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NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Financial Statements
For the Years Ended
June 30, 1998 and 1999

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

Release Date 1-12-2000

North Terrebonne Parish Drainage
and Conservation District

Annual Sworn Financial Statements
As of and For the Years Ended June 30, 1998 and 1999

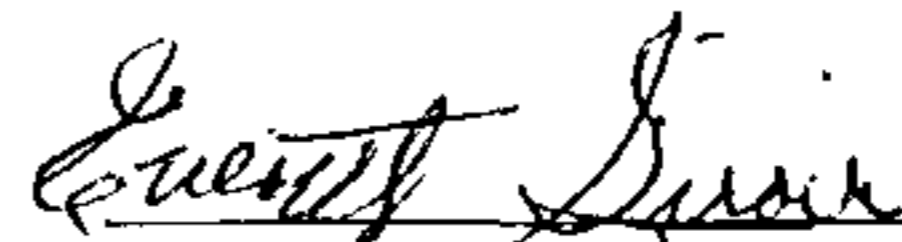
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Required by Louisiana Revised Statute 24:514 to
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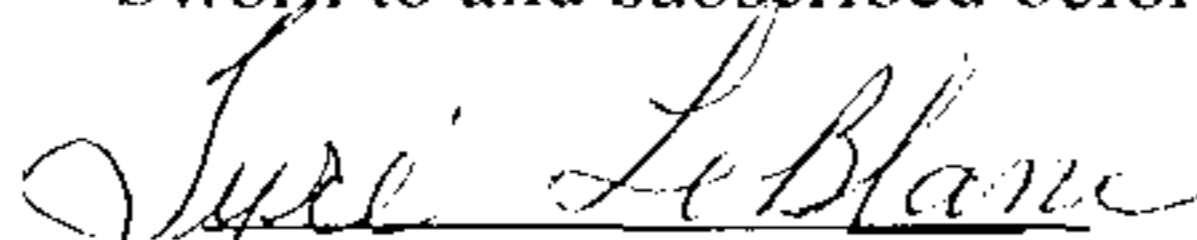
AFFIDAVIT

Personally came and appeared before the undersigned authority, Everett Giroir, who, duly sworn, deposes and says that:

- 1.) The financial statements herewith given present fairly the financial position of the North Terrebonne Parish Drainage and Conservation District (political subdivision) as of June 30, 1998 and 1999, and the results of operations for the years then ended, in accordance with the basis of accounting described within the accompanying financial statements.
- 2.) The entity has maintained an adequate system of internal control.
- 3.) The entity has complied with laws and regulations.


Signature

Sworn to and subscribed before me, this 30 day of December, 1999.


Notary Public

Everett Giroir, President
North Terrebonne Parish Drainage
and Conservation District
P.O. Box 3290
Houma, LA 70361-3290
(504) 857-9666

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Kelton & Company

*A Corporation of Certified
Public Accountants*

Independent Auditors' Report

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P. O. Box 4053

Houma, LA 70361

(504) 876-6143

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To the Board of Commissioners of the
North Terrebonne Parish Drainage
and Conservation District:

We have audited the accompanying general purpose financial statements of the North Terrebonne Parish Drainage and Conservation District, a component unit of the State of Louisiana, as of June 30, 1998 and 1999, and for the years then ended. These general purpose financial statements are the responsibility of the North Terrebonne Parish Drainage and Conservation District's management. Our responsibility is to express an opinion on these general purposes financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose 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 above present fairly, in all material respects, the financial position of the North Terrebonne Parish Drainage and Conservation District as of June 30, 1998 and 1999, and the results of its operations for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 12, 1999 on our consideration of the North Terrebonne Parish Drainage and Conservation District's compliance and internal control over financial reporting based on our audit of the financial statements dated November 12, 1999.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the North Terrebonne Parish Drainage and Conservation District taken as a whole. The accompanying schedule of per diem payments and travel reimbursements paid to the Board of Commissioners and Schedule of Current Year Audit Findings and Corrective Action Plan is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. 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 the general purpose financial statements taken as a whole.

The accompanying general purpose financial statements have been prepared assuming that the North Terrebonne Parish Drainage and Conservation District will continue as a going concern. As discussed in Note 9 to the general purpose financial statements, the District should by law cease to exist on January 10, 2000. This condition raises substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 9. The general purpose financial statements do not include any adjustments that might result from the outcome of this uncertainty.

