

**COMPONENT UNIT  
FINANCIAL STATEMENTS**

Mr. Ralph Coney, President  
and Board of Commissioners  
Page 2

The financial information for the year ended September 30, 1939, which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion dated February 14, 1940, on the component unit financial statements of the Sabine Parish Waterworks District No. 1, Bayou, Louisiana.

**EVANS, JACKSON & MINER**  
Baton Rouge, Louisiana  
December 18, 1939

HINES, JACKSON & HINES  
CERTIFIED PUBLIC ACCOUNTANTS

SHREVEPORT, LOUISIANA  
SUITE 1000, 1000  
P. O. BOX 1000, 1000  
SUITE 1000, 1000

P. O. BOX 1000  
SHREVEPORT, LOUISIANA, 70501  
TELEPHONE 856-8800  
FACSIMILE 856-8800

4-1000-1000-1000  
1000

INDEPENDENT AUDITORS' REPORT ON THE  
COMPONENT UNIT FINANCIAL STATEMENTS

Mr. Rudolph Green, President  
and Board of Commissioners  
LAFAYETTE PARISH WATERWORKS DISTRICT NO. 1  
P. O. BOX 488  
Mossy, LA 70448

We have audited the accompanying component unit financial statements of the Lafayette Parish Waterworks District No. 1, Mossy, Louisiana, a component unit of the Lafayette Parish Police Jury, as of September 30, 1994, and for the year then ended as listed in the table of contents. These financial statements are the responsibility of the Lafayette Parish Waterworks District No. 1, Mossy, Louisiana, management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the component unit 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 evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Lafayette Parish Waterworks District No. 1, Mossy, Louisiana, a component unit of the Lafayette Parish Police Jury, as of September 30, 1994, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 15, 1994, on our consideration of the Lafayette Parish Waterworks District No. 1's internal control structure and a report dated December 30, 1994, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole. The accompanying financial information listed as "Schedule" in the LAFAYETTE PARISH POLICE JURY is presented for purposes of additional analysis and is not a required part of the component unit financial statements of the Lafayette Parish Waterworks District No. 1, Mossy, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in our opinion, is fairly presented in all material respects in relation to the component unit financial statements taken as a whole.

RECEIVED  
GENERAL INVESTIGATION  
DIVISION  
SEP 25 1937

OFFICIAL  
FILE COPY  

---

DO NOT REMOVE

When receiving  
copies from this  
copy desk please  
mark to file

**SABINE PARISH WATERWORKS DISTRICT NO. 1  
MANY, LOUISIANA  
ANNUAL FINANCIAL REPORT  
SEPTEMBER 30, 1936**

Under provisions of state law, this report is a public document. A copy of the report has been distributed to the auditor, on statement, and to the various agencies and officials. This report is available for public inspection at the State Department of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date Jan 29 1937

**BARRETT PARISH WATERWORKS DISTRICT NO. 2**  
**WEST, LOUISIANA**  
**SEPTEMBER 30, 1976**

**TABLE OF CONTENTS**

|   | <b>SCHEDULE</b> | <b>SCHEDULE</b> | <b>PAGE</b> |
|---|-----------------|-----------------|-------------|
| Independent Auditors' Report on the Component Unit<br>Financial Statements  | -               | -               | 1           |
| <b>Component Unit Financial Statements</b>  |                 |                 |             |
| Comparative Balance Sheet   | A               | -               | 4           |
| Comparative Statement of Revenues, Expenses and Changes<br>in Retained Earnings   | B               | -               | 4           |
| Comparative Statement of Cash Flows   | C               | -               | 8           |
| Notes to Financial Statements   | -               | -               | 9           |
| <b>Other Supplementary Information:</b>   |                 |                 |             |
| Schedule of Changes in Assets Restricted<br>For Revenue Bond Debt Service   | -               | 1               | 17          |
| Schedule of Compensation Paid to Board of Commissioners   | -               | 2               | 18          |
| Independent Auditors' Report on Compliance based on an<br>Audit of Financial Statements Performed in Accordance<br>with <u>Government Auditing Standards</u>                  | -               | -               | 19          |
| Independent Auditors' Report on Internal Control Structures<br>Based on an Audit of Financial Statements Performed in<br>Accordance with <u>Government Auditing Standards</u> | -               | -               | 20          |

