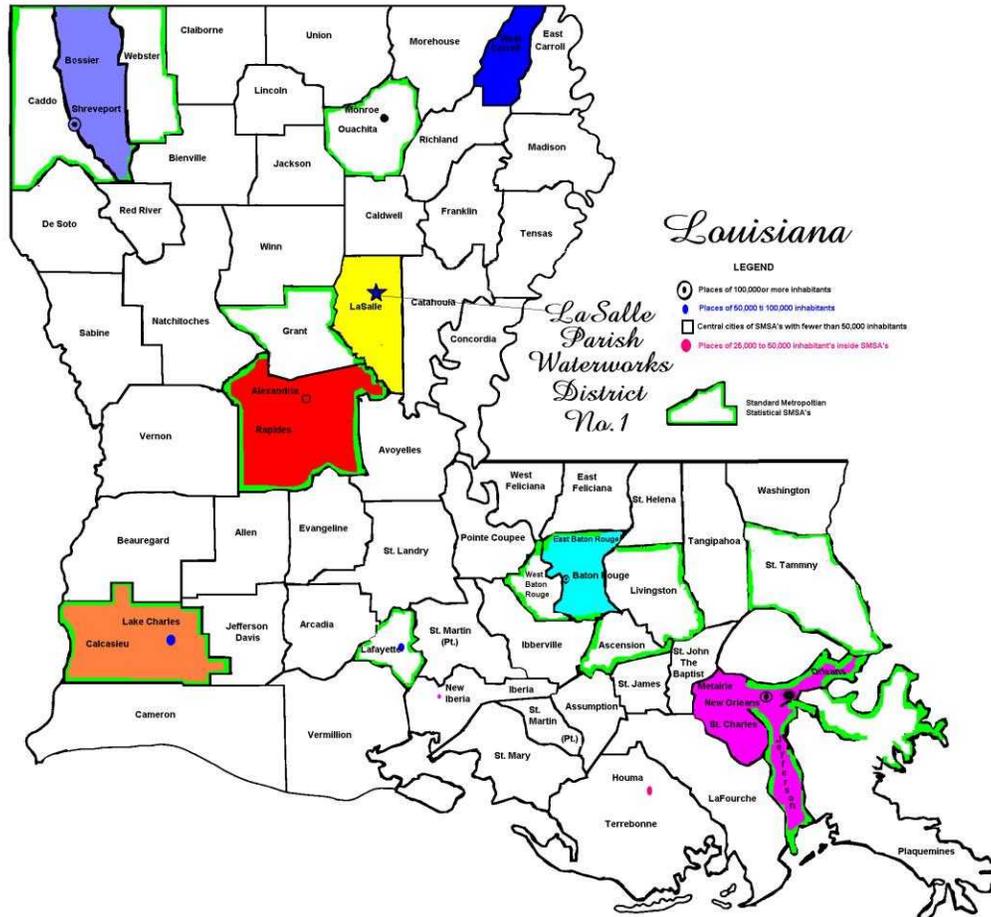


**LASALLE WATERWORKS  
DISTRICT NO. 1**

**Financial Statements &  
Supplemental Financial Information**

**December 31, 2020**

# LASALLE WATERWORKS DISTRICT NO. 1 TROUT, LOUISIANA



*\* LaSalle Waterworks District No. 1*

LaSalle Waterworks District No. 1 was created by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:4562. The Waterworks District is administered by a board of commissioners who are appointed by the LaSalle Parish Police Jury. The district owns and operates water facilities and engages in activities designed to provide water to the Goodpine, Trout and Midway Communities.

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

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December 31, 2020**

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Certified Public Accountants

Association of  
Certified Fraud Examiners

## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

LaSalle Waterworks District No. 1  
Trout, Louisiana

We have reviewed the accompanying financial statements of the business-type activities of the LaSalle Waterworks District No. 1, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the LaSalle Waterworks District No. 1. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

The management of the LaSalle Waterworks District No. 1 is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

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 accordance with accounting principles generally accepted in the United States of America.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (MD&A) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

## **Other Information**

The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

*The Vercher Group*

Jena, Louisiana  
June 11, 2021

# LaSalle Waterworks District No. 1

PO Box 1

Trout, LA 71371

Telephone: (318) 992-4777

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## MANAGEMENT'S DISCUSSION & ANALYSIS

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As management of the District, we offer readers of the LaSalle Waterworks District No. 1's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$806,865 (*net position*). Of this amount, \$329,063 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The District had total revenue of \$466,567, including operating revenues of \$433,531 and non-operating revenues of \$33,036.
- The District had total expenses of \$390,492, in which \$359,940 was operating expenses and \$30,552 was non-operating expenses.
- The total cash flow for the District had an increase in cash of \$73,830 in comparison to a \$43,283 increase for the previous year.

