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COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 4 OF WARD 1
OF CALCASIEU PARISH, CALCASIEU PARISH POLICE JURY
LAKE CHARLES, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 1998

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 ~~2000~~ 7 4 1999

COMMUNITY CENTER AND PLAYGROUND
DISTRICT NO. 4 OF WARD 1
OF CALCASIEU PARISH
Lake Charles, Louisiana

C O N T E N T S

	Page
Independent Auditor's Report	3-4
Balance Sheet-All Fund Types and Account Groups	5
Governmental Funds:	
Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types	6
Statement of Revenue, Expenditures, and Changes in Fund balances-Budget (Non GAAP Basis) and Actual	7-8
Notes to Financial Statements	9-14
Other Reports Required by Government Auditing Standards:	
Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	15-16
Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	17-18

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Community Center and Playground
District No. 4 of Ward 1
of Calcasieu parish
Calcasieu Parish Police Jury
Lake Charles, Louisiana

We have audited the accompanying general purpose financial statements of the Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 1998, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of management of the District. Our responsibility is to express an opinion on these financial statements based on our audit.

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. 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 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 Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 21, 1999 on our consideration of the Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish's internal control structure and a report dated May 21, 1999 on its compliance with laws and regulations.

M^cElroy, Quirk & Bencher

Lake Charles, Louisiana
May 21, 1999

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 4 OF WARD 1
OF CALCASIEU PARISH, CALCASIEU PARISH POLICE JURY
LAKE CHARLES, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1998

	<u>Governmental Funds</u>		Account	Total	
	<u>General Fund</u>	<u>Capital Projects Fund</u>	Group General Fixed Assets	<u>(Memorandum Only)</u>	
<u>ASSETS</u>				<u>1998</u>	<u>1997</u>
Cash	\$ 17,755	\$ 52,831	\$ -	\$ 70,586	\$ 51,133
Receivables	100,528	-	-	100,528	75,418
Due from general fund	-	-	-	-	563
Due from capital project fund	1,536	-	-	1,536	-
Land, buildings and equipment	-	-	840,383	840,383	823,104
Total assets	<u>\$ 119,819</u>	<u>\$ 52,831</u>	<u>\$ 840,383</u>	<u>\$ 1,013,033</u>	<u>\$ 950,218</u>
 <u>LIABILITIES AND FUND EQUITY</u>					
LIABILITIES					
Accounts payable	\$ 5,272	\$ -	\$ -	\$ 5,272	\$ 12,846
Due to capital projects fund	-	-	-	-	563
Due to general fund	-	1,536	-	1,536	-
Total liabilities	<u>5,272</u>	<u>1,536</u>	<u>-</u>	<u>6,808</u>	<u>13,409</u>
 FUND EQUITY					
Investment in general fixed assets	-	-	840,383	840,383	823,104
Fund balances:					
Unreserved-undesignated	<u>114,547</u>	<u>51,295</u>	<u>-</u>	<u>165,842</u>	<u>113,705</u>
Total fund equity	<u>114,547</u>	<u>51,295</u>	<u>840,383</u>	<u>1,006,225</u>	<u>936,809</u>
Total liabilities and fund equity	<u>\$ 119,819</u>	<u>\$ 52,831</u>	<u>\$ 840,383</u>	<u>\$ 1,013,033</u>	<u>\$ 950,218</u>

The accompanying notes are an integral part of this statement.

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 4 OF WARD 1
OF CALCASIEU PARISH, CALCASIEU PARISH POLICE JURY
LAKE CHARLES, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 1998
With Comparative Totals for Year Ended December 31, 1997

