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**FIFTH WARD CONSOLIDATED GROWTH
DRAINAGE DISTRICT NO. 1 OF ACADIA PARISH
FINANCIAL REPORT
DECEMBER 31, 1997**

Under provisions of state law, this report is a public document. A copy of the report is to be submitted to the requestor, or employee, entity and other interested 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 Jan 27, 1998

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INDEPENDENT ACCOUNTANT'S REPORT

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The Board of Commissioners
Fifth Ward Consolidated Gravity
Drainage District No. 1
Covington, Louisiana

We have compiled the accompanying general purpose financial statements of Fifth Ward Consolidated Gravity Drainage District No. 1, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 1997, as listed in the table of contents, 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 information that is the representation of the Board in the form of financial statements. We have not audited or reviewed the accompanying financial statements and, accordingly, we do not express an opinion or any other form of assurance on them.

Broussard, Poche, Lewis & Breaux, L.L.P.

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Covington, Louisiana
March 16, 1998

Member of the Institute of
Certified Public Accountants
and of the Louisiana Certified
Public Accountants

FIFTH WARD CONSOLIDATED GRAFTY DRAINAGE
DISTRICT NO. 1 OF AGALIA PARISH
AGALIA PARISH POLICE JURY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1997
See Accountant's Compilation Report

	Governmental		ACCOUNT GROUPS		Total (Memorandum Only)
	Fund Type	General Fund	General Fixed Assets	General Long-Term Debt	
ASSETS					
Cash		\$ 14,988	\$ -	\$ -	\$ 14,988
Certificates of deposit, at cost		50,000	-	-	50,000
Receivables:					
Ad valorem taxes		130,594	-	-	130,594
State revenue sharing		8,392	-	-	8,392
Land and equipment:			133,517	-	133,517
Amount available in debt service fund		-	-	-	-
Amount to be provided for retirement of general long-term debt		-	-	180,000	180,000
Total assets		<u>\$203,984</u>	<u>\$133,517</u>	<u>\$180,000</u>	<u>\$517,501</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable		\$ 4,338	\$ -	\$ -	\$ 4,338
Accrued interest payable		313	-	-	313
Bonds payable		-	-	180,000	180,000
Total liabilities		<u>\$ 4,651</u>	<u>\$ -</u>	<u>\$180,000</u>	<u>\$184,651</u>
Fund equity:					
Investment in general fixed assets		\$ -	\$133,517	\$ -	\$133,517
Fund balances:					
Unreserved - undesignated		<u>189,333</u>	<u>-</u>	<u>-</u>	<u>189,333</u>
Total fund equity		<u>\$189,333</u>	<u>\$133,517</u>	<u>\$ -</u>	<u>\$322,850</u>
Total liabilities and fund equity		<u>\$193,984</u>	<u>\$133,517</u>	<u>\$180,000</u>	<u>\$507,501</u>

See Notes to Financial Statements.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE
DISTRICT NO. 1 OF ACADIA PARISH
ACADIA PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
GENERAL FUND
Year Ended December 31, 2020
See Accountant's Compilation Report

Revenues:		
Taxes:		
Ad valorem		\$179,373
Intergovernmental:		
State revenue sharing		8,190
Other		<u>1,028</u>
Total revenues		\$148,582
Expenditures:		
Current:		
Public works:		
Salaries and related benefits	\$ 38,146	
Insurance	4,337	
Fuel	4,648	
Accounting and legal	11,042	
Pension deductions	4,039	
Repairs and maintenance	9,824	
Unallocated taxes	840	
Cost of election	112	
Copying	39,318	
Equipment leasing and renting	15,999	
Other	1,383	
Capital outlay	<u>121,822</u>	
Total expenditures		<u>302,383</u>
Deficiency of revenues over expenditures		\$153,799
Other financing activities:		
Proceeds from bond issuance		<u>148,000</u>
Excess of revenues and other sources over expenditures		\$112,482
Fund balance, beginning		<u>16,730</u>
Fund balance, ending		<u>\$128,652</u>

See Notes to Financial Statements.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE
DISTRICT NO. 1 OF ACADIA PARISH
ACADIA PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
SUBJECT (SAAP PARISH) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES
GENERAL FUND
Year Ended December 31, 1997
See Accountant's Compilation Report

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes:			
Ad valorem	\$ 73,318	\$ 119,332	\$ 46,014
Intergovernmental:			
State revenue sharing	2,789	8,192	5,403
Other	3,000	3,000	-
Total revenues	<u>\$ 79,107</u>	<u>\$ 130,524</u>	<u>\$ 51,417</u>
Expenditures:			
Current:			
Public works:			
Salaries and related benefits	\$ 28,544	\$ 28,144	\$ -
Insurance	4,287	4,237	-
Fuel	4,848	4,848	-
Accounting and legal	12,850	11,063	1,787
Pension deduction	-	4,038	(4,038)
Repairs and maintenance	3,538	3,538	-
Unallocated taxes	-	868	(868)
Cost of election	-	302	(302)
Spraying	18,338	18,318	-
Equipment leasing and renting	13,589	13,589	-
Other	3,457	1,983	1,474
Capital outlay	<u>121,822</u>	<u>121,822</u>	<u>-</u>
Total expenditures	<u>\$ 205,843</u>	<u>\$ 207,985</u>	<u>\$ 2,142</u>
Deficiency of revenues over expenditures	\$ (127,736)	\$ (87,461)	\$ 40,275
Other financing sources:			
Proceeds from bond insurance	<u>180,513</u>	<u>180,508</u>	<u>5</u>
Excess of revenues and other sources over expenditures	\$ 52,777	\$ 93,047	\$ 40,270
Fund balance, beginning	<u>75,718</u>	<u>75,718</u>	<u>-</u>
Fund balance, ending	<u>\$ 128,495</u>	<u>\$ 168,765</u>	<u>\$ 40,270</u>

