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ACADIA PARISH FIRST WARD DRAINAGE DISTRICT

FINANCIAL REPORT

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 ~~JUN 09 1999~~ JUN 16 1999

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BROUSSARD, POCHE, LEWIS & BREAUX, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

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Crowley, Louisiana
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INDEPENDENT ACCOUNTANT'S REPORT

The Board of Commissioners
Acadia Parish First Ward Drainage District
Rayne, Louisiana

Lafayette, LA
(318) 988-4930

Opelousas, LA
(318) 942-5217

Abbeville, LA
(318) 898-1497

New Iberia, LA
(318) 364-4554

Church Point, LA
(318) 684-2855

Eunice, LA
(318) 457-0071

We have compiled the accompanying general purpose financial statements of Acadia Parish First Ward Drainage District, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 1998 and the supplementary schedule, as listed in the table of contents. The statements and supplementary schedule, which is presented only for supplementary analysis purposes, were compiled in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting information that is the representation of the Board in the form of financial statements and supplementary schedules. We have not audited or reviewed the accompanying financial statements and the supplementary schedule and, accordingly, we do not express an opinion or any other form of assurance on them.

Broussard, Poche, Lewis & Breaux LLP

Lawrence A. Cramer, CPA*
Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stugno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
Michael P. Crochet, CPA*
George J. Trappey III, CPA*
Daniel E. Gilder, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*

Crowley, Louisiana
March 12, 1999

Retired:
Sidney I. Broussard, CPA 1980
Leon K. Poche, CPA 1984
James H. Breaux, CPA 1987
Erna R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996

*Members of American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants*

FIRST WARD DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

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

	Governmental	Account Groups		Total (Memorandum Only)
	Fund	General Fixed Assets	General Long-Term Debt	
ASSETS	General Fund			
Cash and cash equivalents	\$ 40,699	\$ -	\$ -	\$ 40,699
Certificate of deposit	30,000	-	-	30,000
Ad valorem receivable	82,220	-	-	82,220
Due from other governments	10,290	-	-	10,290
Equipment	-	222,578	-	222,578
Amount to be provided	-	-	150,170	150,170
Total assets	<u>\$163,209</u>	<u>\$222,578</u>	<u>\$150,170</u>	<u>\$535,957</u>
LIABILITIES AND FUND EQUITY				
CURRENT LIABILITIES				
Accounts payable	\$ 2,783	\$ -	\$ -	\$ 2,783
Current portion of capital lease payable	-	-	37,420	37,420
Total current liabilities	\$ 2,783	\$ -	\$ 37,420	\$ 40,203
LONG-TERM LIABILITIES				
Capital lease payable, due after one year	-	-	112,750	112,750
Total liabilities	<u>\$ 2,783</u>	<u>\$ -</u>	<u>\$150,170</u>	<u>\$152,953</u>
FUND EQUITY				
Investment in general fixed assets	\$ -	\$222,578	\$ -	\$222,578
Fund balance:				
Unreserved - undesignated	160,426	-	-	160,426
Total fund equity	<u>\$160,426</u>	<u>\$222,578</u>	<u>\$ -</u>	<u>\$383,004</u>
Total liabilities and fund equity	<u>\$163,209</u>	<u>\$222,578</u>	<u>\$150,170</u>	<u>\$535,957</u>

See Notes to Financial Statements.

FIRST WARD DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
ALL GOVERNMENTAL FUND TYPES
GENERAL FUND

Year Ended December 31, 1998

See Accountant's Compilation Report

Revenues:

Taxes:

Ad valorem

\$ 89,404

Intergovernmental:

State revenue sharing

15,398

Other

4,449

Total revenues

\$109,251

Expenditures:

Current:

Public works:

Salaries and related benefits

\$ 37,242

Compensation paid to board of commissioners

3,420

Accounting and auditing

4,260

Office

102

Insurance

12,131

Pension

2,783

Uncollected taxes

455

Repairs

9,298

Oil and fuel

3,148

Other

3,404

Capital outlay

84,033

Debt Service:

Principal

32,379

Interest

9,105

Total expenditures

201,760

Deficiency of revenues over expenditures

\$(92,509)

Other financing sources:

Sale of fixed assets

\$ 7,500

Proceeds from capital lease

75,533

83,033

Excess of revenues and other financing sources
over expenditures

\$ (9,476)

Fund balance, beginning

169,902

Fund balance, ending

\$160,426

See Notes to Financial Statements.

FIRST WARD DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 1. Summary of Significant Accounting Policies

As provided by Louisiana Revised Statute 38:1758, the Drainage District is governed by five commissioners. These five commissioners are referred to as the Board of Commissioners and are appointed by the parish police jury. The Drainage District was created under the authority of Louisiana Revised Statutes 38:1751-1802 and was established for the purpose of draining and reclaiming the undrained or partially drained marsh, swamp, and overflowed lands in the district that must be leveed and pumped in order to be drained and reclaimed.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. All GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

Reporting entity:

In conformance with GASB Codification Section 2100, the Drainage District is a component unit of the Acadia Parish Police Jury, the governing body of the Parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general governmental services provided by that governmental unit, and other governmental units that comprise the governmental reporting entity.