See independent accountant's review report.

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## MD&A

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### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The District is a special-purpose entity engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the District adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

### FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### USING THIS ANNUAL REPORT

The District's annual report consists of financial statements that show information about the District's fund, an enterprise fund.

Our accountant has provided limited assurance in his independent accountant's report, located immediately preceding this Management's Discussion and Analysis. Varying degrees of assurance are being provided by the accountant regarding the other information included in this report. A user of this report should read the independent accountant's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

### REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

The District's financial statements provide detailed information about the most significant funds. The District may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The District's enterprise fund uses the following accounting approach:

All of the District's services are reported in an enterprise fund. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

See independent accountant's review report.

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## MD&A

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**Table 1**  
**Balance Sheet**

The following table represents a Comparative Balance Sheet as of December 31, 2020:

<b>Assets</b>	<b>2019</b>	<b>2020</b>	<b>% Change</b>
Current Assets	\$ 282,342	\$ 353,230	25.1
Restricted Assets	58,302	62,260	6.8
Capital Assets, Net	466,176	477,802	2.5
<b>Total Assets</b>	<u>806,820</u>	<u>893,292</u>	10.7
<b>Liabilities &amp; Net Position</b>			
Current Liabilities	17,728	24,167	36.3
Current Liabilities Payable from Restricted Assets	58,302	62,260	6.8
Non-Current Liabilities	-0-	-0-	0.0
<b>Total Liabilities</b>	<u>76,030</u>	<u>86,427</u>	13.7
<b>Net Position</b>			
Net Investment in Capital Assets	466,176	477,802	2.5
Unrestricted	264,614	329,063	24.4
Total Net Position	730,790	806,865	10.4
<b>Total Liabilities &amp; Net Position</b>	<u>\$ 806,820</u>	<u>\$ 893,292</u>	10.7

**Table 2**  
**Changes in Net Position**

The following table represents the Comparative Statement of Revenues, Expenses, and Changes in Net Position for the year ended December 31, 2020:

	<b>2019</b>	<b>2020</b>	<b>% Change</b>
Operating Revenues	\$ 382,305	\$ 433,531	13.4
Non-Operating Revenues	30,088	33,036	9.8
<b>Total Revenues</b>	<u>412,393</u>	<u>466,567</u>	13.1
Operating Expenses	351,068	359,940	2.5
Non-Operating Expenses	30,793	30,552	-0.8
<b>Total Expenses</b>	<u>381,861</u>	<u>390,492</u>	2.6
<b>Increase (Decrease) in Net Position</b>	<u>30,532</u>	<u>76,075</u>	149.2
<b>Beginning Net Position</b>	<u>700,258</u>	<u>730,790</u>	4.4
<b>Ending Net Position</b>	<u>\$ 730,790</u>	<u>\$ 806,865</u>	10.4

See independent accountant's review report.

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## MD&A

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### CAPITAL ASSET AND DEBT ADMINISTRATION

#### Capital Assets

At December 31, 2020, the District had \$477,802 invested in capital assets, including the water system, machinery, and equipment.

#### Capital Assets at Year-End

	<u>2019</u>	<u>2020</u>
Water System, Machinery, & Equipment	\$ 1,130,336	\$ 1,160,411
Accumulated Depreciation	(664,160)	(682,609)
<b>Total Capital Assets, Net</b>	<u>\$ 466,176</u>	<u>\$ 477,802</u>

#### Long-term Debt

The District currently does not have any long-term debt.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact LaSalle Waterworks District No. 1, PO Box 1, Trout, Louisiana 71371, telephone number (318) 992-4777.

See independent accountant's review report.