November 12, 1999

Kelton & Company

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1998

	Governmental	Account Group		Total (Memorandum Only)
	General Fund	General Fixed Assets	General Long Term Debt	
Assets				
Current assets				
Cash	\$ 351,157			\$ 351,157
Receivables	817			817
Total current assets	351,974			351,974
Drainage and conservation projects		\$ 230,687		230,687
Office equipment		5,648		5,648
Amount to be provided for compensated absences			\$ 17,139	17,139
Total assets and other debits	\$ 351,974	\$ 236,335	\$ 17,139	\$ 605,448
Liabilities				
Accounts payable	\$ 36,624			\$ 36,624
Payroll taxes payable	1,323			1,323
Compensated absences	1,789		\$ 17,139	18,928
Total liabilities	39,736		17,139	56,875
Fund Equity				
Investment in fixed assets		\$ 236,335		236,335
Fund balance	312,238			312,238
Total fund equity	312,238	236,335	---	548,573
Total liabilities & fund equity	\$ 351,974	\$ 236,335	\$ 17,139	\$ 605,448

The accompanying notes are an integral part of these general purpose financial statements.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1999

	Governmental	Account Group		Total (Memorandum Only)
	General Fund	General Fixed Assets	General Long Term Debt	
Assets				
Current assets				
Cash	\$ 633,383			\$ 633,383
Receivables	678			678
Total current assets	634,061			634,061
Drainage and conservation projects		\$ 381,941		381,941
Office equipment		5,648		5,648
Amount to be provided for compensated absences			\$ 13,421	13,421
Total assets and other debits	\$ 634,061	\$ 387,589	\$ 13,421	\$ 1,035,071
Liabilities				
Accounts payable	\$ 35,373			\$ 35,373
Payroll taxes payable	440			440
Compensated absences	1,789		\$ 13,421	15,210
Total liabilities	37,602		13,421	51,023
Fund Equity				
Investment in fixed assets		\$ 387,589		387,589
Fund balance	596,459			596,459
Total fund equity	596,459	387,589	---	984,048
Total liabilities & fund equity	\$ 634,061	\$ 387,589	\$ 13,421	\$ 1,035,071

The accompanying notes are an integral part of these general purpose financial statements.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

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Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund
For the Year Ended June 30, 1998

Revenues		
Property taxes	\$	284,010
Intergovernmental programs		99,722
Interest		8,543
		<hr/>
Total revenues		392,275
		<hr/>
Expenditures – drainage and conservation		
Current		
Advertising		965
Commissioners per diem and expense		5,528
Insurance		4,049
Office and other expense		6,297
Professional services		7,047
Salaries and benefits		29,722
		<hr/>
Total current		53,608
		<hr/>
Capital outlay (including intergovernmental programs)		183,153
		<hr/>
Total expenditures		236,761
		<hr/>
Excess of revenues over expenditures		155,514
		<hr/>
Fund balance, beginning		156,724
		<hr/>
Fund balance, ending	\$	312,238
		<hr/>

The accompanying notes are an integral part of these general purpose financial statements.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

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Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund
For the Year Ended June 30, 1999

Revenues		
Property taxes	\$	326,729
Intergovernmental programs		250,000
Interest		18,078
		<hr/>
Total revenues		594,807
		<hr/>
Expenditures -- drainage and conservation		
Current		
Advertising		628
Commissioners per diem and expenses		8,737
Insurance		12,918
Office expenses		28,045
Professional services		20,433
Salaries and benefits		88,571
		<hr/>
Total current		159,332
Capital outlay (including intergovernmental programs)		151,254
		<hr/>
Total expenditures		310,586
		<hr/>
Excess of revenues over expenditures		284,221
Fund balance, beginning		312,238
		<hr/>
Fund balance, ending	\$	596,459
		<hr/>

The accompanying notes are an integral part of these general purpose financial statements.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