Fund accounting:

The District uses a fund (general fund) to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

General fund:

The general fund is classified as a governmental fund. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies. The general fund is the general operating fund of the District and accounts for all financial resources.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

General fixed assets and general long-term debt:

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the general long-term account group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

Basis of accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The District's accounts are reported on the modified accrual basis of accounting using the following practices in recording revenues and expenditures:

Revenues:

Ad valorem taxes and state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent by December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Expenditures:

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

Budget practices:

Louisiana law exempts all special districts created before December 31, 1974, from the requirements of the Local Government Budget Act. The First Ward Drainage District of Acadia Parish was created November 11, 1916, and, accordingly, is exempt from the budgetary requirements. Management has determined that, due to the amount and nature of the expenditures, the adoption of a budget is not required for control purposes. The Drainage District did not adopt a budget for the year ended December 31, 1998; therefore, the accompanying financial statements do not include a comparison of revenues and expenditures to budget.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Cash and cash equivalents:

For reporting purposes, the District considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

At December 31, 1998, the District has cash and certificate of deposit (book balances) totaling \$70,699 which is all in interest-bearing demand deposits. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) 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 December 31, 1998, the District has \$60,042 in deposits (collective bank balances). These deposits are fully secured from risk by federal deposit insurance.

Pensions:

Employees of the Drainage District are covered under the Federal Insurance Contribution Act (social security). The employees and the District contribute equally to the system.

Vacation and sick leave:

The District does not have a formal policy on vacation and sick leave.

Reporting:

To be consistent with current year classifications, some items from the previous year have been reclassified.

Total column:

The total column on the combined balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 2. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Equipment</u>
Balance, December 31, 1997	\$158,063
Additions	84,033
Reductions	<u>19,518</u>
Balance, December 31, 1998	<u>\$222,578</u>

Assets acquired under capital leases included in general fixed assets amount to \$197,226 as of December 31, 1998.

Note 3. Long-Term Liabilities

The following is a summary of long-term obligations of the District for the year ended December 31, 1998:

	<u>Capital Lease</u>
Balance, January 1, 1998	\$107,016
Add: Capital lease purchase	75,533
Less: Principal payments	<u>(32,379)</u>
Balance, December 31, 1998	\$150,170
Less: Current portion	<u>(37,420)</u>
Long-term portion	<u>\$112,750</u>

On May 12, 1997, the District purchased a John Deere 690E Excavator for \$121,693 under a capital lease with 60 monthly payments of \$2,355 at 6.25% through April 2002. In May 1998, the District entered into a lease-purchase agreement for the acquisition of a dozer at a cost of \$75,533 with 60 monthly payments of \$1,470 at an interest rate of 6.5% through April 20, 2003.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

The annual requirements including interest to amortize all long-term obligations outstanding at December 31, 1998 follows:

1999	\$ 45,894
2000	45,894
2001	45,894
2002	27,057
2003	<u>4,410</u>
	\$169,149
Less: Interest	<u>18,979</u>
Present value	<u>\$150,170</u>

FIRST WARD DRAINAGE DISTRICT
ACADIA PARISH POLICE JURY

SCHEDULE OF COMPENSATION PAID TO BOARD OF COMMISSIONERS
Year Ended December 31, 1998
See Accountant's Compilation Report

<u>Name</u>	
Wilson Gaspard	\$ 660
Clyde Leger, Jr.	720
Melvin Cole, Sr.	-
Raymond Trahan	780
A.J. Credeur	480
Sanders Senegal	780
Total	<u>\$ 3,420</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

The board members receive \$60 per diem for attendance of meetings of the board.



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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

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Abbeville, LA
(318) 898-1497
New Iberia, LA
(318) 364-4554
Church Point, LA
(318) 684-2855
Eunice, LA
(318) 457-0071

The Board of Commissioners
Acadia Parish First Ward Drainage District
Rayne, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Acadia Parish First Ward Drainage District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Acadia Parish First Ward Drainage District'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 period for material and supplies exceeding \$15,000 or public works exceeding \$100,000 and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

During the current year, the District purchased a Crawler Dozer under a capital lease. Bids were received and the lowest bid was accepted.

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.

The Board of Commissioners
Acadia Parish First Ward Drainage District

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

Management provided us with the required list.

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.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

Acadia Parish First Ward Drainage District is not required to comply with the Budget Act because the District was created before December 31, 1974.

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

Acadia Parish First Ward Drainage District is not required to comply with the Budget Act because the District was created before December 31, 1974.

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

Acadia Parish First Ward Drainage District is not required to comply with the Budget Act because the District was created before December 31, 1974.

Accounting and Reporting

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

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

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

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

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

The Board of Commissioners
Acadia Parish First Ward Drainage District

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

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

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).

Acadia Parish First Ward Drainage District is required to post agendas or advertise notice of public meetings. Management has asserted that proper advertisement for notice of public meetings was made.

Debt

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

We scanned copies of bank deposit slips for the period under examination and did not note any deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

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

Prior Comments and Recommendations

12. Review any prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

The report from the prior year did not include any suggestions, recommendations, and/or comments.

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.

The Board of Commissioners
Acadia Parish First Ward Drainage District

This report is intended solely for the use of management of Acadia Parish First Ward Drainage District 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.

Broussard, Poche, Lewis & Breaux LLP

Crowley, Louisiana
March 12, 1999

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

April 5, 1999 (Date Transmitted)

Broussard, Poche, Lewis & Breaux

P. O. Drawer 307

Crowley, LA 70527-0307

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year 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 April 5, 1999 (date of completion/representations).

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 39:34.

Yes [] No []

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 39:1410.60-1410.65.

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>Joseph Formand</u>	Secretary	<u>4/5/99</u>	Date
<u>Richard Auguste</u>	V. President	<u>4/5/99</u>	Date
<u>Wilson T. Jackson</u>	Treasurer	<u>4/5/99</u>	Date
	President	<u>4/5/99</u>	Date