SAKINE PARISH WATERWORKS DISTRICT NO. 1  
NEWY, LOUISIANA  
STATE OF FINANCIAL STATEMENTS COMMISSION  
SEPTEMBER 28, 1988

101 Summary of accounting policies (continued)

Financial Reporting Entity Continued:

Because the Sakine Parish Police Jury appoints the governing board of the Sakine Parish Waterworks District No. 1, the District was determined to be a component unit of the Sakine 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 Sakine Parish Waterworks District No. 1 and do not present information on the Sakine Parish Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

Fund Accounting

The accounts of the Sakine Parish Waterworks District No. 1 are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. The District now consists of only one broad fund accounting category and generic fund type as follows:

Proprietary Fund - Account for operations that are organized to be self-supporting through user charges.

Enterprise Fund - 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 the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fixed assets and long-term liabilities

The proprietary fund is accounted for on a basis of services at "original maintenance" replacement costs, and all assets and all liabilities (whether current or noncurrent) associated with its activities are included on its balance sheet.

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

| Water system:                     |          |
|-----------------------------------|----------|
| Distribution system               | 60 years |
| Pump stations and other equipment | 10 years |

All fixed assets are stated at historical cost.

SAKIER WAREHOUSE DISTRICT NO. 1  
WEST LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 1976

15) Charges in 1980-Term Debt (continued)

Bonds payable at September 30, 1976, are comprised of the following issues:

Revenue Bonds

\$513,000 Revenue bonds dated 10-17-76, due in annual installments of \$11,000 - \$37,000 through October 17, 1988; interest at 4% \$ 11,000

The annual requirements to service all debt outstanding as of September 30, 1976, including interest payments of \$3,000 are as follows:

| YEAR ENDING  | PRINCIPAL        | INTEREST        | TOTAL            |
|--------------|------------------|-----------------|------------------|
| SEPTEMBER 30 |                  |                 |                  |
| 1977         | 10,000           | 1,500           | 11,500           |
| 1978         | 20,000           | 1,500           | 21,500           |
|              | <u>\$ 30,000</u> | <u>\$ 3,000</u> | <u>\$ 33,000</u> |

16) Obligations Under Capital Leases

The District was not obligated under any capital or operating lease commitments at September 30, 1976.

17) Flow of Funds, Restrictions on Use

Under the terms of the bond indenture on outstanding Waterworks Revenue Bonds dated October 17, 1976, all income and revenues hereinafter referred to as provided of every nature, earned or derived from operation of the Water System are pledged and dedicated to the retirement of said bonds, and to satisfy the following requirements:

payment of all reasonable and necessary expenses of administration, operation and maintenance of the WATERWORKS SYSTEM.

The establishment and maintenance of a "Waterworks Revenue Fund and Interest Sinking Fund" sufficient in amount to pay promptly and fully the principal of and the interest on the bonds herein authorized as said bonds maturely become due and payable by transferring from said Waterworks System Fund to the regularly designated fiscal agent back of the borrower, monthly in advance on or before the 15th of each month of each year a sum equal to one-twelfth (1/12th) of the total amount of principal and interest falling due in the coming year, together with such additional proportionate sum as may be required to pay said principal and interest on the same respectively become due.

The establishment and maintenance of a "Waterworks Reserve Fund" by transferring from said Waterworks System Fund to the regularly designated fiscal agent back of the borrower, monthly in advance on or before the 30th day of each month of each year, beginning with the first month after completion of the improvements to the SYSTEM, a sum there shall otherwise be deficient at least equal in five percent (5%) of the amount paid into the aforesaid Sinking Fund provided for in the paragraph above, the payments into said Reserve Fund to continue until such time as there has been accumulated in said retained solely for the purpose of paying the principal of and interest of bonds

**SAVOIR PARIEN DISTRICT NO. 3**  
**BASTI, LOUISIANA**  
**NOTE TO FINANCIAL STATEMENTS (CONTINUED)**  
**SEPTEMBER 30, 1996**

**(9) Cash and Cash Equivalents and Time Deposits (continued)**

Of the total, \$175,000 was secured through Federal depository insurance and \$47,690 was secured by the pledge of securities owned by the depository bank. These pledged securities are held by the depository bank and are held in a custodial bank that is mutually acceptable to both parties in the name of the pledging bank. This type of security for deposits is considered uncollateralized under the provisions of GASB Statement 3; however, Louisiana Revised Statutes require the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the District that the pledging bank has failed to pay deposited funds upon demand. The pledged securities had a market value of \$188,580; therefore, the District's deposits were fully insured or collateralized as September 30, 1996.