6

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund

	For the Year Ended June 30, 1998		
	Budget	Actual Non-GAAP Budget Basis	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 349,000	\$ 383,193	\$ 34,193
Intergovernmental programs	100,000	99,722	(278)
Interest	11,000	8,543	(2,457)
Total revenue	460,000	491,458	31,458
Expenditures - drainage and conservation			
Current			
Advertising	1,000	907	93
Commissioners per diem and expenses	8,000	5,528	2,472
Insurance	1,000	2,668	(1,668)
Office and other expenses	9,600	5,814	3,786
Professional services	8,500	6,532	1,968
Salaries and benefits	21,600	27,933	(6,333)
Total current	49,700	49,382	318
Capital outlay (including intergovernmental programs)	142,000	157,148	(15,148)
Total expenditures	191,700	206,530	(14,830)
Excess of revenue over expenditures	\$ 268,300	284,928	\$ 16,628
Fund balance, beginning		64,906	
Fund balance, ending		\$ 349,834	

The accompanying notes are an integral part of these general purpose financial statements.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

7

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund

	For the Year Ended June 30, 1999		
	Budget	Actual Non-GAAP Budget Basis	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 327,000	\$ 326,868	\$ (132)
Intergovernmental programs	250,000	250,000	---
Interest	13,000	12,836	(164)
Total revenue	590,000	589,704	(296)
Expenditures - drainage and conservation			
Current			
Advertising	700	687	13
Commissioners per diem and expenses	8,800	8,737	63
Insurance	13,000	12,946	54
Office and other expenses	24,050	23,773	277
Professional services	19,500	19,339	161
Salaries and benefits	87,800	88,571	(771)
Total current	153,850	154,053	(203)
Capital outlay (including intergovernmental programs)	158,000	157,785	215
Total expenditures	311,850	311,838	12
Excess of revenue over expenditures	\$ 278,150	277,866	\$ (284)
Fund balance, beginning		349,834	
Fund balance, ending		\$ 627,700	

The accompanying notes are an integral part of these general purpose financial statements.

Notes to Financial Statements

1. Summary of significant accounting policies

The North Terrebonne Parish Drainage and Conservation District was created by Louisiana Revised Statutes 38:3341-3347. The District is comprised of all the territory of Terrebonne Parish located in voting precincts that are in whole or part north of the Gulf Intracoastal Waterway (excluding lands exempt from taxation). The District is managed and controlled by a nine member board of commissioners appointed by the Governor of the State of Louisiana. Authority was granted by Louisiana Revised Statute 38:3342 to the District to establish adequate drainage, flood control, and water resources by constructing reservoirs, diversion canals, gravity and pump drainage systems, erosion control measures, marsh management, protection of water supplies from salt water intrusion, and other drainage and conservation works. The Board is constituted as a body politic (political corporation) with authority to levy taxes on all property in the district subject to taxation by the State of Louisiana.

A. Reporting entity

The District's financial statements include all funds and account groups over which its Board of Commissioners exercises oversight responsibility. The District is considered a component unit of the State of Louisiana. The District itself has no component units.

B. Fund accounting

The accounting policies of the District conform to generally accepted accounting principles as applicable to governments. The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The General Fund is the general operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in another fund. The General Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations. These assets are recorded as expenditures in the general fund when they are purchased. No depreciation has been provided for on general fixed assets. The General Long Term Debt Account Group is used to account for the long-term portion of the liability for vested vacation, sick, and compensatory leave benefits.

Notes to Financial Statements

1. Summary of significant accounting policies – (continued)

C. Basis of accounting

All governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. The District received property tax revenue from the Terrebonne Levee District. These revenues are susceptible to accrual and are recognized when they become measurable and available.

Expenditures are generally recognized when the related fund liabilities are incurred under the modified accrual basis of accounting. In accordance with generally accepted accounting principles, the District accrues liabilities for compensated absences when incurred. Compensated absences reflect the cost of sick leave, compensatory leave, and vacation pay due all eligible employees.

Budgets for the years ended June 30, 1998 and 1999 were prepared on the cash (non-GAAP) basis. Budget appropriations lapse at year end, if uncommitted. Budgetary control is exercised at the fund level. The budget for the year ended June 30, 1999 was amended.

A reconciliation of excess of revenues over expenditures – budget (non-GAAP) basis to excess of revenues over expenditures – modified accrual (GAAP) basis for the years ended June 30 are as follows:

	1998	1999
Excess of revenues over expenditures – budget (non-GAAP) basis	\$ 284,928	\$ 277,866
Net effect of conversion of revenues to modified accrual (GAAP) basis	(99,183)	5,103
Net effect of conversion of expenditures to modified accrual (GAAP) basis	(28,442)	1,252
Net effect of accrual of compensated absences payable	(1,789)	---
Excess of revenues over expenditures - modified accrual (GAAP) basis	\$ 155,514	\$ 284,221

Fixed assets used in operations (general fixed assets) are accounted for at cost. Public domain general fixed assets consisting of certain improvements such as levees, flood gates, drainage systems, and other flood control systems are capitalized at cost, along with other general fixed assets. No depreciation has been provided on any general fixed assets.

