

SUPPLEMENTARY INFORMATION

Water Works District No. 1 of the Parish of Avoyelles
Bordelonville, Louisiana
Comparative Statement of Cash Flows
June 30, 1996 and 1995

Statement C

	1996	Restated 1995
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$216,119	\$201,500
Cash payments to suppliers for goods and services	(82,696)	(83,479)
Cash payments to employees for services	(46,612)	(45,521)
	86,811	72,500
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on bonds payable	(17,000)	(16,000)
Interest paid on bonds payable	(15,123)	(16,482)
Acquisition of capital assets	(5,515)	(1,279)
	(37,638)	(33,761)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	8,471	5,776
(Increase) Decrease in Investments	(17,970)	(35,220)
Recoveries of bad debts written off	0	72
	(9,499)	(29,372)
INCREASE (DECREASE) IN CASH	39,674	9,368
Cash and Cash Equivalents, Beginning of Year	139,646	130,278
CASH AND CASH EQUIVALENTS, END OF YEAR	\$179,320	\$139,646

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

Operating income (loss)	\$65,020	\$58,470
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Depreciation	23,485	27,109
Net Change in Assets and Liabilities -		
(Increase) Decrease in accounts receivable	(2,888)	(8,991)
(Increase) Decrease in NSF receivable	0	100
(Increase) Decrease in inventory	(941)	(4,105)
(Increase) Decrease in prepaid expense	(1,161)	0
Increase (Decrease) in accounts payable	491	1,167
Increase (Decrease) in payroll taxes payable	1,037	(655)
Increase (Decrease) in sales tax payable	125	(1,623)
Increase (Decrease) in customer security deposits	1,643	1,029
	21,791	14,030
Net cash provided by (used for) operating activities	\$86,811	\$72,500

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

Waterworks District No. 1 of the Parish of Avoyelles
Notes to the Financial Statements
June 30, 1996

1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting

The District is organized and operated on the basis of funds whereby a separate self - balancing set of accounts (Enterprise Fund) is maintained that comprise its assets, liabilities, fund equity, revenue and expense. The operations are financed and operated in a manner similar to a private business enterprise - 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.

The enterprise fund is used to account for water services provided to the residents and businesses within the District and the \$560,000 issue of revenue bonds dated July 11, 1969.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Enterprise Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund is included on the balance sheet. The Enterprise fund, as reported in the accompanying financial statements has been reported on the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when they are incurred.

E. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash on hand and all restricted and unrestricted cash in banks (demand deposits, interest-bearing demand deposits and money market accounts) and highly liquid investments, having a maturity of three months or less when purchased are considered to be cash equivalents.

F. Investments

Investments at June 30, 1996 are stated at cost which approximates market.

Waterworks District No. 1 of the Parish of Avoyelles
Notes to the Financial Statements
June 30, 1996

1. Summary of Significant Accounting Policies (Continued)

G. Inventories

Inventories consist of parts and materials and are recorded as an expense when consumed. Inventories are valued at the lower of cost, utilizing the first in - first out method of valuation, or market.

H. Restricted Assets

Certain proceeds of the District as revenue bonds, as well as certain resources set aside for their payment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Under the terms of the bond indenture all of the income and revenues earned by the District from the operations of the waterworks system, must be deposited in the System Fund. Monies in the System Fund shall be first used for the payment of all reasonable and necessary expenses of operating and maintaining the system. By the 20th day of each month, 1/2th of the next maturing revenue bond and interest installment must be transferred from the System Fund into the Amortization Fund.

Under the terms of the bond indenture, transfers should also be made to the Reserve Fund in an amount equal to 5% of the amount transferred into the Amortization Fund until there is on deposit an amount equal to \$33,000. There shall also be deposited \$230 per month into the Depreciation and Contingency Fund.

I. Fixed Assets

The cost of property, plant and equipment, including significant betterments to existing facilities and infrastructure is recorded in the enterprise fund on its balance sheet. Interest costs incurred during construction are capitalized. Depreciation of all exhaustible fixed assets are charged as an expense against operations and has been computed under the straight - line method based on the estimated useful lives of the individual assets. Estimated useful lives are as follows:

Distribution system	50 years
Storage tanks	40 years
Pumping stations and buildings	20 years
Other Equipment	3 -10 years

All fixed assets are stated at historical cost. Donated assets are valued at their estimated fair value on the date donated.