**(10) Accounts Receivable**

A aged summary of the District's utility accounts receivable as of September 30, 1996, is as follows:

|              |              |
|--------------|--------------|
| 0 - 30 days  | \$ 16,100    |
| 31 - 90 days | 4,000        |
| Over 90 days | <u>1,321</u> |

Total accounts receivable \$ 21,421

**(11) Changes in Plant and Equipment**

A summary of changes in plant and equipment for the year ended September 30, 1996, follows:

|                                | BALANCE            |                   |             | BALANCE            |                       |             |
|--------------------------------|--------------------|-------------------|-------------|--------------------|-----------------------|-------------|
|                                | OCTOBER 1,<br>1995 | ACQUISITIONS      | DELETIONS   | OCTOBER 1,<br>1996 | SEPTEMBER 30,<br>1996 | 1996        |
| Land                           | \$ 4,270           | \$ 0              | \$ 0        | \$ 4,270           | \$ 4,270              | 0           |
| Distribution systems           | 2,041,842          | 190               | 0           | 2,041,842          | 2,041,842             | 0           |
| Machinery and equipment        | 1,950              | 0                 | 0           | 1,950              | 1,950                 | 0           |
| Office furniture and equipment | 689                | 474               | 0           | 1,163              | 1,163                 | 0           |
| Less: Accumulated depreciation | <u>(640,871)</u>   | <u>(22,120)</u>   | <u>0</u>    | <u>(662,991)</u>   | <u>(662,991)</u>      | <u>0</u>    |
| <b>TOTALS</b>                  | <b>\$ 167,411</b>  | <b>\$ 212,344</b> | <b>\$ 0</b> | <b>\$ 189,182</b>  | <b>\$ 189,182</b>     | <b>\$ 0</b> |

**(12) Changes in Long-Term Debt**

The following is a summary of bond transactions of the District for the years ended September 30, 1996 and 1995:

|                             | Debt Issued      |                  |
|-----------------------------|------------------|------------------|
|                             | 1996             | 1995             |
| Bonds payable, October 1    | \$ 75,000        | \$ 88,000        |
| Retirements and repayments  | <u>(124,000)</u> | <u>(121,000)</u> |
| Bonds payable, September 30 | <u>\$ 51,000</u> | <u>\$ 67,000</u> |



BANKRUPT ESTATE OF THE DISTRICT NO. 1  
 STATE OF LOUISIANA  
 STEPHEN J. FINE  
 CONSOLIDATED STATEMENT OF CASH FLOWS  
 YEARS ENDED SEPTEMBER 30, 1994 and 1995

|   |                  |                  |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES                                      | <u>1994</u>      | <u>1995</u>      |
| Net Income  | \$ 24,723        | \$ 85,293        |
| Adjustments to reconcile net income to net cash from operating activities |                  |                  |
| Depreciation  | 23,718           | 23,843           |
| Increase/Decrease in operating assets                                     |                  |                  |
| Accounts receivable   | (604)            | (6,879)          |
| Prepaid expenses  | (54)             | (64)             |
| Increase/Decrease in operating liabilities                                |                  |                  |
| Accounts payable  | (20,208)         | 23,808           |
| Accrued payables  | (2,188)          | (128)            |
| Net Cash Provided by/Used in Operating Activities                         | 34,529           | 63,643           |
| Cash Flows from Capital and Related Financing Activities                  |                  |                  |
| Payments on long-term bonds   | (124,000)        | (124,000)        |
| Net Cash Provided by/Used in Capital and Related Financing Activities     | (124,000)        | (124,000)        |
| Cash Flows from Investing Activities                                      |                  |                  |
| Purchase of machinery and equipment                                       | (683)            | (118,085)        |
| Net Cash Provided by/Used in Investing Activities                         | (683)            | (118,085)        |
| Net Increase/(Decrease) in cash and cash equivalents                      | 19,846           | 19,558           |
| Cash and cash equivalents, Beginning of Period                            | \$218,534        | \$208,976        |
| Cash and cash equivalents, End of Period                                  | <u>\$238,380</u> | <u>\$228,534</u> |

Supplemental Disclosures

Cash payments for interest expense for the years ended September 30, 1994 and 1995, were \$2,793 and \$3,881, respectively.