	General Fund	Capital Projects Fund	Totals (Memorandum Only)	
			1998	1997
Revenues:				
Net ad valorem taxes	\$ 105,093	\$ -	\$ 105,093	\$ 64,519
Intergovernmental revenues:				
Net state revenue sharing	12,760	8,507	21,267	21,267
Gaming revenue-river boat	-	11,750	11,750	3,000
Interest	305	989	1,294	1,362
Donation for capital improvement	-	2,500	2,500	2,500
Miscellaneous	<u>13</u>	<u>-</u>	<u>13</u>	<u>377</u>
Total revenues	<u>118,171</u>	<u>23,746</u>	<u>141,917</u>	<u>93,025</u>
Expenditures:				
Culture and recreation:				
Bad debt	-	778	778	-
Contracted services	15,125	-	15,125	14,416
Office supplies and postage	342	-	342	32
Utilities	16,071	-	16,071	16,252
Telephone	395	-	395	201
Insurance	7,577	-	7,577	6,966
Auditing and legal	12,234	-	12,234	7,862
General maintenance and repair	8,745	-	8,745	8,706
Portable restrooms	6,387	-	6,387	351
Capital outlay	-	17,279	17,279	13,259
Deduction from ad valorem taxes-pension	3,194	-	3,194	2,152
Miscellaneous	<u>-</u>	<u>1,653</u>	<u>1,653</u>	<u>4,954</u>
Total expenditures	<u>70,070</u>	<u>19,710</u>	<u>89,780</u>	<u>75,151</u>
Excess of revenues over expenditures	<u>48,101</u>	<u>4,036</u>	<u>52,137</u>	<u>17,874</u>
Other financing sources (uses):				
Operating transfers in	14,317	-	14,317	15,000
Operating transfers out	<u>-</u>	<u>(14,317)</u>	<u>(14,317)</u>	<u>(15,000)</u>
Total other financing sources (uses)	<u>14,317</u>	<u>(14,317)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	62,418	(10,281)	52,137	17,874
Fund balances at beginning of year	<u>52,129</u>	<u>61,576</u>	<u>113,705</u>	<u>95,831</u>
Fund balances at end of year	<u>\$ 114,547</u>	<u>\$ 51,295</u>	<u>\$ 165,842</u>	<u>\$ 113,705</u>

The accompanying notes are an integral part of this statement.

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 4 OF WARD 1
 OF CALCASIEU PARISH, CALCASIEU PARISH POLICE JURY
 LAKE CHARLES, LOUISIANA
 GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES-BUDGET (NON GAAP BASIS) AND ACTUAL
 Year Ended December 31, 1998
 With Actual Amount for Year Ended December 31, 1997

	1998		Variance	1997
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 38,000	\$ 43,461	\$ 5,461	\$ 35,150
Intergovernmental revenues:				
State revenue sharing	12,500	17,014	4,514	12,760
Interest	-	305	305	396
Miscellaneous	-	13	13	15,377
Total revenues	50,500	60,793	10,293	63,683
Expenditures:				
Culture and recreation:				
Contracted services	22,000	15,925	6,075	14,416
Office supplies and postage	200	342	(142)	32
Utilities	22,400	16,683	5,717	16,834
Telephone	-	410	(410)	186
Insurance	8,000	7,577	423	6,966
Auditing and legal	-	15,667	(15,667)	4,145
General maintenance and repair	5,000	8,106	(3,106)	8,615
Portable restrooms	4,000	5,736	(1,736)	350
Total expenditures	61,600	70,446	(8,846)	51,544
Excess (deficiency) of revenues over expenditures	(11,100)	(9,653)	1,447	12,139
Other financing sources:				
Operating transfers	-	14,317	14,317	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(11,100)	4,664	15,764	12,139
Fund balances (deficit) at beginning of year	(27,632)	14,627	42,259	2,488
Fund balances (deficit) at end of year	\$ (38,732)	\$ 19,291	\$ 58,023	\$ 14,627

The accompanying notes are an integral part of this statement.

