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**GRAVITY DRAINAGE DISTRICT NO. 1
OF JEFFERSON DAVIS PARISH
STATE OF LOUISIANA**

**COMPONENT UNIT FINANCIAL REPORT
(Compiled)**

REPORT ON APPLYING AGREED-UPON PROCEDURES

DECEMBER 31, 1998

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 7-28-99

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GRAVITY DRAINAGE DISTRICT #1
OF JEFFERSON DAVIS PARISH

FINANCIAL REPORT
December 31, 1998

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GRAVITY DRAINAGE DISTRICT NO. 1
OF JEFFERSON DAVIS PARISH

December 31, 1998

COMMISSIONERS

Bobby Louviere - President
J. H. Benoit - Vice President
Melward Doucet - Board Member
Bruce Meche - Board Member
Wayne Phenice - Board Member

SECRETARY TREASURER

Clarence E. Romero

LEGAL COUNSEL

Michael Cassidy - District Attorney

McELROY, QUIRK & BURCH

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Barbara Hutson Gonzales, CPA
Judson J. McCann Jr., CPA
Martin L. Chehovsky, CPA, CFE
Robert M. Gani, CPA
Tina L. Demarest, CPA, CVA



Mollic C. Broussard, CPA

Charles E. Quirk, CPA
Otray J. Woods Jr., CPA
Robert E. Cargile, CPA
William A. Mancuso, CPA

Charles L. McElroy, CPA (1917-1997)
Patrick J. Reddin, CPA (1926-1995)
Frank D. Burch, CPA (1921-1991)

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have compiled the accompanying general purpose financial statements of the Gravity Drainage District No. 1 of Jefferson Davis Parish (a component unit of the Jefferson Davis Parish Police Jury) as of and for the year ended December 31, 1998, 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 in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying general purpose financial statements the Gravity Drainage District No. 1 of Jefferson Davis Parish (a component unit of the Jefferson Davis Parish Police Jury) and, accordingly, do not express an opinion or any other form of assurance on them.

McElroy, Quirk & Burch

Lake Charles, Louisiana
June 24, 1999

GRAVITY DRAINAGE DISTRICT NO. 1
OF JEFFERSON DAVIS PARISH

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP
December 31, 1998
See Accountant's Compilation Report

	Governmental Fund Types		Account Group	Totals
<u>ASSETS</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>General Long-Term Debt</u>	<u>(Memorandum Only)</u>
Cash	\$ 14,973	\$ 9,429	\$ -	\$ 24,402
Certificates of deposit, at cost	455,684	-	-	455,684
Receivables	35,901	38,530	-	74,431
Due from other funds	1,116	-	-	1,116
Amount available in debt service fund	-	-	43,343	43,343
Amount to be provided for retirement of general long-term debt	-	-	16,657	16,657
Total assets	<u>\$ 507,674</u>	<u>\$ 47,959</u>	<u>\$ 60,000</u>	<u>\$ 615,633</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Due to other funds	\$ -	\$ 1,116	\$ -	\$ 1,116
Bonds payable	-	-	60,000	60,000
Total liabilities	-	1,116	60,000	61,116
Fund equity:				
Fund balance:				
Unreserved:				
Undesignated	507,674	46,843	-	554,517
Total liabilities and fund equity	<u>\$ 507,674</u>	<u>\$ 47,959</u>	<u>\$ 60,000</u>	<u>\$ 615,633</u>

See Notes to Financial Statements.

GRAVITY DRAINAGE DISTRICT NO. 1
OF JEFFERSON DAVIS PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 1998
See Accountant's Compilation Report

	Governmental Fund Types		
	Special Revenue	Debt Service	Total (Memorandum Only)
Revenues:			
Taxes	\$ 46,619	\$ 48,901	\$ 95,520
Interest on investments and taxes	<u>30,554</u>	<u>99</u>	<u>30,653</u>
Total revenues	<u>77,173</u>	<u>49,000</u>	<u>126,173</u>
Expenditures:			
Current operating:			
Maintenance work	92,547	-	92,547
Contractual services and per diems	3,950	-	3,950
Legal and professional	4,752	-	4,752
Other	259	-	259
Assessment for Louisiana State Employees' Retirement System	1,314	1,314	2,628
Debt service:			
Principal	-	60,000	60,000
Interest and fiscal charges	<u>-</u>	<u>6,294</u>	<u>6,294</u>
Total expenditures	<u>102,822</u>	<u>67,608</u>	<u>170,430</u>
Excess (deficiency) of revenues over expenditures	<u>(25,649)</u>	<u>(18,608)</u>	<u>(44,257)</u>
Other financing sources (uses):			
Operating transfers in	-	3,500	3,500
Operating transfers out	<u>(3,500)</u>	<u>-</u>	<u>(3,500)</u>
Total other financing sources (uses)	<u>(3,500)</u>	<u>3,500</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(29,149)	(15,108)	(44,257)
Fund balance at beginning of year	<u>536,823</u>	<u>61,951</u>	<u>598,974</u>
Fund balance at end of year	<u>\$ 507,674</u>	<u>\$ 46,843</u>	<u>\$ 554,517</u>

See Notes to Financial Statements.