It is the policy of the District to purchase commercial insurance for the risk of losses to which it is exposed.

Notes to Financial Statements

1. Summary of significant accounting policies – (continued)

Cash equivalents are investments having a maturity of three months or less and are included with cash on the balance sheet.

D. Total columns on combined statements

The total column on the Combined Balance Sheet is captioned "Memorandum Only" to indicate it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. Revenue – property tax

Prior to July 1, 1997, Revised Statutes 38:698 and 38:699 provided for an annual tax levy of up to 5 mills on all property within the Atchafalaya Basin Levee District (ABLD). This included the portion of Terrebonne Parish which is comprised of the North Terrebonne Parish Drainage and Conservation District. The taxes were levied by the ABLD and a portion of these taxes were provided to the North Terrebonne Parish Drainage and Conservation District. The Terrebonne Levee and Conservation District (TLCD) was created July 1, 1997 by act 1407 of the 1997 Regular Session. Act 1407 removed Terrebonne Parish from the ABLD and transferred the right of the annual tax levy on all property not exempt from taxation to the TLCD. The TLCD levies the tax in May. The taxes are billed to taxpayers in October and are due December 31. The Terrebonne Parish Sheriff collects the taxes and remits them to the TLCD. In accordance with Act 1407 of 1997, for the year 1998, the TLCD remitted 25% of the 1997 ad valorem taxes to the ABLD, and then divided and remitted the balance of these taxes 75% to the South Terrebonne Parish Tidewater Management and Conservation District and 25% to the North Terrebonne Parish Drainage and Conservation District.

For the year 1999, the TLCD remitted 15% of the 1998 ad valorem taxes collected to the ABLD, and divided and remitted the balance of these taxes 75% to the South Terrebonne Parish Tidewater Management and Conservation District and 25% to the North Terrebonne Parish Drainage and Conservation District.

3. Cash and cash equivalents

Cash consists of demand deposits and certificates of deposit in a local bank chartered by the State of Louisiana. These deposits are protected by FDIC insurance or by collateralization. Cash balances at June 30, 1998 and 1999 are as follows:

	1998	1999
Cash in operating account	\$ 47,437	\$ 228,141
Certificates of Deposit	303,720	405,242
	\$ 351,157	\$ 633,383

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Notes to Financial Statements

3. Cash and cash equivalents- (continued)

At June 30, 1998 and 1999, the carrying amounts of the District's bank deposits were \$351,157 and \$633,383, respectively (total cash above), and the bank balances were \$382,789 and \$650,922, respectively. A summary of the collateralization of the bank balances is presented below:

	1998	1999
Insured (FDIC)	\$ 100,000	\$ 250,525
Uninsured, collateralized by U. S. Government securities held by the counter party, but not in the District's name (category 3)	282,789	400,397
	\$ 382,789	\$ 650,922

4. Receivables

Receivables consisting of the following at June 30 are as follows:

	1998	1999
Property taxes due from Terrebonne Levee District	\$ 817	\$ 678

5. Changes in General Fixed Assets

Changes in General Fixed Assets during the period were as follows:

	Office Equipment	Drainage and Conservation Projects
Balance, July 1, 1997	\$ ---	\$ 53,182
Additions	5,648	177,505
Balance, June 30, 1998	5,648	230,687
Additions	---	151,254
Balance, June 30, 1999	\$ 5,648	\$ 381,941

The Drainage and Conservation Projects are incomplete and under construction as of June 30, 1998 and 1999. The component projects of the Drainage and Conservation Projects were at various stages of completion as of June 30, 1998 and 1999.