The accompanying notes are an integral part of this statement.

BRINE FAHNE NETWORKS DISTRICT NO. 3  
NEW ORLEANS  
INTEREST FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS,  
1996-1997  
YEARS ENDED SEPTEMBER 30, 1996 AND 1997

|  |                   |                   |
|--|-------------------|-------------------|
|  | <u>1996</u>       | <u>1997</u>       |
| Nonoperating revenues/(expenses)   |                   |                   |
| Interest income  | \$ 3,888          | \$ 4,887          |
| Interest expense   | <u>(12,722)</u>   | <u>(12,881)</u>   |
| Total nonoperating revenues/(expenses)   | <u>\$ (8,834)</u> | <u>\$ (7,994)</u> |
| Net income   | 26,781            | 26,283            |
| INCREASE/DECREASE IN retained earnings reserved for revenue bond and interest sinking fund | (4,771)           | (2,244)           |
| (DECREASE) INCREASE IN retained earnings reserved for revenue bond reserve fund            | 12,917            | 12,828            |
| (INCREASE) DECREASE IN retained earnings reserved for depreciation and contingency fund    | <u>(2,242)</u>    | <u>(2,272)</u>    |
| Net change in unreserved retained earnings for year  | 22,705            | (1,971)           |
| Retained earnings - Unreserved, beginning of year  | <u>31,508</u>     | <u>33,505</u>     |
| Retained earnings - Unreserved, end of year  | <u>\$ 54,213</u>  | <u>\$ 31,534</u>  |

The accompanying notes are an integral part of this statement.

PARISH REGION WATERWORKS DISTRICT NO. 1  
STATE, LOUISIANA  
STATE TO FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 1950

64) Flow of Funds, Restrictions on Use, Covenants -

payable from the said sinking fund as to which,

The establishment and maintenance of a "Waterworks Depreciation and Contingency Fund" to care for depreciation, extensions, additions, improvements and replacements necessary to operate properly the System, by transferring from said Waterworks System Fund to the regularly designated fiscal agent bank of the Borrower, monthly in advance on or before the 20th day of each month of each year commencing with the month following completion of the improvements to the System, the sum of One Hundred Twenty-Six Dollars (\$126.00) per month. Moneys in the Waterworks Depreciation and Contingency Fund shall also be used to pay the principal of and the interest on any bonds heretofore authorized for the payment of which there is not sufficient money in the Sinking or Reserve Funds, but if used, such money shall be replaced by the Borrower as soon as possible thereafter out of the earnings of the System after making the required payments into the respective funds heretofore set out.

65) Retirement Commitments -

The District does not have any employees and does not participate in any retirement systems.

66) Pending Litigation -

The District was not involved in any litigation at September 30, 1950.

67) Reclamation Loan - State of Louisiana -

The District was authorized to receive an estimated amount of \$10,000 from the Department of Transportation and Development for the reclamation of utility loans on State Project Number 26-00-02. Act 119 of 1941 contains the following provision: "If the office of Highways provides for the removal or relocation, the municipality, parish or special district shall henceforth be prohibited from locating a utility installation in any state owned right of way until the municipality, parish or special district reimburses the state for the cost of the removal or relocation." The acceptance of the above dollars may create a contingency should the public unit accepting the reimbursement ever decide to locate a utility installation on any state owned right of way. Since the District plans to expand in the future, a liability in the amount of \$10,075 has been recorded.