See Notes to Financial Statements.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE
DISTRICT NO. 1 OF ACADIA PARISH
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 1. Summary of Significant Accounting Policies

Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish, a component unit of the Acadia Parish Police Jury, was created by the Acadia Parish Police Jury as authorized by Louisiana Revised Statute 18:1841. The ordinance creating this consolidated drainage district was dated April 20, 1988, and combined three existing drainage districts: (1) Fifth Ward District No. 1 of the Parish of Acadia, (2) Fifth Ward Gravity Drainage District No. 2 of the Parish of Acadia, and (3) Fifth Ward Gravity Drainage District No. 3 of the Parish of Acadia. Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish is governed by a five-member board of commissioners, appointed by the Police Jury, who are authorized to construct, maintain, and improve the system of gravity drainage within the district.

In April of 1984, 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 have been prepared in accordance with such principles.

GASB Codification Section 2180 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:

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 the governing board and can influence the scope of public service, the drainage district was determined to be a component unit of the Acadia Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying general purpose financial statements present information only on the funds maintained by the Drainage District and do not present information on the parish police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the governmental reporting entity.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Fund accounting:

The Bridgeage District uses funds 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. The District uses the following fund:

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.

General Fixed Assets and General Long-Term Obligations:

Fixed assets used in governmental fund type operations (general fund assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. Public Buildings or Infrastructures 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 amount groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

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:

Ad valorem taxes and state revenue sharing are recorded in the year the taxes are assessed. Ad 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.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

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.

Budget practices:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Secretary-Treasurer submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Due to the fact that expenditures do not exceed \$200,000, it is not necessary to have a public hearing.
3. The budget is then legally enacted through passage of an ordinance. Budget amounts shown in this report are as amended by the District in open meeting.
4. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. All budget appropriations lapse at year-end.

Expenditures may not legally exceed budgeted appropriations at the individual fund level by more than 5%.

Cash and certificates of deposit:

Under state law, the Drainage District may deposit funds in demand deposits, interest-bearing deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 1997, the Drainage District has cash (bank balances) in interest-bearing demand deposits totaling \$66,700.

Under state law, these deposits (or the resulting bank balances) must be secured by Federal insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus Federal insurance must at all times equal the amount on deposit with the Federal agent. Deposits (bank balances) totaling \$66,700 at December 31, 1997, are fully secured by Federal deposit insurance.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Vacation, sick leave, and pension plan:

The Drainage District has one employee who earns 12 days of paid vacation leave annually. The Drainage District has no pension plan or sick leave policy. At December 31, 1987, there are no accumulated vacation benefits that require accrual or disclosure to conform with generally accepted accounting principles.

Total column on balance sheet:

The total column on the balance sheet is captioned Memorandum Only to indicate it is presented only to facilitate financial analysis. The data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Note 2. Levied Taxes

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage
General corporate purposes	<u>2.33</u>	<u>2.33</u>
General corporate purposes	<u>2.80</u>	<u>2.80</u>

Note 3. Changes in General Fixed Assets

The following is a summary of changes in general fixed assets for the year ending December 31, 1987:

	Land	Equipment	Total
Balance, December 31, 1986	\$ 155	\$ 11,548	\$ 11,893
Additions	-----	121,822	121,822
Balance, December 31, 1987	<u>\$ 155</u>	<u>\$113,362</u>	<u>\$113,517</u>

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 4. Related Party Transactions

In May, 1988, the District entered into three noninterest bearing loan agreements with private citizens for \$3,319 per individual, as a total of \$9,657. In July 1988, one of the individuals was appointed to the District's Board of Commissioners. All payments made since inception have been equal among lenders. The following is a summary of changes in loan payable, including transactions with a board member:

Balance, December 31, 1988	\$ 3,657
Repayments	<u>1,002</u>
Balance, December 31, 1989	<u>\$ -</u>

Note 5. Commitments and Contingencies

The Fifth Ward Consolidated Gravity Drainage District No. 1 entered into an intergovernmental agreement with the Sixth Ward and Crowley Drainage District for funding of the Lyons Point Gully Lower Basin project. The Sixth Ward and Crowley Drainage District provided 100% of the initial funding for the project. The Fifth Ward Consolidated Gravity Drainage District No. 1 has an obligation to repay 70% of the funds for the project. Originally, these funds were to be provided with revenues derived from 20% of the tax revenues of the Consolidated District. As of December 31, 1989, the project was complete and the total amount paid by Sixth Ward and Crowley Drainage District on behalf of Fifth Ward Consolidated Gravity Drainage District was \$161,000. In 1990, it was agreed by both parties for the Fifth Ward Consolidated Gravity Drainage District No. 1 to repay its debt by leasing its wastewater, including the operator and all repair costs for \$45 per hour. During the year ended December 31, 1990, both parties agreed to change the hourly rate to \$85 per hour. At December 31, 1990, Fifth Ward Consolidated Gravity Drainage District has repaid a total of \$42,345, leaving a balance of \$118,655.