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 4 OF WARD 1
 OF CALCASIEU PARISH, CALCASIEU PARISH POLICE JURY
 LAKE CHARLES, LOUISIANA
 CAPITAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES-BUDGET (NON GAAP BASIS) AND ACTUAL
 Year Ended December 31, 1998
 With Actual Amounts for Year Ended December 31, 1997

	1998		Variance	1997
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 26,000	\$ 26,503	\$ 503	\$ 24,544
Intergovernmental revenues:				
State revenue sharing	7,000	11,342	4,342	8,507
Gaming revenue-river boats	-	11,750	11,750	3,000
Interest	-	989	989	966
Donation for capital project	-	2,500	2,500	2,500
Total revenues	33,000	53,084	20,084	39,517
Expenditures:				
Culture and recreation:				
Capital outlay	30,000	20,574	9,426	13,164
Miscellaneous	3,000	3,402	(402)	18,204
Total expenditures	33,000	23,976	9,024	31,368
Excess of revenues over expenditures	-	29,108	29,108	8,149
Other financing uses:				
Operating transfers out	-	(14,317)	(14,317)	-
Excess of revenues and other sources over expenditures and other uses	-	14,791	14,791	8,149
Fund balances (deficit) at beginning of year	(123,959)	36,504	160,463	28,355
Fund balances (deficit) at end of year	\$ (123,959)	\$ 51,295	\$ 175,254	\$ 36,504

The accompanying notes are an integral part of this statement.

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 4 OF WARD 1
OF CALCASIEU PARISH, CALCASIEU PARISH POLICE JURY
LAKE CHARLES, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 1998

Note 1. Summary of Significant Accounting Policies

The Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish (District) was created by the Calcasieu Parish Police Jury, as authorized by Act 82 of 1948. The District is governed by a board of five commissioners who are appointed by the Calcasieu Parish Police Jury. The commissioners serve terms of six years, without compensation, with their terms expiring on a rotating basis. The District owns and operates recreational facilities and engages in activities designed to encourage recreation and promote the general health and well being of youth of the community. The District serves approximately 10,000 people within its service area. The 38 acre recreational park operated by the District provides facilities for softball, meetings, and family gatherings. The District is operated by using contract labor.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards 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 service

NOTES TO FINANCIAL STATEMENTS

Because the Police Jury appoints the governing board, has the ability to significantly influence operations, and because of the scope of public service, the District was determined to be a component unit of the Calcasieu 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 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.

B. Basis of Presentation

The accompanying financial statements of the 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.

C. Fund Accounting

The District uses funds and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets. The governmental funds of the District include:

General Fund - The general fund is the general operating fund of the District. It accounts for all financial resources, except those required to be accounted for in the capital projects fund.

NOTES TO FINANCIAL STATEMENTS

Capital Projects Fund - The capital projects fund accounts for financial resources to be used for the acquisition, improvement, and development of major public recreational facilities within the District.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are maintained on the modified accrual basis of accounting. The following practices are used in recording revenues and expenditures:

Revenues - Ad valorem taxes and state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis and become due on November 15, of each year and become delinquent on December 31.

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

Substantially all other revenues are recorded when they become available to the District.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. Budgets

The District adopts an annual budget on the cash basis of accounting for the general fund and the capital projects fund. The budget for 1998 was adopted on January 26, 1998. Appropriations lapse at year end, and the District does not employ encumbrance accounting. A reconciliation of the amounts reflected on page 4 with the amounts reflected on the budget comparison on pages 5 and 6 are as follows:

NOTES TO FINANCIAL STATEMENTS

	<u>General Fund</u>	<u>Capital Projects Fund</u>
Excess (deficiency) of revenues over expenditures (pages 7 and 8)	\$ (9,653)	\$ 29,108
Add:		
Current year receivables	100,528	-
Prior year payables	6,912	5,932
Less:		
Prior year receivables	44,414	31,004
Current year payables	<u>5,272</u>	<u>-</u>
Excess of revenues over expenditures (page 6)	<u>\$ 48,101</u>	<u>\$ 4,036</u>
Fund balances at December 31, 1998- non-GAAP basis (pages 7 and 8)	\$ 19,291	\$ 51,295
Add receivables	100,528	-
Less payables	<u>5,272</u>	<u>-</u>
Fund balance at December 31, 1998- GAAP basis (page 6)	<u>\$ 114,547</u>	<u>\$ 51,295</u>

F. Cash

Cash includes amounts in interest bearing demand deposit accounts and time deposits accounts.

G. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. The account group is not a fund. It is concerned only with the measurement of financial position, not with the measurement of results of operations. Depreciation has not been provided for on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost, if historical cost is not available.