# HINES, JACKSON & HINES

REGISTERED PUBLIC ACCOUNTANTS

P. O. BOX 1788

MEMPHIS, TENNESSEE 38101

MEMPHIS, TENNESSEE  
901 526-0900

MEMPHIS, TENNESSEE  
1000 W. WASHINGTON ST.  
MEMPHIS, TENNESSEE 38101  
901 526-0900

A NEW LOCATION IN 1978  
MEMPHIS

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Mr. Rudolph Greer, President  
and Board of Commissioners  
Baldwin Parish Waterworks District No. 1  
P. O. Box 880  
Navy, LA 70449

We have audited the component unit financial statements of the Baldwin Parish Waterworks District No. 1, Navy, Louisiana, a component unit of the Baldwin Parish Police Jury, as of and for the year ended September 18, 1984, and have issued our reports thereon dated December 18, 1984.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Baldwin Parish Waterworks District No. 1, Navy, Louisiana, 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 from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of 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 effectiveness 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 our audit of the component unit financial statements of the Baldwin Parish Waterworks District No. 1, Navy, Louisiana, for the year ended September 18, 1984, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing an opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

OTHER SUPPLEMENTARY INFORMATION

Our 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 component unit 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the management of the Sabine Parish Waterworks District No. 1 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.

**HINES, JACKSON & HINES**  
MEMPHIS, LOUISIANA  
December 28, 1998

SABINE SPRING WATERWORKS DISTRICT NO. 1  
 WABE, LOUISIANA  
 SCHEDULE OF COMPENSATION PAID TO BOARD OF COMMISSIONERS  
 YEAR ENDED SEPTEMBER 30, 1956

| NAME                 | COMPENSATION         |        |
|----------------------|----------------------|--------|
|                      | MEETINGS<br>ATTENDED | AMOUNT |
| Rudolph Green        | 4                    | \$ 0   |
| L. B. Rophney        | 1                    | 0      |
| Francis Paul Leasing | 1                    | 0      |
| Edwin B. Lites       | 3                    | 0      |
| Tim Lyddy            | 4                    | 0      |
| Walter Malone        | 4                    | 0      |
| Bryd E. Williams     | 2                    | 0      |
| Truett Williams      | 4                    | 0      |
| Doc Wright           | 4                    | 0      |
| Total                |                      | \$ 0   |

Supplemental information schedules, presented for purposes of additional analysis.

SABINE PARISH WATERWORKS DISTRICT NO. 1  
PARISH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1994

(C) Summary of Significant Accounting Policies

The Sabine Parish Waterworks District No. 1, a political subdivision of the Sabine Parish Police Jury, was formed July 17, 1978, to purchase treated water from the Town of Natchitoches and distribute it to the rural areas surrounding Natchitoches and Plaquemine. It is operated by a board which consists of nine commissioners appointed by the Police Jury to serve terms varying from one to five years. The commissioners receive no compensation for their services.

The accounting and reporting policies of the Sabine Parish Waterworks District No. 1 conform to generally accepted accounting principles as applicable to governments. 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 Statutes 24:313 and to the guides set forth in the Louisiana Governmental Code, Guide, and to the industry audit guide, *Handbook of State and Local Governmental Units*. Certain amounts in the 1994 financial statements have been reclassified to conform to the presentation of the 1994 financial statements.

The following is a summary of certain significant accounting policies:

Financial reporting entity

In the governing authority of the parish, for reporting purposes, the Sabine Parish Police Jury is the financial reporting entity for Sabine parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 18 established criteria for determining which component units should be considered part of the Sabine Parish Police Jury 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. Those criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are financially dependent on the police jury.
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.



SAVING BANKS DISTRICT NO. 1  
 BANK, LOUISIANA  
 INCORPORATED 1908  
 COMPARATIVE BALANCE SHEET  
 SEPTEMBER 30, 1934 and 1935