## **Basic Financial Statements**

**LaSalle Waterworks District No. 1**  
**Trout, Louisiana**  
**Statement of Net Position**  
**December 31, 2020**

	<u><b>ENTERPRISE FUNDS</b></u>
<b>CURRENT ASSETS</b>	
Cash & Cash Equivalents	\$ 320,505
Receivables (Net of Allowances for Uncollectibles)	32,725
RESTRICTED ASSETS:	
Customer Deposits	<u>62,260</u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>415,490</b></u>
 <b>NON-CURRENT ASSETS</b>	
Capital Assets (Net of Accumulated Depreciation)	<u>477,802</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u><b>477,802</b></u>
 <b>TOTAL ASSETS</b>	 <u><b>893,292</b></u>
 <b>CURRENT LIABILITIES</b>	
Accrued Payroll & Related Taxes Payable	4,469
Accounts Payable	14,636
Accrued Absences	4,804
Sales Taxes Payable	258
Customer Deposits (Payable from Restricted Assets)	<u>62,260</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u><b>86,427</b></u>
 <b>NON-CURRENT LIABILITIES</b>	
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u><b>-0-</b></u>
 <b>TOTAL LIABILITIES</b>	 <u><b>86,427</b></u>
 <b>NET POSITION</b>	
Net Investment in Capital Assets	477,802
Unrestricted	<u>329,063</u>
<b>TOTAL NET POSITION</b>	<u><b>\$ 806,865</b></u>

See accompanying notes and independent accountant's review report.

**LaSalle Waterworks District No. 1**  
**Trout, Louisiana**  
**Statement of Revenues, Expenses, & Changes in Net Position**  
**Year Ended December 31, 2020**

		<u>ENTERPRISE FUND</u>
<b>OPERATING REVENUES</b>		
Water Revenue	\$	428,538
Other Revenue		4,993
<b>TOTAL OPERATING REVENUES</b>		<u>433,531</u>
 <b>OPERATING EXPENSES</b>		
Salaries & Related Costs		119,011
Field Expense		88,829
Utilities		22,356
Insurance		42,738
Repairs & Maintenance		5,906
Truck Expense		7,937
Office Expense		27,373
Legal & Accounting		5,713
Services Contracted		16,554
Miscellaneous		5,074
<i>Depreciation</i>		18,449
<b>TOTAL OPERATING EXPENSES</b>		<u>359,940</u>
 <b>OPERATING INCOME (LOSS)</b>		<u>73,591</u>
 <b>NONOPERATING REVENUES (EXPENSE)</b>		
Fire Revenue		30,758
Fire Expense		(30,552)
Interest Income		2,278
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>		<u>2,484</u>
 <b>CHANGE IN NET POSITION</b>		76,075
 <b>TOTAL NET POSITION - BEGINNING</b>		<u>730,790</u>
<b>TOTAL NET POSITION - ENDING</b>	\$	<u><u>806,865</u></u>

See accompanying notes and independent accountant's review report.

**LaSalle Waterworks District No. 1  
Trout, Louisiana  
Statement of Cash Flows  
Year Ended December 31, 2020**

	<b>ENTERPRISE FUND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers & Users	\$ 436,473
Payments to Suppliers	(215,569)
Payments to Employees	(119,483)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>101,421</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Receipts for Fire	30,758
Payments for Fire	(30,552)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>206</b>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	
Capital Contributions	-0-
Acquisition & Construction of Capital Assets	(30,075)
Principal Payment on Long-Term Debt	-0-
Interest Paid on Long-Term Debt	-0-
<b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	<b>(30,075)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Earnings	2,278
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>2,278</b>
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>73,830</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>308,935</b>
<b>CASH - END OF YEAR</b>	<b>\$ 382,765</b>
<b>RECONCILIATION TO BALANCE SHEET</b>	
Cash and Cash Equivalents	320,505
Customer Deposits	62,260
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 382,765</b>

See accompanying notes and independent accountant's review report.

**LaSalle Waterworks District No. 1**  
**Trout, Louisiana**  
**Statement of Cash Flows**  
**Year Ended December 31, 2020**

**Reconciliation**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH  
PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (Loss)	\$ <u>73,591</u>
Depreciation Expense	18,449
(Increase) Decrease in Accounts Receivable	(1,016)
Increase (Decrease) in Accrued Wages/Payroll Taxes Payable	2,719
Increase (Decrease) in Accrued Absences	(3,191)
Increase (Decrease) in Accounts Payable	6,929
Increase (Decrease) in Sales Tax Payable	(18)
Increase (Decrease) in Customer Deposits	<u>3,958</u>
<b>TOTAL ADJUSTMENTS</b>	<u>27,830</u>
 <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	 <u>101,421</u>

**LISTING OF NONCASH INVESTING, CAPITAL, AND FINANCIAL ACTIVITIES**

Contributions of Capital Assets	\$ <u>-0-</u>
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See accompanying notes and independent accountant's review report.

