

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Ascension-St. James Bridge
and Ferry Authority
Department of Transportation
and Development
State of Louisiana
Donaldsonville, Louisiana

June 28, 2000



Financial and Compliance Audit Division

***Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor***

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**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
Donaldsonville, Louisiana**

**General Purpose Financial Statements
and Independent Auditor's Reports
As of February 29, 2000, and October 31, 1999,
and for the Four-Month Period Ended February 29, 2000,
and for the Year Ended October 31, 1999**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court.

June 28, 2000

**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA**

General Purpose Financial Statements
and Independent Auditor's Reports
As of February 29, 2000, and October 31, 1999,
and for the Four-Month Period Ended February 29, 2000,
and for the Year Ended October 31, 1999

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AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA**
Contents, February 29, 2000, and October 31, 1999

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DANIEL G. KYLE, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

April 27, 2000

Independent Auditor's Report on
the Financial Statements

**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
Donaldsonville, Louisiana**

We have audited the accompanying general purpose financial statements of the Ascension-St. James Bridge and Ferry Authority, a component unit of the State of Louisiana, as of and for the four-month period ended February 29, 2000, and as of and for the year ended October 31, 1999, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of management of the Ascension-St. James Bridge and Ferry Authority. 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 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1-A to the financial statements, these general purpose financial statements do not include all of the activity of the Ascension-St. James Bridge and Ferry Authority, which should be included to conform with generally accepted accounting principles. Activities relating to such items as movable property, compensated absences, and postemployment benefits are reported with the Department of Transportation and Development, State of Louisiana. These general purpose financial statements include only those activities as outlined in note 1-A to the financial statements.

As described in note 1-E to the financial statements, the Ascension-St. James Bridge and Ferry Authority adopts the budget for the General Fund within the budget of DOTD. However, the Ascension-St. James Bridge and Ferry Authority did not prepare actual and budget comparisons at February 29, 2000, and October 31, 1999, for the General Fund, and a comparison of revenues and expenditures to budget is not included in the accompanying financial statements,

LEGISLATIVE AUDITOR

**ASCENSION-ST. JAMES BRIDGE
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DEPARTMENT OF TRANSPORTATION
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STATE OF LOUISIANA**
Audit Report, February 29, 2000, and October 31, 1999

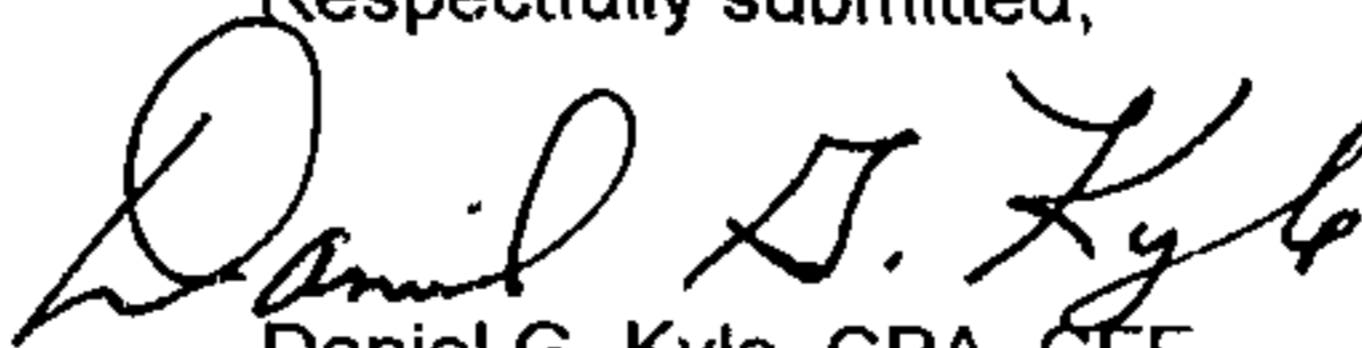
which should be included to conform with generally accepted accounting principles. The budget of the General Fund is included with the budget of the Department of Transportation and Development, State of Louisiana.

