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GRAVITY DRAINAGE DISTRICT NO. ONE
OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 6-16-04

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JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984

Retired

Harold Dupre, CPA
 1996
 John Newton Stout, CPA
 1998
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003

ACCOUNTANT'S COMPILATION REPORT

The Board of Commissioners
 Gravity Drainage District No. One of
 Ward Two of St. Landry Parish
 Sunset, Louisiana

We have compiled the accompanying general purpose financial statements of Gravity Drainage District No. One of Ward Two of St. Landry Parish, Sunset, Louisiana, a component unit of the St. Landry Parish Police Jury, as of December 31, 2003, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated January 27, 2004, on the results of our agreed-upon procedures.

John S. Dowling & Company

Opelousas, Louisiana
 April 21, 2004

GRAVITY DRAINAGE DISTRICT NO ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP
DECEMBER 31, 2003

	<u>GOVERNMENTAL FUND TYPES</u>		<u>ACCOUNT GROUP</u>		<u>TOTALS</u> (<u>MEMORANDUM ONLY</u>)
	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>GENERAL</u> <u>LONG-TERM</u> <u>DEBT</u>	<u>2003</u> <u>2002</u>	
<u>ASSETS</u>					
Cash	\$116,883			\$116,883	\$121,921
Investments	400,000			400,000	400,000
Property taxes receivable (net)	85,334			85,334	84,689
Revenue sharing receivable	18,546			18,546	18,788
Accrued interest receivable					<u>592</u>
<u>Total assets</u>	<u>620,763</u>	<u>-0-</u>	<u>-0-</u>	<u>620,763</u>	<u>625,990</u>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>LIABILITIES</u>					
<u>Total liabilities</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>FUND EQUITY</u>					
Fund balance					
Unreserved, undesignated	\$620,763			\$620,763	\$625,990
<u>Total fund balance</u>	<u>620,763</u>	<u>-0-</u>	<u>-0-</u>	<u>620,763</u>	<u>625,990</u>
<u>Total liabilities</u> <u>and fund equity</u>	<u>620,763</u>	<u>-0-</u>	<u>-0-</u>	<u>620,763</u>	<u>625,990</u>

See accompanying notes and accountant's report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>GOVERNMENTAL FUND TYPES</u>		<u>TOTALS</u>	
	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>(MEMORANDUM ONLY)</u>	
			<u>2003</u>	<u>2002</u>
<u>REVENUES</u>				
Taxes				
Property taxes	\$110,385		\$110,385	\$99,440
Intergovernmental				
State revenue sharing	18,018		18,018	18,923
Interest				
On property taxes	216		216	3,125
On investments	11,484		11,484	17,250
Miscellaneous				
Watershed project reimbursement				22,871
<u>Total revenues</u>	<u>140,103</u>	<u>-0-</u>	<u>140,103</u>	<u>161,609</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative				
Accounting	4,035		4,035	3,910
Office expense	614		614	145
Per diem	7,800		7,800	7,200
Telephone				11
Bank charges	218		218	270
Election expense	310		310	5,440
Meeting expense	68		68	37
Drainage				
Maintenance	94,462		94,462	93,355
Soil conservation fees	500		500	500
Engineering expense	10,738		10,738	
Watershed project	26,585		26,585	
Debt service				
Bonds paid				1,000
Interest paid				45
<u>Total expenditures</u>	<u>145,330</u>	<u>-0-</u>	<u>145,330</u>	<u>111,913</u>
<u>EXCESS OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>	<u>(5,227)</u>	<u>---</u>	<u>(5,227)</u>	<u>49,696</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfer in				4,446
Operating transfer out				(4,446)
<u>Total other financing sources (uses)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>AND OTHER SOURCES OVER (UNDER)</u>				
<u>EXPENDITURES AND OTHER USES</u>	<u>(5,227)</u>		<u>(5,227)</u>	<u>49,696</u>
<u>FUND BALANCE, beginning of year</u>	<u>625,990</u>	<u>---</u>	<u>625,990</u>	<u>576,294</u>
<u>FUND BALANCE, end of year</u>	<u>620,763</u>	<u>-0-</u>	<u>620,763</u>	<u>625,990</u>

