

**FIFTH WARD CONSOLIDATED GRAVITY
DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

**Financial Report
December 31, 2008**

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

Release Date 7/22/09

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

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Brupbacher & Associates
A PROFESSIONAL ACCOUNTING CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REPORT

The Board of Commissioners
of the Fifth Ward Consolidated Gravity
Drainage District No. 1 of Acadia Parish
Crowley, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish, a component unit of the Acadia Parish Police Jury, as of and for the year ended December 31, 2008, which collectively comprise the District's basic financial statements, as listed in the table of contents. Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish's management is responsible for these financial statements.

Our review was conducted in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. A review consists principally of inquiries of the Fifth Ward Consolidated Gravity Drainage District's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 8, 2009 on the results of our agreed-upon procedures.

Management has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined are required to supplement, although not required to be part of, the basic financial statements.

The budgetary comparison schedule on page 20 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have compiled the budgetary comparison schedule from information that is the representation of management of the Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish without audit or review. Accordingly we do not express an opinion or any other form of assurance on the supplementary information.

Brupbacher & Associates
A Professional Accounting Corporation

Rayne, Louisiana
June 8, 2009

MEMBER OF
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Government-Wide Financial Statements

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO.1
ACADIA PARISH POLICE JURY**

**STATEMENT OF NET ASSETS
Year ended December 31, 2008**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 3,934
Certificates of deposit	16,649
Property taxes receivable	227,603
Due from other governmental agencies	9,077
Depreciable capital assets, net	<u>109,006</u>
Total Assets	<u>\$ 366,269</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Note payable	\$ 32,050
Pension fund deduction payable	7,608
Long-term liabilities:	
Portion due or payable within one year - Bonds payable	18,000
Portion due or payable after one year - Bonds payable	<u>124,000</u>
Total Liabilities	<u>\$ 181,658</u>
 NET ASSETS	
Invested in capital assets, net of related debt	\$ 109,006
Unrestricted	<u>75,605</u>
Total Net Assets	<u>\$ 184,611</u>
Total Liabilities and Net Assets	<u>\$ 366,269</u>

The accompanying notes are an integral part of this statement.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

STATEMENT OF ACTIVITIES
Year Ended December 31, 2008

Expenses:	
Governmental activities -	
Public works	\$ 189,846
Interest on long-term debt	<u>7,367</u>
Total governmental activities	<u>\$ 197,213</u>
General revenues:	
Property taxes	\$ 227,603
State revenue sharing	18,557
Other revenue	4,218
Investment earnings	<u>754</u>
Total general revenues	<u>\$ 251,132</u>
Change in net assets	\$ 53,919
Net assets, beginning	<u>130,692</u>
Net assets, ending	<u><u>\$ 184,611</u></u>

The accompanying notes are an integral part of this statement.

Fund Financial Statements

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

**BALANCE SHEET
GOVERNMENTAL FUNDS
Year Ended December 31, 2008**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 3,757	\$ 177	\$ 3,934
Certificates of deposit	16,649	-	16,649
Property taxes receivable	227,603	-	227,603
State revenue sharing receivable	9,077	-	9,077
	<u>\$ 257,086</u>	<u>\$ 177</u>	<u>\$ 257,263</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Pension fund deduction payable	\$ 7,608	\$ -	\$ 7,608
	<u>\$ 7,608</u>	<u>\$ -</u>	<u>\$ 7,608</u>
FUND BALANCES			
Unreserved and undesignated	\$ 249,478	\$ 177	\$ 249,655
	<u>\$ 257,086</u>	<u>\$ 177</u>	<u>\$ 257,263</u>
Total Liabilities and Fund Balances	<u>\$ 257,086</u>	<u>\$ 177</u>	<u>\$ 257,263</u>

The accompanying notes are an integral part of this statement.