In our opinion, except for the effects of the omissions described in the third and fourth paragraphs on the previous page of this report, which result in an incomplete presentation, the accompanying general purpose financial statements present fairly, in all material respects, the financial position of the Ascension-St. James Bridge and Ferry Authority as of February 29, 2000, and as of October 31, 1999, and the results of its operations for the four-month period ended February 29, 2000, and for the year ended October 31, 1999, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2000, on our consideration of the Ascension-St. James Bridge and Ferry Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and the trust agreement. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying combining and individual fund financial statements listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Ascension-St. James Bridge and Ferry Authority. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, except for the effects of the omissions described in the third and fourth paragraphs on the previous page of this report, which result in an incomplete presentation, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

BSL:WMB:PEP:ss

[ASC-SJA]

**ACSENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS**

**Combined Balance Sheet, February 29, 2000,
and October 31, 1999**

	GOVERNMENTAL FUND TYPES			ACCOUNT GROUP
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	GENERAL FIXED ASSETS
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents (note 2)				
Sunshine Bridge (note 3)				
TOTAL ASSETS AND OTHER DEBITS	NONE	NONE	NONE	NONE
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities				
	NONE	NONE	NONE	NONE
Fund Equity and Other Credits:				
Investment in general fixed assets				
Fund balances -				
unreserved (note 6)				
Total Fund Equity	NONE	NONE	NONE	NONE
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	NONE	NONE	NONE	NONE

The accompanying notes are an integral part of this statement.

TOTAL (MEMORANDUM ONLY)	
FEBRUARY 29, 2000	OCTOBER 31, 1999
	\$23,326
	30,750,000
<u>NONE</u>	<u>\$30,773,326</u>
<u>NONE</u>	<u>NONE</u>
	\$30,750,000
	23,326
<u>NONE</u>	<u>30,773,326</u>
<u>NONE</u>	<u>\$30,773,326</u>

**ACSENSION-ST. JAMES BRIDGE
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DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
GOVERNMENTAL FUND TYPES**

**Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Four-Month Period Ended February 29, 2000**

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	TOTAL (MEMORANDUM ONLY)
REVENUES				
Total revenues	NONE	NONE	NONE	NONE
EXPENDITURES				
Bank charges	\$2,356			\$2,356
Total expenditures	2,356	NONE	NONE	2,356
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	(2,356)	NONE	NONE	(2,356)
OTHER FINANCING SOURCES (Uses)				
Transfers to the State Treasury (note 8)	(20,412)		(\$558)	(20,970)
Total other financing sources (uses)	(20,412)	NONE	(558)	(20,970)
EXCESS (Deficiency) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES				
	(22,768)	NONE	(558)	(23,326)
FUND BALANCES AT BEGINNING OF PERIOD				
	22,768	NONE	558	23,326
FUND BALANCES AT END OF PERIOD				
	NONE	NONE	NONE	NONE

The accompanying notes are an integral part of this statement.

**ACSENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
GOVERNMENTAL FUND TYPES**

**Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended October 31, 1999**

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	TOTAL (MEMORANDUM ONLY)
REVENUES				
Interest on investments		\$11,551	\$83,146	\$94,697
Toll revenue	\$1,442,396			1,442,396
Scrip revenue	409,689			409,689
Total revenues	<u>1,852,085</u>	<u>11,551</u>	<u>83,146</u>	<u>1,946,782</u>
EXPENDITURES				
Bridge operations	658,685		1,500	660,185
Debt service - interest (note 5)			104,788	104,788
Debt service - principal retirement (note 5)			2,458,000	2,458,000
Bank charges	750			750
Total expenditures	<u>659,435</u>	<u>NONE</u>	<u>2,564,288</u>	<u>3,223,723</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>1,192,650</u>	<u>11,551</u>	<u>(2,481,142)</u>	<u>(1,276,941)</u>
OTHER FINANCING SOURCES (Uses)				
Operating transfers in (note 8)	579		4,550,371	4,550,950
Operating transfers out (note 8)	(1,170,602)	(913)	(3,379,435)	(4,550,950)
Transfers to the State Treasury (note 8)	(243,966)	(338,638)	(1,408,610)	(1,991,214)
Total other financing sources (uses)	<u>(1,413,989)</u>	<u>(339,551)</u>	<u>(237,674)</u>	<u>(1,991,214)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u>(221,339)</u>	<u>(328,000)</u>	<u>(2,718,816)</u>	<u>(3,268,155)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>244,107</u>	<u>328,000</u>	<u>2,719,374</u>	<u>3,291,481</u>
FUND BALANCES AT END OF YEAR	<u>\$22,768</u>	<u>NONE</u>	<u>\$558</u>	<u>\$23,326</u>

The accompanying notes are an integral part of this statement.