See accompanying notes and accountant's report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
 SUNSET, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2003

	2003		VARIANCE FAVORABLE (UNFAVORABLE)	2002 ACTUAL
	BUDGET	ACTUAL		
<u>REVENUES</u>				
Taxes				
Property taxes	\$95,000	\$110,385	\$15,385	\$99,440
Intergovernmental				
State revenue sharing	18,260	18,018	(242)	18,923
Interest				
On property taxes	225	216	(9)	3,095
On investments	11,500	11,484	(16)	17,250
Miscellaneous				
Watershed project	5,925		(5,925)	22,871
<u>Total revenues</u>	<u>130,910</u>	<u>140,103</u>	<u>9,193</u>	<u>161,579</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative				
Accounting	4,700	4,035	665	3,910
Office expense	520	614	(94)	145
Per diem	7,800	7,800		7,200
Telephone	100		100	11
Bank charges		218	(218)	220
Insurance	300		300	
Election expense		310	(310)	5,440
Meals and entertainment		68	(68)	37
Miscellaneous	100		100	
Drainage				
Maintenance	110,000	94,462	15,538	93,355
Soil conservation fees	500	500		500
Beaver control	1,000		1,000	
Engineering fees	12,000	10,738	1,262	
Watershed project	28,000	26,585	1,415	
<u>Total expenditures</u>	<u>165,020</u>	<u>145,330</u>	<u>19,690</u>	<u>110,818</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>(34,110)</u>	<u>(5,227)</u>	<u>28,883</u>	<u>50,761</u>
<u>OTHER FINANCING SOURCES</u>				
Operating transfer in				4,446
<u>Total other financing</u>				<u>4,446</u>
<u>sources</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>4,446</u>
<u>EXCESS OF REVENUES AND OTHER</u>				
<u>SOURCES OVER EXPENDITURES</u>	<u>(34,110)</u>	<u>(5,227)</u>	<u>28,883</u>	<u>55,207</u>
<u>FUND BALANCE</u> , beginning of year		<u>625,990</u>		<u>570,783</u>
<u>FUND BALANCE</u> , end of year		<u>620,763</u>		<u>625,990</u>

See accompanying notes and accountant's report.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the Gravity Drainage District No. One of Ward Two of St. Landry Parish, Sunset, Louisiana, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Police Jury is the financial reporting entity for St. Landry Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Landry Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints the five commissioners of Gravity Drainage District No. One of Ward Two, and thus has the ability to impose its will on the Drainage District, the District was determined to be a component unit of the St. Landry Parish Police Jury, the financial reporting entity. 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 government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. FUND ACCOUNTING

The District 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. On the other hand, an account group is a financial reporting device designated 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 District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include the following:

1. General Fund - the general operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.
2. Debt Service Fund - accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the General Long-term Debt Account Group.

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 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 material, are 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.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. BUDGETS

The District adopted a 2003 budget for the General Fund in December, 2002. The 2003 budget for the General Fund was later amended in December, 2003.

F. ENCUMBRANCES

The District does not employ the encumbrance system of accounting.

G. 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 investment.

H. FIXED ASSETS AND LONG-TERM DEBT

Public domain (infrastructure) general fixed assets consisting of drainage improvements are not capitalized. Interest costs during construction are not capitalized. The Gravity Drainage District No. One of Ward Two had no other type of fixed asset purchases.

Long-term liabilities expected to be financed from governmental fund types are accounted for in the General Long-term Debt Account Group, not in the governmental funds.

The account group is not a "fund." It is concerned only with the measurement of financial position. It is not involved with measurement of 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.

I. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the 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 accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregate of this data.

