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WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH

ST LANDRY, LOUISIANA

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

DECEMBER 31, 1999

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 JUL 26 2000

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH

DECEMBER 31, 1999

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
COMBINED BALANCE SHEET- ALL FUND TYPES	3-4
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS	5
STATEMENT OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7-12
ADDITIONAL INFORMATION	13
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	14
OTHER REPORTS REQUIRED BY <i>GOVERNMENT AUDITING</i>	
<i>STANDARDS AND OMB CIRCULAR A-133</i>	15
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	16-18
REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	19-21
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	22
MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS	23
DISCLOSURE OF LACK OF MANAGEMENT LETTER	24
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	25
MANAGEMENT'S CORRECTIVE ACTION PLAN	26



Juanita DeVillier Brouillette

Certified Public Accountant

June 12, 2000

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Ward 5 Waterworks District #1 of Evangeline Parish

I have audited the accompanying general purpose financial statements of Ward 5 Waterworks District #1 of Evangeline Parish, St Landry, Louisiana, a component unit of the Evangeline Parish Police Jury, as of December 31, 1999 and for the period then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

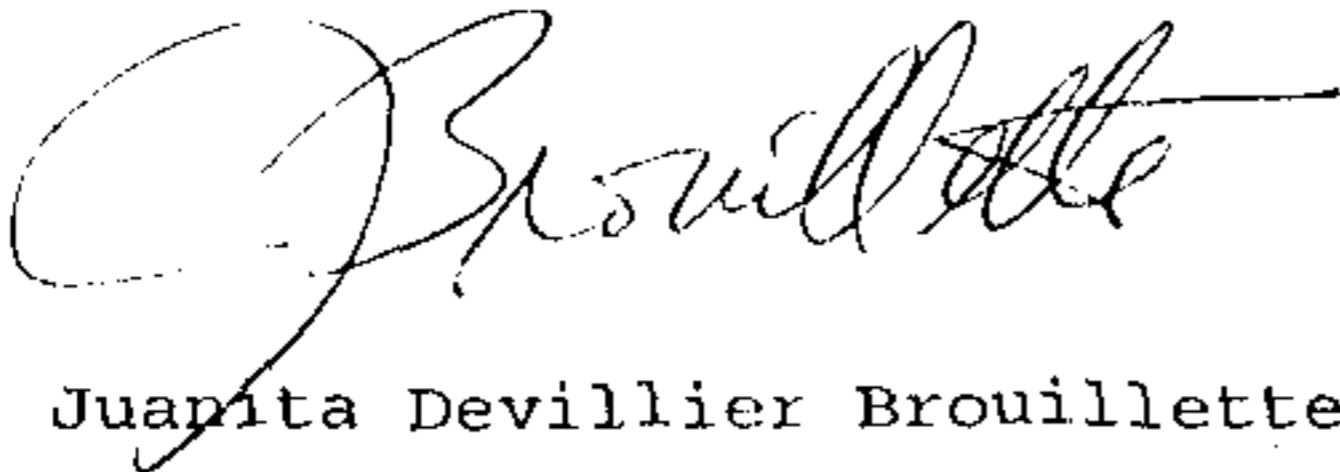
I conducted the audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that the audit provides a *reasonable basis for my opinion*.

In my opinion the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Ward 5 Waterworks District #1 of Evangeline Parish, as of December 31, 1999, and the results of its operations, and the cash flows of its proprietary fund type for the period ended December 31, 1999, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 12, 2000, on my consideration of the Ward 5 Waterworks District #1's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

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The audit was performed for the purpose of forming an opinion on the general purpose financial statements of Ward 5 Waterworks District #1 of Evangeline Parish taken as a whole. The accompanying schedules of expenditures of federal awards are presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole.



