

9569

RECEIVED
[Faint illegible text]

04 MAR 31 AM 11: 13

**WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH**

Oakdale, Louisiana

Financial Report

Year Ended September 30, 2003

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 4-14-04

TABLE OF CONTENTS

	<u>Page</u>
ACCOUNTANT'S REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS	
Proprietary Fund Type - Enterprise Fund	
Comparative balance sheet	3-4
Comparative statement of revenues, expenses and changes in retained earnings	5
Comparative statement of cash flows	6
Notes to financial statements	7-14
SUPPLEMENTARY INFORMATION	
COMPLIANCE	
Independent Accountants' Report on Applying Agreed-Upon Procedures	17-19
Summary schedule of current and prior year audit findings and corrective action plan	20
OTHER SUPPLEMENTARY INFORMATION	
Schedule of insurance in force	22

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*

P.O. Box 588
Ville Platte, LA 70586

Phone (337) 363-2792
Fax (337) 363-3049

WEB SITE
WWW.KCSRPCAS.COM

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Allen J. LaBry, CPA
Harry J. Clostio, CPA
Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA, CVA
Robert S. Carter, CPA
Daniel W. Alexander, CPA

ACCOUNTANTS' REPORT

* A Professional Accounting Corporation

The Board of Commissioners
Ward Four Water District of Evangeline Parish
Oakdale, Louisiana

We have compiled the accompanying general purpose financial statements of the Ward Four Water District, a component unit of the Evangeline Parish Police Jury, as of and for the year ended September 30, 2003, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the District's management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
January 26, 2004

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

GENERAL PURPOSE FINANCIAL STATEMENTS

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Proprietary Fund Type
Enterprise Fund
Comparative Balance Sheet
September 30, 2003 and 2002

	<u>2003</u>	<u>2002</u>
ASSETS		
Current assets:		
Cash	\$ 3,775	\$ 5,612
Accounts receivable	5,187	6,578
Total current assets	<u>8,962</u>	<u>12,190</u>
Restricted assets:		
<i>Revenue bond and interest sinking account -</i>		
Interest-bearing deposits	33,247	37,136
<i>Revenue bond reserve account -</i>		
Interest-bearing deposits	3,335	3,100
Certificate of deposit	24,440	22,647
<i>Revenue bond contingency account -</i>		
Interest-bearing deposits	8,518	7,487
Customer deposits -		
Certificate of deposit	<u>11,925</u>	<u>12,650</u>
Total restricted assets	<u>81,465</u>	<u>83,020</u>
Property, plant and equipment, at cost, net of accumulated depreciation (2003 \$315,160; 2002 \$288,727)	<u>735,607</u>	<u>762,040</u>
Total assets	<u>\$ 826,034</u>	<u>\$ 857,250</u>

(continued)

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Proprietary Fund Type
Enterprise Fund
Comparative Balance Sheet (Continued)
September 30, 2003 and 2002

LIABILITIES AND FUND EQUITY

Liabilities:

Current liabilities (payable from current assets) -		
Accounts payable	\$ 891	\$ 747
Current liabilities (payable from restricted assets) -		
Revenue bonds payable	3,407	2,822
Accrued interest payable	12,579	12,500
Customers' deposits	<u>11,925</u>	<u>12,650</u>
Total current liabilities (payable from restricted assets)	<u>27,911</u>	<u>27,972</u>
Long-term liabilities:		
Revenue bonds payable	<u>268,516</u>	<u>273,034</u>
Total liabilities	<u>297,318</u>	<u>301,753</u>

Fund equity:

Contributed capital net of accumulated amortization (2003 \$199,895; 2002 \$180,538)	574,361	593,717
Retained earnings (deficit) - Unreserved	<u>(45,645)</u>	<u>(38,220)</u>
Total fund equity	<u>528,716</u>	<u>555,497</u>
Total liabilities and fund equity	<u>\$ 826,034</u>	<u>\$ 857,250</u>

See accompanying notes and accountant's report.