For the fiscal year ended June 30, 1996, there were no interest charges capitalized on fixes assets acquired or constructed.

Waterworks District No. 1 of the Parish of Avoyelles
Notes to the Financial Statements
June 30, 1996

1. Summary of Significant Accounting Policies (Continued)

J. Compensated Absences

The District has no set policy for accumulated vacation, sick pay or other employee benefits. Therefore, no accruals for compensated absences have been made in these financial statements.

K. Long - Term Liabilities

Long - term liabilities are recognized within the Enterprise Fund.

L. Fund Equity

Contributed Capital - Grants, entitlement, or shared revenues received 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 Investments

Under state law the District may deposit funds in demand deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At June 30, 1996, the bank balances of the District's deposits was \$270,104 as follows:

Deposits:	Book Balance	Bank Balance
Demand deposits	\$ 29,273	\$ 31,933
Interest - bearing demand deposits	134,404	134,404
Certificates of deposit	<u>103,767</u>	<u>103,767</u>
Total Deposits	\$ 267,444 =====	\$ 270,104 =====

State law requires that these deposits be insured by federal depository insurance or secured by the pledge of securities owned by the fiscal agent bank in an amount at least equal to the bank balance of the deposits. At June 30, 1996, of the bank balance, \$200,107 was covered by federal depository insurance. Deposit collateral consisting of securities having a market value of \$112,915, held in the fiscal agent bank's name were pledged to secure the remaining deposits of \$69,997. (Risk Category 3).

Waterworks District No. 1 of the Parish of Avoyelles
Notes to the Financial Statements
June 30, 1996

2. Cash and Investments (Continued)

Investments -

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days.

The District holds investments in certificates of deposit as follows:

	<u>Carrying Value</u>	<u>Maturity</u>	<u>Term</u>	<u>Rate</u>	<u>Market Value</u>
Unrestricted - Emergency Fund	15,578	9/11/96	6 mo.	4.75%	15,578
Restricted for -					
Customer meter deposits	10,593	8/16/96	1 year	5.1%	10,593
Customer meter deposits	10,000	5/31/97	1 year	5.1%	10,000
Depreciation & contingency	15,000	11/30/96	1 year	5.75%	15,000
Depreciation & contingency	15,865	11/17/96	1 year	5.2%	15,865
Depreciation & contingency	<u>21,153</u>	11/17/96	1 year	5.2%	<u>21,153</u>
 Total Investments	 \$ 88,189 =====				 \$ 88,189 =====

3. Accounts Receivable

At June 30, 1996, accounts receivable from customers is comprised of the following:

	<u>1996</u>	<u>Restated 1995</u>
Current Billing	\$ 21,086	\$ 18,471
Past due	<u>537</u>	<u>400</u>
	21,623	18,871
Unbilled receivables	<u>7,493</u>	<u>7,357</u>
	\$ 29,116	\$ 26,228
	=====	=====

Accounts receivable at June 30, 1995 have been restated to reflect accrual of unbilled receivables. Unbilled receivables represent charges for customer service for the period between the date of last meter reading of the year and year end, approximately 10 days.

Waterworks District No. 1 of the Parish of Avoyelles
Notes to the Financial Statements
June 30, 1996

7. Litigation and Claims

At June 30, 1996 the District was not involved in litigation or is aware of any unasserted claims.

8. Prior Period Adjustment - Restatement of Prior Year

Accounts receivable and related water sales for the prior year have been restated to reflect adjustment for accrual of unbilled accounts receivable of \$ 7,357 at June 30 1995. Accrual for unbilled accounts receivable represent charges for service for the period between the last meter reading date of the year and year end, approximately 10 days.