Juanita Devillier Brouillette
Certified Public Accountant

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
 COMBINED BALANCE SHEET - ALL FUND TYPES
 DECEMBER 31, 1999

	PROPRIETARY <u>FUND TYPE</u> ENTERPRISE <u>FUND</u>	TOTALS (MEMORANDUM) <u>ONLY</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 4,809	\$ 4,809
Prepaid Insurance	376	376
Accounts receivable		
Water sales	<u>3,820</u>	<u>3,820</u>
Total Current Assets	<u>\$ 9,005</u>	<u>\$ 9,005</u>
RESTRICTED ASSETS		
Meter fund deposits	\$ 1,434	\$ 1,434
Water revenue bond funds	<u>12,187</u>	<u>12,187</u>
Total Restricted Assets	<u>\$ 13,621</u>	<u>\$ 13,621</u>
PROPERTY, PLANT, AND EQUIPMENT		
Plant and distribution system	\$1,196,247	\$1,196,247
Less: accumulated depreciation	<u>82,242</u>	<u>82,242</u>
Net Depreciable Assets	\$1,114,005	\$1,114,005
Land	<u>1,000</u>	<u>1,000</u>
Total Property, Plant, and Equipment	<u>\$1,115,005</u>	<u>\$1,115,005</u>
TOTAL ASSETS	\$1,137,631 =====	\$1,137,631 =====

	PROPRIETARY <u>FUND TYPE</u> ENTERPRISE <u>FUND</u>	TOTALS (MEMORANDUM) <u>ONLY</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts payable	\$ 703	\$ 703
Payroll and sales tax payable	<u>367</u>	<u>367</u>
Total Current Liabilities (Payable from Current Assets)	<u>\$ 1,070</u>	<u>\$ 1,070</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Customer meter deposits	\$ 1,425	\$ 1,425
Current portion of water revenue bonds payable	<u>3,725</u>	<u>3,725</u>
Total Current Liabilities (Payable from Restricted Assets)	<u>\$ 5,150</u>	<u>\$ 5,150</u>
LONG-TERM LIABILITIES		
Water revenue bonds payable	<u>\$ 352,198</u>	<u>\$ 352,198</u>
Total Long-Term Liabilities	<u>\$ 352,198</u>	<u>\$ 352,198</u>
Total Liabilities	<u>\$ 358,418</u>	<u>\$ 358,418</u>
EQUITY		
Contributed capital	\$ 831,247	\$ 831,247
Retained earnings- unreserved	<u>(52,034)</u>	<u>(52,034)</u>
Total Equity	<u>\$ 779,213</u>	<u>\$ 779,213</u>
TOTAL LIABILITIES AND EQUITY	<u>\$1,137,631</u> =====	<u>\$1,137,631</u> =====

The accompanying notes are an integral part of the financial statements.

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND TYPE - ENTERPRISE FUND
YEAR ENDED DECEMBER 31, 1999

OPERATING REVENUES		
Water sales	\$44,463	
Connection, meter charges	2,300	
Late charges, damages	<u>997</u>	
Total Operating Revenues		\$ 47,760
OPERATING EXPENSES		
Board fees	\$ 1,470	
Depreciation	29,906	
Dues	250	
Insurance	1,988	
Office expense	1,190	
Professional fees	1,895	
Repairs and maintenance	2,786	
Salaries	11,557	
Taxes	2,860	
Utilities	<u>1,899</u>	
Total Operating Expenses		<u>55,801</u>
OPERATING INCOME (LOSS)		\$(8,041)
NONOPERATING REVENUES AND (EXPENSES)		
Interest income	\$ 238	
Interest expense	<u>(16,110)</u>	
Nonoperating expense over revenue		<u>(15,872)</u>
NET INCOME (LOSS)		\$(23,913)
RETAINED EARNINGS, (DEFICIT) BEGINNING OF YEAR		<u>(28,121)</u>
RETAINED EARNINGS (DEFICIT), END OF YEAR		\$(52,034) =====

The accompanying notes are an integral part of the financial statements.

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - ENTERPRISE FUND
YEAR ENDED DECEMBER 31, 1999

OPERATING ACTIVITIES	
Net income (loss)	\$ (23,913)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:	
Depreciation	29,906
Changes in operating assets and liabilities:	
Accounts receivable	122
Prepaid insurance	(34)
Accounts and taxes payable	568
Customers' meter deposits	<u>75</u>
Net Cash Provided By Operating Activities	6,724
NONCAPITAL FINANCING ACTIVITIES	
	-0-
CAPITAL FINANCING ACTIVITIES	
Loan payments	<u>(3,830)</u>
Net Cash Used for Capital Financing Activities	(3,830)
INVESTING ACTIVITIES	
	<u>-0-</u>
INCREASE IN CASH	
	2,894
CASH, BEGINNING OF YEAR	<u>15,536</u>
CASH, END OF YEAR	\$ 18,430
	=====

The accompanying notes are an integral part of the financial statements.