**Notes to the Basic Financial  
Statements**

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**INTRODUCTION**

LaSalle Waterworks District No. 1 was created by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:4562. The Waterworks District is administered by a board of five commissioners who are appointed by the LaSalle Parish Police Jury. The District owns and operates water facilities and engages in activities designed to provide water to the Goodpine, Trout, Midway, and Searcy communities.

For financial reporting purposes, the District is a component unit of the LaSalle Parish Police Jury, the governing body of the parish. The accompanying financial statements present financial information only on the funds maintained by LaSalle Waterworks District No. 1 and do not present information on the Police Jury and the general government services provided by that governmental unit or any of its other component units.

**1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES**

**A. GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the activities of the primary government and its component units. For the most part, the effect of the Interfund activity has been removed from these statements. The District uses enterprise funds to account for its activities.

Separate financial statements are provided for the proprietary funds.

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION**

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 the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The District reports the following major proprietary funds:

The Enterprise Fund is the District's primary operating fund. It accounts for all financial resources of the District.

Operating revenues and expenses have been reported separately from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The primary operating revenue of the District is derived from water revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**C. EQUITY CLASSIFICATIONS**

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

**D. DEPOSITS & INVESTMENTS**

The District’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District’s investment policy allow the District to invest in collateralized certificate of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the District are reported at fair value.

**E. RECEIVABLES & PAYABLES**

All trade and other receivables are shown net of an allowance for uncollectables.

**F. CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost.

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The entity maintains a threshold level of \$1,500 or more for capitalizing capital assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with construction projects.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Water Plant	50 years
Vehicles	7 years
Equipment	7 years

**G. LONG-TERM OBLIGATIONS**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

**H. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)**

***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

At December 31, 2020, the District has cash and investments (bank balances) totaling \$386,133 and were as follows:

Demand Deposits	\$ 263,217
Savings & Certificates of Deposits	<u>122,916</u>
<b>Total</b>	<b><u>\$ 386,133</u></b>

***Deposits***

It is the District's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The District's deposits are categorized to give an indication of the level of risk assumed by the District at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the District or by its agent in the District's name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- ***Category 3*** – Uncollateralized.

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

Amounts on deposit are secured by the following pledges:

Description	Market Value
FDIC (Category 1)	\$ 372,916
Securities (Category 2)	-0-
<b>Total</b>	<b>\$ 372,916</b>

Deposits were **NOT** fully secured as of December 31, 2020.

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of LaSalle Waterworks District No. 1. For the purpose of the proprietary fund Statement of Cash Flows, "Cash and Cash Equivalents" include all demand savings accounts and certificates of deposit under 90 days.

**3. RESTRICTED ASSETS**

At December 31, 2020, restricted assets were applicable to the following:

Customer Deposits	\$ 62,260
<b>Total</b>	<b>\$ 62,260</b>

**4. RECEIVABLES**

The receivables as of December 31, 2020, were as follows:

Accounts Receivable	\$ 34,448
Allowance for Bad Debt	(1,723)
<b>Total Receivables, Net</b>	<b>\$ 32,725</b>

Allowance for bad debts is established at 5% of customer accounts receivable.

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**5. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2020, for the primary government is as follows:

<b>Capital Assets:</b>	<b>Beginning of Period</b>	<b>Additions</b>	<b>Deletions/ Transfers</b>	<b>End of Period</b>
Water system	\$ 963,577	\$ -0-	\$ -0-	\$ 963,577
Machinery & equipment	166,759	30,075	-0-	196,834
<b>Total Capital Assets</b>	<u>1,130,336</u>	<u>30,075</u>	<u>-0-</u>	<u>1,160,411</u>
Less Accumulated Depreciation:	(664,160)	(18,449)	-0-	(682,609)
<b>Total Business-Type Assets, Net</b>	<u>\$ 466,176</u>	<u>\$ 11,626</u>	<u>\$ -0-</u>	<u>\$ 477,802</u>

**6. ACCOUNTS, SALARIES AND OTHER PAYABLES**

The payables of \$24,167 at December 31, 2020, were as follows:

Accrued Payroll & Taxes Payable	\$ 4,469
Accounts Payable	14,636
Accrued Absences	4,804
Sales Taxes Payable	258
<b>Total</b>	<u>\$ 24,167</u>

**7. FEES PAID TO BOARD MEMBERS FOR THE YEAR ENDED DECEMBER 31, 2020**

Josh Corley–Chairman  
Johnny Beard  
John Jenkins  
John Johnston  
Danny Brown, Jr.

Board members are paid \$90 per meeting when present.