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
Year Ended December 31, 2008**

Total fund balances - Governmental funds	\$ 249,655
<p>Total net assets reported for governmental activities in the statement of net assets is different because:</p>	
<p style="padding-left: 40px;">Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.</p>	
Machinery and equipment, net	109,006
<p style="padding-left: 40px;">Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds.</p>	
Bonds payable	(142,000)
Notes payable	<u>(32,050)</u>
Net Assets of Governmental Activities	<u>\$ 184,611</u>

The accompanying notes are an integral part of this statement.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 Year Ended December 31, 2008

	General Fund	Debt Service Fund	Total Governmental Funds
Revenues:			
Property Taxes	\$ 227,603	\$ -	\$ 227,603
State revenue sharing	18,557	-	18,557
Other revenues	4,218	-	4,218
Investment earnings	721	33	754
Total Revenues	\$ 251,099	\$ 33	\$ 251,132
Expenditures:			
Current -			
Public works:			
Salaries and related benefits	\$ 39,694	\$ -	\$ 39,694
Telephone	1,099	-	1,099
Insurance	14,162	-	14,162
Fuel	22,420	-	22,420
Accounting and legal	7,200	-	7,200
Pension deduction	7,608	-	7,608
Repairs and maintenance	12,407	-	12,407
Spraying	16,089	-	16,089
Equipment leasing and renting	30,491	-	30,491
Subcontracting	2,050	-	2,050
Uncollected taxes	10,523	-	10,523
Capital outlay	-	-	-
Miscellaneous	564	-	564
Debt Service:			
Interest expense	-	7,367	7,367
Principal payments	-	52,000	52,000
Total Expenditures	\$ 164,307	\$ 59,367	\$ 223,674
Excess (deficiency) of revenues over expenditures	\$ 86,792	\$ (59,334)	\$ 27,458
Other financing sources (uses):			
Loan Proceeds	\$ 32,000	\$ -	\$ 32,000
Transfers in	-	59,368	59,368
Transfers out	(59,368)	-	(59,368)
Total other financing sources (uses)	\$ (27,368)	\$ 59,368	\$ 32,000
Net change in fund balances	\$ 59,424	\$ 34	\$ 59,458
Fund balances, beginning	190,054	143	190,197
Fund balance, ending	\$ 249,478	\$ 177	\$ 249,655

The accompanying notes are an integral part of this statement.

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2008**

Net Change in Fund Balances - Total Governmental Funds	\$	59,458
<p>The change in net assets reported for governmental activities in the statement of activities is different because:</p>		
<p>The governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Depreciation expense		(25,489)
Note proceeds provide current financial resources to government funds; however issuing debt increases liabilities in the statement of net assets.		(32,050)
Repayment of principal on bonds payable is an expenditure in the governmental fund in the fund financial statements, but reduces the liability in the statement of net assets in the government-wide financial statements.		52,000
Change in Net Assets of Governmental Activities	<u>\$</u>	<u>53,919</u>

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the Fifth Ward Consolidated Gravity Drainage District No. 1 (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental audits. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for the state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies of the District are described below.

Reporting Entity:

The District, a component of the Acadia Parish Police Jury, was created by the Acadia Parish Police Jury as authorized by Louisiana Revised Statute 38:1841. The ordinance creating this consolidated gravity drainage district was dated April 10, 1984, and combined three existing drainage districts: (1) Fifth Ward Gravity Drainage District No. 1 of the Parish of Acadia, (2) Fifth Ward Gravity Drainage District No. 2 of the Parish of Acadia, and (3) Fifth Ward Gravity Drainage District No. 3 of the Parish of Acadia. The District is governed by a five-member Board of Commissioners, appointed by the Acadia Parish Police Jury, and is authorized to construct, maintain, and improve the system of gravity drainage within the district.

Basis of presentation:

The District's basic financial statements consist of the government-wide statements and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-wide financial statements –

The government-wide financial statements include the statement of net assets and the statement of activities of the District. The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business type activities. The District had no business type activities for the year ended December 31, 2008. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions. In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

In the government-wide statement of net assets, the governmental activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net assets are reported in two parts - invested in capital assets, net of related debt and unrestricted.

The government-wide statement of activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.) The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflect capital-specific grants.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

The District reports all direct expenses by function in the government-wide statement of activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is included as a direct expense. Interest on long-term debt for the governmental activities is considered an indirect expense and is reported separately on the statement of activities. The net cost (by function) is normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.). This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net assets resulting from the current year's activities.

Fund financial statements –

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

The fund financial statements provide information about the District's funds. The emphasis of the fund financial statements is on major individual governmental funds.