GRAVITY DRAINAGE DISTRICT NO. 1
OF JEFFERSON DAVIS PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 1998
See Accountant's Compilation Report

	Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 46,000	\$ 46,619	\$ 619
Interest on investments and taxes	<u>15,162</u>	<u>30,554</u>	<u>15,392</u>
Total revenues	<u>61,162</u>	<u>77,173</u>	<u>16,011</u>
Expenditures:			
Current operating:			
Maintenance work	37,000	92,547	(55,547)
Contractual services and per diems	2,300	3,950	(1,650)
Legal and professional	-	4,752	(4,752)
Other	-	259	(259)
Assessment for Louisiana State Employees' Retirement System	600	1,314	(714)
Debt service:			
Principal	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>39,900</u>	<u>102,822</u>	<u>(62,922)</u>
Excess (deficiency) of revenues over expenditures	<u>21,262</u>	<u>(25,649)</u>	<u>(46,911)</u>
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	<u>(6,443)</u>	<u>(3,500)</u>	<u>2,943</u>
Total other financing sources (uses)	<u>(6,443)</u>	<u>(3,500)</u>	<u>2,943</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 14,819</u>	<u>(29,149)</u>	<u>\$ (43,968)</u>
Fund balance at beginning of year		<u>536,823</u>	
Fund balance at end of year		<u>\$ 507,674</u>	

See Notes to Financial Statements.

<u>Debt Service Funds</u>		
<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 48,103	\$ 48,901	\$ 798
<u>3,754</u>	<u>99</u>	<u>(3,655)</u>
<u>51,857</u>	<u>49,000</u>	<u>(2,857)</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	1,314	(1,314)
55,000	60,000	(5,000)
<u>3,300</u>	<u>6,294</u>	<u>(2,994)</u>
<u>58,300</u>	<u>67,608</u>	<u>(9,308)</u>
<u>(6,443)</u>	<u>(18,608)</u>	<u>(12,165)</u>
6,443	3,500	(2,943)
<u>-</u>	<u>-</u>	<u>-</u>
<u>6,443</u>	<u>3,500</u>	<u>(2,943)</u>
<u>\$ -</u>	(15,108)	<u>\$ (15,108)</u>
	<u>61,951</u>	
	<u>\$ 46,843</u>	

GRAVITY DRAINAGE DISTRICT NO. 1
OF JEFFERSON DAVIS 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 24:517 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 these 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 revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund - Debt Service Fund is used to account for the accumulation of resources 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 at 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 concerned only with the measurement of financial position, not with measurement of results of operations.

Because of their spending measurement focus, expenditure 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 focus 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 current 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. Budgets and Budgetary Accounting

The Secretary-Treasurer prepares a proposed budget and submits same to the Board of Commissioners prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and the means of financing them.

NOTES TO FINANCIAL STATEMENTS

The budget was adopted by the Board of Commissioners at their August 6, 1998 meeting.

Any revisions that alter total expenditures of any fund must be approved by the Board of Commissioners. Formal budgetary integration is employed as a management control device during the year for the Special Revenue and Debt Service Funds. All budgetary appropriations lapse at the end of each fiscal year. Encumbrance accounting is not used.

Budgets for the Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted.

F. 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.

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.

G. 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. Neither is such data comparable to a consolidation.

NOTES TO FINANCIAL STATEMENTS

H. Ad Valorem Taxes

Ad valorem taxes were levied by the Gravity Drainage District No. 1 of Jefferson Davis Parish for the year 1998 in the amount of 11.72 mills on the dollar assessed valuation on all taxable property in the district, of which 6 mills is for the purpose of paying the principal and interest due on the issue of \$680,000 of Public Improvement Bonds, and 5.72 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 31st 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 20th.

2. Cash and Certificates of Deposit

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

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

Cash 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.