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STATE OF LOUISIANA**

Notes to the Financial Statements
As of and for the Four-Month Period Ended February 29, 2000,
and as of and for the Year Ended October 31, 1999

INTRODUCTION

The Ascension-St. James Bridge and Ferry Authority is a body politic and corporate of the State of Louisiana, incorporated under the authority of Act 526 of the 1958 Regular Session of the Louisiana Legislature, with the power to acquire by purchase, lease, or otherwise, and to construct, improve, maintain, repair, and operate bridges and ferries across the Mississippi River between the parishes of Ascension and St. James. Bonds were issued in 1961 and were originally secured by tolls, revenues, and other special funds and proceeds of the bonds pledged for their payment as provided in the trust agreement. The former Louisiana Department of Highways and the authority entered into an agreement whereby, among other things, the department was to contribute certain monies to the authority to be deposited in the Bond Reserve Fund, which could then be used for the payment of debt service on the bonds.

Act 726 of the 1972 Regular Session abolished the Ascension-St. James Bridge and Ferry Authority and merged it into the former Department of Highways (now the Department of Transportation and Development or DOTD). The functions of the authority are a part of DOTD. Under the transfer of functions, unfinished business of the authority was to be taken over and completed by DOTD with the same power as the authority. The authority has continued to operate and function with the name originally established by Act 526 of 1958, as a result of the requirements of the bond indenture.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The financial statements do not reflect the total activities of the authority. Many of the activities of the authority such as movable property, compensated absences, and postemployment benefits are reported with DOTD's annual fiscal report and are not readily separable from the records and accounts of DOTD. These financial statements reflect only the following activities:

- Funds administered by the Bank of New York, in accordance with the Indenture and Deed of Trust (trust agreement) dated as of November 1, 1961.

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Notes to the Financial Statements (Continued)

- Direct and allocated operating expenditures that occurred for the period November 1, 1998, through June 30, 1999. After June 30, 1999, only expenditures related to the trustee are included in the report.
- Changes in General Long-Term Debt Account Group as it relates to payments in bonds issued to finance the bridge.
- Changes in General Fixed Assets Account Group as it relates to the construction of the bridge.

Except for the omission of those activities described previously, the accompanying financial statements have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards.

B. REPORTING ENTITY

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The authority is considered a component unit of the State of Louisiana because the state has financial accountability over the authority in that the governor appoints the Secretary of the Department of Transportation and Development and the state can impose its will on the authority. The accompanying general purpose financial statements present information only as to the transactions of the Ascension-St. James Bridge and Ferry Authority, a component unit of the State of Louisiana. Annually, the State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements.

C. FUND ACCOUNTING

The authority uses funds and account groups to report on its financial position and the results of its 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. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the authority are classified as governmental funds. Governmental funds account for the authority's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed

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Notes to the Financial Statements (Continued)

assets, and the servicing of general long-term debt. Governmental funds of the authority include the following:

1. *The General Fund is used for the purpose of accounting for the operating revenues and expenditures of the bridge. All monies received from tolls and scrip are deposited into this fund. From this fund, monies are then transferred to the Revenue Bond Reserve Fund to cover yearly interest payments.*
2. *Special revenue funds are used to account for the proceeds of specific revenue sources, which by law are restricted to expenditures for specified purposes.*
3. *Debt service funds account for the accumulation of resources for, and transactions relating to the payment of long-term debt, principal, interest and related costs.*

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The authority uses the following practices in recording revenues and expenditures:

Revenues

Tolls paid at the toll booth and all scrip revenue are recorded when received. Interest revenue is recognized when it becomes measurable and available as a current asset.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated annual and sick leave, which are recognized when paid, and principal and interest on general long-term debt, which are not recognized until due.