Notes to Financial Statements

6. Retirement system

The District elected to include its employees in the Louisiana State Employees Retirement System (LASERS). All full-time employees of the District are covered by this system effective on their date of employment. Retirement benefits and the vesting of these benefits are determined by the Louisiana State Employees Retirement System. Employees covered by the System are required to contribute a certain percentage of their compensation to the system. The District is also required to contribute a certain percentage of each covered employee's compensation to the System. The system provides for a defined benefit type retirement plan. The District's liability for providing these benefits is limited to the percentage of compensation contribution which is paid monthly by the District. LASERS issues a stand-alone financial report which may be obtained by contacting LASERS, P.O. Box 44213, Baton Rouge, LA, 70804-4213. The following information relates to this retirement system:

	For the Year Ended June 30, 1998	For the Year Ended June 30, 1999
Current year covered payroll	\$ 13,097	\$ 57,774
Current year total payroll	\$ 25,049	\$ 78,284
Contributions required and made		
Employee	\$ 982	\$ 4,333
Employer	\$ 1,624	\$ 7,164
Percentage of compensation required as contribution		
Employee	7.5%	7.5%
Employer	13.0%	12.4%

7. Health care and compensatory leave benefits

The District provides health insurance to all full-time employees of the District at no cost to the employees. The cost to the District for this insurance was approximately \$1,658 and \$3,908 for the years ended June 30, 1998 and 1999, respectively.

The District also provides vacation, sick, and compensatory leave time to its full-time employees. The liability for these compensated absences was accrued for the fiscal years ended June 30, 1998 and 1999. The estimated current portion of the liability was approximately \$1,789 as of June 30, 1998 and 1999. These amounts are included in expenditures and accrued liabilities of the General Fund. The long-term portions are recorded in the General Long-Term Debt Account Group.

Notes to Financial Statements

8. Year 2000 issue

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the North Terrebonne Parish Drainage and Conservation District's operations as early as fiscal year 1999 – 2000.

Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District is or will be year 2000 ready, that remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.

9. Going concern

Effective January 10, 2000, the North Terrebonne Parish Drainage and Conservation District shall cease to exist as provided by state statute. By law, the District's Board of Commissioners shall transfer all properties, assets, and things of value to the Terrebonne Levee and Conservation District. The general purpose financial statements do not include any adjustments that might be necessary if the District is unable to continue as a going concern.

10. Commitments

On September 25, 1997, the North Terrebonne Parish Drainage and Conservation District, in a joint effort with the South Terrebonne Parish Tidewater Management & Conservation District and the Terrebonne Parish Consolidated Government, committed to pay a portion of the cost of a new barge to be utilized in flood control in Terrebonne Parish. The District was billed and paid its portion of the project in July 1999. The total amount paid by the North Terrebonne Parish Drainage and Conservation District was \$77,265.

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

To the Board of Commissioners of the North Terrebonne
Parish Drainage and Conservation District:

We have audited the general purpose financial statements of the North Terrebonne Parish Drainage and Conservation District as of and for the years ended June 30, 1998 and 1999, and have issued our report thereon dated November 12, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the North Terrebonne Parish Drainage and Conservation District's general purpose 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 are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the North Terrebonne Parish Drainage and Conservation District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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, could adversely affect the North Terrebonne Parish Drainage and Conservation District's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of current year audit findings and corrective action plan.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose 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.

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners of the North Terrebonne Parish Drainage and Conservation District and management, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

November 12, 1999

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Schedule of Current Year Audit Findings and Corrective Action Plan
For the Years Ended June 30, 1998 and 1999

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-1	See below	See below	James Erny	N/A

Description of Finding:

Condition: In performing substantive tests and tests of compliance, it was noted that a number of warrants were not properly documented as authorized and approved by the executive director as required by the District. The Board of Commissioners also approves all warrants; however, minutes of the meetings do not list in detail those warrants approved.

Criteria: Accurate recording, processing, reviewing, and approval of financial data are essential to preparing reliable financial statements.

Corrective action planned: The above mentioned warrants were reviewed and the documentation deficiency was corrected by management. Management will closely review and process warrants accurately and completely in the future.

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-2	See below	See below	James Erny	N/A

Description of Finding:

Condition: In reviewing disbursements, it was noted that duplicate payments were made on the same invoices. The overpayment occurred when one employee paid the invoices and another paid a vendor statement.

Criteria: Formal procedures regarding the payment of invoices should be adopted and enforced. Included in those procedures should be the canceling of invoices to prevent reuse and a policy which does not allow payment on vendor statements.

Corrective action planned: Procedure now requires that only original invoices be paid and marked as such. The duplicate payments have since been researched and credited by the vendor.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Schedule of Current Year Audit Findings and Corrective Action Plan
For the Years Ended June 30, 1998 and 1999

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-3	See below	See below	James Erny	N/A

Description of Finding:

Condition: In examining capital additions, it was noted that a number of invoices were coded to the incorrect capital project.

