

DYER & VICKNAIR

CERTIFIED PUBLIC ACCOUNTANTS

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SUITE 200, MONROE, LOUISIANA 70132
TEL: 228-337-1001**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN EXAMIN OF GENERAL-PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Board of Commissioners
Gas Utility District No. 1
West Feliciana Parish
St. Francisville, Louisiana

We have audited the general-purpose financial statements of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana, a component unit of West Feliciana Parish Police Jury, St. Francisville, Louisiana as of and for the year ended April 30, 1997, and have issued our report thereon dated July 18, 1997.

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.

Compliance with laws and regulations applicable to Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana is the responsibility of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana's compliance with certain provisions of laws and regulations. However, the objective of our audit of the general-purpose 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 to be reported herein under Government Auditing Standards.

This report is intended for the information of management and the State of Louisiana Legislative Auditor. This report is a matter of public record and its distribution is not limited.

There were no instances of noncompliance noted in the audit for the year ended April 30, 1996.

St. Francisville, Louisiana
July 18, 1997

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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 specific internal control elements does not reduce to a relatively low level the risk that errors or irregularities in accounts 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. We noted no matters involving the internal control structure and its operation that we considered to be material weaknesses as defined above.

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

There were no comments concerning the internal control structure in the audit for the year ended April 30, 1998.

St. Francisville, Louisiana
July 18, 1997

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81 NORTH DYER, SUITE 400
BIRMINGHAM, ALABAMA 35203MEMBER FINANCIAL
ACCOUNTING BOARD OF
CERTIFICATION, 1000 17TH AVENUE
N.W., SUITE 1000
ATLANTA, GEORGIA**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GENERAL-PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Board of Commissioners
Gas Utility District No. 1
West Feliciana Parish
St. Francisville, Louisiana

We have audited the general-purpose financial statements of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana, a component unit of West Feliciana Parish Police Jury, St. Francisville, Louisiana for the year ended April 30, 1987, and have issued our report thereon dated July 18, 1987.

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 general-purpose financial statements are free of material misstatement.

The management of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, 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 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 the policies and procedures may deteriorate.

In planning and performing our audit of the general-purpose financial statements of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana, for the year ended April 30, 1987, 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 our opinion on the general-purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

GAS UTILITY DISTRICT NO. 1
WEST PALM BEACH, FLORIDA
SCHEDULE OF BOARD OF COMMISSIONERS' COMPENSATION
YEAR ENDED APRIL 30, 1997

Mr. Kevin Beauchamp	\$ 500
Ms. Patsy Kelly	500
Mr. Joseph Kowalczak	500
Mr. Anthony Long	500
Mr. Dennis Neal	500
Mr. Terry Deterbeques	500
Mr. Jim Salvoat	500
Mr. Edward Sharper	500
Mr. William Wade	<u>500</u>
 Total	 <u>5,000</u>

GAS UTILITY DISTRICT NO. 1
WEST FELICIANA PARISH
SCHEDULE OF BOND MATURITY
GAS UTILITY DISTRICT DEPARTMENT BONDSD
APRIL 30, 1922

FISCAL YEAR ENDING	ROAD NUMBER	REQUIREMENTS TO MATURE				BALANCE OF PRINCIPAL OUTSTANDING
		TOTAL REQUIREMENTS	INTEREST		PRINCIPAL	
			MAY	NOVEMBER 1		
1921						\$40,000
1922	229-247	\$ 122,000	\$ 15,000	\$ 12,319	\$ 85,000	365,000
1923	248-267	121,200	12,319	8,944	100,000	285,000
2024	268-288	119,500	8,944	5,400	105,000	180,000
2025	289-320	185,400	5,400		180,000	-0-
	Totals	528,100	42,163	26,663	460,000	

GAS UTILITY DISTRICT NO. 1
WEST FELICIANA PARISH
SCHEDULE OF HISTORICAL DATA
APRIL 30, 1997
 (Unaudited)
 (Continued)

COST OF GAS PURCHASED

<u>MONTH</u>	<u>PER MCF</u>
May, 1996	3.79
June, 1996	3.81
July, 1996	4.20
August, 1996	3.87
September, 1996	3.78
October, 1996	3.44
November, 1996	4.32
December, 1996	5.68
January, 1997	5.30
February, 1997	5.13
March, 1997	3.44
April, 1997	3.57

