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NATCHITOCHEES LEVEE AND DRAINAGE DISTRICT

ANNUAL FINANCIAL REPORT

JUNE 30, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or designated, entity and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the clerk of court.

Release Date **06/28/96**

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To the Board of Commissioners of
the Metropolitan Levee & Drainage District

We have audited the general purpose financial statements of the Metropolitan Levee and Drainage District, a component unit of the State of Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated September 28, 1996. As part of that audit, we have the following additional recommendations to make to management related to compliance with laws and regulations:

The 1995 Regular Session of the Louisiana Legislature enacted Louisiana Revised Statute 24:523(D)(2). This statute requires all state agencies to develop specific goals and objectives to include measures of performance. The agencies should report on these goals and objectives in developing annual budgets, and should submit this information to the legislature. The Levee District should re-emphasize the importance of the budgeting process to include addressing these goals and objectives, to insure that the budget is adopted in a timely manner, and to use the budget as a management tool.

This report is intended for the information of management.

Deborah M. Stewart-Cunningham
Johnson, Thomas & Cunningham, CPAs

September 20, 1996
Metairie, Louisiana

Maitland/Roberts Levey and Drainage District

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Madheshwan Lower and Dhangra District

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
of the Natchitoches Levee
and Drainage District

We have audited the accompanying general purpose financial statements of the Natchitoches Levee and Drainage District, Natchitoches, Louisiana, a component unit of the State of Louisiana, as of June 30, 1996, and for the year then ended. These general purpose financial statements are the responsibility of the management of the Levee District. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in Government Auditing Standards, issued by the U. S. General Accounting Office and the Louisiana Governmental Audit Guide. These 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 also 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 general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Natchitoches Levee and Drainage District, Natchitoches, Louisiana, as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplementary Information" and "Schedules" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Natchitoches Levee and Drainage District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly stated in all material respects in relation to such 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 Natchitoches Levee and Drainage District.

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, CPAs

September 20, 1998
Natchitoches, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Municipalities Loans and Disburse District

Combined Balance Sheet Fund Type and Account Group

June 30, 1995

	Governmental Fund Type General Fund	Account Group General Fixed Assets	Totals (Millions of Dollars Only)	
			June 30, 1995	June 30, 1995
Assets				
Cash	\$154,980	\$ 0	\$154,980	\$403,413
Time Deposits	200,000	0	200,000	258,000
Interest Receivable	930	0	930	936
Other Assets	765	0	765	765
Equipment	0	343,144	343,144	343,144
Total Assets	\$356,675	\$343,144	\$700,779	\$958,298
Liabilities and Fund Equity				
Liabilities-				
Accounts Payable	\$ 7,815	\$ 0	\$ 7,815	\$ 18,171
Total Liabilities	\$ 7,815	\$ 0	\$ 7,815	\$ 18,171
Fund Equity-				
Investment in General Fixed Assets	\$ 0	\$343,144	\$343,144	\$343,144
Fund Balance-				
Unreserved-Undesignated	348,230	0	348,230	337,023
Total Fund Equity	\$348,230	\$343,144	\$698,764	\$688,187
Total Liabilities and Fund Equity	\$356,675	\$343,144	\$700,779	\$958,298

See notes to financial statements.

Hutchinson Levee and Drainage District

Governmental Fund Type-Central Fund
 Statement of Revenues, Expenditures and Changes in Fund Balance-
 Budget (GAAP Basis) and Actual
 Year Ended June 30, 1995
 With Comparative Amounts from Year Ended June 30, 1995

	1995		Variance- Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
REVENUES:				
Taxes	\$220,400	\$220,400	\$0,000	\$220,000
Miscellaneous	9,800	15,028	5,228	12,384
Total Revenues	\$230,200	\$235,428	\$5,228	\$232,384
EXPENDITURES:				
Current:				
General Government	\$ 30,700	\$ 32,518	\$ (1,818)	\$ 32,500
Public Works	199,415	202,034	(2,619)	193,560
Debt Service	0	0	0	7,742
Total Expenditures	\$230,115	\$234,552	\$ (4,437)	\$233,762
Excess (Deficiency) of Revenues Over Expenditures	\$ 985	\$ 12,187	\$12,187	\$ (36,232)
Fund Balance-Beginning of Year	337,023	337,023	0	365,245
Fund Balance-End of Year	\$337,023	\$349,210	\$12,187	\$329,013

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Machibouche Levee and Drainage District
Notes to Financial Statements
June 30, 1995

INTRODUCTION:

