our report on internal control and compliance with laws, regulations, and provisions, dated April 23, 1998.

During the course of our examination, we became aware of the following matter which represents an immaterial deviation of compliance or suggestion for improved internal controls.

Suggestion 1998-1: Board Member Compensation

Condition: According to Internal Revenue Code § 31.1401(a)-1, "...officers... whether elected or appointed..." are included in the definition of employee. Therefore, any board member is considered an employee of the District for tax purposes and the compensation paid to them is subject to annual security GIF (not a member of a retirement system), Medicare (if the board member were appointed or re-appointed after March 31, 1981), and federal and state income tax withholding in 1997 and 1998.

Cause: Compensation paid to board members is reported to them 44 year-end using FORM 1099. No taxes are withheld from these amounts or paid by the District on these amounts.

Effect: The District is not withholding taxes from the board's compensation payments or remitting tax payments as required by the Internal Revenue Service.

Recommendation: We recommend that payments to the board be subject to taxes and withholdings as are employee payments. Each board member should be required to complete a FORM W-4 annually.

Division of Chiefs, CPA
Regional Office, CPA
National Office, CPA
State Institute, CPA
Bank & Trust, CPA
Real Estate, CPA
Insurance, CPA
Estate Planning, CPA
Healthcare, CPA
Construction, CPA
Cost Estimating, CPA
Energy, CPA
Food & Beverage, CPA
Law & Security, CPA
Manufacturing, CPA
Retail & Wholesale, CPA
Specialty Services, CPA
Transportation, CPA
Government, CPA
Healthcare, CPA
Construction, CPA
Energy, CPA
Food & Beverage, CPA
Law & Security, CPA
Manufacturing, CPA
Retail & Wholesale, CPA
Specialty Services, CPA

Division of
John L. Broussard, CPA, CMA
Louis Poché, CPA, CMA
Andrew Breau, CPA, CMA
Earl M. Lewis, CPA, CMA
Gregory J. Breau, CPA, CMA
Michael J. Brody, CPA, CMA
Daniel J. Poché, CPA, CMA
James D. Broussard, CPA, CMA

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Public Accountants

Sole Manure Spreading District No. 3
April 23, 1948
Page 2

We recommend management address the foregoing issue as an improvement to operations and the administration of public programs. We are available to further explain the suggestions or help implement the recommendations.

BROUHAUD, POCHE, LEWIS & BRENN, L.L.P.
Certified Public Accountants

Brouhaud, Poche, Lewis & Brenne L.L.P.