NOTES TO FINANCIAL STATEMENTS

H. Compensated Absences and Pension Plan

The District has no employees and, therefore, does not have a formal policy on vacation and sick leave and does not contribute to a pension plan.

I. Total Columns on Statements

The total column on the statements are captioned Memo (memorandum) Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

J. Accounting Estimates

The preparation of financial statements in conformity with 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 expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Levied Taxes

The following is a summary of the authorized and levied ad valorem taxes of the District:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
General corporate purposes	5.00	5.00

Note 3. Cash

At December 31, 1998, the District has cash (book balances) totaling \$70,586, as follows:

Interest bearing demand deposits	\$ 70,586
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NOTES TO FINANCIAL STATEMENTS

These deposits must be secured at all times by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At December 31, 1998, the District had \$70,586 (collected bank balances) in interest bearing demand accounts and time deposit accounts. These deposits were fully secured at December 31, 1998 from risk by federal deposit insurance pledged by the fiscal agent bank.

Note 4. Receivables

Receivables at December 31, 1998 included the following:

	<u>General Fund</u>
Ad valorem taxes	\$ 100,528

Note 5. Changes in General Fixed Assets

A summary of the changes in fixed assets for 1997 is as follows:

	<u>Balance 1/1/98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/98</u>
Land	\$ 413,977	\$ 1,100	\$ -	\$ 415,077
Buildings	335,375	6,930	-	342,305
Equipment	<u>73,753</u>	<u>9,248</u>	<u>-</u>	<u>83,001</u>
	<u>\$ 823,105</u>	<u>\$ 17,278</u>	<u>\$ -</u>	<u>\$ 840,383</u>

Note 6. Salaries for Board Members

There were no per diem or salary payments made to any board member during the year ended December 31, 1998.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Community Center and Playground
District No. 4 of Ward 1
of Calcasieu Parish
Calcasieu Parish Police Jury
Lake Charles, Louisiana

We have audited the general purpose financial statements of the Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish, Louisiana, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 1998, and have issued our report thereon dated May 21, 1999.

We have 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 financial statements are free of material misstatement.

The management of the Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish, Louisiana 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 Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish, Louisiana, for the year ended December 31, 1998, 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 operations, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Solely to assist us in planning and performing our audit, we made a study and evaluation of the internal control structure of the Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish. That study and evaluation was limited to a preliminary review of the structure to obtain an understanding of the control environment and the flow of transactions through the accounting system. Because of the lack of segregation of duties that is inherent to a small staff, our study and evaluation did not extend beyond this preliminary review phase.

We noted no matters involving the internal control structure and its operation that we considered to be material weaknesses as defined below.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the component unit 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 structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants.

This report is intended for the information of the audit committee, management, and the legislative auditor. However, this report is a matter of public record, and its distribution is not limited.



Lake Charles, Louisiana
May 21, 1999

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Community Center and Playground
District No. 4 of Ward 1
of Calcasieu Parish
Calcasieu Parish Police Jury
Lake Charles, Louisiana

We have audited the general purpose financial statements of the Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 1998, and have issued our report thereon dated May 21, 1999.

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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Community Center and Playground District No. 4 of Ward 1 of Calcasieu Parish is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements 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 herein under Government Auditing Standards.

The following instances of immaterial noncompliance were noted during our review:

1. Attendance at board meetings

Board members are required to attend 75% of all meetings annually or be subject to removal. We noted that one board member did not comply with such requirement.

Management's response:

Management agreed that a violation of the meeting requirement occurred and will continue to monitor meeting attendance.

2. Internal Revenue Service Form 1099 not filed in previous years

In prior years, it was determined that 1099's were typed but not issued to the appropriate individuals or the regulatory authorities.

Management's response:

Management contacted the state regulatory authority and filed all 1099's never issued.

We considered these immaterial instances of noncompliance in forming our opinion on whether the District's 1998 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated May 21, 1999 on those financial statements.

This report is intended for the information of the audit committee, management, and the legislative auditor. However, this report is a matter of public record and its distribution is not limited.



Lake Charles, Louisiana
May 21, 1999