The Machibouche Levee and Drainage District was formed by House Bill No. 103, of the Louisiana Legislature, when the Machibouche-Cane River Levee and Drainage District, and the Camp-Clarence Levee and Drainage District were combined into one District. The District includes most of Machibouche Parish. The District primarily provides flood protection for those areas contained in the District. The governing board of the District administers the operations and responsibilities of the District in accordance with Louisiana Statute. Members of the board are appointed by the Governor.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation:

The accompanying general purpose financial statements of the Machibouche Levee and Drainage District 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 standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity:

As the governing authority of the state, for reporting purposes, the State of Louisiana is the financial reporting entity for all state entities. The financial reporting entity consists of (a) the primary government, (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 State of Louisiana 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 State of Louisiana to impose its will on that organization and/or

Natchitoches Parish and Drainage District
Notes to Financial Statements
June 30, 1996

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the State of Louisiana.
2. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because of article number one above, the Natchitoches Parish and Drainage District was determined to be a component unit of the State of Louisiana, the reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the State of Louisiana, the general government services provided by that governmental unit, or the other governmental units that comprise the reporting entity.

C. Fund Accounting

The accounts of the district are organized on the basis of a fund and an account group, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Revenues are accounted for based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The fund presented in the accompanying financial statements is described as follows:

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources.

D. Fixed Assets and General Long-term Obligations

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

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

Mashpee/Lakes/Lee and Duxbury District
Notes to Financial Statements
June 30, 1996

The five account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations.

E. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The governmental fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. All revenues taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Interest on investments is considered to be susceptible to accrual.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is that principal and interest on general long-term debt is recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

F. Budgetary Practices

An annual operating budget is adopted for the General Fund. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the Assistant Secretary prepares a proposed budget and submits same to the Board of Commissioners;
2. The Board of Commissioners approves the budget, or amends it as necessary;
3. The approved budget is held open for public inspection;
4. Budget appropriations lapse at the end of each year;
5. The budget is prepared based on the modified accrual basis of accounting.

G. Contingencies

The Mashpee/Lakes and Duxbury District does not employ the use of "contingency" accounting.

Natchitoches Levy and Drainage District
Notes to Financial Statements
June 30, 1996

H. Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include cash, demand deposits, and certificates of deposit. Under state law, the District may deposit funds within a fiscal agent bank selected and designated by the Interior Emergency Board. Further, the District may invest in time certificates of deposit of state banks organized under the laws of Louisiana, in savings accounts or shares of saving and loan associations and savings banks and in other accounts and share certificates accounts of federally or state chartered credit unions.

At June 30, 1996, the District has cash and cash equivalents totaling \$354,800. Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits must be secured by Federal deposit insurance or the pledge of securities owned by the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of underlying receipts held by the District. The deposits at June 30, 1996, were secured as follows:

	Cash	Certificates of Deposit	Total
Carrying Amount on Balance Sheet	\$154,980	\$200,000	\$354,980
Bank Balances-			
a) Insured by FDIC or collat- eralized with securities held by the District in the District's name	\$154,980	\$200,000	\$354,980
b) Uncollateralized	_____0	_____0	_____0
Total Bank Balances	\$154,980	\$200,000	\$354,980

I. Unpaid Accumulated Vacation and Sick Pay

The District's employees accrue annual and sick leave leave at varying rates as established by State regulations. Upon resignation or retirement, annual leave up to 300 hours is paid to employees at the employee's current rate of pay. Upon retirement, annual leave in excess of 300 hours and annual sick leave is credited as normal service in computing retirement benefits. The District does not record unpaid accumulated vacation or sick pay.

Natchitoches Levee and Drainage District
Notes to Financial Statements
June 30, 1986

J. Comparative Data

Comparative total data for the prior year had been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

K. Total Columns on Combined Statements-Overview

Total columns on the combined statements - overview are captioned "Minorities 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 aggregation of this data.

2. AD VALOREM TAXES:

The District is empowered to levy property tax millages to finance its general operations. The District levies taxes on real and business personal property located within the boundaries of Natchitoches Parish, Louisiana. Property taxes are levied by the District based on property values assessed by the Natchitoches Parish Tax Assessor, and approved by the State of Louisiana Tax Commission.

The Natchitoches Parish Sheriff's Office bills and collects property taxes for the District. Collections are remitted to the District monthly.

Property Tax Calendar

Assessment Date	January 1
Levy Date	June 30
Tax Bills Mailed	October 15
Total Taxes are Due	December 31
Penalties and Interest Added	January 31
Liens Date	January 31
Tax Sale	May 15

Parish/Indian Levee and Drainage District
Notes to Financial Statements
June 30, 1996

The property taxes collected this fiscal year were levied on property with an assessed value of \$83,678,020. Legislation first exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homesteaded exemption was \$18,646,710 for 1996.