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Ward 5 Waterworks District #1 of Evangeline Parish (hereafter referred to as the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Reporting Entity

Ward 5 Waterworks District #1 of Evangeline Parish was created by an ordinance of the Evangeline Parish Police Jury on March 9, 1992. The District provides water to rural residential and agricultural customers in the northeast portion of Evangeline Parish.

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. Generally, component units are legally separate organizations for which the elected officials or appointed board members of the primary government are financially accountable. Some of the criteria considered under "legally separate organization" are the capacity for the organization to have its own name, the right for the organization to sue and be sued in its own name without recourse to the primary government, and the right to buy, sell, lease, and mortgage property in its own name. Some of the criteria used to consider "financially accountable" include appointment of the voting majority of the organization's governing body, ability for the primary government to impose its will on the organization, whether the organization has the potential to provide specific financial benefits to, or improve specific financial burdens on the primary government, and fiscal dependence of the organization. Based on the application of these criteria, only the operating activities of the Ward 5 Waterworks District #1 are included in these financial statements.

The Ward 5 Waterworks District #1 operates autonomously from the other Parish agencies. Therefore, the District reports as an independent reporting entity. This report includes all funds which are controlled by or dependent upon the District.

Fund Accounting

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1999

financial management by segregating transactions related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The District's funds are classified as a proprietary fund type.

The District's operating account is considered a proprietary fund. Proprietary funds are used to account for activity similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Where goods or services are provided to outside parties, such as customers receiving water, the proprietary fund is considered an enterprise fund.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Cash

Cash includes amounts in demand deposits, interest-bearing savings accounts, certificates of deposit, and investments with a maturity date within three months of the date acquired by the District. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market savings accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Accounts Receivable, Bad Debts

Amounts due from customers are recognized as bad debts as they are considered uncollectible. Minimum losses are sustained since the customer's meter deposit is applied to any unpaid balance. In the opinion of management, all receivables were collectible and an allowance for doubtful accounts was not considered necessary.

Restricted Assets

Certain proceeds related to customers' meter deposits and water revenue bond funds are classified as restricted assets on the balance sheet because their use is

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1999

limited by applicable laws and regulations. The meter fund is used to account for customers' meter deposits received from and returned to customers. The water revenue bond funds are used to account for transfers from regular operations as required under the bond agreement.

Property, Plant, and Equipment

Property, plant, and equipment is stated at cost when purchased or constructed. Donations of property, plant, and equipment are recorded as contributed capital at their estimated fair value.

The District capitalizes interest as a component of the cost of property, plant, and equipment constructed for its own use. Capitalization stops when the asset is substantially complete and ready for its intended use.

Depreciation is computed using the straight-line method over the estimated useful life of the asset.

Customer Deposits

Customer deposits represent refundable deposits received from customers to guarantee payment of their water bills.

Contributed Capital

Contributed capital is recorded on the balance sheet when amounts are received through capital grants or through contributions from developers and customers.

Totals - Memorandum Only Columns

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 1999

amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH

At December 31, 1999 cash consisted of the following:

	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>
Cash in bank	\$18,430	\$4,809	\$13,621

Cash in bank is stated at cost, which approximates market. Under state law, 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 or exceed the amount on deposit with the fiscal agent. At December 31, 1999 cash in bank is secured by federal deposit insurance.

3. ACCOUNTS RECEIVABLE

Receivables arising from water service furnished to members consist of uncollected billings rendered customers on monthly cycle billings. At December 31, 1999, these receivables were \$3,820.

4. PROPERTY, PLANT, AND EQUIPMENT

There has been no change in property, plant, and equipment during the current year. Property, plant, and equipment consisted of the following at December 31, 1999:

	ESTIMATED <u>LIFE</u>	<u>AMOUNT</u>
Land		\$ 1,000
Plant and distribution system	40 years	<u>1,196,247</u>
Less:		1,197,247
Accumulated depreciation		<u>82,242</u>
		\$1,115,005

Depreciation expense for 1999 was \$29,906. Property, plant, and equipment serves as collateral for the bonds payable.

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 1999

5. BONDS PAYABLE

Bonds payable at December 31, 1999, consisted of the following:

	INTEREST RATE	MATURITY DATE	AMOUNT
United States Department of Agriculture	4.50%	March 21, 2036	\$355,923

All property, plant, and equipment of the District serves as collateral for the bonds. Aggregate maturities of principal amounts of bonds payable of the District, based upon terms in effect at December 31, 1999, are as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2000	\$ 3,725
2001	3,899
2002	4,080
2003	4,271
2004	4,470
2005-2029	<u>342,969</u>
	\$363,414

In 1999, total interest incurred was \$16,110 which was all charged to operations.