The District reports the following major governmental funds:

General Fund – This is the District's primary fund. It accounts for all of the District's general activities, including the collection and disbursement of specific or legally restricted monies. The General Fund is the general operating fund of the District and accounts for all financial resources except those required to be accounted for in other funds.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of, general long-term obligation principal, interest, and related costs.

Basis of accounting:

Government-wide financial statements -

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows takes place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Fund financial statements –

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are recognized as revenue in the year they are billed. All other receivables collected within 60 days after year end are considered available and recognized as revenue of the current year.

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

NOTES TO FINANCIAL STATEMENTS

Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds.

Cash:

Cash includes amounts in demand deposits, with paying agent, and on hand.

Investments:

State statutes authorize the District to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

The District's investments at December 31, 2008 consisted of time certificates of deposit purchased from local financial institutions. These certificates are not subject to GASB Statement No. 31 requirements; thus, they are stated at cost.

Pensions:

Employees of the District are covered under the Federal Insurance Contribution Act (social security). The employees and the District contribute equally to the system. Pension expenditures, as shown with expenditures, is the amount deducted from property taxes for sheriff and assessor plans, as provided by state law.

Fixed Assets:

The accounting treatment over property and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide financial statements –

The District's property and equipment with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for furniture and equipment are 5-15 years.

Fund financial statements –

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Compensated absences:

Full-time employees of the District with more than one year of service are allowed two weeks of vacation leave each year; full-time employees with one year of service or less are allowed one week of vacation leave each year. Sick leave is granted on an individual basis as the need occurs. Vacation and sick leave may not be accumulated and carried into the future years.

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Long-term debt:

The accounting treatment of long-term debt depends on whether the debt is reported in the government-wide financial statements.

Government-wide financial statements –

In the government-wide financial statements, outstanding debt is reported as liabilities and bond issuance costs are capitalized. At December 31, 2008 the amount of bond issue costs is determined immaterial to the financial statements and, therefore, not recorded.

Fund financial statements –

The governmental fund financial statements recognize the proceeds of debt as other financing sources of the current period. Issuance costs are reported as expenditures. For fund reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Issuance costs, even if withheld from the actual net bonds received, are reported as debt service expenditures.

Equity classifications:

Government-wide statements -

Equity is classified as net assets and displayed in two components:

1. Invested in capital assets, net of related debt – Consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, certificates of indebtedness, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The District had no restricted assets.

Fund financial statements -

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

Budgets and Budgetary Accounting

The Fifth Ward Consolidated Gravity Drainage District No. 1 uses the following procedures in establishing the budgetary data reflected in the financial statements.

1. The Board prepares a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

NOTES TO FINANCIAL STATEMENTS

3. The budget is employed as a management control device during the year that assists its user in financial activity analysis.

All budget appropriations lapse at year-end. The budgets presented are the originally adopted budget and the final amended budget.

Use of estimates:

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

Note 2. Deposits

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District requires that banks pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage the District may have on deposit with those banks. These securities must be held in the District's name. Accordingly, the District has no custodial credit risk at December 31, 2008.

Note 3. Property Taxes Receivable

Property taxes receivable consists of taxes due from taxpayers and taxes collected in December of 2008 by the Acadia Parish Sheriff's Office, but not remitted to the District until 2009.

Note 4. Capital Assets

Capital assets activity for the year ended December 31, 2008 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated - Machinery and Equipment	\$ 234,733	\$ -	\$ (11,540)	\$ 223,193
Less: accumulated depreciation	(100,238)	(25,489)	11,540	(114,187)
Governmental activities capital assets, net	\$ 134,495	\$ (25,489)	\$ -	\$ 109,006

Depreciation was charged to functions as follows:

Governmental activities:	
Public works	\$ 25,489

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS

Note 5. Property Taxes

Government-wide financial statements –

Property taxes are recognized in the year for which they are levied net of uncollectible amounts, as applicable.

Fund financial statements -

Property taxes attach as an enforceable item on property as of January 1 or each year. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

Taxes are budgeted and the revenue recognized in the year they are billed.

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

The District authorized and levied general corporate taxes of 8.24 and 8.56 mills for the year ended December 31, 2008.

