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BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
OPELOUSAS, LOUISIANA

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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 8-11-99

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Barbara M. York

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Bayou Mallet and Plaquemine Gravity Drainage
District No. Ten of St. Landry Parish
Opelousas, Louisiana

I have audited the accompanying general purpose financial statements of the Bayou Mallet and Plaquemine Gravity Drainage District No. Ten of St. Landry Parish (a governmental entity which is a component unit of the St. Landry Parish Police Jury) as of December 31, 1998. These financial statements are the responsibility of Bayou Mallet and Plaquemine Gravity Drainage District No. Ten's management. My responsibility is to express an opinion on these component unit financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and with generally accepted government auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the component financial statements referred to above present fairly, in all material respects the financial position of the Bayou Mallet and Plaquemine Gravity Drainage District No. Ten of St. Landry Parish, as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.



Opelousas, Louisiana
June 22, 1999

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1998

	<u>GOVERNMENTAL FUND TYPES</u>	
	<u>GENERAL</u>	<u>DEBT SERVICE</u>
<u>ASSETS</u>		
Cash	\$16,905	\$0
Investments	507,461	48,937
Ad valorem taxes receivable (net of allowance for uncollectibles)	156,075	117,056
Equipment		
Accrued interest receivable	476	
State revenue sharing receivable	5,167	
Other assets	275	
Amount available in Debt Service Fund		
Amount to be provided for retirement of long-term debt		
<u>Total assets</u>	<u>\$686,358</u>	<u>\$165,993</u>
<u>LIABILITIES AND FUND EQUITY</u>		
LIABILITIES		
Accounts payable	\$5,137	
Bonds payable		
<u>Total liabilities</u>	<u>5,137</u>	<u>0</u>
FUND EQUITY		
Investment in general fixed assets		
Fund balance		
Reserved for debt service		165,993
Reserved for equipment replacement	477,000	
Unreserved, undesignated	204,221	
<u>Total fund equity</u>	<u>681,221</u>	<u>165,993</u>
<u>Total liabilities and fund equity</u>	<u>\$686,358</u>	<u>\$165,993</u>

See accompanying notes and accountants' report.

<u>ACCOUNT GROUPS</u>		<u>TOTALS</u>
<u>GENERAL</u>	<u>LONG-TERM</u>	<u>(MEMORANDUM</u>
<u>FIXED ASSETS</u>	<u>DEBT</u>	<u>ONLY)</u>
		<u>December 31, 1998</u>
		\$16,905
		556,398
		273,130
405,311		405,311
		476
		5,167
		275
	165,993	165,993
	767,007	767,007
<u>\$405,311</u>	<u>\$933,000</u>	<u>\$2,190,662</u>
		\$5,137
	933,000	933,000
0	933,000	938,137
405,311		405,311
		165,993
		477,000
		204,221
405,311	0	1,252,525
<u>\$405,311</u>	<u>\$933,000</u>	<u>\$2,190,662</u>

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>GOVERNMENTAL FUND TYPES</u>		TOTAL (MEMORANDUM ONLY)
	<u>GENERAL</u>	<u>DEBT SERVICE</u>	
<u>REVENUES</u>			
Taxes-Property	\$191,069	\$122,328	\$313,396
Intergovernmental			
State revenue sharing	7,750		\$7,750
Drainage District 12	10,000		10,000
Other			
Interest	29,023	3,119	32,143
Special maintenance work	4,800		4,800
<u>Total revenues</u>	<u>\$242,642</u>	<u>\$125,447</u>	<u>\$368,089</u>
<u>EXPENDITURES</u>			
Current operating			
Labor	75,980		75,980
Truck rental	15,240		15,240
Chemical treatment-canal	13,860		13,860
Fuel and oil	12,446		12,446
Insurance	17,826		17,826
Helicopter spraying	21,070		21,070
Payroll tax	6,114		6,114
Per diem and mileage	3,540		3,540
Professional fees	8,136		8,136
Engineering assistance	500		500
Uniforms	1,629		1,629
Equipment repairs	21,371		21,371
Mobile telephone	1,926		1,926
Pager expense & telephone	328		328
Equipment rental	1,197		1,197
Board meetings	280		280
Material and supplies	2,009		2,009
Beaver control	3,747		3,747
Moving equipment	2,738		2,738
Miscellaneous	1,367		1,367
Total current operating	<u>211,303</u>	<u>0</u>	<u>211,303</u>