Note 6. Board of Commissioners

The board members elect not to receive any compensation for attendance of meetings. The board members at December 31, 1989 include:

Robert Walton	Wayne Wild
Randy Keith Thibodeaux	Stephen Hamir
Tommy Carlson	

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 7. Long-Term Debt

Changes in general long-term debt during 1997 are as follows:

Balance at December 31, 1996	\$ -
Additions	<u>168,000</u>
Balance at December 31, 1997	<u>\$168,000</u>

On March 1, 1997, the District sold \$168,000 of certificates of indebtedness with an interest rate of 3.12%. The certificates require annual payments of \$21,965 to \$26,966, through March 1, 2008. The annual requirements to amortize the debt as of December 31, 1997 including interest payments of \$32,290 are as follows:

Year Ending December 31,	Principal	Interest	Total
1998	\$ 8,000	\$ 13,965	\$ 21,965
1999	18,000	8,967	26,967
2000	19,000	7,968	26,968
2001	20,000	6,969	26,969
2002	21,000	5,970	26,970
2003-2008	<u>84,000</u>	<u>19,321</u>	<u>103,321</u>
Total	<u>\$168,000</u>	<u>\$ 52,290</u>	<u>\$220,290</u>



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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLIED WORKED-OVER PROCEDURES**

The Board of Commissioners
Fifth Ward Consolidated Sewerly
Drainage District No. 1
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Lawrence E. Brown, CPA

Robert D. Brown, CPA

Edward H. Kelly, CPA

Richardson H. O'Neil

Frank J. Rapp, CPA

Paul J. Rowland, CPA

L. Whitcomb, CPA

William H. Rapp, CPA

P. Lee Thomas III, CPA

Robert L. Williams, CPA

Frank C. Williams, CPA

Don C. Smith, CPA

Richard D. Smith, CPA

George J. Tapp, III, CPA

David K. Wilson, CPA

James H. Wilson, CPA

P. Lee Wilson, CPA

Richard Manning, CPA

Reviewed:

Henry L. Rowland, CPA, CFO

David H. Smith, CPA, CEO

James H. Brown, CPA, CFO

David H. Smith, CPA, CEO

George J. Tapp, III, CPA

Continued "Whitcomb, CPA, CEO

Richard H. Rapp, CPA, CFO

Lawrence E. Brown, CPA, CFO

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Fifth Ward Consolidated Sewerly Drainage District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the audit in evaluating management's assertions about Fifth Ward Consolidated Sewerly Drainage District No. 1's compliance with certain laws and regulations during the year ended December 31, 1997 included in the accompanying Louisiana Assertion Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$3,000 (\$7,500 if after August 13, 1997), or public works exceeding \$50,000 (\$100,000 if after August 13, 1997), and determine whether such purchases were made in accordance with LA-BS 38:1211-1213 (the public bid law).

An excavator was purchased for \$271,812. This purchase was made in accordance with the public bid law.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LA-BS 42:1101-1104 (the code of ethics); and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

We do not express an opinion on the
compliance of the entity with the
code of ethics or other
public accounting

The Board of Commissioners
Fifth Ward Consolidated Sewerage
District No. 1

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list including the noted information.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (1) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure (2) appeared on the list provided by management in agreed-upon procedure (1).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and a copy of the amended budget.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on January 15, 1997 which indicated that the budget had been adopted by the commissioners of Fifth Ward Consolidated Sewerage District No. 1. We traced the adoption of the amended budget to the minutes of a meeting held on December 13, 1997 which indicated that the amended budget had been approved by the commissioners.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 1%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 1%.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

The Board of Commissioners
Fifth Ward Consolidated Gravity
Drainage District No. 1

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

all six of the payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals.

Meetings

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by L&A-BS 42:1 through 42:12 (the open meetings law).

Fifth Ward Consolidated Gravity Drainage District No. 1 is required to post a notice of each meeting on the door of the District's meeting place. Management has asserted that such documents were properly posted.

Bank

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We examined copies of bank deposit slips for the period under examination and noted a deposit which represented proceeds from the issuance of bonds of \$180,000. Proceeds from the bond issue are presented in the general fund.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the District for the year did not indicate approval for such payments. We also inspected payroll records for the year and did not note any instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged in, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The Board of Commissioners
Fifth Ward Consolidated Gravity
Drainage District No. 1

This report is intended solely for the use of management of Fifth Ward Consolidated Gravity Drainage District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Bloussato, Paul, Louis & Brown, L.L.P.

Crowley, Louisiana
March 18, 1998