6. RESTRICTED ASSETS

At December 31, 1999, restricted assets consisted of the following:

Restricted for customer deposits for water service	\$ 1,434
Restricted in accordance with United States Department of Agriculture bond covenants. These funds may be used to finance emergency repairs, system improvements, and debt service.	2,813
Restricted for payment of bond principal and interest in accordance with the United States Department of Agriculture bonds.	5,314
Restricted for payment of principal and interest on the bonds in event of default, in accordance with the United States Department of Agriculture bond agreement.	<u>4,060</u>
	\$ 13,621

7. CONTRIBUTED CAPITAL

There have been no changes in contributed capital during the year. The balance of contributed capital at December 31, 1999 is \$831,247.

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 1999

8. DEFICIT FUND EQUITY

At December 31, 1999 the following individual fund deficit retained earnings existed:

Proprietary Fund Type- Enterprise Fund	\$52,034
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The deficit in unreserved retained earnings is attributable to depreciation of property, plant, and equipment acquired with contributed capital.

9. NOTE TO STATEMENT OF CASH FLOWS

Interest paid during 1999 was \$16,110, all of which was charged to operating expense. There were no material non-cash investing or financing activities during the year ending December 31, 1999 that affected recognized assets and liabilities.

10. BOARD OF COMMISSIONERS

The District is governed by a board of five commissioners appointed by the Evangeline Parish Police Jury. These commissioners were:

<u>COMMISSIONER</u>	<u>TERM SERVED</u>	<u>COMPENSATION</u>
Ronnie Borer	January 1999 - December 1999	\$330
Carl Foreman	January 1999 - December 1999	\$300
Henry Kelly	January 1999 - December 1999	\$150
Wesley McIntosh	January 1999 - December 1999	\$330
Calvin Ortego	January 1999 - December 1999	\$360

ADDITIONAL INFORMATION

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 1999

<u>FEDERAL AGENCY AND PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>IDENTIFYING NUMBER</u>	<u>TOTAL FEDERAL AWARD</u>	<u>FEDERAL AWARD EXPENDED OR OUTSTANDING LOAN BALANCE</u>
U.S. Department of Agriculture Rural Utilities Service Water and Waste Disposal Systems for Rural Communities		22-020- 0025909701-		
Current Expenditures	10.760		\$829,600	\$ -0-
Loan balance outstanding at year end	10.760	95.01		<u>355,923</u>
				\$355,923

See independent auditor's report.

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
AND OMB CIRCULAR A-133

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



Juanita DeVillier Brouillette

Certified Public Accountant

June 12, 2000

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

Board of Commissioners
Ward 5 Waterworks District #1 of Evangeline Parish

I have audited the general purpose financial statements of the Ward 5 Waterworks District #1 of Evangeline Parish as of and for the period ended December 31, 1999, and have issued my report thereon dated June 12, 2000. I conducted the audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

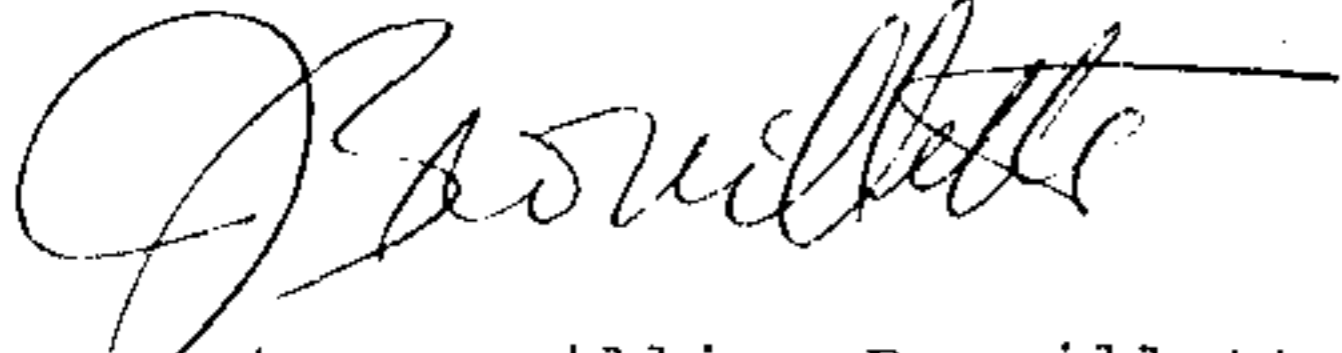
Internal Control Over Financial Reporting

In planning and performing the audit, I considered the District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that

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misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management, Louisiana Legislative Auditor, and federal awarding agencies. However, this report is a matter of public record and its distribution is not limited.