NOTES TO FINANCIAL STATEMENTS

Balances at December 31, 1998 were as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand deposits-interest bearing (category 1)	\$ 24,402	\$ 24,402
Time deposits-interest bearing (category 2)	<u>455,684</u>	<u>455,684</u>
Total	<u>\$ 480,086</u>	<u>\$ 480,086</u>

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

3. Individual Fund Receivable and Payable Balances

At December 31, 1998 these balances consisted of:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Special Revenue Fund	\$ 1,116	\$ -
Debt Service Fund	<u>-</u>	<u>1,116</u>
	<u>\$ 1,116</u>	<u>\$ 1,116</u>

4. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 1998:

	<u>Balance 1-1-98</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12-31-98</u>
General obligation bonds	<u>\$ 120,000</u>	<u>\$ _____</u>	<u>\$ (60,000)</u>	<u>\$ 60,000</u>

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

General Obligation Bond

\$680,000 1979 Public Improvement serial bonds due in annual installments of \$15,000 to \$60,000 through 1999; interest at 6.5%-6.125%

\$ 60,000

NOTES TO FINANCIAL STATEMENTS

The annual requirements to amortize debt outstanding as of December 31, 1998, including interest payments of \$1,838, are as follows:

Annual Requirements to Amortize Long-Term Debt
December 31, 1998

<u>Year Ending</u> <u>December 31,</u>	<u>General</u> <u>Obligation</u>
1999	\$ 61,838

5. Schedule of Commissioners' and Officers' Compensation

Commissioner:

J. H. Benoit	\$ 600
M. J. Doucet	550
Bobby Louviere	900
Bruce Meche	650
Wayne Phenice	<u>350</u>

Total	<u>\$ 3,050</u>
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Secretary-Treasurer:

Clarence E. Romero	<u>\$ 900</u>
--------------------	---------------

6. Assessment for the Louisiana State Employees' Retirement System

The Jefferson Davis Parish Sheriff's Office reduced the November tax assessment for the yearly contribution to the Louisiana State Employees' Retirement Fund in the amount of \$2,628. Since this fund is not on behalf of any of the District's employees, no additional disclosure is required.

McELROY, QUIRK & BURCH

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana's compliance with certain laws and regulations during the year ended December 31, 1998 included in the accompanying *Louisiana Attestation 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 \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

All expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000 were identified. We identified no failures to comply with the public bid law in connection with these expenditures.

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 LSA-RS 42:1101-1124 (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 identified no noncompliance with the code of ethics based on the information received.

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

There were no employees paid by the District during the year ended December 31, 1998. The Secretary-Treasurer was paid \$900 during 1998.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

There were no employees of the District.

Budgeting

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on August 6, 1998, which indicated that the budget had been adopted by the commissioners of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana by a unanimous vote. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budget amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues of the Special Revenue funds exceeded budget by 26.2%. Actual expenditures of the Special Revenue Funds exceeded budgeted amounts by 1.294% for the year. Actual revenues of the Debt Service Fund were 9.9% under budgeted amounts. Actual expenditures for the Debt Service Fund exceeded budgeted amounts 16%. We noted that the board reviews and approves all expenditures at its board meetings.

Accounting and Reporting

8. Randomly select 6 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.

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

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

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

Each of the disbursements were traced to the district's minute book where they were approved by the full commission.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

We were informed that the Gravity Drainage District No.1 of Jefferson Davis Parish, Louisiana is not required to post or advertise each meeting and the accompanying agenda. The Louisiana Attestation Questionnaire indicated the District was in compliance with LSA-RS 42:1 through 42:12.

Debt

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

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

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, advance, or gifts.

A reading of the minutes of the district for the year indicated no approval for the types of payments noted. We noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, 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.

This report is intended solely for the use of management of Gravity Drainage District No. 1 of Jefferson Davis Parish, Louisiana 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.

McElroy, Quirk & Burch

Lake Charles, Louisiana
June 24, 1999

APPENDIX F. LOUISIANA ATTESTATION QUESTIONNAIRE

June 25, 1999 Date

McElroy, Quinn + Burch
Chartered Public Accountants
800 Kirby Street
Lake Charles, LA 70601 (Auditors)

In connection with your compilation of our financial statements as of Dec. 31, 1998 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 24, 1999 (date).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

Yes No

Accounting and Reporting

Louisiana Governmental Audit Guide

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes No



Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u></u>	Secretary	<u>6-24-99</u>	Date
<u></u>	Treasurer	<u>6-24-99</u>	Date
<u>Bobby Louviere</u>	President	<u>6-24-99</u>	Date

Note-Quasi-public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.