

RECEIVED  
LEGISLATIVE AUDITOR

04 JUN 16 AM 10:18

**WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1**

Vermilion Parish, Louisiana

Financial Report

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 7-28-04

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-3
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)</b>	
Statement of net assets	5
Statement of activities	6
<b>FUND FINANCIAL STATEMENTS (FFS)</b>	
Comparative balance sheet - governmental fund	9
Reconciliation of the governmental fund balance sheet to the statement of net assets	10
Comparative statement of revenues, expenditures, and changes in fund balances - governmental fund	11
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of the governmental fund to the statement of activities	12
Notes to basic financial statements	13-24
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Budgetary comparison schedule:	
General Fund	28
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
<b>OTHER FINANCIAL INFORMATION</b>	
Major Governmental Funds -	
General Fund - budgetary comparison schedule - revenues and expenditures	29
\$100,000 General Obligation Bonds Debt Service Fund - Statement of revenues, expenditures, and changes in fund balance	30
Nonmajor Governmental Fund -	
Comparative Balance Sheet - Capital Projects Fund	33
Comparative statement of revenues, expenditures and changes in fund balance - Capital Projects Fund	34
<b>COMPLIANCE AND INTERNAL CONTROL</b>	
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	36-37
Summary schedule of current and prior year audit findings and corrective action plan	38-39

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1100 Lakeside, 20th  
Floor 1, New Orleans, LA  
70112-3300  
Phone (504) 581-1000  
Fax (504) 581-1001  
www.kcsllc.com

1100 Lakeside, 20th  
Floor 1, Suite 1000  
New Orleans, Louisiana 70112  
Phone (504) 581-1000  
Fax (504) 581-1001  
www.kcsllc.com

P.O. Box 1058  
Bossierite, LA 70511

Phone (225) 833-7000  
Fax (225) 833-7040

www.kcsllc.com  
www.kolder.com

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF ACCOUNTS  
CERTIFIED PUBLIC ACCOUNTANTS

www.kolder.com

## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Ward One Consolidated Gravity  
Drainage District #1  
Vermilion Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities and major funds of the Ward One Consolidated Gravity Drainage District #1 (the Drainage District), a component unit of the Vermilion Parish Police Jury, as of and for the year ended December 31, 2003, which collectively comprise the Drainage District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Drainage District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 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 respective financial position of the governmental activities and major fund of the Drainage District, as of December 31, 2003, and for the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2 to the financial statements, the Drainage District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, Statement No. 31, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus, Statement No. 28, Certain Financial Statement Note Disclosures, and Interpretation No. 8, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements. This results in a change in the format and content of the financial statements.

Michael Slaven, President  
Louisiana, LA, USA  
Phone (504) 581-1000  
Fax (504) 581-1001

1100 Lakeside Drive  
New Orleans, LA, USA  
Phone (504) 581-1000  
Fax (504) 581-1001

1100 Lakeside Drive  
New Orleans, LA, USA  
Phone (504) 581-1000  
Fax (504) 581-1001

1100 Lakeside Drive, Suite 1000  
Bossierite, LA, USA  
Phone (225) 833-7000  
Fax (225) 833-7040

1100 Lakeside Drive  
New Orleans, LA, USA  
Phone (504) 581-1000  
Fax (504) 581-1001

1100 Lakeside Drive  
New Orleans, LA, USA  
Phone (504) 581-1000  
Fax (504) 581-1001

1100 Lakeside Drive  
New Orleans, LA, USA  
Phone (504) 581-1000  
Fax (504) 581-1001

In accordance with Government Auditing Standards, we have also issued a report dated April 27, 2004, on our consideration of the Drainage District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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.

The Drainage District has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined necessary to supplement, although not required to be part of, the basic financial statements.

The accompanying financial information listed as "Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Ward One Consolidated Gravity Drainage District et. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Ward One Consolidated Gravity Drainage District et.