Juanita Devillier Brouillette
Certified Public Accountant

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO THE MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133



Juanita DeVillier Brouillette

Certified Public Accountant

June 12, 2000

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO THE MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Commissioners
Ward 5 Waterworks District #1 of Evangeline Parish

Compliance

I have audited the compliance of Ward 5 Waterworks District #1 of Evangeline Parish with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 1999. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the District's management. My responsibility is to express an opinion on the District's compliance based on my audit.

I conducted the audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the District's compliance with those requirements.

In my opinion, Ward 5 Waterworks District #1 of Evangeline Parish complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

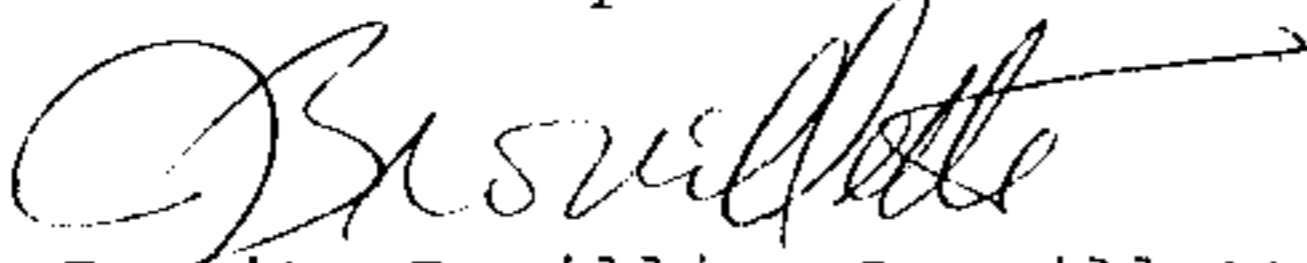
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Internal Control Over Compliance

The management of Ward 5 Waterworks District #1 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing the audit, I considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management, Louisiana Legislative Auditor, and federal awarding agencies. However, this report is a matter of public record and its distribution is not limited.


Juanita Devillier Brouillette
Certified Public Accountant

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 1999

PART I - SUMMARY OF AUDITOR'S RESULTS

1. I issued an unqualified opinion on the financial statements of Ward 5 Waterworks District #1 of Evangeline Parish.
2. My tests of internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards* disclosed no reportable conditions.
3. My tests of compliance based on an audit of financial statements performed in accordance with *Government Auditing Standards* disclosed no material instances of noncompliance that is required to be reported under *Government Auditing Standards*.
4. I noted no matters involving the internal control over compliance and its operations that I considered to be material weaknesses required to be reported in accordance with OMB Circular A-133.
5. I issued an unqualified opinion on the District's compliance with requirements applicable to its major program in accordance with OMB Circular A-133.
6. My audit disclosed no audit findings which I am required to report under Section 510(a) of OMB Circular A-133.
7. I identified the following program of the District as a major program:

CFDA #10.760 - Water and Waste Disposal Systems for Rural Communities
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of OMB Circular A-133, was \$300,000.
9. Ward 5 Waterworks District #1 of Evangeline Parish did not qualify as a low risk auditee under Section 530 of OMB Circular A-133.

PART II - FINDINGS RELATED TO THE FINANCIAL STATEMENTS

None

PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

Management Letter:

There is no management letter issued with this report.

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 1999

There are no prior audit findings.

WARD 5 WATERWORKS DISTRICT #1 OF EVANGELINE PARISH
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 1999

The Ward 5 Waterworks District #1 of Evangeline Parish respectfully submits the following corrective action plan for the year ended December 31, 1999.

Independent Public Accounting Firm: Juanita Devillier Brouillette, CPA
Post Office Box 153
Bunkie, Louisiana 71322

Audit period: January 1, 1999 through December 31, 1999

There are no findings from the Schedule of Findings and Questioned costs, nor are there any current year findings addressed in a Memorandum of Other Comments and Recommendations. Therefore there is no corrective action to be taken.

REPORTABLE CONDITIONS

None

OTHER COMMENTS AND RECOMMENDATIONS

None