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NORTH TROUSSEAU PARISH  
DRAINAGE AND CONSERVATION DISTRICT

Financial Statements  
For the Four Years ended  
June 30, 1967

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the public, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: **JAN 2 8 1968**

North Terrebonne Parish Drainage  
and Conservation District  
Chauvin, Louisiana

Annual Review Financial Statements  
As of and For the Four Years ended June 30, 1997

Required by Louisiana Revised Statute 38:814 to  
be filed with the Office of the Legislative Auditor

A P P E N D I X

Personally came and appeared before the undersigned authority,  
Eugene H. Hines, who, duly sworn, deposes and says that the financial  
statements herewith given present fairly the financial position of the  
North Terrebonne Parish Drainage and Conservation District (political  
subdivision) as of June 30, 1997, and the results of operations for the  
four years then ended, in accordance with the basis of accounting  
described within the accompanying financial statements.

  
\_\_\_\_\_  
Signature

Sworn to and subscribed before me, this 18 day of Nov. 1997

  
\_\_\_\_\_  
Notary Public

EUGENE H. HINES, President  
North Terrebonne Parish Drainage  
and Conservation  
District  
P.O. Box 319  
Chauvin, LA 70344  
(504) 594-4194

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**Keltin & Company**A Registered Public Accountant  
Public AccountantOne Oak Square, St. J.  
P. O. Box 4052  
Mason, La 70455  
(504) 835-9225  
Fax No. (504) 831-0521Independent Auditors' Report

To the Board of Commissioners of the  
North Terrebonne Parish Drainage  
and Conservation District

We have audited the accompanying general purpose financial statements of the North Terrebonne Parish Drainage and Conservation District, a component unit of the State of Louisiana, as of June 30, 1997, and for the four years then ended. These general purpose financial statements are the responsibility of the North Terrebonne Parish Drainage and Conservation 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 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

The District did not present a statement of revenues, expenditures, and changes in fund balances - budget and actual for the general fund for the four years ended June 30, 1997 because budgets were not adopted for this period. Presentation of such statements for those governmental funds for which budgets are legally required is required by generally accepted accounting principles.

In our opinion, except for the omission of the statement of revenues, expenditures, and changes in fund balances - budget and actual that results in an incomplete presentation as explained in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of North Terrebonne Parish Drainage and Conservation District as of June 30, 1997, and the results of its operations for the four years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 28, 1997 on our consideration of the North Terrebonne Parish Drainage Management and Conservation District's internal control and a report dated October 28, 1997 on its compliance with laws and regulations.

October 28, 1997

*Keltin & Company*

NORTH TENNESSEE POWER  
DRAINAGE AND CONSERVATION DISTRICT

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Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 1997

	<u>Governmental</u> <u>General</u> <u>Fund</u>	<u>Account Group</u> <u>Special</u> <u>Fixed Asset</u>	<u>Total</u> <u>(Money orders</u> <u>only)</u>
<b>Assets</b>			
Current assets			
Cash	\$ 88,800		\$ 88,800
Receivables	<u>225,000</u>		<u>225,000</u>
Total current assets	225,000		225,000
Drainage and conservation project		<u>\$ 50,180</u>	<u>50,180</u>
Total assets	<u>\$ 225,000</u>	<u>\$ 50,180</u>	<u>\$ 275,180</u>
<b>Liabilities</b>			
Accounts payable	<u>\$ 0,180</u>		<u>\$ 0,180</u>
Total liabilities	<u>0,180</u>		<u>0,180</u>
<b>Fund Equity</b>			
Investment in fixed assets		\$ 50,180	50,180
Fund balance	<u>150,724</u>		<u>150,724</u>
Total fund equity	<u>150,724</u>	<u>50,180</u>	<u>200,904</u>
Total liabilities and fund equity	<u>\$ 150,904</u>	<u>\$ 50,180</u>	<u>\$ 201,084</u>

The accompanying notes are an integral part of these general purpose financial statements.

NORTH TARRANTS PACIFIC  
DRAINAGE AND CONSERVATION DISTRICT

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Statement of Revenues, Expenditures, and Changes in Fund Balance  
General Fund  
For the Four Years Ended June 30, 1997

Revenues	
Property taxes	\$ 300,000
Interest	<u>10,147</u>
Total revenues	<u>310,147</u>
Expenditures - drainage and conservation	
Current	
Advertising	199
Supplies	<u>180</u>
Total current	379
Capital outlay	<u>52,180</u>
Total expenditures	<u>52,559</u>
Excess of revenues over expenditures	257,588
Fund balance, beginning	<u>0</u>
Fund balance, ending	<u>\$ 257,588</u>

The accompanying notes are an integral part of these general purpose financial statements.