For the year ended June 30, 1996, the District levied taxes at the following rates:

- A. A levy of 4.22 mills on all assessments within the jurisdiction boundary of the District;
- B. A levy of five cents per acre on all acreage within the area;
- C. A levy of \$100 per mile on all railroad tracks within the District;
- D. A levy of \$20 per mile on all pipelines located with the District.

Total property tax revenues for the District for the year ended June 30, 1996, were \$233,496, and for the year ended June 30, 1995, revenues were \$228,897.

The following are the 8 principal taxpayers in the District's jurisdiction.

South Central Bell
Valley Mobile
Trans-Lo-Cas
Union Plant by Railroad
City Bank & Trust Company
Wal-Mart
Com-Agra Poultry
Exchange Bank & Trust Company

3. CHANGES IN GENERAL FUND ASSETS:

A summary of changes in general fund assets follows:

	Beginning Balance 7-1-95	Additions	Deletions	Ending Balance 6-30-96
Equipment	\$347,144	\$0	\$0	\$347,144

Wachibochi Levee and Drainage District
Notes to Financial Statements
June 30, 1986

4. RETIREMENT COMMITMENTS

Substantially all employees of the District are members of the Louisiana State Retirement System. The retirement system is funded through employee payroll deductions and contributions by the District. Aggregate pension cost for the year ended June 30, 1986, was \$10,725. Total covered payroll for the year was \$111,309. Employee contributions were \$7,555. The District does not guarantee the benefits granted by the retirement system. The actuarial information needed for full disclosure under GASB 5 is unavailable at statement date.

FINANCIAL SCHEMES OF THE INDIVIDUAL FUND
AND THE ACCOUNT GROUP

GENERAL FUND

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

Washoe County and Drainage District
 General Fund
 Balance Sheets
 June 30, 1996 and 1995

	June 30, 1996	June 30, 1995
<u>Assets</u>		
Cash	\$134,900	\$185,413
Time Deposits	290,000	290,000
Interest Receivable	978	978
Utility Deposit	65	65
Stock-Valley Farmers Co-op	____708	____708
 Total Assets	 \$356,651	 \$357,164
<u>Liabilities and Fund Balance</u>		
<u>Liabilities</u>		
Accounts Payable	\$ 7,415	\$ 18,131
 <u>Fund Balance:</u>		
Reserved for Debt Service	0	0
Unreserved-Undesignated	349,236	339,033
 Total Liabilities and Fund Balance	 \$356,651	 \$357,164

See notes to financial statements.

Hawthorne Levee and Drainage District
 General Fund
 Schedule of Revenues-Budget (GAAP Basis) and Actual
 Year Ended June 30, 1996
 With Comparative Amounts from Year Ended June 30, 1995

	1996		Variance- Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
REVENUES:				
Taxes				
Ad Valorem	\$220,000	\$213,000	\$7,000	\$220,000
Miscellaneous-				
Interest	<u>9,800</u>	<u>13,050</u>	<u>3,250</u>	<u>12,800</u>
Total Revenues	\$229,800	\$226,050	\$3,750	\$232,800

See notes to financial statements.

**Mattituck Town and Cottage District
General Fund**
Schedule of Expenditures Budget (GAAP Basis) and Actual
Year Ended June 30, 1996
With Comparative Amounts from Year Ended June 30, 1995

	1996		Variance- Favorable (Unfavorable)	1995 (Actual)
	Budget	Actual		
EXPENDITURES				
Current				
General Government:				
Salaries	\$ 13,800	\$ 9,976	\$ 3,824	\$ 12,680
Per Diem	3,200	4,280	1,080	5,475
Taxes	700	483	217	2,883
Office and Supplies	2,800	2,273	527	2,774
Telephone and Utilities	1,250	1,455	(205)	1,134
Code Publication	1,800	1,663	137	1,580
Outside Services	4,250	19,116	14,866	4,232
Travel and Miscellaneous	1,450	2,468	(981)	1,486
Total Gen. Government	\$ 30,750	\$ 52,318	\$ 21,531	\$ 32,993
Public Works:				
Salaries	\$ 15,000	\$ 17,047	\$ 2,047	\$ 18,581
Employee Benefits	18,700	19,154	454	18,682
Supplies	5,600	5,117	483	2,154
Fuel	7,100	7,623	523	4,888
Repairs	27,365	28,086	721	21,578
Outside Services	13,200	6,150	7,050	13,125
Insurance	15,400	15,269	1,131	13,382
Miscellaneous	1,000	346	654	3,189
Capital Expenditures	0	9,064	(9,064)	0
Total Public Works	\$195,415	\$205,004	\$12,609	\$228,163
Debt Service:				
Lease Principal	\$ 0	\$ 0	\$ 0	\$ 3,181
Interest and Fees	0	0	0	386
Total Debt Service	\$ 0	\$ 0	\$ 0	\$ 3,567
Total Expenditures	\$226,165	\$234,391	\$ 8,191	\$265,743

See notes to financial statements.