	1996	Restated 1995
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES		
Payable from Current Assets:		
Accounts payable	\$5,492	\$5,001
Payroll taxes payable	1,549	512
Sales tax payable	826	701
	-----	-----
Total Payable from Current Assets	7,867	6,214
Payable from Restricted Assets:		
Customer deposits	26,903	25,260
Accrued interest payable	7,560	7,754
Revenue bonds payable - current portion	18,000	17,000
	-----	-----
Total Payable from Restricted Assets	52,463	50,014
	-----	-----
Total Current Liabilities	60,330	56,228
LONG - TERM LIABILITIES		
Revenue bonds payable	296,000	314,000
	-----	-----
Total Long - term Liabilities	296,000	314,000
	-----	-----
Total Liabilities	356,330	370,228
FUND EQUITY		
Contributed Capital:		
State grant	50,000	50,000
Other contributed capital	12,925	12,925
	-----	-----
Total Contributed Capital	62,925	62,925
Less Amortization	(36,514)	(35,148)
	-----	-----
Net Contributed Capital	26,411	27,777
Retained Earnings:		
Reserved for Revenue bond retirement	28,351	29,268
Reserved for revenue bond contingency and equipment	64,078	64,189
Unreserved	214,610	152,927
	-----	-----
Total Retained Earnings	307,040	246,384
	-----	-----
Total Fund Equity	333,450	274,161
	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	\$689,780	\$644,389
	=====	=====

Water Works District No. 1 of the Parish of Avoyelles
Bordelonville, Louisiana
Comparative Statement of Revenues, Expenses
and Changes in Retained Earnings
Years ended June 30, 1996 and 1995

Statement B

	1996	Restated 1995
OPERATING REVENUES		
Charges for services		
Water sales	\$209,502	\$202,508
Late charges	3,117	4,009
Tap fees	3,160	1,704
Miscellaneous	1,585	1,142
	217,364	209,362
OPERATING EXPENSES		
Salaries	46,612	45,521
Repairs, maintenance and supplies	11,759	10,447
Board fees	1,880	1,830
Professional fees	3,515	3,473
Utilities	28,613	26,884
Payroll taxes	5,783	3,980
Office supplies and postage	4,695	5,120
Insurance	10,904	8,820
Miscellaneous	800	2,911
Telephone	1,722	1,620
Depreciation	23,485	27,109
Fuel	2,700	2,451
Travel	280	431
Penalties	0	893
Parts and supplies	5,880	5,887
Chemicals	3,630	3,409
Bank charges	84	106
	152,344	150,892
OPERATING INCOME (LOSS)	65,020	58,470
NON-OPERATING REVENUES (EXPENSES)		
Interest revenue	9,198	5,718
Bad debt recoveries	0	72
Interest expense	(14,929)	(15,995)
	(5,731)	(10,206)
NET INCOME (LOSS)	59,289	48,264
Add depreciation on fixed assets acquired by grants, entitlement, and shared revenues, externally restricted for capital acquisitions and construction that reduces contributed capital	1,366	1,484
RETAINED EARNINGS - BEGINNING	153,954	103,179
RETAINED EARNINGS - ENDING	\$214,610	\$152,927

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

Water Works District No. 1 of the Parish of Avoyelles
 Bordelonville, Louisiana
 Schedule of Revenues and Expenses
 Budget (GAAP Basis) and Actual
 For the Year ended June 30, 1996

