

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AGIST DIVISION



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SALINE SOIL AND WATER CONSERVATION DISTRICT
RINGGOLD, LOUISIANA

REPORT NO. 02-06-36

Under provisions of state law, this report is public domain. A copy of the report has been submitted to the entity and other appropriate state officials. The report is available for public inspection in the Fiscal Storage office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Released Date: 10/28/04

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 82-06-05

SALINE SOIL AND WATER CONSERVATION DISTRICT
RINGGOLD, LOUISIANA

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LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

May 8, 2003

Board of Supervisors
Saline Soil and Water Conservation District
P. O. Box 528
Ringgold, Louisiana 71088

Gentlemen:

We have audited the accompanying Balance Sheet of the Saline Soil and Water Conservation District, as of June 30, 2002, and the related Statements of Revenue, Expenditures and Changes in Fund Balance 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.

Our audit was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary. 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 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 the Saline Soil and Water Conservation District as of June 30, 2002, and the results of its operations and changes in its fund balance for the year then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Sincerely,



Mark A. Tillman
Audit Director

MAT: bt

cc. State Soil and Water Conservation Committee
Legislative Auditor

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 02-06-06

REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Management of the Saline Soil and Water Conservation District is responsible for the District's compliance with state and local regulations. As part of our audit, we selected and tested transactions and records to determine the extent to which the Saline Soil and Water Conservation District complied with material laws and regulations of the State of Louisiana.

Our testing of transactions and records disclosed no instances of noncompliance.

Exhibit A

Audited Combined Balance Sheet

| | General Fund | Gen. Fund Asset Group | Fund Balance 2002 | Fund Balance 2001 |
|--|--------------------|--------------------------|----------------------|----------------------|
| ASSETS | | | | |
| Cash | \$2,896.21 | | \$2,896.21 | (\$113.66) |
| Posty Cash | \$0.00 | | \$0.00 | \$0.00 |
| Accounts Receivable | \$0.00 | | \$0.00 | \$0.00 |
| Money Market | \$0.00 | | \$0.00 | \$0.00 |
| Certificate Of Deposit | \$11,081.78 | | \$11,081.78 | \$11,473.12 |
| Savings | \$0.00 | | \$0.00 | \$0.00 |
| Prepaid Insurance | \$217.50 | | \$217.50 | \$98.50 |
| Prepaid Maintenance | \$0.00 | | \$0.00 | \$0.00 |
| Furniture & Equipment: | | \$7,523.00 | \$7,523.00 | \$7,523.00 |
| Building | | \$15,868.12 | \$15,868.12 | \$15,868.12 |
| Land | | \$200.00 | \$200.00 | \$200.00 |
| TOTAL ASSETS | \$16,205.47 | \$23,692.87 | \$28,897.04 | \$24,458.08 |
| LIABILITIES | | | | |
| Accounts Payable | \$0.00 | | \$0.00 | \$0.00 |
| Accrued Salaries | \$241.80 | | \$241.80 | \$241.00 |
| Accrued FICA | \$29.89 | | \$29.89 | \$29.00 |
| Accrued Retirement | \$0.00 | | \$0.00 | \$0.00 |
| Accrued Leave | \$1,836.75 | | \$1,836.75 | \$1,817.38 |
| Due to LOCAT | \$0.00 | | \$0.00 | \$0.00 |
| TOTAL LIABILITIES | \$2,208.64 | \$0.00 | \$2,208.64 | \$2,197.47 |
| FUND EQUITY | | | | |
| Fund Bal.-Res.-Group Insurance | \$0.00 | | \$0.00 | \$0.00 |
| Fund Bal.-Res.-Other Insurance | \$217.50 | | \$217.50 | \$98.50 |
| Fund Bal.-Res.-Maintenance | \$0.00 | | \$0.00 | \$0.00 |
| Fund Bal.-Unreserved | \$13,784.75 | | \$13,784.75 | \$5,458.98 |
| Investments in G. F. A. | | \$23,692.87 | \$23,692.07 | \$23,692.07 |
| TOTAL FUND EQUITY | \$14,001.83 | \$23,692.87 | \$27,667.75 | \$22,251.63 |
| TOTAL LIABILITIES & FUND EQUITY | \$16,205.47 | \$23,692.07 | \$28,897.04 | \$24,458.08 |

The accompanying notes are an integral part of this statement.