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Proprietary Fund Type
Enterprise Fund

Comparative Statement of Revenues, Expenses and Changes in Retained Earnings
Years Ended September 30, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Operating revenues:		
Charges for services -		
Water sales	\$ 69,483	\$ 65,959
Connection charges	1,250	1,375
Late charges	983	849
Miscellaneous	<u>3,261</u>	<u>1,352</u>
Total operating revenues	74,977	69,535
Operating expenses	<u>87,310</u>	<u>69,211</u>
Operating income (loss)	<u>(12,333)</u>	<u>324</u>
Nonoperating revenues (expenses):		
Interest income	1,321	1,401
Interest expense	<u>(15,769)</u>	<u>(15,994)</u>
Total nonoperating revenues (expenses)	<u>(14,448)</u>	<u>(14,593)</u>
Net loss	<u>(26,781)</u>	<u>(14,269)</u>
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>19,356</u>	<u>19,356</u>
Increase (decrease) in retained earnings	(7,425)	5,087
Retained earnings (deficit), beginning	<u>(38,220)</u>	<u>(43,307)</u>
Retained earnings (deficit), ending	<u>\$ (45,645)</u>	<u>\$ (38,220)</u>

See accompanying notes and accountant's report.

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Proprietary Fund Type
Enterprise Fund
Comparative Statement of Cash Flows
Years Ended September 30, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Cash flows from operating activities:		
Operating income (loss)	\$ (12,333)	\$ 324
Adjustments to reconcile operating income (loss) to net cash provided by operating activities -		
Depreciation	26,433	27,308
(Increase) decrease in accounts receivable	1,391	(1,207)
Increase (decrease) in accounts payable	144	84
Increase (decrease) in accrued interest payable	79	(284)
Total adjustments	<u>28,047</u>	<u>25,901</u>
Net cash provided by operating activities	<u>15,714</u>	<u>26,225</u>
Cash flows from capital and related financing activities:		
Principal paid on revenue bonds and notes	(3,933)	(3,344)
Interest paid on revenue bonds and notes	(15,769)	(15,994)
Net change in meter deposits	(725)	400
Net cash used by capital and related financing activities	<u>(20,427)</u>	<u>(18,938)</u>
Cash flows from investing activities:		
Purchase of interest-bearing deposits	(35,814)	(35,297)
Proceeds from maturities of interest-bearing deposits	35,297	34,273
Interest received on interest bearing deposits	1,321	1,401
Net cash used by investing activities	<u>804</u>	<u>377</u>
Net increase (decrease) in cash and cash equivalents	(3,909)	7,664
Cash and cash equivalents, beginning of period	<u>53,335</u>	<u>45,671</u>
Cash and cash equivalents, end of period	<u>\$ 49,426</u>	<u>\$ 53,335</u>

See accompanying notes and accountant's report.

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Ward Four Water District of Evangeline Parish (District) was created on August 12, 1986 by the Evangeline Parish Policy Jury, as authorized by Louisiana Revised Statutes 38:1751-1802. The District is governed by a five-member board of commissioners appointed by the police jury and is authorized to construct, maintain, and improve the system of water supply within the district.

The Water District is a component unit of the Evangeline Parish Police Jury, the primary government. The commissioners of the District are appointed by the Evangeline Parish Police Jury.

The Water District serves approximately 228 residential customers, no commercial customers, and has 4 employees.

A. Basis of Presentation

The accounting and reporting policies of the Ward Four Water District conform to generally accepted accounting principles applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants. The District's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements in which case, GASB prevails.

B. Reporting Entity

For financial reporting purposes, these component unit financial statements include all funds and activities that are controlled by the District as an independent political subdivision of the State of Louisiana. Although legally separate from the Evangeline Parish Policy Jury, the Evangeline Parish Police Jury appoints the Board of Commissioners and has the ability to impose its will on the District and therefore is considered to be a component unit of the Evangeline Parish Police Jury (primary government), the financial reporting entity.

C. Fund Accounting

The District uses fund accounting 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.

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements (Continued)

The District uses an enterprise fund to account for its proprietary fund operations. An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

D. Basis of Accounting

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

Proprietary funds are accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred. Unbilled utility service receivables, resulting from utility services rendered between the date of meter reading and billing and the end of the month, are considered immaterial and are not recorded at year end.