**Kalder, Champagne, Stevens & Company, LLC**  
Certified Public Accountants

Abbeville, Louisiana  
April 27, 2004

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GOWFS)**

WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1

Statement of Net Assets  
December 31, 2003

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 89,716
Investments	121,410
Interest receivable	25
Due from other governmental units	295,847
Prepaid items	1,862
Capital assets, net	<u>349,144</u>
Total assets	<u>861,814</u>
<b>LIABILITIES</b>	
Accounts and other payables	1,761
Long-term liabilities:	
Due within one year	<u>138,897</u>
Total liabilities	<u>140,658</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	398,812
Restricted for debt service	48,813
Unrestricted	<u>416,881</u>
Total net assets	<u>\$ 774,386</u>

The accompanying notes are an integral part of the basic financial statements.

WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1

Statement of Activities  
For the Year Ended December 31, 2003

Activities	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenues and Changes in Net Assets (Governmental) Activities
Governmental activities:			
Public works	\$ 261,449	\$ 62,644	\$ (198,805)
Interest on long-term	1,498	-	(1,498)
Total	<u>\$ 262,947</u>	<u>\$ 62,644</u>	<u>\$ (200,303)</u>
General revenues:			
Taxes:			
Property taxes, levied for general purposes			358,978
State revenue sharing			19,979
Interest and investment earnings			2,022
Oil lease and royalties			3,866
Total general revenues			<u>384,845</u>
Change in net assets:			184,542
Net assets - January 1, 2003			<u>311,969</u>
Net assets - December 31, 2003			<u>\$ 496,511</u>

The accompanying notes are an integral part of the basic financial statements.



**FUND FINANCIAL STATEMENTS (FFFS)**

## FUND DESCRIPTIONS

### General Fund

The general fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

### \$100,000 General Obligation Bond

To accumulated monies for payment of the \$100,000 general obligation bond. Debt service is financed by taxes of 2.0 mills levied on property in the Drainage District.

WAIVED ONE CONSOLIDATED CRAWLEY  
 BRADNAGE DISTRICT #1

Comparative Balance Sheet - Governmental Fund  
 December 31, 2003 and 2002

	Assets		Liabilities and Fund Balance	
	General	Other Deductions	Debit Service	Debit Governmental
	2003	2002	2003	2002
<b>ASSETS</b>				
Cash and cash equivalents	\$ 39,200	\$ 48,923	\$ 11,340	\$ 88,756
Investments	121,400	-	-	121,400
Interest receivable	-	-	25	25
Advances from receivable	239,393	-	-	239,393
State income sharing receivable	6,712	-	-	6,712
Grant receivable	62,643	-	-	62,643
Prepaid insurance	3,662	-	-	3,662
<b>Total assets</b>	<b>\$ 501,292</b>	<b>\$ 49,923</b>	<b>\$ 11,365</b>	<b>\$ 311,890</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ 3,932	\$ -	\$ -	\$ -
Payroll taxes payable	3,322	-	-	3,322
<b>Total liabilities</b>	<b>6,454</b>	<b>-</b>	<b>-</b>	<b>6,454</b>
<b>Fund balance:</b>				
Reserved for projects	2,662	-	-	2,662
Reserved for debt service	-	48,923	-	48,923
Unreserved, undesignated	447,616	-	11,365	458,981
<b>Total fund equity</b>	<b>449,678</b>	<b>48,923</b>	<b>11,365</b>	<b>498,474</b>
<b>Total liabilities and fund balance</b>	<b>\$ 501,292</b>	<b>\$ 49,923</b>	<b>\$ 11,365</b>	<b>\$ 498,474</b>

The accompanying notes are an integral part of the basic financial statements.

WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2003

Total fund balance for the governmental fund at December 31, 2003	\$183,416
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:	
Equipment net of \$176,112 accumulated depreciation	345,144
Long-term liabilities at December 31, 2003:	
Bonds payable	(26,800)
Notes payable	(118,897)
Accrued interest payable	<u>(1,297)</u>
Total net assets of governmental activities at December 31, 2003	<u>\$714,366</u>

The accompanying notes are an integral part of the basic financial statements.

**WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1**

**Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds**

For the Year Ended December 31, 2003

With Comparative Totals for the Year Ended December 31, 2002

	General	Debt Service	Other Governmental Funds	Totals	
				2003	2002
<b>Revenues:</b>					
Taxes	\$ 168,078	\$ -	\$ -	\$168,078	\$152,144
State revenue sharing	18,976	-	-	18,976	20,143
Intergovernmental	62,643	-	-	62,643	-
Oil lease and royalties	3,486	-	-	3,486	6,699
Miscellaneous	1,721	179	158	2,152	3,521
<b>Total revenues</b>	<u>447,822</u>	<u>179</u>	<u>158</u>	<u>448,159</u>	<u>381,471</u>
<b>Expenditures:</b>					
Current -					
Public works - drainage	213,204	-	-	213,204	216,348
Capital outlay	302,683	-	-	302,683	182,198
Debt service -					
Principal retirement	28,133	15,800	-	44,133	15,008
Interest and fiscal charges	7,298	3,778	-	11,076	5,148
<b>Total expenditures</b>	<u>552,318</u>	<u>19,578</u>	<u>-</u>	<u>571,896</u>	<u>418,678</u>
<b>Excess (deficiency) of revenues over expenditures</b>					
	<u>75,511</u>	<u>(18,400)</u>	<u>158</u>	<u>57,269</u>	<u>(38,400)</u>
<b>Other financing sources (uses):</b>					
Transfer in	-	26,875	-	26,875	32,683
Transfer out	(26,875)	-	-	(26,875)	(32,683)
Proceeds from capital financing	121,728	-	-	121,728	148,098
Payments on capital financing	(121,728)	-	-	(121,728)	-
<b>Total other financing sources (uses)</b>	<u>(26,875)</u>	<u>26,875</u>	<u>-</u>	<u>-</u>	<u>148,098</u>
<b>Net changes in fund balances</b>					
	<u>48,636</u>	<u>8,375</u>	<u>158</u>	<u>57,169</u>	<u>111,093</u>
<b>Fund balances, beginning</b>	<u>376,458</u>	<u>40,547</u>	<u>11,458</u>	<u>428,474</u>	<u>315,881</u>
<b>Fund balances, ending</b>	<u>\$ 425,094</u>	<u>\$ 48,922</u>	<u>\$11,616</u>	<u>\$ 485,632</u>	<u>\$ 426,974</u>

The accompanying notes are an integral part of the basic financial statements.

**WARD ONE CONSOLIDATED-GRAVITY  
DRAINAGE DISTRICT #1**

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of the Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2003**

Total net changes in fund balance at December 31, 2003 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 16,963
 The change in net assets reported for governmental activities in the statement of activities is different because:	
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$182,683
Depreciation expense for the year ended December 31, 2003	<u>(48,616)</u> 14,047
Add: Notes and capital lease principal retirement considered as an expenditure on Statement of Revenues and Expenditures and Changes in Fund Balance	44,303
Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>7,126</u>
Total changes in net assets at December 31, 2003 per Statement of Activities	<u>\$182,478</u>

The accompanying notes are an integral part of the basic financial statements.

WARD ONE CONSOLIDATED GRAVITY DRAINAGE  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana

Notes to Financial Statements

11) **Summary of Significant Accounting Policies**

The accompanying financial statements of the Ward One Consolidated Gravity Drainage District #1 (the Drainage District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements the Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions as of before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of these notes.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:117 and to the guides set forth in the industry audit guide, *Audits of State and Local Governments*.

The following is a summary of certain significant accounting policies:

A. **Financial Reporting Entity**

Section 2180 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the police jury is determined on the basis of the following criteria:

1. Appointment of governing board
2. Designation of management
3. Ability to significantly influence operations
4. Accountability for fiscal matters
5. Scope of public services

Because the police jury created the District and appoints its board of commissioners, the Drainage District was determined to be a component unit of the Vermilion 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 Drainage 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 governmental reporting entity.

**WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana**

**Notes to Financial Statements (Continued)**

**B. Basis of Presentation**

**Government-Wide Financial Statements (GWFS)**

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Drainage District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**C. Fund Accounting**

The accounts of the Drainage District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Drainage District maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.



WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana

Notes to Financial Statements (Continued)

The major fund of the Drainage District is described below:

**Governmental Fund -**

**General Fund**

The General Fund is the general operating fund of the Drainage District. It is used to account for all financial resources except those required to be accounted for in another fund.

**Debt service funds**

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Additionally, the Drainage District reports the following fund types:

**Capital projects funds**

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**D. Measurement Focus/Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "what" transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in Item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. The governmental fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents revenues and uses of available spendable financial resources during a given period. This fund uses fund balances as its measure of available spendable financial resources at the end of the period.

**WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Vernon Parish, Louisiana**

**Notes to Financial Statements (Continued)**

- b. The government-wide financial statement utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities, (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

**E. Assets, Liabilities and Equity**

**Cash, Interest-bearing Deposits and Investments**

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts and certificates of deposits of the Drainage District.

Under state law, the District may invest in United States bonds, treasury notes, or certificates of deposits. Investments are stated at amortized costs.

**Receivables**

In the government-wide statements, receivables consist of all revenues earned as year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and state revenue sharing.

WARD ONE CONSOLIDATED GRANTY  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana

Notes to Financial Statements (Continued)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2003, are recorded as prepaid items.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Drainage District maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	5-10 years
-----------	------------

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consist primarily of the general obligation bonds.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

WARD ONE CONSOLIDATED GRADITY  
DRAINAGE DISTRICT #1  
Vernon Parish, Louisiana

Notes to Financial Statements (Continued)

**Compensated Absence**

Full-time employees of the Drainage District with more than one year of service are allowed two weeks of vacation leave each year; full-time employees with one year of service or less are allowed one week of vacation leave each year. Vacation leave does not accumulate from year to year. Sick leave accumulates from year to year up to 120 days but is not paid to the employee upon termination of employment. Full-time employees are allowed one-day sick leave for each month worked beginning with the day they are employed. At December 31, 2005 employees of the Drainage District have no accumulated or vested leave benefits relating to vacation or sick leave that require account or disclosure to conform with generally accepted accounting principles.

**Equity Classification**

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

**F. Revenues, Disbursements, and Expenses**

**Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by character and function. In the fund financial statements, expenditures are classified by character.

**WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana**

**Notes to Financial Statements (Continued)**

**G. Budgetary Practices**

The Drainage District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Drainage District's Secretary/Treasurer prepares a proposed budget and presents it to the Board of Commissioners prior to seven days before the beginning of each fiscal year.
2. After the proposed budget is presented to the Board of Commissioners, the Board publishes the proposed budget and notifies the public that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held by the Board on the proposed budget at least ten days after publication of the call for the hearing.
4. Any changes in the proposed annual operating budget requires a majority vote of the Board of Commissioners.
5. No later than the last regular meeting of the fiscal year, the Board of Commissioners adopts the annual operating budget for the ensuing fiscal year.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budget appropriations lapse at year-end.

**H. Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

**I. Report Classification**

Certain previously reported amounts for the year ended December 31, 2002, have been reclassified to conform to the December 31, 2003 classifications.

**WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana**

**Notes to Financial Statements (Continued)**

**1. Encumbrances**

Encumbrance 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, is not employed by the Drainage District as an extension of formal budgetary integration in the funds.

**(2) Changes in Accounting Principles**

For the year ended December 31, 2002, the Drainage District has implemented GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. GASB Statement No. 34 creates new basic financial statements for reporting on the Drainage District’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Drainage District also implemented GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, Councils, No. 38, *Certain Financial Statement Note Disclosures*, and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

The implementation of GASB Statement No. 34 caused the opening fund balance at December 31, 2002 to be restated in terms of “net assets” as follows:

Total fund balance - Governmental Fund - at December 31, 2002		\$ 428,474
Add: Cost of capital assets at December 31, 2002	\$ 413,511	
Less: Accumulated depreciation at December 31, 2002	<u>(218,232)</u>	295,279
Less: Bond payable principal at December 31, 2002	(25,000)	
Notes payable principal at December 31, 2002	(143,262)	
Accrued interest payable at December 31, 2002	(8,181)	
Net capital assets received from bond asset listing	<u>(1,750)</u>	(198,293)
Net assets at December 31, 2002		<u>\$ 500,086</u>

**WARD ONE CONSOLIDATED GRANTY  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana**

**Notes to Financial Statements (Continued)**

**(3) Cash and Interest-Bearing Deposits**

Under state law, the Drainage District 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. The Drainage District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2003, the Drainage District has cash and interest-bearing deposits (bank balances) totaling \$88,736, as follows:

Demand deposits	\$ 80,736
Interest-bearing demand and savings accounts	<u>8,000</u>
<b>Total</b>	<b><u>\$ 88,736</u></b>

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 bank. Deposit balances (bank balances) at December 31, 2003, are secured as follows:

Bank balances	<u>\$ 213,930</u>
Federal deposit insurance	308,080
Pledged securities (Category 3)	<u>17,930</u>
<b>Total federal deposit insurance and pledged securities</b>	<b><u>\$ 213,930</u></b>

Pledged securities in Category 3 includes unissued or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Drainage District's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 28:1228 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 15 days of being notified by the Drainage District that the fiscal agent has failed to pay deposited funds upon demand.