| ASSETS   | <u>1934</u>       | <u>1935</u>       |
|--|-------------------|-------------------|
| <b>CURRENT ASSETS</b>  |                   |                   |
| Cash and cash equivalents  | \$ 1,891          | \$ 2,899          |
| Time deposits  | 75,000            | 75,000            |
| Accounts receivable  | 31,314            | 31,360            |
| Reversed interest receivable   | 219               | 219               |
| Prepaid expenses   | <u>2,727</u>      | <u>2,651</u>      |
| <b>Total current assets</b>  | 111,151           | 112,129           |
| <b>RESTRICTED ASSETS</b>   |                   |                   |
| Revenue bond and interest sinking fund   |                   |                   |
| Cash and cash equivalents  | 84,898            | 78,112            |
| Revenue bond reserve fund  |                   |                   |
| Cash and cash equivalents  | 33,868            | 31,942            |
| Depreciation and contingency fund  |                   |                   |
| Cash and cash equivalents  | <u>21,022</u>     | <u>24,773</u>     |
| <b>Total restricted assets</b>   | 139,788           | 134,827           |
| Plant and equipment, at cost, net of accumulated depreciation (1934 - \$204,808; 1935 - \$482,872) | <u>248,227</u>    | <u>267,481</u>    |
| <b>Total assets</b>  | <u>\$ 509,166</u> | <u>\$ 514,237</u> |

(continued)

The accompanying notes are an integral part of this statement.

**SANJOSE WATER DISTRICT NO. 1**  
**WATER ACCOUNTING**  
**WATERCOST FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**YEARS ENDING SEPTEMBER 30, 2006 AND 2005**

|                                   |           |           |
|-----------------------------------|-----------|-----------|
| Operating revenues                | 2006      | 2005      |
| Charges for services              |           |           |
| Water sales                       | \$277,662 | \$261,478 |
| Late payment penalties            | 3,778     | 3,348     |
| Tapping, reconnect and other fees | 28,232    | 28,282    |
| Total operating revenues          | 309,672   | 303,108   |
| Cost of water sold                |           |           |
| Water purchased                   | 120,598   | 120,638   |
| Materials and supplies            | 21,443    | 20,122    |
| Supervisory and maintenance       | 18,483    | 17,378    |
| New water installation            | 2,080     | 2,380     |
| Sub-contractor services           | 8,257     | 7,426     |
| Total cost of water sold          | 170,861   | 178,964   |
| Gross profit from sales           | 138,811   | 98,312    |
| Operating expenses                |           |           |
| Accounting and legal              | 4,110     | 7,383     |
| Administrative services           | 18,754    | 18,800    |
| Advertising                       | 87        | 88        |
| and signs                         | 2,470     | 407       |
| Computer services                 | 5,380     | 5,158     |
| Equipment rental                  | 0         | 2,000     |
| Insurance and bonds               | 8,188     | 8,788     |
| Licenses and fees                 | 0         | 388       |
| Miscellaneous                     | 178       | 188       |
| Office supplies                   | 982       | 422       |
| Postage                           | 2,753     | 0         |
| Outside services                  | 428       | 2,888     |
| Professional services             | 8,008     | 988       |
| Repairs and maintenance           | 19,438    | 1,998     |
| Education                         | 18,388    | 8,738     |
| Telephone                         | 2,888     | 822       |
| Utilities                         | 4,078     | 8,028     |
| Depreciation                      | 23,728    | 22,222    |
| Total operating expenses          | 202,478   | 78,881    |
| Operating income                  | 28,848    | 23,431    |

Continued

The accompanying notes are an integral part of this statement.

# HINES, JACKSON & HINES

INDEPENDENT AUDITORS

INCORPORATED

MEMBER FIDELITY & BOND

MEMBER AICPA

Branch Office  
2000 P. O. Box 100  
10000 Highway 107  
New Orleans, LA 70114

4. NEW ORLEANS, LA, OFFICE  
(504) 581-1111

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS

Mr. Malcolm Green, President  
and Board of Commissioners  
Sabine Parish Waterworks District No. 1  
P. O. Box 100  
Marr, LA 71467

We audited the component unit financial statements of the Sabine Parish Waterworks District No. 1, Marr, Louisiana, a component unit of the Sabine Parish Police Jury, as of and for the year ended September 30, 1979, and have issued our report thereon dated December 20, 1979.

We conducted our audit in accordance with generally accepted auditing standards and Government Accounting Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Sabine Parish Waterworks District No. 1, Marr, Louisiana, is the responsibility of the Sabine Parish Waterworks District No. 1's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Sabine Parish Waterworks District No. 1's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the component unit financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Accounting Standards.