Continued on next page.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<u>EXPENDITURES (continued)</u>			
Debt service			
Bonds paid		44,000	44,000
Interest paid		56,374	56,374
Maintenance fee		955	955
Total debt service	<u>0</u>	<u>101,329</u>	<u>101,329</u>
Capital outlay	<u>2,192</u>		<u>2,192</u>
Total expenditures	<u>213,495</u>	<u>101,329</u>	<u>314,823</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	29,148	24,118	53,266
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	0		0
Operating transfers out		0	0
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</u>	29,148	24,118	53,266
BEGINNING FUND BALANCE	<u>175,074</u>	<u>141,874</u>	<u>316,948</u>
ENDING FUND BALANCE	<u><u>\$204,221</u></u>	<u><u>\$165,993</u></u>	<u><u>\$370,214</u></u>

See accompanying notes and accountants' report.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (CASH BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>GENERAL FUND</u>		VARIANCE FAVORABLE <u>(UNFAVORABLE)</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	
<u>REVENUES</u>			
Taxes-Property	\$191,000	\$191,069	\$69
Intergovernmental	17,000	17,750	750
Other	33,000	33,824	824
<u>Total revenues</u>	<u>241,000</u>	<u>242,643</u>	<u>1,643</u>
<u>EXPENDITURES</u>			
Current operating	213,000	211,303	1,697
Capital outlay	2,200	2,192	8
<u>Total expenditures</u>	<u>215,200</u>	<u>213,495</u>	<u>1,705</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	25,800	29,148	(3,348)
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	0	0	0
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</u>	<u>25,800</u>	<u>29,148</u>	<u>(3,348)</u>

See accompanying notes and accountants' report.

**BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. SCOPE OF ENTITY

The entity being reported on is the Bayou Mallet and Plaquemine Gravity Drainage District No. Ten of St. Landry Parish, which is a component unit of the St. Landry Parish Police Jury. The financial report includes all funds over which the District exercises oversight responsibility. This responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

The District was created by the St. Landry Parish Police Jury as authorized by Louisiana Revised Statute 38:1751. The District is governed by a Board of Commissioners, which consists of five commissioners appointed by the St. Landry Parish Policy Jury.

The Gravity Drainage District was established for the purpose of opening and maintaining all natural drains in the district, where drainage is accomplished using the natural force of gravity.

B. FUND ACCOUNTING

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for by self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements are described as follows:

General Fund

The General Fund is the general operating fund of the Bayou Mallet and Plaquemine Gravity Drainage District No. Ten of St. Landry Parish. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principals, interest, and related costs.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

C. BASIS OF ACCOUNTING

The accounting and financial reporting financial treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is utilized by the governmental fund types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Louisiana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Purchase of various operating supplies are regarded as expenditures at the time purchased. The costs of governmental fund-type inventories are recorded as expenditures when purchased and items on hand at year-end, if any, are not recorded as assets. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

D. INVESTMENTS IN CASH

Investments are stated at cost or amortized cost, which approximates market.

Louisiana statutes authorize the District to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investments.

E. BUDGETS AND BUDGETARY ACCOUNTING

The District adopts an annual budget for the General Fund. The annual budget is prepared on the cash basis of accounting. Any revisions that alter the total expenditures must be approved by the Board of Commissioners. Subsequent to year end, the Board adopts an amended budget approving such additional expenditures.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1998

F. ENCUMBRANCES

The District does not employ the encumbrance system of accounting.

G. FIXED ASSETS AND LONG-TERM LIABILITIES

All items of property, plant and equipment are recorded in the General Fixed Assets Account Group. Such assets are maintained on the basis of original cost (cash paid plus trade-in allowance, if applicable) and no depreciation is computed or recorded thereon. Infrastructures are not capitalized. Interest costs incurred on fixed assets, if any, are not capitalized.

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 two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement or results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent 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.

H. PENSION PLAN, VACATION AND SICK LEAVE

The District does not have a pension plan or a vacation and sick leave policy. The board members and employees participate in the Social Security Retirement System.

I. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on combined statements are captioned "Memorandum Only" to indicate that 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 principles.

NOTE 2 - CASH

At December 31, 1998, the bank balance of cash in the NOW checking account was \$20,531, and the investment balances were \$556,398. The cash and investments are secured by federal deposit insurance up to \$100,000 for each type of account, securities must be pledged for any amounts in excess of the \$100,000 limit.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
 DISTRICT NO. TEN OF ST. LANDRY PARISH
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 1998

NOTE 3 - AD VALOREM TAXES

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Property taxes are due on October 1 and become delinquent by January 1 of the following year. The St. Landry Parish Sheriff bills, collects, and distributes the property taxes for the District using the assessed values determined by the Tax Assessor of St. Landry Parish.