Notes to Financial Statements

1. Summary of significant accounting policies

The North Ferraloune Parish Drainage and Conservation District was created by Louisiana Revised Statutes 28:2061-2247. The District is comprised of all the territory of Ferraloune Parish located in wetland precincts that are in whole or part north of the Gulf Intracoastal Waterway (excluding lands exempt from taxation). The District is managed and controlled by a nine member board of commissioners appointed by the Governor of the State of Louisiana. Authority was granted by Louisiana Revised Statute 28:2042 to the District to establish adequate drainage, flood control, and water resources by constructing levees, diversion canals, gravity and pump drainage systems, erosion control measures, marsh management, protection of water supplies from salt water intrusion, and other drainage and conservation works. The Board is constituted as a body politic (political corporation) with authority to levy taxes on all property in the district subject to taxation by the State of Louisiana.

A. Reporting entity

The District's financial statements include all funds and account groups over which its Board of Commissioners exercise oversight responsibility. The District is considered a component unit of the State of Louisiana. The District, itself, has no component units.

B. Fund accounting

The accounting policies of the District conform to generally accepted accounting principles as applicable to governments. The accounts of the District are organized on the basis of funds and account groups, 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 comprised of its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The General Fund is the general operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in another fund.

NORTH TERREBORNE PARISH  
DRAINAGE AND CONSERVATION DISTRICT

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Notes to Financial Statements

B. Fund accounting - (omitted).

The General Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations. These assets are recorded as expenditures in the general fund when they are purchased. No depreciation has been provided for on general fixed assets.

C. Basis of accounting

All governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. In certain years, the District received property tax revenues from the Atchafalaya Basin Levee District as it was collected and transmitted by the Parish of Terrebonne. These revenues are recognized in accrual and are recognized when they become measurable and available.

Expenditures are generally recognized when the related fund liabilities are incurred under the modified accrual basis of accounting.

Fixed assets used in operations (general fixed assets) are accounted for at cost. Public domain general fixed assets consisting of certain improvements such as levees, flood gates, drainage systems, and other flood control systems are capitalized at cost, along with other general fixed assets. No depreciation has been provided on any general fixed assets.

Cash equivalents are investments having a maturity of three months or less and are included with cash on the balance sheet.

D. Total column on combined statements

The total column on the combined balance sheet is labeled "Memorandum Only" to indicate it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.



NORTH TERREBOUNE PARISH  
DRAINAGE AND CONSERVATION DISTRICT

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NOTES to Financial Statements

2. Revenues

Louisiana Revised Statutes 18:458 and 18:459 provide for an annual tax levy on all property within the Atchafalaya Basin Lower District (ARLD). This includes the portion of Terrebonne Parish which is comprised of the North Terrebonne Parish Drainage and Conservation District. The taxes are levied by the ARLD in May and billed to taxpayers in October. The Terrebonne Parish Sheriff collects the taxes and remits them to the ARLD. Louisiana Revised Statute 18:3842 provides that \$100,000 of these taxes be paid to the North Terrebonne Parish Drainage and Conservation District by July 2, 1997. Also, effective January 1, 1998, amended Louisiana Revised Statute 18:331 requires that \$100,000 of these revenues be remitted to the District by the ARLD annually. The District received \$100,000 of these property taxes in August 1997.

3. Cash and cash equivalents

Cash consists of demand deposits in a local bank chartered by the State of Louisiana. These deposits are protected by FDIC insurance or by collateralization.

Cash at June 30, 1997 is as follows:

Cash in operating account	\$ 5,000
Money market	<u>59,504</u>
Total cash	<u>\$ 64,504</u>

At June 30, 1997, the carrying amounts of the District's bank deposits were \$64,504 (total cash above) and the bank balance was also \$64,504. A summary of the collateralization of the bank balances is presented below:

Insured (FDIC)	<u>\$ 64,504</u>
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4. Receivables

Receivables consist of the following at June 30, 1997:

Property taxes due from ARLD	<u>\$ 100,000</u>
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WEST TENNESSEE POWER  
DRAINAGE AND CONSERVATION DISTRICT

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NOTICE TO FINANCIAL STATEMENTS

3. Changes in General Fixed Assets

Changes in General Fixed Assets during the periods were as follows:

	Drainage And Conservation Projects
Balance, July 1, 1993	\$ ---
Additions	<u>53,182</u>
Balance, June 30, 1997	<u>\$ 53,182</u>

The Drainage and Conservation Projects are incomplete and under construction as of June 30, 1997. The component projects of the Drainage and Conservation Projects were at various stages of completion as of June 30, 1997.