This report is intended for the information of the management of the Sabine Parish Waterworks District No. 1 and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

HINES, JACKSON & HINES  
Metairie, Louisiana  
December 20, 1979

SACRAMENTO PUBLIC WATERWORKS DISTRICT NO. 1  
NEWY, LOUISIANA  
BOARD OF COMMISSIONERS  
SEPTEMBER 22, 1993

| <u>COMMISSIONER</u>            | <u>OFFICE</u> | <u>AREA REPRESENTED</u> | <u>APPOINTED</u> | <u>TERM</u> |
|--------------------------------|---------------|-------------------------|------------------|-------------|
| Edwidge Green, Newy, LA        | President     | Friendship Community    | 5/10/90          | 3 yrs.      |
| L. R. Hopkins, Newy, LA        |               | Newy, S East            | 7/14/94          | 3 yrs.      |
| Frank B. Williams, Florien, LA |               | Florien                 | 8/10/90          | 3 yrs.      |
| Bonnie Paul LeGrip, Newy, LA   |               | Lewington               | 7/14/94          | 3 yrs.      |
| Edwin E. Litan, Newy, LA       | Sec/Treas.    | Newy                    | 4/19/95          | 3 yrs.      |
| Tim Lyddy, Newy, LA            |               | Fort Jessup             | 5/10/90          | 3 yrs.      |
| Walter E. Haire, Newy, LA      |               | Northville Road         | 2/00/90          | 3 yrs.      |
| Travis Williams, Florien, LA   |               | North Channel           | 7/14/94          | 3 yrs.      |
| Ken Knight, Florien, LA        |               | Rest of Florien         | 2/17/90          | 3 yrs.      |

LOUISIANA WATERWORKS DISTRICT NO. 2  
NEW ORLEANS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS CONTINUED  
SEPTEMBER 30, 1986

(1) Summary of Significant Accounting Policies (Continued)

**Bad debts**

Uncollectible accounts due for customers' utility receivables are recognized as bad debts through the establishment of an allowance amount at the time information becomes available which would indicate the uncollectibility of the particular receivable. As September 30, 1986, all receivables were considered to be collectible.

**Prepaid expenses**

Payments made to vendors for services that will benefit periods beyond September 30, 1986, are recorded as prepaid expenses.

**Fund equity**

The unreserved retained earnings for the proprietary fund represents the net assets available for future operations or distribution. Reserved retained earnings represents the net assets that have been legally identified for specific purposes.

Grants, entitlements, 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.

**Restricted assets**

Certain resources of the enterprise fund are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The "Waterworks Revenue Bond and Interest Sinking Fund" account is used to report revenues set aside to pay promptly and fully the principal of and interest on the semi sinking installment of the outstanding "Waterworks Revenue Bonds, Series 1979". The "Waterworks Reserve Fund" account is used to report resources set aside to fund potential deficiencies in the "Waterworks Revenue Bond and Interest Sinking Fund" account. The "Waterworks Depreciation and Contingency Fund" account is used to report resources set aside to pay the principal of and interest on the revenue bonds when there is not sufficient money in the Sinking and Reserve Fund accounts and to fund extensions, additions, improvements, and replacements necessary to properly operate the electric system.

(2) Cash and Cash Equivalents and Time Deposits

Louisiana Revised Statutes authorize the District to invest in United States Bonds, Treasury Notes or Certificates, time certificates of deposit, or any other Federally insured investment. As September 30, 1986, the District's deposits with financial institutions was \$222,803 and consisted of the following:

|                         |            |
|-------------------------|------------|
| Demand deposit accounts | \$ 147,803 |
| Time Deposits           | ____75,000 |
| Total                   | \$ 222,803 |

**HAZINE PARISH WATERWORKS DISTRICT NO. 1**  
**HAZINE, LOUISIANA**  
**NOTED TO FINANCIAL STATEMENTS (CONTINUED)**  
**SEPTEMBER 30, 1984**

(2) **Summary of Significant Accounting Policies (continued)**

**Basis of accounting**

The proprietary fund of the District is accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

**Cash and cash equivalents**

Consistent with GASB Statement 3, "Reporting Cash Flows of Proprietary and Nonproprietary Trust Funds and Governmental Entities that use Proprietary Fund Accounting", the Hazine Parish Waterworks District No. 1 defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**Interest receivable**

Interest on investments and certain receivables are recorded as revenue in the year the interest is earned and is available to pay liabilities of the current period.