GENERAL FUND ASSETS ACCOUNT GROUP

To account for general fixed assets used in the General Fund operations.

Northwestern Levee and Drainage District
General Fixed Assets Account Group
Schedule of General Fixed Assets
June 30, 1996 and 1995

	June 30, 1996	June 30, 1995
General Fixed Assets-		
Land	\$ 0	\$ 0
Buildings	0	0
Equipment	207,144	207,144
Total General Fixed Assets	\$207,144	\$207,144
Investment in General Fixed Assets	\$207,144	\$207,144

See notes to financial statements.

Northwestern Levee and Drainage District
General Fixed Assets Account Group
Schedule of Changes in General Fixed Assets
Year Ended June 30, 1996

	Balance 7-1-95	Additions	Deletions	Balance 6-30-96
General Fixed Assets:				
Land	\$ 0	\$0	\$0	\$ 0
Buildings	0	0	0	0
Equipment	247,144	0	0	247,144
Total General Fixed Assets	\$247,144	\$0	\$0	\$247,144
Investment in General Fixed Assets	\$247,144	\$0	\$0	\$247,144

See notes to financial statements.

INTERNAL CONTROL AND COMPLIANCE

Johnson, Thomas & Cunningham

Chartered Public Accountants

FORM 1

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**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL
STRUCTURE IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners of
the Natchitoches Levee and
Drainage District

We have audited the general purpose financial statements of the Natchitoches Levee and Drainage District, Natchitoches, Louisiana, a component unit of the State of Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated September 20, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the Natchitoches Levee and Drainage District for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed

the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Separation of Duties

Since the District has only one accounting employee, there is no separation of duties, which constitutes a lack of internal control. However, due to budget constraints, we do not have a recommendation to make in this area.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure element does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

The consideration of the internal control structure would not necessarily disclose all matters in the internal control structure 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 that the lack of separation of duties constitutes a material weakness, even though we do not recommend that more personnel be added to the accounting department.

This report is intended solely for the use of management and those other governmental units from which financial assistance was received and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon delivery to the Washitashoos Levee & Drainage District, is a matter of public record.

Johnson, Sherriss & Cunningham
Johnson, Thomas R. Cunningham, CPAs

September 28, 1996
Washitashoos, Louisiana

Jeherson Thomas & Cunningham
Chartered Accountants

Volume 1
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENTAL AUDITING STANDARDS**

To the Board of Commissioners of
the Natchitoches Levee and
Drainage District

We have audited the general purpose financial statements of the Natchitoches Levee and Drainage District, Natchitoches, Louisiana, a component unit of the State of Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated September 28, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the Louisiana Governmental Audit Guide. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the Natchitoches Levee and Drainage District, is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws and regulations. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. We noted certain internal control instances of noncompliance that we have reported on the management of the District in a separate letter dated September 28, 1996.

This report is intended for the information of management. This notation is not intended to limit the distribution of this report, which, upon delivery to the Natchitoches Levee and Drainage District, is a matter of public record.

Jeherson Thomas & Cunningham
Firm, Jeherson & Cunningham, C.P.A.'s

September 28, 1996
Natchitoches, Louisiana

Kitchitochew Levee and Drainage District
Schedule of Pay Items Paid to Board Members
Year Ended June 30, 1996

<u>Name</u>	<u>Amount</u>
L. M. Carnahan, Jr.	\$ 825
Janet Jones	825
Adolph Miller, Jr.	875
Tony Leane	800
Arturo Dominguez	825
Billy Giddens	1,250
Total	\$4,500

Metropolitan Levy and Drainage District
Schedule of State Funding
Year Ended June 30, 1996

Funding Source	Amount
State Revenue Sharing (Shown as Ad Valorem Taxes on Financial Statements)	\$50,250

Washburne Local and Drainage District
Schedule of Expenditures by Object
Year Ended June 30, 1996

Object	Amount
Personal Services	\$150,877
Travel	463
Operating Services	44,671
Supplies	13,682
Professional Services	10,196
Office Charges	6,150
Capital Outlay	<u>5,082</u>
Total Expenditures	\$234,212

There were no expenditures made to contractors for surveys, feasibility studies, or special studies.