The taxable value of the property tax for December 31, 2008 is \$13,547,812 net of the homestead exemption. Total taxes levied, exclusive of homestead exemptions, was \$227,603 for 2008, all of which is considered collectible.

Note 6. Per Diem Paid to the Board of Commissioners

The Board of Commissioners receives no per diem for attendance of meetings for the year ended December 31, 2008. The Board of Commissioners at December 31, 2008 includes:

Tommy Carlson	Randy K. Thibodeaux	Robert Walton
Stephen Hamic	Wayne Wild	

Note 7. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended December 31, 2008:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Certificate of Indebtedness,				
Series 2003	\$ 35,000	\$ -	\$ (35,000)	\$ -
Series 2006	159,000	-	(17,000)	142,000
Total	\$ 194,000	\$ -	\$ (52,000)	\$ 142,000

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

NOTES TO FINANCIAL STATEMENTS

Long-term liabilities of the District is comprised of the following at December 31, 2008:

	<u>Balance Outstanding</u>	<u>Amount Due in One Year</u>
Certificates of Indebtedness dated February 9, 2006, due in annual installments through March 2015 at an interest rate of 4.50%.	<u>\$ 142,000</u>	<u>\$ 18,000</u>
Total	<u>\$ 142,000</u>	<u>\$ 18,000</u>

On February 9, 2006, the District issued \$175,000 of Certificates of Indebtedness, Series 2006 due in annual installments of \$17,000 - \$23,000 through March 1, 2015, at an interest rate of 4.50%. The debt will be retired from the proceeds of the 8.56 mills ad valorem tax.

The annual debt service requirements to maturity of all long-term liabilities outstanding as of December 31, 2008 is as follows:

<u>Year Ending December 31, 2008</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	18,000	5,985	23,985
2010	19,000	5,152	24,152
2011	19,000	4,297	23,297
2012-2015	<u>86,000</u>	<u>7,965</u>	<u>93,965</u>
	<u>\$ 142,000</u>	<u>23,399</u>	<u>165,399</u>

Interest costs incurred and expensed for the year ended December 31, 2008 totaled \$7,367. This amount relates to governmental activities and is reported as a separate line item on the statement of activities.

The District obtained a loan from Bank of Commerce for \$32,000 payable within one year.

Note 8. Interfund Transfers

Interfund transfers for the year ended December 31, 2008 were as follows:

Transfers to:	
Debt Service Fund	<u>\$ 59,368</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) more unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

NOTES TO FINANCIAL STATEMENTS

Note 9. Contingent Liabilities

The Drainage District is a defendant in a lawsuit as of December 31, 2008. Although the outcome of this lawsuit is not presently determinable, in the opinion of the District's attorney and management, a judgment rendered in favor of the plaintiff or payments resulting from a compromise settlement, if any, will be within the limits of the various insurance coverages carried by the District.

Note 10. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to cover any claims related to these risks.

Required Supplemental Information

FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 188,000	\$ 189,000	\$ 227,603	\$ 38,603
State revenue sharing	8,400	18,000	18,557	557
Other revenue	-	-	4,218	4,218
Investment earnings	1,250	700	721	21
Total Revenues	<u>\$ 197,650</u>	<u>\$ 207,700</u>	<u>\$ 251,099</u>	<u>\$ 43,399</u>
Expenditures:				
Current--				
Public works:				
Salaries and related benefits	\$ 68,000	\$ 40,000	\$ 39,694	\$ 306
Telephone	1,200	1,200	1,099	101
Insurance	14,000	14,000	14,162	(162)
Fuel	20,000	25,000	22,420	2,580
Accounting and legal	7,700	7,700	7,200	500
Pension deduction	-	-	7,608	(7,608)
Repairs and maintenance	5,000	12,500	12,407	93
Spraying	15,000	53,000	16,089	36,911
Equipment leasing and renting	2,000	31,000	30,491	509
Subcontracting	-	2,000	2,050	(50)
Uncollected taxes	-	-	10,523	(10,523)
Capital Outlay	2,000	2,000	-	2,000
Miscellaneous	640	540	564	(24)
Total Expenditures	<u>\$ 135,540</u>	<u>\$ 188,940</u>	<u>\$ 164,307</u>	<u>\$ 24,633</u>
Excess of revenues over expenditures	<u>\$ 62,110</u>	<u>\$ 18,760</u>	<u>\$ 86,792</u>	<u>\$ 68,032</u>
Other financing sources (uses):				
Loan proceeds	\$ -	\$ 32,000	\$ 32,000	\$ -
Transfers out	(60,000)	(60,000)	(59,368)	632
Total other financing uses	<u>\$ (60,000)</u>	<u>\$ (28,000)</u>	<u>\$ (27,368)</u>	<u>\$ 632</u>
Net change in fund balance	\$ 2,110	\$ (9,240)	\$ 59,424	\$ 68,664
Fund Balance, beginning	<u>190,054</u>	<u>190,054</u>	<u>190,054</u>	<u>-</u>
Fund Balance, end of year	<u>\$ 192,164</u>	<u>\$ 180,814</u>	<u>\$ 249,478</u>	<u>\$ 68,664</u>