**8. ACCRUED SICK LEAVE & VACATION**

The accrued sick leave and vacation is as follows:

<b>Employee</b>	<b>Amount</b>
Charles Smith	\$ 4,112
Brenda Jackson	247
Deborah Smith	445
<b>Total Accrued Sick Leave &amp; Vacation</b>	<u>\$ 4,804</u>

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**9. WATER RATES**

**IN DISTRICT CUSTOMERS:**

***Residential:***

Minimum charge \$15.00 for first 2,000 gallons, \$3.75 per 1,000 gallons thereafter

***Business:***

Minimum charge \$20.00 for first 2,000 gallons, \$3.75 per 1,000 gallons thereafter

**BULK CUSTOMERS:**

***Bulk Rates:***

\$20.00 for the first 1,000 gallons and \$3.75 per 1,000 gallons thereafter

**SEARCY CUSTOMERS:**

***Residential:***

Minimum charge \$18.00 for first 2,000 gallons, \$3.75 per 1,000 gallons thereafter

***Business:***

Minimum charge \$40.00 for first 4,000 gallons, \$3.75 per 1,000 gallons thereafter

**LITTLE CREEK-ZENORIA CUSTOMERS:**

***Residential:***

Minimum charge \$17.50 for zero gallons, \$5.00 per 1,000 gallons thereafter

**10. RECENT ACCOUNTING PRONOUNCEMENT**

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09 *Revenue from Contracts with Customers* as a new Topic, Accounting Standards Codification *Topic 606*. The ASU is intended to provide a more robust framework for addressing revenue issues, improving comparability of revenue recognition practices and improve disclosure requirements. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts: Deferral of the Effective Date*, which deferred the effective date of ASU No. 2014-09 by one year. This ASU is effective for annual reporting periods beginning after December 13, 2019, and shall be applied using either a full retrospective or modified retrospective approach. Early adoption is permitted. The water system is currently evaluating the impact on the results of operations, financial condition and cash flows, and has not determined the impact on its financial statement at this time.

**LaSalle Waterworks District No. 1**  
**Trout, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

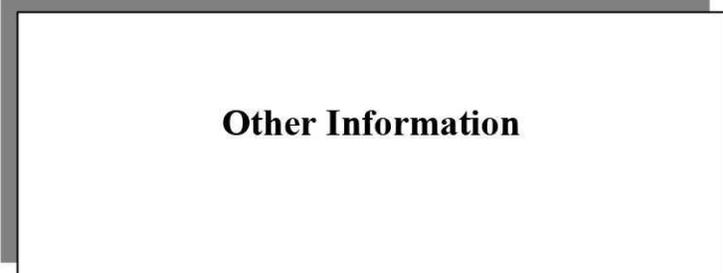
In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, which is intended to improve how a not-for-profit entity classifies its net assets, as well as the information it presents in its financial statements about liquidity and availability of resources, expenses and investment return, and cash flows. ASU No. 2016-14 is effective for annual reporting periods beginning after December 15, 2018, and shall be applied retrospectively. Early adoption is permitted. The water system has implemented 2016-14 as of July 1, 2018. The net effect is a reclassification of net assets among classes, but total net assets remain the same.

**11. CONTINGENCIES**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Entity operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the Entity anticipates this could negatively affect its operating results, the related financial impact and duration cannot be reasonably estimated at this time

**12. SUBSEQUENT EVENTS**

Management has evaluated events and transactions subsequent to the Statement of Net Position date through, June 11, 2021, of the independent accountant’s review report for potential recognition or disclosure in the financial statements.



**Other Information**

**LaSalle Waterworks District No. 1  
Trout, Louisiana**

**Schedule of Compensation Benefits and Other Payments  
to Agency Head or Chief Executive Officer  
For the Year Ended December 31, 2020**

LaSalle Waterworks District No. 1  
-Josh Corley, Chairman

Purpose	Amount
Salary	\$ 1,080
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (List any other here)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

\*An example of an un-vouchered expense would be a travel advance.

See independent accountant's review report.



**Other Reports**

**LASALLE WATERWORKS DISTRICT NO. 1  
TROUT, LOUISIANA**

**MANAGEMENT LETTER COMMENTS**

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During the course of our review, we observed conditions and circumstances that may be improved. Below are findings noted for improvement and our recommendation for improvement.