**(4) Due from Other Governmental Units**

Amounts due from other governmental units at December 31, 2003 consisted of the following:

Amount due from the Vermilion Parish Sheriff's Office for ad valorem tax	\$ 209,292
Amount due from the Vermilion Parish Sheriff's Office for state revenue sharing	6,712
Amount due from United States Department of Agriculture	<u>67,643</u>
<b>Total</b>	<b><u>\$ 283,647</u></b>

**WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana**

Notes to Financial Statements (Continued)

(5) Capital Assets

Capital asset balances and activity for the year ended December 31, 2003 is as follows:

	Balance 06/01/00	Additions	Deletions	Balance 12/31/2003
Capital assets not being depreciated:				
Equipment	\$41,311	\$100,683	\$ 88,818	\$ 153,176
Less accumulated depreciation:				
Equipment	718,128	48,628	88,762	788,112
Net capital assets	\$323,273	\$ 48,628	\$177,580	\$ 348,142

Depreciation expense of \$48,628 was charged to the public works function.

(6) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at December 31, 2003:

Accounts	\$ 2,814
Account interest	1,297
 Totals	 \$ 4,111

(7) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied on November 15 and are actually billed to the taxpayer in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

Tax revenues are recognized in the year they are billed.

The taxes are based on assessed values determined by the Tax Assessor of Vermilion Parish and are collected by the Sheriff. The taxes are remitted to the Drainage District net of deductions for Pension Fund Contributions.



**WARD ONE (CONSOLIDATED-GRAVITY)  
DRAINAGE DISTRICT #1  
Vermilion Parish, Louisiana**

**Notes to Financial Statements (Continued)**

For the year ended December 31, 2003, taxes of 17.62 mills were levied on property with net assessed valuations totaling \$16,698,960 and were dedicated to paying the administrative, operations and maintenance expenditures for the Drainage District.

Total taxes levied during 2003 were \$294,126. Taxes receivable at December 31, 2003 amounted to \$229,292.

**(8) Compensation Paid Board of Commissioners**

The schedule of compensation paid board of commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1978 Session of the Louisiana Legislature. The per diem paid to board members is included in the expenditures of the General Fund. Each member of the board receives \$60 for each day of attendance at meetings of the board. The schedule of compensation at December 31, 2002 and 2003 are as follows:

	<u>2002</u>	<u>2003</u>
Robney Dugas	\$ 780	\$1,020
Clifford Bernard	780	960
Louis P. Barea	660	1,020
Kenneth Barea	540	660
William Vallee	660	660
J. Wiley Romero	780	1,020
Total	<u>\$4,280</u>	<u>\$5,340</u>

**(9) Changes in Long-Term Debt**

The following is a summary of long-term debt transactions of the Drainage District for the year ended December 31, 2003:

Balance, January 1, 2003	\$183,963
Additions	121,720
Deletions	<u>(162,285)</u>
Balance, December 31, 2003	<u>\$143,397</u>

WARD ONE CONSOLIDATED GRANTY  
DRAINAGE DISTRICT #1  
Terrebonne Parish, Louisiana

Notes to Financial Statements (Continued)

The annual requirements to amortize all debt outstanding at December 31, 2003, including interest payments of \$1,297 are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Notes</u> <u>Payable</u>	<u>Bonds</u> <u>Payable</u>
2004	<u>\$ 118,897</u>	<u>\$ 20,000</u>

(10) Litigation

There was no litigation pending against the Drainage District at December 31, 2003.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

WARD ONE, CONSOLIDATED-GRAVITY  
DRAINAGE DISTRICT #1  
General Fund

Budgetary Comparison Schedule  
For the Year Ended December 31, 2002  
With Comparative Actual Amounts for the Year Ended December 31, 2001