The accompanying notes are an integral part of this statement.

Brupbacher & Associates

A PROFESSIONAL ACCOUNTING CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 34 • 801 The Boulevard Suite B • Rayne, Louisiana 70578 • (337) 334-7251 FAX (337) 334-7002

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Commissioners
Of the Fifth Ward Consolidated Gravity
Drainage District No. 1 of Acadia Parish
Crowley, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish's compliance with certain laws and regulations during the year ended December 31, 2008, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law)

The District had no expenditures for materials and supplies in excess of \$20,000 and no public works expenditures in excess of \$100,000 during the year ended December 31, 2008.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list of board members, including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedures (2) as immediate family members.

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CERTIFIED PUBLIC ACCOUNTANTS

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and the amendment made to the budget during the period covered.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on December 12, 2007. The amended budget was adopted on December 15, 2008.

7. Compare the revenues and expenditures for the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted amount by 5% or more and actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- a. Trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for five of the six selected disbursements and found that payment was for the proper amount and made to the correct payee. An invoice could not be found for one of the six selected disbursements.

- b. Determine if payments were properly coded to the correct fund and general ledger account

Five of the six payments were properly coded to the correct fund and general ledger account. One of the six payments could not be determined if it was properly coded due to the fact that the invoice could not be found.

- c. Determine whether payments received approval from proper authorities.

Inspection of the minutes of the Board meetings indicates that the Board approved five of the six selected disbursements. There was one disbursement that an invoice was not found and there was no approval in the minutes due to it being paid upon purchase. The amount of the transaction was for \$39.65.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (the open meetings law).

Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management has asserted that such documents were properly posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and did not note any deposits, which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

A reading of the minutes of the District for the year did not reveal any such payments. We also inspected payroll records for the year and did not note any instance which would indicate payments to employees, or would constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

Our prior year review dated June 13, 2008, did not include any comments or unresolved matters.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Fifth Ward Consolidated Gravity Drainage District No. 1 of Acadia Parish, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Brupbacher & Associates

A Professional Accounting Corporation

Rayne, Louisiana

June 8, 2009

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

2-18-09 (Date Transmitted)

BRUPBACHER & ASSOCIATES, APAC

P.O. BOX 34

RAYNE, LOUISIANA 70578

(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes No


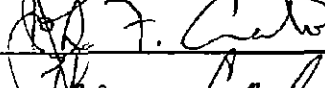
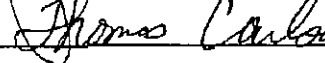
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

	Secretary	2/18/09	Date
	Treasurer	2/18/09	Date
	President	2/18/09	Date

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

**SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended December 31, 2008**

There are no prior year findings.

**FIFTH WARD CONSOLIDATED GRAVITY DRAINAGE DISTRICT NO. 1
ACADIA PARISH POLICE JURY**

**SCHEDULE OF CURRENT FINDINGS AND CORRECTIVE ACTION PLAN
Year Ended December 31, 2008**

2008-1 Budget Violation

Finding:

The District's expenditures exceeded its budget by more than 5%.

Recommendation:

Management should continue to utilize the budget and make revisions as they become necessary.

Management's Response:

Management will continue to utilize the budget and make revisions as they become necessary.