Schedule 2

	1996		Variance Favorable (Unfavorable)	Restated 1995
	Budget	Actual		
OPERATING REVENUES				
Charges for services				
Water sales (net of billing adjustments of \$1,611 and \$1,260 for 1996 and 1995 respectively)	\$198,700	\$209,502	\$10,802	\$202,508
Late charges	4,400	3,117	(1,283)	4,009
Tap fees	1,200	3,160	1,960	1,704
Miscellaneous	2,500	1,585	(915)	1,142
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Total operating revenues	206,800	217,364	10,564	209,362
OPERATING EXPENSES				
Salaries	45,500	46,612	(1,112)	45,521
Repairs, maintenance and supplies	15,000	11,759	3,241	10,447
Board fees	2,000	1,880	120	1,830
Professional fees	3,350	3,515	(165)	3,473
Utilities	28,000	28,613	(613)	26,884
Payroll taxes	4,600	5,783	(1,183)	3,980
Office supplies and postage	4,250	4,695	(445)	5,120
Insurance	12,000	10,904	1,096	8,820
Miscellaneous	2,000	800	1,200	2,911
Telephone	1,550	1,722	(172)	1,620
Depreciation	26,000	23,485	2,515	27,109
Fuel	2,600	2,700	(100)	2,451
Travel	200	280	(80)	431
Penalties	0	0	0	893
Parts and supplies	5,000	5,880	(880)	5,887
Chemicals	4,000	3,630	370	3,409
Bank charges	0	84	(84)	106
	<hr/>			
Total Operating Expenses	156,050	152,344	3,706	150,892
	<hr/>			
OPERATING INCOME (LOSS)	50,750	65,020	14,270	58,470
NON-OPERATING REVENUES (EXPENSES)				
Interest revenue	5,750	9,198	3,448	5,718
Bad debt recoveries	0	0	0	72
Interest expense	(14,915)	(14,929)	(14)	(15,995)
	<hr/>			
Total Non-operating Revenues (Expenses)	(9,165)	(5,731)	3,434	(10,206)
	<hr/>			
NET INCOME (LOSS)	\$41,585	\$59,289	\$17,704	\$48,264
	<hr/>			

Water Works District No. 1 of the Parish of Avoyelles
 Bordelonville, Louisiana
 Schedule of Changes in Assets Restricted
 For Revenue Bond Debt Retirement
 For the Year ended June 30, 1996

Schedule 3

	Amortization Fund	Reserve Fund	Depreciation Fund	Total
Cash balance at June 30, 1995	\$19,520	\$34,503	\$64,189	\$118,211
Cash Receipts:				
Transfers from Operating	32,235	0	3,608	35,843
Interest earned on invested funds	563	1,048	2,502	4,113
Total Cash Available	52,318	35,551	70,299	158,167
Cash Disbursements:				
Bond principal payments	17,000	0	0	17,000
Bond interest payments	15,124	0	0	15,124
Total Disbursements	32,124	0	0	32,124
Cash balance at June 30, 1996	\$20,194	\$35,551	\$70,299	\$126,044

Waterworks District No. 1 of the Parish of Avoyelles
Notes to the Financial Statements
June 30, 1996

4. Plant and Equipment -

The following is a summary of the changes in property, plant and equipment :

	Balance <u>7/1/95</u>	Additions	Deletions	Balance <u>6/30/96</u>	Accumulated Depreciation	Book Value <u>6/30/96</u>
Land	\$ 2,500	\$ 0	\$ 0	\$ 2,500	\$ 0	\$ 2,500
Building	9,779	5,514	0	15,293	2,800	12,493
Plant & equipment	<u>819,888</u>	<u>0</u>	<u>0</u>	<u>819,888</u>	<u>457,524</u>	<u>362,365</u>
	\$ 832,167	\$ 5,514	\$ 0	\$ 837,682	\$ 460,323	\$ 377,359
	=====	=====	=====	=====	=====	=====

5. Bonds Payable

The following is a summary of transactions occurring during the year related to the revenue bond issue:

Long- term liabilities at June 30, 1995	\$ 331,000
Additions	0
Deductions	<u>(17,000)</u>
Long - term liabilities at June 30, 1996	\$ 314,000
	=====

The annual requirements to amortize all long - term debt as of June 30, 1996 including interest payments at 4.75 % total \$113,573 scheduled as follows:

Year ending <u>June 30,</u>	Revenue Bonds & Interest Maturity
1997	\$ 32,915
1998	33,060
1999	33,158
2000	33,207
2001	33,210
2002 - 2005	131,915
2006 - 2009	<u>130,107</u>
	\$ 427,572
	=====

6. Retirement Commitments

Employees of the District are members of the social security retirement system. The District has no further liability for retirement commitments.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the 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 structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



W. Kathleen Beard
November 25, 1996

Waterworks District No. 1 of the Parish of Avoyelles
Notes to the Financial Statements
June 30, 1996

Introduction

The Waterworks District No. 1 of the Parish of Avoyelles was created on February 5, 1969 by the Avoyelles Parish Police Jury. The "District" operates under a president-board form of government whose appointments are made by the Avoyelles Parish Police Jury.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accounting and reporting practices of the Waterworks District No. 1 of the Parish of Avoyelles conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:517, to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit, *Audits of State and Local Governmental Units* published by the American Institute of Certified Public Accountants.