	2002			Variance - Favorable (Unfavorable)	2001 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes	\$ 221,860	\$ 220,427	\$ 188,878	\$ 128,671	\$ 180,994
State revenue sharing	8,545	-	18,879	18,879	28,147
Intergovernmental - USDA, grant	-	-	61,640	61,641	-
Oil lease and royalties	18,541	3,482	3,408	179	4,489
Interest income	4,511	780	1,252	780	1,251
<b>Total revenues</b>	<u>275,864</u>	<u>224,689</u>	<u>272,857</u>	<u>110,148</u>	<u>215,931</u>
<b>Expenditures:</b>					
Current -					
Public works - drainage	290,048	221,878	248,811	(21,890)	228,144
Capital Outlay	-	-	82,682	(82,682)	(82,129)
<b>Total expenditures</b>	<u>290,048</u>	<u>221,878</u>	<u>331,493</u>	<u>(101,682)</u>	<u>146,015</u>
Excess (deficiency) of revenues over expenditures	<u>4,816</u>	<u>12,811</u>	<u>41,364</u>	<u>107,497</u>	<u>128,656</u>
Other Financing Sources (Used):					
Transfers in	-	-	(28,871)	(28,871)	(28,860)
Proceeds from capital financing	-	-	121,720	121,720	158,899
Payments on capital financing	-	-	(211,720)	(211,720)	-
<b>Total other financing sources (used)</b>	<u>-</u>	<u>-</u>	<u>(28,871)</u>	<u>(28,871)</u>	<u>131,139</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>4,816</u>	<u>12,811</u>	<u>12,493</u>	<u>78,626</u>	<u>97,524</u>
Fund balance, beginning	<u>115,468</u>	<u>79,449</u>	<u>216,452</u>	-	<u>288,991</u>
Fund balance, ending	<u>\$ 120,284</u>	<u>\$ 92,260</u>	<u>\$ 228,945</u>	<u>\$ 86,652</u>	<u>\$ 316,515</u>

## OTHER SUPPLEMENTARY INFORMATION

## OTHER FINANCIAL INFORMATION

**WARD ONE CONSOLIDATED DRAINAGE DISTRICT #1**  
**General Fund**

**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2000**  
**With Comparative Actual Amounts for the Year Ended December 31, 2000**

	2001			Variance - Favorable (Unfavorable)	2000 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes - ad valorem	\$132,860	\$115,417	\$168,078	\$126,651	\$143,944
State revenue sharing	18,940	-	18,978	18,978	28,143
Intergovernmental -					
LITRA grant	-	-	82,640	82,640	-
Oil lease and royalties	19,344	3,483	3,428	(76)	6,628
Interest income	4,112	789	1,721	(241)	3,761
<b>Total revenues</b>	<u>205,258</u>	<u>122,689</u>	<u>442,825</u>	<u>216,143</u>	<u>373,505</u>
<b>Expenditures:</b>					
<b>Current -</b>					
<b>Public works -</b>					
Commissioners fees	3,098	4,268	4,280	5,240	5,240
Fuel & oil	23,608	8,008	12,166	(3,664)	35,838
Group insurance	24,142	21,175	22,289	(3,834)	32,381
Interest	-	-	7,298	(7,298)	3,284
Insurance	15,611	13,643	12,864	3,845	17,647
Miscellaneous	588	-	28	(18)	101
Office supplies	3,088	378	1,213	(362)	5,911
Principal payment	79,812	-	29,233	(29,233)	39,487
Professional fees	2,888	2,128	2,215	(79)	9,718
Property lease	1,288	1,288	1,888	-	1,215
Repairs	28,888	28,812	29,789	(2,118)	22,812
Salaries & wages	144,372	136,381	111,888	24,898	101,945
Supplies	4,888	3,888	5,227	(2,127)	-
Taxes and licenses	8,288	8,288	12,412	(4,122)	18,657
Telephone	-	-	2,172	(2,172)	887
Capital outlay	-	-	182,682	(182,682)	<u>182,182</u>
<b>Total expenditures</b>	<u>379,888</u>	<u>321,879</u>	<u>352,311</u>	<u>(118,628)</u>	<u>418,128</u>
<b>Excess (deficiency) of</b>					
<b>revenues over expenditures</b>	<u>4,888</u>	<u>(15,812)</u>	<u>82,311</u>	<u>340,778</u>	<u>(28,623)</u>
<b>Other Financing Sources (uses):</b>					
Operation/Transfer out	-	-	(28,872)	(28,872)	(28,882)
Proceeds from capital financing	-	-	121,728	121,728	168,888
Payments on capital financing	-	-	(121,728)	(121,728)	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>(28,872)</u>	<u>216,268</u>	<u>(12,234)</u>
<b>Excess of revenues and other</b>					
<b>financing sources over</b>					
<b>expenditures and other uses</b>	<u>4,888</u>	<u>(15,812)</u>	<u>53,439</u>	<u>462,448</u>	<u>92,364</u>
<b>Fund balance, beginning</b>	<u>378,688</u>	<u>378,688</u>	<u>378,688</u>	<u>-</u>	<u>358,265</u>
<b>Fund balance, ending</b>	<u>383,576</u>	<u>362,876</u>	<u>442,127</u>	<u>342,496</u>	<u>578,458</u>

WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Debt Service Fund  
\$160,000 General Obligation Bonds

Statement of Revenues, Expenditures and Changes in Fund Balance -  
For the Year Ended December 31, 2003  
With Comparative Actual Amounts for Year Ended December 31, 2002

	<u>2003</u>	<u>2002</u>
<b>Revenues:</b>		
Other revenues -		
Interest on investments	\$ 278	\$ 343
<b>Expenditures:</b>		
Debt principal	13,000	13,000
Interest	2,778	4,299
Fees - tax collection	<u>1,000</u>	<u>847</u>
Total expenditures	<u>16,778</u>	<u>18,146</u>
Deficiency of revenues over expenditures	(16,499)	(17,767)
<b>Other financing sources:</b>		
Operating transfer in	<u>26,872</u>	<u>25,022</u>
<b>Excess of revenues and other financing sources over expenditures</b>	8,373	15,858
<b>Fund balance, beginning</b>	<u>40,247</u>	<u>24,378</u>
<b>Fund balance, ending</b>	<u>\$48,620</u>	<u>\$40,247</u>



## NONMAJOR GOVERNMENTAL FUNDS

## NONMAJOR CAPITAL PROJECTS FUNDS

### Drainage Improvement Fund

To account for improvement within the District. Improvements are funded by the \$160,000 General Obligation bonds.

WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Nonmajor Capital Projects Funds  
Drainage Improvement Fund

Comparative Balance Sheet  
December 31, 2001 and 2002

	<u>2001</u>	<u>2002</u>
<b>ASSETS</b>		
Cash and interest bearing deposits	\$11,583	\$11,430
Interest receivable	<u>      35</u>	<u>      35</u>
<b>Total assets</b>	<b><u>\$11,618</u></b>	<b><u>\$11,465</u></b>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities	\$ -	\$ -
Fund balances	<u>11,618</u>	<u>11,465</u>
<b>Total liabilities and fund balances</b>	<b><u>\$11,618</u></b>	<b><u>\$11,465</u></b>

WARD ONE CONSOLIDATED GRAVITY  
DRAINAGE DISTRICT #1  
Nonmajor Capital Projects Funds

Statement of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2003  
With Comparative Totals for December 31, 2002

	2003	2002
Revenues:		
Interest income	\$ 190	\$ 211
Expenditures	-	-
Excess of revenues over expenditures	190	211
Fund balance, beginning	11,458	11,217
Fund balance, ending	\$11,608	\$11,458

COMPLIANCE  
AND  
INTERNAL CONTROL

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

200 North Center Street  
Baton Rouge, Louisiana 70802  
Phone: (225) 383-7200  
Fax: (225) 383-7201  
E-Mail: [info@kcsllc.com](mailto:info@kcsllc.com)

P.O. Box 1055  
Baton Rouge, LA 70811

Phone (225) 386-7344  
Fax (225) 386-7348

WEB SITE:  
[www.kcsllc.com](http://www.kcsllc.com)

MEMBER OF

INTERNATIONAL SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

INSTITUTE OF ACCOUNTS  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF  
KCS GROUP, LLC  
1000 P. O. BOX 1055  
BATON ROUGE, LA 70811  
PHONE: (225) 386-7344  
FAX: (225) 386-7348  
WWW: [www.kcsllc.com](http://www.kcsllc.com)

A Louisiana Limited Liability Company

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

Board of Commissioners  
Ward One Consolidated Gravity  
Drainage District #1  
Vermilion Parish, Louisiana

We have audited the financial statements of the Ward One Consolidated Gravity Drainage District #1, a component unit of the Vermilion Parish Police Jury as of and for the year ended December 31, 2003, and have issued our report thereon dated April 27, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Drainage District's financial statements are free of material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item (C)-2(C).