E. Fixed Assets and Liabilities

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	5 years
Buildings	20 years
Utility System and Improvements	40 years

F. Bad Debts

Uncollectible amounts due for customer's utility receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting practices (GAAP), no allowance for uncollectible receivables was made due to immateriality at September 30, 2003.

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements (Continued)

G. Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid. Although sick leave accumulates and is available for employees when needed, it does not vest, nor is it payable at termination of employment. Vacation must be taken in the year accrued and cannot be carried over. Although this method is not in conformity with generally accepted accounting principles (GAAP), no accrual amount was recorded as of September 30, 2003, due to immateriality.

H. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing deposits, and time deposits. For purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

I. Fund Equity

Contributed Capital

Amounts contributed to the enterprise fund that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired from such contributions. This depreciation is closed to the contributed capital account and is reflected as an adjustment to net income.

Reserves

Reserves represent those portions of fund equity legally segregated for a specific future use.

(2) Cash and Interest-Bearing Deposits

At September 30, 2003, the District had cash and interest-bearing deposits (book balances) totaling \$85,240 as follows:

Demand deposits	\$ 3,775
Interest bearing deposits	<u>81,465</u>
Total	<u>\$ 85,240</u>

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements (Continued)

These deposits are stated at cost, which approximates 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. 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 bank. 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.

Deposit balances (bank balances) at September 30, 2003 of \$84,706 were secured in total by federal deposit insurance.

(3) Deficit in Retained Earnings

At September 30, 2003, the unreserved retained earnings deficit totals \$46,196. Management intends to eliminate the deficit with water sales from future years.

(4) Fixed Assets

A summary of proprietary fund type fixed assets at September 30, 2003 follows:

	<u>2003</u>	<u>2002</u>
Equipment	\$ 28,281	\$ 28,281
Buildings	16,310	16,310
Water System	1,006,176	1,006,176
Total	<u>1,050,767</u>	<u>1,050,767</u>
Less: Accumulated depreciation	<u>315,160</u>	<u>288,727</u>
Net	<u>\$ 735,607</u>	<u>\$ 762,040</u>

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements (Continued)

(5) Changes in Long-Term Debt

The following is a summary of debt transactions of the District for the year ended September 30, 2003:

	<u>Utility Revenue Bonds</u>
Long-term obligations payable, September 30, 2001	\$ 275,856
Additions	-
Deductions	<u>3,933</u>
Long-term obligations payable at September 30, 2002	<u>\$ 271,923</u>

Long-term debt payable at September 30, 2003 is composed of the following:

Utility Revenue Bonds:

\$229,000 Water Revenue Bonds due in annual installments of \$15,320 through December 27, 2030; interest at 6.0 percent	\$ 204,296
\$72,000 Water Revenue Bonds due in annual installments of \$4,303 through December 27, 2035; interest at 5.125 percent	<u>67,627</u>
	<u>\$ 271,923</u>

The annual requirements to amortize all debts outstanding at September 30, 2002, including interest payments of \$279,413 are as follows:

September 30,	
2004	\$ 19,623
2005	19,623
2006	19,623
2007	19,623
2008	19,623
2009 - 2035	<u>453,221</u>
	<u>\$ 551,336</u>

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements (Continued)

(6) Flow of Funds; Restrictions on Use - Utility Revenues

Under the terms of the \$229,000 Water Revenue Bonds, dated December 27, 1990, and the \$72,000 Water Revenue Bonds dated October 2, 1996, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operations of the Water Utility System are pledged and dedicated to the retirement of said bonds and are to be set aside into the following special funds.

Sinking Fund

The district is required to set aside into a Water Revenue Bond and Interest Sinking Fund each month a sum equal to 1/12th of the principal and the interest falling due on the next annual payment date for the Bonds. Funds in this account are available only for the retirement of maturing bonds interest.

Reserve Fund

The Water Revenue Reserve Fund is maintained solely for the purpose of paying the principal and interest on the bonds payable from the sinking fund as to which there would otherwise be default. The fund is required to be funded in an amount equal to the reserve fund requirement (\$19,623 at September 30, 2003).