EXHIBIT B

**STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE**

| | GENERAL FUND 2001 | GENERAL FUND 2001 |
|---|----------------------|----------------------|
| REVENUE | | |
| Area Meeting | \$0.00 | \$0.00 |
| CRP | \$0.00 | \$0.00 |
| Equipment/Rentals | \$0.00 | \$0.00 |
| Interest | \$007.19 | \$077.19 |
| Local Funds | \$0.00 | \$0.00 |
| Miscellaneous | \$200.15 | \$48.00 |
| Rent | \$1,000.00 | \$1,000.00 |
| Use of Equipment | \$0.00 | \$0.00 |
| Seedings | \$1,778.00 | \$1,774.00 |
| Specialty Page | \$0.00 | \$0.00 |
| State Funds | \$21,075.00 | \$21,000.00 |
| Other | \$0.00 | \$0.00 |
| TOTAL REVENUES | \$24,475.19 | \$28,209.00 |
| EXPENDITURES | | |
| Advertisements (not retired) | \$0.00 | \$0.00 |
| Annual Report | \$0.00 | \$0.00 |
| Area Meeting | \$100.00 | \$100.00 |
| Awards/Concessions/Promotions | \$244.00 | \$1,207.00 |
| Bank Charges | \$88.00 | \$100.00 |
| Board Meetings per diem | \$1,200.00 | \$1,200.00 |
| Board Meetings mileage | \$200.00 | \$200.00 |
| Dues & Subscriptions | \$200.00 | \$200.00 |
| Equipment | \$0.00 | \$701.00 |
| Field Supplies | \$0.00 | \$0.00 |
| Insurance-aging health | \$1,400.00 | \$2,488.00 |
| Insurance-Other | \$1,000.00 | \$1,000.00 |
| Insurance-employment | \$0.00 | \$11.00 |
| Journal Expenses | \$1,000.00 | \$1,000.00 |
| Maintenance & Repairs | \$1,001.00 | \$1,001.00 |
| Miscellaneous | \$0.00 | \$0.00 |
| Office Supplies | \$1,200.00 | \$1,200.00 |
| Postage | \$400.00 | \$0.00 |
| Rent | \$0.00 | \$0.00 |
| Rentals | \$0.00 | \$00.00 |
| Salaries | \$75,100.00 | \$75,000.00 |
| FCR | \$1,200.00 | \$1,200.00 |
| Retirement | \$0.00 | \$0.00 |
| Seedings | \$1,007.41 | \$1,000.00 |
| Telephone | \$1,000.00 | \$1,000.00 |
| Travel | \$000.00 | \$000.00 |
| Utilities | \$1,000.00 | \$1,000.00 |
| TOTAL EXPENDITURES | \$78,000.00 | \$70,000.00 |
| Excess (deficiency) of Revenue over Expenditures | \$6,475.19 | \$8,209.00 |

The accompanying notes are an integral part of this statement.

EXHIBIT 2

**STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE**

| | GENERAL FUND 2002 | GENERAL FUND 2001 |
|--|----------------------|----------------------|
| Fund Balance Unreserved Beginning of the year | \$1,493.08 | \$11,117.08 |
| Excess (Deficiency) of Revenues over Expenditures | \$1,443.11 | (\$1,708.87) |
| Less: Prior Period Adjustment | (\$1.00) | \$17.08 |
| Less: (Setaside) (F), B.-Reserved for Other Insurance | (\$127.91) | (\$4.17) |
| Less: (Setaside) (F), B.-Reserved for Maintenance | \$0.00 | \$0.00 |
| Fund Balance Unreserved End of the Year | <u>\$1,798.11</u> | <u>\$1,408.28</u> |
| OTHER FINANCING SOURCES | | |
| Fund Balance Reserved for Group Insurance (Beg. Balance) | \$0.00 | \$0.00 |
| Plus: Paid-in by Supervisors | \$0.00 | \$0.00 |
| Less: Paid-out by District | \$0.00 | \$0.00 |
| Less: Prior Period Correction | \$0.00 | \$0.00 |
| Fund Balance Reserved for Group Insurance (Ending Balance) | <u>\$0.00</u> | <u>\$0.00</u> |
| Fund Balance Reserved for Other Insurance (Beg. Balance) | \$88.50 | \$88.47 |
| Plus: Paid-in | \$2,424.48 | \$2,824.87 |
| Less: Paid-out | (\$2,708.88) | (\$2,828.87) |
| Fund Balance Reserved for Other Insurance (Ending Balance) | <u>\$17.50</u> | <u>\$88.50</u> |
| Fund Balance Reserved for Maintenance (Beg. Balance) | \$0.00 | \$0.00 |
| Plus: Paid-in | \$2,047.38 | \$4,217.80 |
| Less: Paid-out | (\$2,047.38) | (\$4,217.80) |
| Fund Balance Reserved for Maintenance (Ending Balance) | <u>\$0.00</u> | <u>\$0.00</u> |