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Notes to the Financial Statements (Continued)

Other Financing Sources (Uses)

Transfers between funds, which are not to be repaid, are accounted for as other financing sources (uses). Transfers to the State Treasurer of the remaining funds in the bond trust accounts are accounted for as other financing uses.

E. BUDGET PRACTICES

The budget for the General Fund is included within the budget of DOTD. Debt service funds are not subject to budget because all amounts are paid according to the trust agreement. Special revenue funds are also not subject to budget because the revenues are transferred to other funds. Therefore, a Statement of Revenues, Expenditures, and Changes in Fund Balances - Actual and Budget is not included in these financial statements.

F. CASH AND CASH EQUIVALENTS

Cash includes cash on hand, petty cash, cash with paying agent, and demand deposits in Hibernia National Bank. Under state law, the authority 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. Furthermore, the authority may invest in time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in Louisiana.

**G. GENERAL FIXED ASSETS AND
GENERAL LONG-TERM OBLIGATIONS**

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets of DOTD. Public domain or infrastructures are capitalized and the Sunshine Bridge is reported in this report. *No depreciation has been provided on general fixed assets. All fixed assets are valued at historical costs.*

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the governmental funds. The account groups are not funds. They are concerned only with the measurement of financial position, not with measurement of results of operations.

H. EMPLOYEE COMPENSATED ABSENCES

Employees earn and accumulate annual and sick leave at various rates, depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are

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Notes to the Financial Statements (Continued)

compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

The cost of current leave privileges are included in the operational expenditures on Statement B when the leave is actually taken. The cost of leave privileges not requiring current resources are included in the notes of the annual fiscal report of DOTD.

**I. POSTEMPLOYMENT HEALTH CARE
AND LIFE INSURANCE BENEFITS**

The authority provides certain continuing health care and life insurance benefits for its retired employees. The current costs of providing these retiree benefits are included in the annual fiscal report of DOTD.

J. TOTAL COLUMNS ON STATEMENTS

Total columns on the combined statements are captioned Memorandum 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.

2. CASH AND CASH EQUIVALENTS

At October 31, 1999, the authority has cash and cash equivalents (book balances) totaling \$23,326 as follows:

Cash (cash on hand, petty cash, and demand accounts)	\$450
Cash held in trustee bank	<u>22,876</u>
Total	<u><u>\$23,326</u></u>

Under state law, these deposits 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 October 31, 1999, the collected bank balance on deposit in a demand account totaling \$152 is secured from risk by federal deposit insurance (GASB Risk Category 1). In addition, \$22,876 was held in trust in the authority's name (GASB Risk Category 1) by the trustee bank.

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Notes to the Financial Statements (Continued)

At February 29, 2000, the authority has no cash or cash equivalents. All funds were returned to the State of Louisiana and all trust accounts were closed.

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance October 31, 1998	Additions/ Deletions	Balance October 31, 1999	Additions/ Deletions	Balance February 29, 2000
Sunshine Bridge	<u>\$ 30,750,000</u>	<u>NONE</u>	<u>\$30,750,000</u>	<u>(\$30,750,000)</u>	<u>NONE</u>

The bridge was moved to the books of DOTD on February 29, 2000. Changes in furniture, fixtures, automobiles, and operating equipment are not reflected in these statements because they are included within DOTD's annual fiscal report.

4. RETIREMENT SYSTEM

Substantially all employees of the authority are members of the Louisiana State Employees Retirement System (system), a cost-sharing, multiple-employer defined benefit pension plan. The system is a statewide public employee retirement system for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time authority employees are eligible to participate in the system. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The system also provides death and disability benefits. Benefits are established or amended by state statute. The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the authority is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended October 31, 1999, was 12.3% of annual covered payroll, 12.4% for the fiscal year ended October 31, 1998, and 13% for the fiscal year ended October 31, 1997, which reflects the latest rate available for the authority's fiscal year as the state has a June 30 fiscal year-end. The authority's contributions to the system for the years

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Notes to the Financial Statements (Continued)

ending October 31, 1999, 1998, and 1997, were \$32,266, \$46,087, and \$43,071, respectively, equal to the required contributions for each year. The contributions after October 31, 1999, will be reported within DOTD's annual fiscal report.

5. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the general long-term obligation transactions for the Bridge Revenue Bonds, Series 1961, for the year ended October 31, 1999:

	Bonded Indebtedness Payable at November 1, 1998	Additions	Retirements	Bonded Indebtedness Payable at October 31, 1999
Bridge Revenue Bonds	<u>\$2,458,000</u>	<u>NONE</u>	<u>\$2,458,000</u>	<u>NONE</u>

Interest payments on the bond payments amounted to \$104,788.

Defeased Issues

On June 30, 1999, an escrow account was opened with the Bank of New York as trustee and the remaining bridge revenue bond principal plus interest totaling \$709,442, due on November 1, 1999, was placed into this account. The bonds were considered defeased on June 30, 1999. On July 1, 1999, the tolls were reduced at the Sunshine Bridge to 25 cents per axle as required by Louisiana Revised Statute (R.S.) 47:820.5. The remaining funds in the bond trust accounts not required for debt service have been returned to the State of Louisiana and placed into an escrow account in the State Treasury to be used in accordance with state law.

The principal amount outstanding at October 31, 1999, is \$694,000. As of June 30, 1999, the bonds were considered defeased and the liability was removed from the financial statements.

6. UNRESERVED FUND BALANCES

On October 31, 1999, the authority has an unreserved fund balance of \$23,326. The funds remaining after the bonds were paid have been transferred to the State Treasury. On February 29, 2000, the authority has zero fund balances.

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DEPARTMENT OF TRANSPORTATION
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Notes to the Financial Statements (Continued)

7. LITIGATION AND CLAIMS

Obligations and losses arising from judgments, claims, and similar contingencies are paid through the state's self-insurance fund or by state General Fund appropriation and are not reflected in the accompanying general purpose financial statements. The self-insurance fund is operated by the Office of Risk Management, the state agency responsible for the state's self-insurance program. The authority had no litigation pending that required disclosure.

**8. INTERFUND TRANSFERS AND TRANSFERS
TO THE STATE TREASURY**

The bond indenture specifies the manner in which revenues are to be deposited and distributed to the various funds. All revenues, except interest earnings and grants identified in other funds, are to be deposited into the revenue fund. These revenues are then distributed to the various other funds in accordance with the provisions of the bond indenture. The distributions of these revenues are shown as operating transfers.

The following is a summary of the interfund transfers for year ended October 31, 1999:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$579	\$1,170,602
Special Revenue Funds:		
Operating Reserve Fund		560
Replacement Fund		353
Debt Service Funds:		
Bond Redemption Fund	901,746	900,000
Bond Amortization Fund	1,170,602	2,217,673
Bond Interest Fund	1,782,550	580
Revenue Reserve Fund		261,182
Bond Escrow Fund	<u>695,473</u>	
Total	<u>\$4,550,950</u>	<u>\$4,550,950</u>

**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
Notes to the Financial Statements (Concluded)**

In addition, the authority transferred the remaining balances of all funds to the State Treasurer. These were reported as other financing uses on the financial statements as follows:

	<u>February 29, 2000</u>	<u>October 31, 1999</u>
General Fund	\$20,412	\$243,966
Special Revenue Funds:		
Operating Reserve Fund		126,719
Replacement Fund		211,919
Debt Service Funds:		
Bond Redemption Fund		246
Bond Amortization Fund		
Bond Interest Fund		
Revenue Reserve Fund		1,408,364
Bond Escrow Fund	<u>558</u>	<u> </u>
Total	<u><u>\$20,970</u></u>	<u><u>\$1,991,214</u></u>

In accordance with R.S. 47:820.5(A), the amounts transferred to the State Treasurer were placed in an escrow account to be used for the initiation of two projects to be constructed in the following order: (1) lighting the entire structure of the Sunshine Bridge, and (2) four-laning Louisiana Highway 1 between White Castle and Donaldsonville.

**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA**

GENERAL FUND

**As of and for the Four-Month Period Ended February 29, 2000,
and as of and for the Year Ended October 31, 1999**

The General Fund is the principal operating fund of the authority and is used to account for the operating revenues and expenditures of the bridge.

**ACSENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
GENERAL FUND**

**Balance Sheet
February 29, 2000, and October 31, 1999**

	<u>February 29, 2000</u>	<u>October 31, 1999</u>
ASSETS		
Cash and cash equivalents		\$22,768
Total assets	<u>NONE</u>	<u>\$22,768</u>
LIABILITIES AND FUND EQUITY		
Total Liabilities	NONE	NONE
Fund Equity - fund balance - unreserved	<u>NONE</u>	<u>\$22,768</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>NONE</u></u>	<u><u>\$22,768</u></u>

**ACENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
GENERAL FUND**

**Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Four-Month Period Ended February 29, 2000,
and for the Year Ended October 31, 1999**

	<u>February 29, 2000</u>	<u>October 31, 1999</u>
REVENUES		
Toll revenue		\$1,442,396
Scrip revenue		409,689
Total revenues	<u>NONE</u>	<u>1,852,085</u>
EXPENDITURES		
Bridge operations		658,685
Bank charges	\$2,356	750
Total expenditures	<u>2,356</u>	<u>659,435</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(2,356)</u>	<u>1,192,650</u>
OTHER FINANCING SOURCES (Uses)		
Operating transfers in		579
Operating transfers out		(1,170,602)
Transfers to the State Treasury	(20,412)	(243,966)
Total other financing sources (uses)	<u>(20,412)</u>	<u>(1,413,989)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u>(22,768)</u>	<u>(221,339)</u>
FUND BALANCE AT BEGINNING OF PERIOD	<u>22,768</u>	<u>244,107</u>
FUND BALANCE AT END OF PERIOD	<u><u>NONE</u></u>	<u><u>\$22,768</u></u>

**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA**

**SPECIAL REVENUE FUNDS
As of and for the Four-Month Period Ended February 29, 2000,
and as of and for the Year Ended October 31, 1999**

OPERATING RESERVE FUND

The Operating Reserve Fund was established to maintain a balance of \$120,000 for the future issuance of additional bonds. The funds remaining in this account were returned to the State Treasury on September 2, 1999.

REPLACEMENT FUND

The Replacement Fund was established to maintain a balance of \$200,000 plus such additional amounts as may be required by any resolution of the authority authorizing the issuance of additional bonds. The funds remaining in this account were returned to the State Treasury on September 2, 1999.

**ACSENSION-ST. JAMES BRIDGE
 AND FERRY AUTHORITY
 DEPARTMENT OF TRANSPORTATION
 AND DEVELOPMENT
 STATE OF LOUISIANA
 SPECIAL REVENUE FUNDS**

**Combining Balance Sheet, February 29, 2000,
 and October 31, 1999**

	OPERATING RESERVE FUND	REPLACEMENT FUND	TOTAL	
FOUR-MONTHS FEBRUARY 29, 2000			FISCAL YEAR OCTOBER 31, 1999	
ASSETS	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
LIABILITIES AND FUND EQUITY				
Total Liabilities	NONE	NONE	NONE	NONE
Total Fund Equity	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

**ACSENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Four-Month Period Ended February 29, 2000**

	OPERATING RESERVE FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Total revenues	NONE	NONE	NONE
EXPENDITURES			
Total expenditures	NONE	NONE	NONE
EXCESS OF REVENUES OVER EXPENDITURES	NONE	NONE	NONE
OTHER FINANCING SOURCES (Uses)			
Operating transfers in			
Operating transfers out			
Total other financing sources (uses)	NONE	NONE	NONE
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	NONE	NONE	NONE
FUND BALANCES AT BEGINNING OF PERIOD	NONE	NONE	NONE
FUND BALANCES AT END OF PERIOD	NONE	NONE	NONE

**ACENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended October 31, 1999**

	OPERATING RESERVE FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Interest on investments	\$4,279	\$7,272	\$11,551
Total revenues	<u>4,279</u>	<u>7,272</u>	<u>11,551</u>
EXPENDITURES			
Total expenditures	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>4,279</u>	<u>7,272</u>	<u>11,551</u>
OTHER FINANCING SOURCES (Uses)			
Operating transfers out	(560)	(353)	(913)
Transfers to the State Treasury	(126,719)	(211,919)	(338,638)
Total other financing sources (uses)	<u>(127,279)</u>	<u>(212,272)</u>	<u>(339,551)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	(123,000)	(205,000)	(328,000)
FUND BALANCES AT BEGINNING OF YEAR	<u>123,000</u>	<u>205,000</u>	<u>328,000</u>
FUND BALANCES AT END OF YEAR	<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>

**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA**

DEBT SERVICE FUNDS

**As of and for the Four-Month Period Ended February 29, 2000,
and as of and for the Year Ended October 31, 1999**

BOND REDEMPTION FUND

The Bond Redemption Fund receives monies transferred from the Bond Amortization Fund for the redemption of bonds. Funds in this account were transferred to the Bond Escrow Fund for the final November 1999 bond payment.

BOND AMORTIZATION FUND

The Bond Amortization Fund receives the annual deposit due by October 1, which is transferred to the Bond Redemption Fund. Funds in this account were transferred to the Bond Escrow Fund for the final November 1999 bond payment.

BOND INTEREST FUND

The Bond Interest Fund pays the yearly interest due on registered bonds and coupons. Funds in this account were transferred to the Bond Escrow Fund for the final November 1999 bond payment.

REVENUE RESERVE FUND

The Revenue Bond Reserve Fund receives transfers from the Revenue Fund and yearly deposits from the Department of Transportation and Development to cover the yearly interest payment. Funds are then transferred to the Bond Interest Fund. Remaining funds in this account were transferred to the State Treasury when the bonds were paid.

BOND ESCROW FUND

The Bond Escrow Fund account was opened on June 30, 1999. The remaining bond payment plus interest was deposited into this fund for the last bond payment made on November 1, 1999.

**ACSENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
DEBT SERVICE FUNDS**

**Combining Balance Sheet, February 29, 2000,
and October 31, 1999**

	<u>BOND REDEMPTION FUND</u>	<u>BOND AMORTIZATION FUND</u>	<u>BOND INTEREST FUND</u>
ASSETS			
Cash and cash equivalents	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>
LIABILITIES AND FUND EQUITY			
Total Liabilities	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Fund Equity - fund balance - unreserved	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>

REVENUE RESERVE FUND	BOND ESCROW FUND	TOTAL	
		FEBRUARY 29, 2000	OCTOBER 31, 1999
			\$558
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>\$558</u>
NONE	NONE	NONE	NONE
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>\$558</u>
<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>\$558</u></u>

**ACSENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
DEBT SERVICE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Four-Month Period Ended February 29, 2000**

	<u>BOND REDEMPTION FUND</u>	<u>BOND AMORTIZATION FUND</u>	<u>BOND INTEREST FUND</u>
REVENUES			
Total revenues	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
EXPENDITURES			
Total expenditures	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
OTHER FINANCING SOURCES (Uses)			
Operating transfers in			
Operating transfers out			
Transfer to the State Treasury			
Total other financing sources (uses)	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
EXCESS (Deficiency) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
FUND BALANCES AT BEGINNING OF PERIOD	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
FUND BALANCES AT END OF PERIOD	<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>

<u>REVENUE RESERVE FUND</u>	<u>BOND ESCROW FUND</u>	<u>TOTAL</u>
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<u>NONE</u>	<u>(\$558)</u>	<u>(\$558)</u>
<u>NONE</u>	<u>(558)</u>	<u>(558)</u>
NONE	(558)	(558)
<u>NONE</u>	<u>558</u>	<u>558</u>
<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>

**ACSENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
DEBT SERVICE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended October 31, 1999**