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Drainage District'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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, would adversely affect the Drainage District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and

100 South Main Street  
Baton Rouge, LA 70801  
Phone: (225) 383-7200  
Fax: (225) 383-7201

1000 P.O. Box 1055  
Baton Rouge, LA 70811  
Phone: (225) 386-7344  
Fax: (225) 386-7348

1000 P.O. Box 1055  
Baton Rouge, LA 70811  
Phone: (225) 386-7344  
Fax: (225) 386-7348

1000 P.O. Box 1055  
Baton Rouge, LA 70811  
Phone: (225) 386-7344  
Fax: (225) 386-7348

1000 P.O. Box 1055  
Baton Rouge, LA 70811  
Phone: (225) 386-7344  
Fax: (225) 386-7348

1000 P.O. Box 1055  
Baton Rouge, LA 70811  
Phone: (225) 386-7344  
Fax: (225) 386-7348

1000 P.O. Box 1055  
Baton Rouge, LA 70811  
Phone: (225) 386-7344  
Fax: (225) 386-7348

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 accounts 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described in the accompanying schedule of current and prior year audit findings and corrective action plan at item (I)-(K) is a material weakness.

This report is intended solely for the information and use of management and is not intended to be used and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

***Ernst, Champagne, Simon & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
April 27, 2004

WALDEN-COVE CONSOLIDATED COMMUNITY  
 LOCAL GOV. DISTRICT #1  
 Veterans Park, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
 and Corrective Action Plan  
 Year Ended December 31, 2003

Find Year Finding Number	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Assigned Completion Date
<b>CURRENT YEAR (12/31/03) -</b>					
<b>Internal Control</b>					
01-003	Unknown	Due to the small number of employees, the Drainage District did not have adequate segregation of functions within the accounting system.	NA	No progress is considered necessary.	NA
<b>Compliance</b>					
01-001	03/11/03	The District is in violation of LSA-RS 19:1101, 1111 regarding budget requirements. The violations are as follows: the District did not make sure the budget available for public inspection is kept 13 days prior to the beginning of the budget year, and the District should have amended the budget in accordance with LSA-RS 19:1108.	NA	The District will adhere to all requirements of LSA-RS 19:1101-1114.	12/31/06
<b>PRIOR YEAR (12/31/02)</b>					
<b>Internal Control</b>					
01-100	Unknown	Due to the small number of employees, the Drainage District did not have adequate segregation of functions within the accounting system.	NA	No progress is considered necessary.	NA

(Continued)



PLANNED OPEN HOUSES AND PUBLIC CONSULTATION  
 (MUNICIPAL DISTRICT OF)  
 Vermilion Parish, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
 and Corrective Action Plan (Continued)  
 Year Ended December 31, 2000

Item No.	Fiscal Year	Finding Identified Occurrence	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
81-292	12-31-2000		The District is in violation of LSA-RS 49:1281.1(1)(A) regarding budget expenditures. The violation occurred because the District did not take action to adopt and finalize the budget before year end, make the budget available for public inspection at least 14 days prior to the beginning of the budget year, advertise the budget, carry proposed expenditures associated \$150,000, make the budget available for public inspection, and the District should have amended the budget in accordance with LSA-RS 49:281500.	No	The District will adhere to all requirements of LSA-RS 49:1281-1314.	Larry Jus	02/15/2001
81-293	12-31-2000		The Drainage District is in violation of LSA-RS 48:130 - 48:200 which establish specific reporting requirements that should be filed with the governing authority. The Drainage District did not report data period in 00-01 under Vermilion Parish Public Safety.	Yes	The Drainage District will try to their report to the Vermilion Parish Public Safety in year end.	Larry Jus	1/20/2001