Depreciation and Contingency Fund

The Contingency Fund was established to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System and to pay the principal of and the interest on the bonds, including any additional pari passu bonds issued hereafter in the manner provided by the Resolution, for the payment of which there is not sufficient money in the Sinking Fund or Reserve Fund.

The District was in compliance with all sufficient limitations and restrictions in the bond indenture at September 30, 2003.

(7) Litigation

At September 30, 2003, there is no litigation pending against the District.

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements (Continued)

(8) Schedule of Operating Expenses

	2003	2002
Salaries	\$ 19,183	\$ 19,370
Payroll taxes	4,054	4,011
Sales tax expense	2,725	2,480
Repairs and maintenance	11,949	2,673
Office expense	2,693	1,492
Supplies	2,902	1,336
Utilities	2,769	2,515
Telephone	674	715
Insurance	8,565	3,679
Depreciation expense	26,433	27,308
Dues	229	435
Per diem	1,850	1,200
Professional fees	1,500	1,500
Miscellaneous	1,784	497
	\$ 87,310	\$ 69,211

(9) Aged Accounts Receivable

	2003	2001
0-30 days	\$ 5,085	\$ 4,288
31-120 days	102	1,084
	\$ 5,187	\$ 5,372

(10) Risk Management

The District is exposed to risks of loss in the areas of general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Notes to Financial Statements (Continued)

(11) Board Members' Compensation

The following is a summary of per diem paid to board members during the year ending September 30, 2003:

James Gourdon	\$ 300
Joey Ardoin	125
Farron Gourdon	300
Michael Penny	475
Nathan Johnson	350
Kenneth Jackson	300
	<u>\$ 1,850</u>

SUPPLEMENTARY INFORMATION

COMPLIANCE

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*

P.O. Box 588
Ville Platte, LA 70586

Phone (337) 363-2792
Fax (337) 363-3049

WEB SITE:
WWW.KCSRCPAS.COM

Allen J. LaBry, CPA
Harry J. Ciofalo, CPA
Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA, CVA
Robert S. Carter, CPA
Daniel W. Alexander, CPA

MEMBER OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

To the Board of Directors
Ward Four Water District
Evangeline Parish, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the Board of Directors of Ward Four Water District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Ward Four Water District's compliance with certain laws and regulations during the year ended September 30, 2003. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. 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 material and supplies exceeding \$15,000, 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).

There were no expenditures within the above threshold.

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 including the noted information.

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

The above listing was obtained.

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

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 procedure (2) as immediate family members.

There were no exceptions noted.

Budgeting

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

Management provided us with a copy of the original and amended budget.

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

The budget adoption and amendment were traced to the minute book.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by more than 5% and if actual expenditures exceeded budgeted expenditures by more than 5%.

No exceptions were noted. The Ward Four Water District has only a proprietary fund.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- a. trace payments to supporting documentation as to proper amount and payee;
- b. determine if payments were properly coded to the correct fund and general ledger account; and
- c. determine whether payments received approval from proper authorities.

Each of the selected 6 disbursements were for the proper amount, were to the proper payee, were properly coded and received proper approval.

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 through 42:12 (the open meetings law).

Evidence was examined indicating that agendas for meetings were advertised as required by LSA-RS 42:1 through 42:12.

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 noting none of the above deposits.

Advances and Bonuses

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

There were no bonuses, advances or gifts noted.

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 Ward Four Water District 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.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
January 26, 2004

**WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana**

**Corrective Action Plan
Year Ended September 30, 2003**

There were no findings noted for the year ending September 30, 2003.

OTHER SUPPLEMENTARY INFORMATION

WARD FOUR WATER DISTRICT OF
EVANGELINE PARISH, LOUISIANA
Oakdale, Louisiana

Schedule of Insurance in Force
September 30, 2003

<u>Description of Coverage</u>	<u>Coverage Amounts</u>
Public Employees Position Bond -	
President	\$ 20,000
Secretary/Treasurer	20,000
General Liability and Property -	
Automobil liability; expires September 3, 2004	50,000
Office building; expires February 6, 2004	5,500
Contents; expires February 6, 2004	2,500
Equipment; expires January 24, 2004	100,000
Workers compensation	Statutory