The accompanying notes are an integral part of this statement.

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 00-66-35

SALINE SOIL AND WATER CONSERVATION DISTRICT

RINGGOLD, LOUISIANA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Louisiana Legislature created the Saline Soil and Water Conservation District. The District primarily assists farmers and other land users in the wise use of their lands and the prevention of erosion of farm and urban land and the pollution of waters in the state.

The governing board of supervisors administers the operations and responsibilities of the District in accordance with Louisiana Statutes. The board is comprised of five members.

In April 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November, 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent pronouncements are recognized as generally accepted accounting principles for state and local governments.

The financial statements of the Saline Soil and Water Conservation District are prepared in accordance with the standards established by the GASB. GASB Codification Section 2100 established criteria for determining the governmental reporting entity to be the Saline Soil and Water Conservation District. The accompanying statements present information only as to the transactions of the District.

A. FUND ACCOUNTING

The financial statements of the Saline Soil and Water Conservation District

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AGIST DIVISION

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are presented as if the accounts were organized on the basis of funds and account groups, each of which would be considered a separate accounting entity. Since the District has no financial resources, which are required to be accounted for in other funds, only a general operating fund was used.

B. FIXED ASSETS

Fixed assets used in the governmental fund type operations are accounted for in the General Fixed Assets account group, rather than the Governmental Fund. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

This account group is not a "fund." It is concerned with the measurement of financial position, not with measurement of operations.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of measurement relates to the timing of the measurements made, regardless of the measurement focus applied. The records are maintained on a cash basis and the accompanying financial statements have been converted to a modified accrual basis of accounting using the following practices:

(1) Revenue

State Funds are recorded when the District is entitled to the funds.

Newsletter sponsors and equipment rental are recorded in the year earned.

Interest income on time deposits is recorded when the deposits have matured and the income is available.

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Rents and royalties are recorded in the year earned.

Subsequently all other revenues are recorded when received.

(2) Expenditures

Expenditures were recognized in the accounting period in which the liabilities are both measurable and incurred.

D. BUDGETARY PRACTICES

A budget was submitted to the Office of Soil and Water Conservation, Louisiana Department of Agriculture and Forestry. State Funding for the year was based upon the allocation procedures established in the program rules and regulations.

E. ANNUAL AND SICK LEAVE

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. Unused annual and sick leave accumulates without limit. The number of hours of unused annual leave for which an employee may receive a lump sum payment upon termination from District employment may not exceed 500 hours.

At June 30, 2002 (fiscal close), the Saline Soil and Water Conservation District had accumulated and vested \$1,836.75, in leave privileges, required to be accrued under SFAS-43. Current year expenditures for salary and leave privileges total \$46,139.37.

F. PENSION PLAN
SOCIAL SECURITY BENEFITS

Substantially all employees of the Saline Soil and Water Conservation District

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 02-06-35

are members of the Social Security System. The Employee contribution was 7.65% of gross salary from July 1, 2001, through June 30, 2002. The District contributed an additional 7.65% of gross salary from July 1, 2001, through June 30, 2002. The District does not guarantee the benefits granted by the Social Security System.

2. **CHANGES IN GENERAL FIXED ASSETS**

The General Fixed Assets of the Saline Soil and Water Conservation District remained the same for the year ended June 30, 2002.

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
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4. COMPENSATION PAID TO BOARD MEMBERS

The schedule of compensation paid to the Saline Soil and Water Conservation District Supervisors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Soil and Water Conservation District Supervisors is included in the general administrative expenditures of the General Fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 3:1207.