B. Reporting Entity

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the reporting entity, for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes: (1) appointing a voting majority of an organization's governing body, and the ability of the police jury to impose its will on that organization, and/or the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury; (2) organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury; and (3) organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Avoyelles Parish Police Jury appoints the governing board and because of the scope of public service, the District is deemed to be a component unit of the Avoyelles Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

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

To the President and Members of the Board of Commissioners
Waterworks District No.1 of the Parish of Avoyelles
Bordelonville, Louisiana

I have audited the general purpose financial statements of the Waterworks District No.1 of the Parish of Avoyelles, a component unit of the Avoyelles Parish Police Jury, for the year ended June 30, 1996, and have issued my report thereon dated November 25, 1996.

I have conducted my audit in accordance with generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of Waterworks District No.1 of the Parish of Avoyelles is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss for unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the financial statements of the Waterworks District No.1 of the Parish of Avoyelles, for the year ended June 30, 1996, I obtained an understanding of its internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

W. Kathleen Beard
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INDEPENDENT AUDITOR'S REPORT

To the President and Members of the Board of Commissioners
Waterworks District No.1 of the Parish of Avoyelles
Bordelonville, Louisiana

I have audited the accompanying general purpose financial statements of the Waterworks District No.1 of the Parish of Avoyelles, a component unit of the Avoyelles Parish Police Jury, as of and for the year ended June 30, 1996, 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 my audit in accordance with generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluation the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Waterworks District No.1 of the Parish of Avoyelles as of June 30, 1996, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated November 25, 1996 on my consideration of Waterworks District No.1 of the Parish of Avoyelles' internal control structure and a report dated November 25, 1996 on its compliance with laws and regulations.

My audit was made for the purpose of forming and opinion on the financial statements taken as a whole. The accompanying financial information listed as "Schedules" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Waterworks District No.1 of the Parish of Avoyelles. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to such statements taken as a whole.



W. Kathleen Beard
November 25, 1996

Waterworks District No. 1 of the Parish of Avoyelles
Annual Financial Statements
Year ended June 30, 1996

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**Water Works District No. 1
of the Parish of Avoyelles**

**Annual Financial Statements
Year ended June 30, 1996**

Water Works District No. 1 of the Parish of Avoyelles
 Bordelonville, Louisiana
 Comparative Balance Sheet
 June 30, 1996 and 1995

	1996	Restated 1995
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$98,984	\$66,175
Investment in Certificates of Deposit	15,578	0
Accounts receivable - Customers	29,116	26,228
Inventory	12,168	11,226
Accrued interest receivable	1,468	741
Prepaid insurance	1,161	0
Cylinder deposit	1,000	1,000
	-----	-----
Total Current Assets	159,476	105,370
RESTRICTED ASSETS		
Cash and cash equivalents:		
Water customer deposits	6,310	5,260
Water amortization	20,194	19,520
Water reserve	35,551	34,503
Water depreciation	18,281	14,189
Investment in Certificates of Deposit:		
Water customer deposits	20,593	20,000
Water depreciation	52,018	50,220
	-----	-----
Total Restricted Assets	152,947	143,691
PROPERTY, PLANT, AND EQUIPMENT		
Building	15,293	9,779
Water system	791,187	791,187
Equipment	28,701	28,701
	-----	-----
	835,181	829,666
Less Accumulated Depreciation	(460,323)	(436,838)
	-----	-----
Net Property, Plant and Equipment	374,858	392,828
Land	2,500	2,500
	-----	-----
Total Property, Plant and Equipment	377,358	395,328
	-----	-----
TOTAL ASSETS	\$689,780	\$644,389
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The accompanying notes to the financial statements are an integral part of this statement.