J. COMPARATIVE DATA

Comparative totals for the prior year have been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003

2. CASH AND INVESTMENTS

At December 31, 2003, the bank balances of cash in interest-bearing checking accounts and certificates of deposit were \$92,742, and \$400,000, respectively. The cash and investments are fully secured by federal deposit insurance and/or by collateral pledged by the banks in the District's name.

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 District was required to remit 2.68% in 2003 of their 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 is as follows:

	<u>Total Per Tax Roll</u>	<u>Pension Fund Requirements</u>	<u>Allowance for Uncollectible Taxes</u>	<u>Tax Received in December</u>	<u>Tax Receivable</u>
2003	\$112,953	\$466	\$3,016	\$24,137	\$85,334

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

4. FUND BALANCE

The General and Debt Service Funds do not have deficit fund balances for the year ended December 31, 2003.

5. PER DIEM

A schedule of per diem paid to the board members is presented below:

	<u>Per Diem</u>
<u>Governing Board Members</u>	
Antoine Bajat, Jr.	\$1,560
Jake Benoit	1,560
Samuel P. Henry	1,560
A. F. "Pete" Olivier	1,560
Allen Brasseaux	<u>1,560</u>
	<u>7,800</u>



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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
 Gravity Drainage District No. One of
 Ward Two of St. Landry Parish
 Sunset, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Gravity Drainage District No. One of Ward Two of St. Landry Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Gravity Drainage District No. One of Ward Two's compliance with certain laws and regulations during the year ended December 31, 2003 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials 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).

No expenditures were made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000. The District did properly bid out one project which ended up costing under \$100,000.

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.

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

Management provided us with the required list.

To the Board of Commissioners
 Gravity Drainage District No. One of
 Ward Two of St. Landry Parish
 Page 2

Code of Ethics for Public Officials and Public Employees - Continued

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

Management provided us with a copy of the original and amended budget.

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

We traced the adoption of the original budget to the minutes of a meeting held on 12/18/2002 and the adoption of the amended budget to a meeting held on 12/17/2003.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures for the year did not exceed budgeted amounts by 5% or more and actual revenues did not fail to meet budgeted revenues by 5% or more.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

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

We examined supporting documentation for each of the 6 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

Payments were properly coded to the correct fund and general ledger account.

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

Payments were approved by the Board of Commissioners as stated in the minutes.

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).

Gravity Drainage District No. One of Ward Two of St. Landry Parish is only required to post a notice of each meeting and the accompanying agenda. Management has asserted that such documents were properly posted and the notices are marked as being posted along with the date posted.

To the Board of Commissioners
Gravity Drainage District No. One of
Ward Two of St. Landry Parish
Page 3

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

Advances and Bonuses

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

A reading of the minutes of the District for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Gravity Drainage District No. One of Ward Two of St. Landry Parish 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. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.

John S. Dowling & Company

Opelousas, Louisiana
April 21, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

_____ (Date Transmitted)

Gravity Drainage Dist. Ia Ward II
of St. Landry Parish
P.O. Box 77
Sunset La 70584 (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 (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

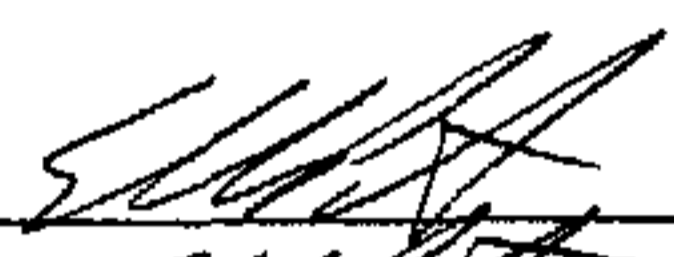


It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974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

	Secretary	1-21-04	Date
	Treasurer	1-21-04	Date
	President	1-21-04	Date

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.

GRAVITY DRAINAGE DISTRICT NO. ONE OF WARD TWO OF ST. LANDRY PARISH
SUNSET, LOUISIANA
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

No prior year findings.