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# **CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1**

## **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 ~~JUL 14 1999~~

**WAYNE HALL & ASSOCIATES, CPA's, LLC**

**CERTIFIED PUBLIC ACCOUNTANTS**

**LAFAYETTE, LOUISIANA**

# CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO.1

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# WAYNE HALL & ASSOCIATES

*Certified Public Accountants, LLC*

1304 Bertrand Drive, Suite F-8

Lafayette, LA 70506-9106

## Independent Auditor's Report

To the Board of Director's  
Consolidated Gravity Drainage District No. 1  
Of Jefferson Davis Parish  
Jennings, Louisiana

We have audited the accompanying statements of financial position of Consolidated Gravity Drainage District No. 1 as of December 31, 1998, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted the 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 financial statements are free of material misstatement. 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 the 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Consolidated Gravity Drainage District No. 1 as of December 31, 1998, and the changes in net assets and its cash flows for the year ended in conformity with generally accepted accounting principles.

In Accordance with Governmental Auditing Standards, we have also issued a report dated June 14, 1999 on my consideration of Consolidated Gravity Drainage District No. 1's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Wayne Hall & Associates, CPAs, LLC*

June 14, 1999  
Lafayette, Louisiana

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1

Statement of Financial Position  
December 31, 1998

Statement A

ASSETS

1998

Current Assets:

Cash	\$14,492
Investments, at cost	106,572
Accounts receivable	76,464

TOTAL ASSETS

\$197,528

NET ASSETS

Net Assets:

Net Assets	<u>197,528</u>
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TOTAL NET ASSETS

\$197,528

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO.1

Statement of Activities  
For the Year Ended December 31, 1998

Statement B

REVENUES:	<u>1998</u>
Taxes: Ad valorem	\$78,004
Intergovernmental: State Revenue Sharing Net	3,591
Miscellaneous: Interest earnings	4,918
State land sale	<u>278</u>
TOTAL REVENUES	<u>86,791</u>
EXPENDITURES	
Public works	60,448
Other general governmental	<u>13,139</u>
TOTAL EXPENDITURES	73,587
CHANGE IN NET ASSETS	<u>13,204</u>
NET ASSETS, BEG. OF YEAR	<u>184,324</u>
NET ASSETS, END OF YEAR	<u><u>\$197,528</u></u>

**CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO.1**

**Statement of Activities - Budget and Actual**  
For the Year Ended December 31, 1998

Statement C

REVENUES:	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Taxes: Ad valorem	\$70,000	\$78,004	\$8,004
Intergovernmental: State Revenue sharing (Net)	3,700	3,591	(109)
Miscellaneous: Interest earnings	4,000	4,918	918
State land sale	\$0	278	278
TOTAL REVENUES	77,700	86,791	9,091
EXPENDITURES			
Public works	19,961	13,139	6,822
Other general governmental	120,000	60,448	59,552
TOTAL EXPENDITURES	139,961	73,587	66,374
CHANGE IN NET ASSETS	(62,261)	13,204	75,465
NET ASSETS, BEG. OF YEAR	184,324	184,324	0
NET ASSETS, END OF YEAR	\$122,063	\$197,528	\$75,465

CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO.1

Statement of Cash Flows  
For the Years Ended December 31, 1998

	<u>1998</u>
Resources Provided:	
Excess (Deficiency) of Revenues Over Expenses	\$13,204
Total Resources Provided	
(Increase) Decrease in Accounts Receivable	1,440
(Increase) Decrease in Investments	<u>(4,836)</u>
Total Resources Provided	<u>(3,396)</u>
Total Decrease in Cash	9,808
Cash Balance, Beginning of Year	<u>4,684</u>
Cash Balance, End of Year	<u><u>\$14,492</u></u>

**CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1  
OF JEFFERSON DAVIS PARISH  
JENNINGS, LOUISIANA  
Notes to the Financial Statements**

**NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish is a political subdivision of the State of Louisiana and also a component unit of the Jefferson Davis Parish Police Jury.

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 governments. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local governments.

**A. FUND ACCOUNTING**

The accounts of the Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish are organized on the basis of one fund, the general fund. The operation of the fund is accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures of expenses. Revenues are accounted for in the individual fund 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 Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish. It is used to account for all financial resources except those required to be accounted for in other funds.

**B. FIXED ASSETS AND LONG-TERM OBLIGATIONS**

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.

**C. 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 reported on the modified accrual basis of accounting utilizing the following practices in recording revenues and expenditures:

Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period.



**CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1  
OF JEFFERSON DAVIS PARISH  
JENNINGS, LOUISIANA  
Notes to the Financial Statements**

Expenditures are measurable and should be recorded when the related liability is incurred.

**D. BUDGETARY PRACTICES**

The Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish utilized the following budgetary practices:

1. The Secretary-Treasurer prepares an operating budget and submits this budget to the board members for approval and adoption.
2. Meetings are held monthly and they are open to the public. The budget was adopted at a public meeting.
3. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. All budgetary appropriations lapse at the end of each fiscal year.

**NOTE 2. - ENCUMBRANCES**

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, are employed as an extension of formal budgetary integration in the General Fund. There are no encumbrances outstanding at December 31, 1998.

**NOTE 3. - INVESTMENTS**

Investments are stated at cost, which approximates market. These investments are invested in an U.S. Treasury Investment Money Fund.

**NOTE 4. - INVENTORIES**

There are no inventories.

**NOTE 5. - VACATION AND SICK LEAVE**

The Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish does not have a formal leave policy.

**NOTE 6. - FUND DEFICITS**

There are no fund deficits.

**NOTE 7. - EXPENDITURES**

Actual and budget expenditures are favorable.

**CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1  
OF JEFFERSON DAVIS PARISH  
JENNINGS, LOUISIANA  
Notes to the Financial Statements**

**NOTE 8. - RECEIVABLES**

The following is a summary of receivables at December 31, 1998:

Taxes		
Ad valorem	\$	74,036
Other		<u>2,428</u>
Total	\$	<u>76,464</u>

**NOTE 9. - FIXED ASSETS**

The Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish has no fixed assets.

**NOTE 10. - PENSION PLAN**

The Commissioners of the Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish do not participate in any Retirement System. Consolidated Gravity Drainage District No. 1 does contribute to the District Attorney's Retirement System. Consolidated Gravity Drainage District No. 1 contributed \$2,260 for the year ended December 31, 1998.

**NOTE 11. - LEASES**

There were no leases for the year ended December 31, 1998.

**NOTE 12. - LEVIED TAXES**

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

	Authorized Mileage	Levied Mileage
Parishwide taxes:	8.82 mills	8.82 mills

**NOTE 13. - RESERVED AND DESIGNATED FUND BALANCES**

All funds balances are restricted for property drainage in Jefferson Davis Parish.

**NOTE 14. - PROPRIETARY FUNDS**

There were no proprietary funds at December 31, 1998.

**NOTE 15. - FINANCIAL INSTRUMENTS**

Consolidated Gravity Drainage District No. 1 maintains its cash balances at one financial institution. The balances are insured by the FDIC up to \$100,000. The company maintains its investments with Hibernia Investment Securities, Inc. The balances are insured by Pershing Co. up to \$150 million. At December 31, 1998 there were no uninsured balances at the institutions.

**CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1  
OF JEFFERSON DAVIS PARISH  
JENNINGS, LOUISIANA**

**COMPENSATION PAID BOARD MEMBERS**

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

My audit was made for the purpose of forming an opinion on the general purpose financial statement taken as a whole. This additional analysis is not a required part of the general purpose financial statements of the Consolidated Gravity Drainage District No. 1 of Jefferson Davis Parish. Such information, on which I express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Schedule of Compensation Paid Board Members  
For the Year Ended December 31, 1998

Board Members:

J. R. Langley	\$ 600
Bobby Hebert	400
Donald Guillory	500
Roy Manuel (Jan.-Feb.)	100
Alfred Goebel	550
Garreth Hill (Mar.-Dec.)	<u>400</u>
 Total	 \$ <u>2,550</u>

# WAYNE HALL & ASSOCIATES

*Certified Public Accountants, LLC*

1304 Bertrand Drive, Suite F-8

Lafayette, LA 70506-9106

## Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of financial Statements Performed in Accordance with Governmental Auditing Standards

To the Board of Director's  
Consolidated Gravity Drainage District No. 1  
Of Jefferson Davis Parish  
Jennings, Louisiana

We have audited the accompanying financial statements of Consolidated Gravity Drainage District No. 1 as of and for the year ended December 31, 1998, and have issued our report thereon dated June 14, 1999. 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 Consolidated Gravity Drainage District No. 1's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, with which noncompliance 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 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 our audit, we considered Consolidated Gravity Drainage District No. 1's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Wayne Hall & Associates, CPAs, LLC*  
June 14, 1999  
Lafayette, Louisiana