Criteria: Accurate recording, processing, reviewing, and approval of financial data are essential to prepare reliable financial statements.

Corrective action planned: Management will closely review and approve the correct coding of capital project expenditures.

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-4	See below	See below	James Erny	N/A

Description of Finding:

Condition: In examining monthly attendance and leave reports, it was noted that days computed and carryforward hours were clerically incorrect. Also noted was a wrong time sheet supporting a payroll disbursement.

Criteria: Accurate recording, processing, reviewing, and approval of all financial data are essential to prepare reliable financial statements.

Corrective action planned: A review of all monthly reports was performed. Corrections were made and subsequently tested. Management will closely review all time sheets along with payroll disbursements to insure accuracy and proper recordkeeping.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

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Schedule of Current Year Audit Findings and Corrective Action Plan
For the Years Ended June 30, 1998 and 1999

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
99-5	See below	See below	James Erny	N/A

Description of Finding:

Condition: In reviewing cash disbursements, it was noted that a number of voided checks were not retained.

Criteria: Sufficient documentation and accounting should be maintained on all cash accounts and check stock.

Corrective action planned: Management will closely monitor the voiding of checks and the proper retention of those checks.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Schedule of Prior Year Audit Findings
For the Four Years Ended June 30, 1997

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken	Additional Explanation
97-1	June 30, 1997	See below	Yes See below	See below

Description of Finding:

Condition: As discussed in Note 6 of the financial statements for the four years ended June 30, 1997, the District failed to comply with certain statutory requirements to prepare and adopt a budget for each fiscal year.

Corrective action taken: The Board formally prepared and adopted a budget for the fiscal year ending June 30, 1997 during the current fiscal year.

Additional explanation: This finding was reported in a management letter dated October 28, 1997 and was referenced in the auditors' reports on compliance and on internal control.

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken	Additional Explanation
97-2	June 30, 1997	See below	Yes See below	See below

Description of Finding:

Condition: Only one check signer signed a check for a \$25,000 payment to another government.

Corrective action taken: The District has reemphasized the importance of dual check signers and has closely monitored all disbursements. No exceptions were noted during the current year.

Additional explanation: This finding was reported in a management letter dated October 28, 1997 and was also referenced in the auditors' report on internal control.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

Schedule of Prior Year Audit Findings
For the Four Years Ended June 30, 1997

<u>Ref. No.</u>	<u>Fiscal Year Finding Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Additional Explanation</u>
97-3	June 30, 1997	See below	Yes See below	See below

Description of Finding:

Condition: No invoice or other documentation could be located to support a capital outlay expenditure paid to another government.

Corrective action taken: The District did not have administrative assistance to aid in the maintenance of documentation and recordkeeping in prior years. Assistance has since been obtained. No exceptions were noted during the current year.

Additional explanation: This finding was reported in a management letter dated October 28, 1997 and was also referenced in the auditors' report on internal control.

NORTH TERREBONNE PARISH
DRAINAGE AND CONSERVATION DISTRICT

*Schedule of Per Diem Payments and Travel Reimbursements
Paid to the Board of Commissioners
and Salary Payments and Travel Reimbursements Paid to Officers*

For the Years Ended June 30, 1998 and 1999

The per diem payments included below are authorized by Louisiana Revised Statutes and are presented in compliance with House Concurrent Resolution Number 54 of the 1979 Session of the Louisiana Legislature.

Per diem (at \$75 per day) and travel reimbursements (in accordance with state law) paid to the Board of Commissioners are as follows:

	1998		1999	
	Number of days	Total Payments	Number of days	Total Payments
Everette Girior, President	12	\$ 969	21	1,707
John Barton	11	923	10	758
Michael Scurto	12	900	22	1,763
Stephen Wise	6	450	14	1,097
Earl Williams	7	584	---	---
Earl Jackson	8	640	13	1,055
Donald Chaisson	13	1,062	18	1,473
Percy Mosely		---	11	884
		<u>\$ 5,528</u>		<u>\$ 8,737</u>
James Erny, Executive Director and Secretary to Board				
Salary payments (gross)		\$ 16,965		\$ 58,165
Travel reimbursements		---		1,484
		<u>\$ 16,965</u>		<u>\$ 59,649</u>