4. Budget

There was no annual budget adopted for any of the four years ended June 30, 1997 as required by law.

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

To the Board of Commissioners of the  
North Terrebonne Parish Drainage  
and Conservation District

We have audited the General Purpose financial statements of the North Terrebonne Parish Drainage and Conservation District, a component unit of the State of Louisiana, for the four years ended June 30, 1997, and have issued our Report Thereon dated October 28, 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.

The management of the North Terrebonne Parish Drainage and Conservation District is responsible for establishing and maintaining internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control 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 internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of internal control in 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 the North Terrebonne Parish Drainage and Conservation District for the four years ended June 30, 1997, we obtained an understanding of internal control. With respect to internal control, 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 General Purpose financial statements and not to provide an opinion on the internal control. Accordingly, we do not express such an opinion.

The consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of internal control elements does not reduce to a relatively low level the risk that errors and irregularities in accounts 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. We noted no matters involving internal control and its operations that we consider to be material weaknesses as defined above.

We noted certain matters, however, involving internal control and its operation that we have reported to the management of North Terrebonne Parish Drainage and Conservation District in a separate letter dated October 28, 1997.

This report is intended for the information of the Board of Commissioners and management of the North Terrebonne Parish Drainage and Conservation District. However, this report is a matter of public record and its distribution is not limited.

*Kelto & Company*

October 28, 1997

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
LAWS AND REGULATIONS BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners of the  
North Terrebonne Parish Drainage  
and Conservation District

We have audited the General Purpose financial statements of the North Terrebonne Parish Drainage and Conservation District, a component unit of the State of Louisiana, as of and for the four years ended June 30, 1997, and have issued our report thereon dated October 28, 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 General Purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the North Terrebonne Parish Drainage and Conservation District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the 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 the following instances of noncompliance that are required to be reported under Government Auditing Standards.

As discussed in Note 8, the District failed to comply with certain statutory requirements to prepare and adopt a budget for each fiscal year.

We considered those instances of noncompliance in forming our opinion on whether the District's General Purpose financial statements for the four years ended June 30, 1997 are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated October 29, 1997, on these General Purpose financial statements.

This report is intended for the information of the Board of Commissioners and management of the North Terrebonne Parish Drainage and Conservation District. However, this report is a matter of public record and its distribution is not limited.

*Kelto & Company*

October 28, 1997

To the Board of Commissioners and Management  
of North Terrebonne Parish Drainage  
and Conservation District

In planning and performing our audit of the general purpose financial statements of North Terrebonne Parish Drainage and Conservation District for the four years ended June 30, 1997, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on internal control. However, we noted certain matters involving internal control 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 internal control that, in our judgment, could adversely affect North Terrebonne Parish Drainage and Conservation District's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily disclose all matters that might be reportable conditions. In addition, because of inherent limitations in internal control, errors or irregularities may occur and not be detected by such controls.

1. **Condition** - The District does not have legally adopted budgets for the four fiscal years ended June 30, 1997.

**Criteria** - Certain state of Louisiana statutes require the District to adopt annual budgets.

**Effect** - No budget was available for use by management.

**Cause** - The District had no system in place and no administrative staff to have budgets prepared and adopted.

**Recommendation** - The District should prepare and adopt budgets annually in accordance with law.

**Response** - The District has obtained administrative assistance and will prepare and adopt budgets in future years beginning with 1/311 6/30/98.

2. Condition - Only one check signer signed a check for \$25,000 payable to another government.

Criticism - The District requires two check signers to sign every check.

Effect - None.

Cause - Unknown.

Recommendation - The District should reemphasize the importance of requiring two check signers on each check.

Response - The District will reemphasize the importance of requiring two check signers on each check.

3. Condition - No invoice or other documentation could be located to support a capital outlay expenditure paid to another government.

Criticism - Supporting documentation should be maintained for all expenditures.

Effect - None.

Cause - Lack of administrative assistance.

Recommendation - Reemphasize the importance of maintaining supporting documentation on all expenditures.

Response - The District has obtained administrative assistance and will maintain documentation of all future expenditures.

These conditions were considered in the determining the nature, timing, and extent of the audit tests applied in our audit of the June 30, 1996 general purpose financial statements, and this report does not affect our opinion on those general purpose financial statements dated October 10, 1996. We have not considered internal control since the date of our report.

This report is intended solely for the information and use of the Board of Commissioners and management of the North Tarrant County Public Drainage and Conservation District. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Kelton & Company*

October 28, 1997