	BOND REDEMPTION FUND	BOND AMORTIZATION FUND	BOND INTEREST FUND
REVENUES			
Interest on investments	NONE	\$12,697	\$376
EXPENDITURES			
Bridge operations	\$1,500		
Debt service:			
Interest			89,346
Principal			1,764,000
Total expenditures	1,500	NONE	1,853,346
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,500)	12,697	(1,852,970)
OTHER FINANCING SOURCES (Uses)			
Operating transfers in	901,746	1,170,602	1,782,550
Operating transfers out	(900,000)	(2,217,673)	(580)
Transfers to the State Treasury	(246)		
Total other financing sources (uses)	1,500	(1,047,071)	1,781,970
EXCESS (Deficiency) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	NONE	(1,034,374)	(71,000)
FUND BALANCES AT BEGINNING OF YEAR	NONE	1,034,374	71,000
FUND BALANCES AT END OF YEAR	NONE	NONE	NONE

<u>REVENUE RESERVE FUND</u>	<u>BOND ESCROW FUND</u>	<u>TOTAL</u>
<u>\$55,546</u>	<u>\$14,527</u>	<u>\$83,146</u>
		1,500
	15,442	104,788
	694,000	2,458,000
<u>NONE</u>	<u>709,442</u>	<u>2,564,288</u>
<u>55,546</u>	<u>(694,915)</u>	<u>(2,481,142)</u>
	695,473	4,550,371
(261,182)		(3,379,435)
(1,408,364)		(1,408,610)
<u>(1,669,546)</u>	<u>695,473</u>	<u>(237,674)</u>
(1,614,000)	558	(2,718,816)
<u>1,614,000</u>	<u>NONE</u>	<u>2,719,374</u>
<u>NONE</u>	<u>\$558</u>	<u>\$558</u>

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on compliance with laws and regulations and on internal control as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



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DANIEL G. KYLE, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

April 27, 2000

Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of the
General Purpose Financial Statements

**ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
Donaldsonville, Louisiana**

We have audited the general purpose financial statements of the Ascension-St. James Bridge and Ferry Authority as of and for the four-month period ending February 29, 2000, and as of and for the year ended October 31, 1999, and have issued our report thereon dated April 27, 2000. Our opinion on the general purpose financial statements was qualified because certain required financial information was omitted, which should be included to conform with generally accepted accounting principles. 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 the Ascension-St. James Bridge and Ferry Authority's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and the trust agreement, 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Ascension-St. James Bridge and Ferry Authority's internal control over financial reporting 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 the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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.

EXHIBIT A

LEGISLATIVE AUDITOR

ASCENSION-ST. JAMES BRIDGE
AND FERRY AUTHORITY
DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA

Compliance and Internal Control Report

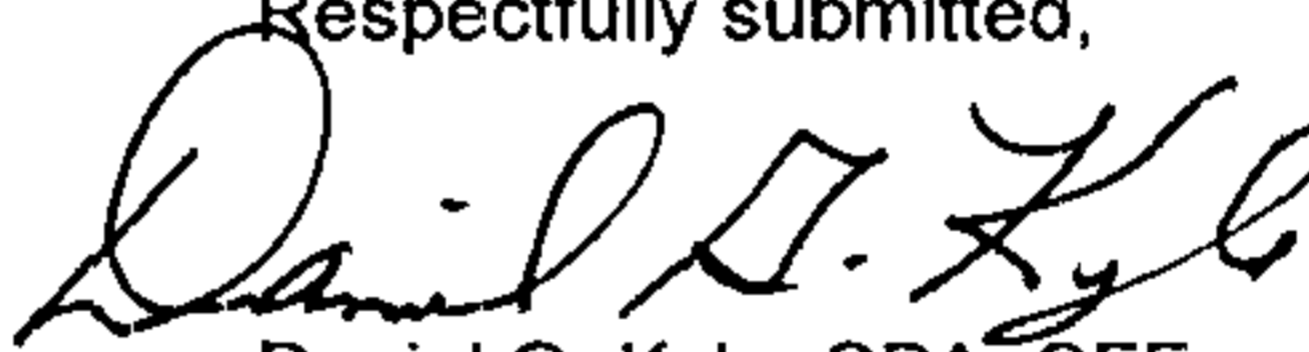
April 27, 2000

Page 2

We noted no matters involving the internal control over financial reporting and its operation that we consider to be a material weakness.

This report is intended solely for the information and use of the Ascension-St. James Bridge and Ferry Authority, Department of Transportation and Development, and its management and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

BSL:WMB:PEP:ss

[ASC-SJA]

EXHIBIT A