The mileage assessed by the District was 34.51mills for 1998.

The District was required to remit 2.16994% in 1998 of the total ad valorem taxes per the tax roll to the pension fund. This amount is determined by the legislative auditor each year. Since the Sheriff collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, the ad valorem tax receivable and revenue are shown net of pension fund distributions. A breakdown of tax receivable, prior to any year end receipts, per the tax roll is as follows:

	<u>Total Per Tax Roll</u>	<u>Pension Fund Requirements</u>	<u>Tax Receivable</u>
	<u>Total Per Tax Roll</u>	<u>Pension Fund Requirements</u>	<u>Allowance for Uncollectible Tax</u>
			<u>Tax Receivable</u>
1998	\$306,123	\$ 9,044	\$ 10,500
			\$ 286,579

An estimated allowance for uncollectible property tax has been set up based on prior years experience.

NOTE 4 - FUND BALANCE

The General Fund does not have a deficit fund balance for the year ended December 31, 1998.

NOTE 5 - INTERFUND RECEIVABLE, PAYABLE

There were no interfund receivables or payables at December 31, 1998.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE 6 CHANGES IN LONG-TERM DEBT

The following is a summary of changes in long-term debt as of December 31, 1998:

<u>Description of Debt</u>	<u>Beginning Balance</u>	<u>Increase (Decrease)</u>	<u>Ending Balance</u>
General Obligation Bonds			
1989 Issue	\$577,000	(\$24,000)	\$553,000
1994 Issue	400,000	(20,000)	\$380,000
Total outstanding	<u>\$977,000</u>	<u>(\$44,000)</u>	<u>\$933,000</u>

The annual requirements to retire general long-term debt as of December 31, 1998 are as follows:

<u>Year Ending December 31, 1998</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1,999	45,000	53,979	98,979
2000	51,000	51,314	102,314
2001	52,000	48,378	100,378
2002	55,000	45,236	100,236
2003	60,000	41,790	101,790
2004-2008	360,000	146,650	506,650
2009-2013	260,000	43,673	303,673
Later years	50,000	1,325	51,325
	<u>\$933,000</u>	<u>\$432,343</u>	<u>\$1,365,343</u>

NOTE 7 CHANGES IN GENERAL FIXED ASSETS

A summary of general fixed assets is as follows for the years ended December 31, 1998:

<u>Equipment:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Ending Balance</u>
1998	\$403,119	\$2,192	\$405,311

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. TEN OF ST. LANDRY PARISH
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE 8 BUDGETS - RECONCILE MODIFIED ACCRUAL BASIS TO CASH BASIS

Budgets are adopted on the cash basis of accounting.

The revenues shown on pages 4 through 7 (modified accrual basis of accounting) are reconciled with the amounts reflected in the budget comparisons (cash basis of accounting) on pages 8 and 9 as follows:

<u>1998</u>	
Revenues - cash basis	\$229,091
Less: Prior year property tax receivable	(142,590)
Prior year state revenue sharing receivable	(5,101)
Add: Current year property tax receivable	156,075
Current year state revenue sharing receivable	5,167
Revenues - accrual basis	<u>\$242,642</u>
Expenditures - cash basis	\$216,854
Less: Prior year payables (excluding payroll withheld)	(6,140)
Add: Current year payables (excluding payroll withheld)	2,781
Expenditures - accrual basis	<u>\$213,495</u>

NOTE 9 COMPENSATION PAID TO BOARD MEMBERS

Compensation paid to board members for the years ended December 31, 1998:

	<u>1998</u>
Alois A. Reiners	\$720
Floyd Dupre	720
Joseph H. Lastrapes	720
Anita A. Blair	660
James H. Lafleur	720
Totals	<u>\$3,540</u>

The following board members were paid for rent on their vehicles:

Alois A. Reiners	\$6,600
Floyd Dupre	4,620
	<u>\$11,220</u>

Barbara M. York

CERTIFIED PUBLIC ACCOUNTANT

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners
Bayou Mallet and Plaquemine Gravity Drainage
District No. Ten of St. Landry Parish
Opelousas, Louisiana

I have audited the financial statements of Bayou Mallet and Plaquemine Gravity Drainage District No. Ten of St. Landry Parish (a governmental entity which is a component unit of the St. Landry Parish Police Jury) as of and for the year ended December 31, 1998. I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the grant revenues and allowable expenses are free of material misstatements.


Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered the District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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


Opelousas, Louisiana
June 22, 1999