**Comparative data**

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**Federal and state income taxes**

The Hazine Parish Waterworks District No. 1 is a governmental entity and is exempt from federal and state income taxes.

**Accumulated unpaid vacation**

The Hazine Parish Waterworks District No. 1 has no full-time employees and therefore has no liability for accumulated unpaid vacation at September 30, 1984.

MAINE PARISH PARISHWIDE DISTRICT NO. 1  
BAPTIST CHURCH  
MEMBERSHIP FUND  
COMPARATIVE BALANCE SHEET (continued)  
DECEMBER 31, 1998 and 1997

| LIABILITIES AND FUND EQUITY                                |                   |                   |
|--|-------------------|-------------------|
| Liabilities  |                   |                   |
| CURRENT LIABILITIES (payable from current assets)          | <u>1998</u>       | <u>1997</u>       |
| Accounts payable   | \$ 20,499         | \$ 41,064         |
| Current liabilities (payable from restricted assets):      |                   |                   |
| Revenue bonds payable (due 10/17)                          | 24,000            | 24,000            |
| ACCRUED INTEREST ON BONDS PAYABLE (due 10/17)              | <u>2,412</u>      | <u>1,204</u>      |
| Total current liabilities (payable from restricted assets) | 26,412            | 25,204            |
| Long-term liabilities                                      |                   |                   |
| Revenue bonds payable                                      | 24,000            | 24,000            |
| Allocation loan - State of Louisiana                       | <u>28,478</u>     | <u>28,478</u>     |
| Total long-term liabilities                                | <u>52,478</u>     | <u>52,478</u>     |
| Total liabilities  | 78,890            | 77,682            |
| Fund equity  |                   |                   |
| Contributed capital  |                   |                   |
| FUNDS  | 477,000           | 477,000           |
| CONTRIBUTIONS FROM CUSTOMERS' NON-DEFERRABLE DEPOSITS      | <u>22,000</u>     | <u>22,000</u>     |
| Total contributed capital                                  | 500,000           | 500,000           |
| Retained earnings  |                   |                   |
| Reserved for revenue bond and interest sinking             | 84,000            | 78,127            |
| Reserved for revenue bond reserve                          | 53,259            | 21,047            |
| Reserved for depreciation and contingency                  | <u>21,022</u>     | <u>24,733</u>     |
| Total reserved   | 158,281           | 123,907           |
| Unreserved   | <u>34,325</u>     | <u>32,220</u>     |
| Total retained earnings                                    | <u>192,606</u>    | <u>156,127</u>    |
| Total fund equity  | <u>692,606</u>    | <u>656,127</u>    |
| Total liabilities and fund equity                          | <u>\$ 881,496</u> | <u>\$ 832,809</u> |

The accompanying notes are an integral part of this statement.

SEWINE PARISH ENTERPRISE DISTRICT NO. 1  
 BACCH, LOUISIANA  
 SCHEDULE OF CHANGES IN ASSETS SUBJECTS FOR REVENUE BOND DEBT SERVICE  
 YEAR ENDED SEPTEMBER 30, 1978

|  | BOND AND INTEREST |          | DEPRECIATION AND |           |
|--|-------------------|----------|------------------|-----------|
|  | RESERVE           | RESERVE  | CONTRACTS        | TOTAL     |
| Cash and cash equivalents, beginning of year | \$ 78,321         | \$10,042 | \$ 94,719        | \$193,082 |
| Cash receipts                                |                   |          |                  |           |
| Transfers from operating accounts            | 37,382            | 3,882    | 3,332            | 44,596    |
| Interest on deposits                         | 2,388             | 2,522    | 882              | 5,792     |
| Total cash receipts                          | 39,770            | 6,404    | 4,214            | 48,388    |
| Total cash and cash equivalents available    | 118,091           | 16,446   | 98,933           | 233,470   |
| Cash disbursements                           |                   |          |                  |           |
| Payments of bonds and interest               | 27,780            | 0        | 0                | 27,780    |
| Cash and cash equivalents, end of year       | \$ 90,311         | \$16,446 | \$ 98,753        | \$205,510 |

Supplemental information schedule. Presented for purposes of additional analysis.