**CURRENT YEAR MANAGEMENT LETTER COMMENTS**

**2020-1 Deposits in Excess of FDIC & Pledged Securities Coverage**

**Condition:** Bank deposits at CLB The Community Bank were under secured by \$13,217 as of December 31, 2020.

**Criteria:** State law requires banks to pledge securities to secure account balances in excess of FDIC coverage.

**Cause of Condition:** Oversight by bank.

**Potential Effect of Condition:** Loss to the entity in the event of a bank failure.

**Recommendation:** The District should contact its bank periodically to determine that account balances are properly secured.

**Client Response:** The District will periodically contact the bank to determine that bank accounts are fully secured.

**Contact Person:** Josh Corley, Chairman

**Anticipated Completion Date:** December 31, 2021

**LASALLE WATERWORKS DISTRICT NO. 1  
TROUT, LOUISIANA**

**STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana 70804-9397

The management of the LaSalle Waterworks District No. 1, Trout, Louisiana has provided the following action summaries relating to findings brought to their attention as a result of their financial report for the year ended December 31, 2019.

**PRIOR YEAR FINDINGS**

**2019-1 Credit Card Purchases (Resolved)**

**Condition:** A random sample of expenditures discovered questionable costs related to the credit card. After inquiry with management, we found potential misappropriation and unauthorized use of the entity's credit card. (See attached template)

**Criteria:** Good internal controls require a credit card policy that address how cards are to controlled, allowable business uses, documentation requirements, required approvers of statements, and monitoring card usage.

**Cause of Condition:** Inadequate internal controls and limited personnel.

**Effect of Condition:** Potential misappropriation of funds.

**Recommendation:** We recommend that the entity adopt a credit card policy that addresses how cards are controlled, allowable business uses, documentation requirements, required approvers of statements, and monitoring card usage.

**Client Response:** The entity will adopt a credit card policy that addresses how cards are to controlled, allowable business uses, documentation requirements, required approvers of statements, and monitoring card usage.

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David R. Vercher M.B.A., C.P.A., C.F.E.  
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## **THE VERCHER GROUP**

*A Professional Corporation of  
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### MEMBERS

American Institute of  
Certified Public Accountants

Society of Louisiana  
Certified Public Accountants

Association of  
Certified Fraud Examiners

### **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the LaSalle Waterworks District No. 1

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the LaSalle Waterworks District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the LaSalle Waterworks District No. 1's compliance with certain laws and regulations during the year ended December 31, 2020, 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 whether for the purpose for which this report has been requested or for any other purpose.

#### *Public Bid Law*

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

\*During our review of expenditures, we found no such expenditures.

#### *Code of Ethics for Public Officials and Public Employees*

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

\*Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

\*Management provided us with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

\*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).

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

\*Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

### *Budgeting*

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

\*The District is an enterprise fund and budgeting is not required. The District prepares a budget on its operations on a governmental fund basis and therefore is not comparable to the financial statements on an enterprise fund basis.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

\*Not applicable.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

\*Not applicable.

### *Accounting and Reporting*

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

(a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

\*We examined supporting documentation for the six selected documents and they all agreed.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account.

\*All of the payments were properly coded to the correct fund and correct general ledger account.

(c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

\*All disbursements were approved in accordance with management's policies and procedures.

### *Meetings*

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

\*Discussions with the clerk and our review of the minutes found that the agendas for the meetings were posted.

### *Debt*

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

\*The District did not enter into any long-term debt this fiscal year.

### *Advances and Bonuses*

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

\*We inspected payroll records and minutes for the year and noted no instances which would indicate payments to employees that constitutes bonuses, advances, and gifts.

### *State Audit Law*

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

\*The District's report is due on June 30, 2021, and was submitted timely.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

\*The District did not enter into any new contracts this fiscal year.

### *Prior-Year Comments*

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

\*Our prior year report, dated June 29, 2020 did include one management letter comment, which has been resolved.

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 the LaSalle Waterworks District No. 1 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 Legislative Auditor as a public document.

*The Vercher Group*

Jena, Louisiana

June 11, 2021

**LaSalle Waterworks District No. 1**  
**LOUISIANA ATTESTATION QUESTIONNAIRE**

**The Vercher Group**

A Professional Group of  
Certified Public Accountants  
P.O. Box 1608  
Jena, Louisiana 71342  
Tel: (318) 992-6348  
Fax: (318) 992-4374

In connection with your review of our financial statements as of December 31, 2020, 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 regulation 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 June 11, 2021, (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 reviewed in accordance with RS 24:513.

Yes [  ] No [  ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief financial officer.

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.

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.

Signed: 

Title: Board President