PER DIEM/MILEAGE PAID TO BOARD MEMBERS
FOR THE YEAR ENDING JUNE 30, 2002

| BOARD MEMBER | MEETINGS REIMBURSED | PER DIEM | MILEAGE | TOTAL AMOUNT |
|------------------|---------------------|------------|----------|--------------|
| W. E. Barron | 8 | \$ 290.00 | \$158.00 | \$ 438.00 |
| Wilson M. Conly | 8 | \$ 290.00 | \$ 80.00 | \$ 340.00 |
| Roger Culbertson | 9 | \$ 315.00 | \$188.20 | \$ 603.20 |
| R. P. Thrash | 8 | \$ 280.00 | \$118.00 | \$ 398.00 |
| Henry D. Thrash | 4 | \$ 140.00 | \$ 7.20 | \$ 147.20 |
| | TOTALS: | \$1,295.00 | \$528.20 | \$1,823.20 |

TOTAL NUMBER OF BOARD MEETINGS DURING THE YEAR WAS 9.



LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY

BOB ODUM, Commissioner
Executive Director



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May 8, 2003

INVESTIGATIVE
DEPARTMENT COMMISSIONER

Mr. Bill Conly
Chairman, Saline SWCD
P. O. Box 525
Ringgold, LA 71368

ASSISTANT
COMMISSIONER

Agricultural &
Environmental Sciences
Mission Program, II
P. O. Box 1988
Baton Rouge, LA 70801
(225)387-1710
Fax: 225-3742

Dear Mr. Conly:

Attached is the Saline SWCD audit report for the year ending June 30, 2002. Please be advised that during their recent audit, the state auditors found that the following management practices should be implemented.

Agribusiness
Services
Marketing Division
P.O. Box 2000
Baton Rouge, LA 70801
(225)387-1311
Fax: 225-3477

(1) Rental property – a running total of the receipts and disbursements associated with the rental of the building owned by the district should be maintained. These totals would be used to compute the gross and net income from this revenue source.

Animal Health
Services
Hennepin Hall
P. O. Box 1984
Baton Rouge, LA 70801
(225)387-1362
Fax: 225-4182

(2) All utility bills need to be paid early enough to enable your district to pay the net amount, not the gross amount of the bill.

Foraging
Paul D. Long
P.O. Box 1920
Baton Rouge, LA 70801
(225)387-2228
Fax: 225-1384

(3) All of the district's bills need to be itemized. Also write on each bill the date it is paid, the check number, and the amount of the check.

Management
Services
Buckhouse
P.O. Box 2487
Baton Rouge, LA 70801
(225)387-1345
Fax: 225-4202

(4) The district's seedling sales – The procedures for handling seedling sales should be written and kept on file in the office.

Your board's implementation of these management recommendations is requested. Within forty-five (45) days please provide this office in writing the action the Saline Soil and Water Conservation board has taken to implement these recommendations.

Marketing
Chris Rivers
P.O. Box 2201
Baton Rouge, LA 70801
(225)387-1377
Fax: 225-3388

I encourage you and your district staff to request assistance from this office any time the board feels we can assist your district in meeting its administrative and program responsibilities.

Sincerely,

Bradley E. Baker
Executive Director

BES:ce

Attachment

cc:jeanine.TAMR

Saline Soil and Water Conservation District
P. O. Box 538
Ringgold, La. 71068
Telephone: 338-894-2174 Fax: 338-894-2171

June 12, 2003

Mr. Bradley E. Spiers
Executive Director
Office of Soil and Water Conservation
P. O. Box 3554
Baton Rouge, La. 70821

Dear Mr. Spiers:

At the June 12, 2003 meeting of the Saline SWCD Board of Supervisors, your letter concerning the Saline SWCD audit was read. After a lengthy discussion, the board agreed that the following management practices suggested by the state auditor be implemented:

- 1) The secretary will keep a running total of the receipts and disbursements associated with the rental of the district owned building in order to compute the gross and net income from the revenue source.
- 2) Each utility bill is to be paid early to allow the district to pay the net amount and not gross amount of the bill.
- 3) Each district bill will be itemized and the date paid, check number and amount of check written will be written on the district's copy of the bill.
- 4) Written procedures for handling the seedling sale have been prepared and are now on file in the district office.

All actions as noted above will be listed in the June 12, 2003 board meeting minutes.

Sincerely,



William M. Conly
Chairman