GAS PURCHASED, BILLED AND LOST

	<u>YEAR ENDED APRIL 30, 1997 MCF</u>
Gas purchased	429,870
Gas billed	
Residential and commercial customers	38,937
Louisiana State Penitentiary	236,578
East Louisiana State Hospital	123,318
<u>Total billed</u>	429,621
Gas lost	49

ENDED APRIL 30,

<u>1925</u>	<u>1924</u>	<u>1923</u>	<u>1922</u>	<u>1921</u>
\$1,731,855	\$ 2,327,817	\$ 1,924,849	\$ 1,665,495	\$ 2,334,387
<u>1,719,609</u>	<u>2,167,855</u>	<u>1,858,138</u>	<u>1,578,392</u>	<u>2,281,985</u>
20,447	60,561	78,430	98,203	52,402
<u>11,388</u>	<u>(21,341)</u>	<u>(28,833)</u>	<u>(31,418)</u>	<u>(11,338)</u>
<u>21,613</u>	<u>29,410</u>	<u>41,097</u>	<u>66,785</u>	<u>41,064</u>
<u>\$1,831,392</u>	<u>\$ 2,092,971</u>	<u>\$ 1,884,848</u>	<u>\$ 1,647,017</u>	<u>\$ 2,323,379</u>
\$1,688,783	\$ 1,634,442	\$ 1,634,442	\$ 1,634,442	\$ 1,634,442
8,664	8,664	8,664	8,664	8,664
3,748	3,748	3,748	3,748	3,748
<u>2,516</u>	<u>2,516</u>	<u>2,516</u>	<u>2,516</u>	<u>2,516</u>
<u>1,665,231</u>	<u>1,650,378</u>	<u>1,650,378</u>	<u>1,650,378</u>	<u>1,650,378</u>
<u>284</u>	<u>278</u>	<u>278</u>	<u>277</u>	<u>272</u>

GAS UTILITY DISTRICT NO. 1
 WEST PELOUSIAN PARISH
 SCHEDULE OF HISTORICAL DATA
 APRIL 30, 1981
 (Continued)

	1977	1978
REVENUES AND EXPENSES		
Operating revenues	\$ 2,101,667	\$ 2,150,838
Operating expenses	<u>2,048,612</u>	<u>2,140,283</u>
Operating income	53,055	49,244
Nonoperating revenues (expenses)	<u>2,562</u>	<u>7,539</u>
Net income	<u>55,617</u>	<u>56,783</u>
GAS PURCHASES	<u>\$ 1,867,774</u>	<u>\$ 2,103,866</u>
PROPERTY AND EQUIPMENT (NET COST)		
Gas distribution system	\$ 1,444,368	\$ 1,658,309
Trucks	11,347	15,347
Furniture and fixtures	2,287	3,748
Equipment	<u>988</u>	<u>2,518</u>
Total property and equipment (net cost)	<u>1,458,990</u>	<u>1,680,922</u>
AVERAGE NUMBER OF CUSTOMERS	<u>285</u>	<u>292</u>

GAS UTILITY DISTRICT NO. 1
WEST CALIFORNIA PARISH
SCHEDULE OF OPERATING EXPENSES
YEAR ENDING APRIL 30, 1997

Gas purchased	\$1,867,274
Salaries	60,439
Depreciation	50,810
Repairs and maintenance	19,499
Insurance	9,888
Truck operation	3,455
Professional services	13,837
Commissioners' per diem and mileage allowance	5,136
Payroll taxes	4,629
Office supplies and postage	1,914
Utilities	2,660
Rent	2,500
Amortization of bond expense	2,464
Taxes - other	2,639
Computer billing services	2,010
Telephone	894
SCRTIS system	453
All other	<u>894</u>
Totals	<u>2,342,612</u>

SUPPLEMENTAL INFORMATION

GAS UTILITY DISTRICT NO. 1
WEST LOUISIANA POWER
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 1996
(Continued)

Note #14: EMERGENCY GAS

Under the lease agreement between the State of Louisiana and the District, the State agrees to pay to the District each month the pro rata share of unaccounted for gas losses. Likewise, the District agrees to pay to the State each month the pro rata share of unaccounted for gas gains. During the year, unaccounted for gas gains amounted to \$4,415 and is reflected as a charge against revenues.

Note #15: LITIGATION

The District is a co-defendant in a lawsuit in which the plaintiffs are seeking compensation for damages allegedly caused by the disposal many years ago of empty odorizing chemical cans.

An estimate of any possible loss cannot be made.

Note #16: PRICE PERIOD ADJUSTMENT

Certain errors resulting in both the understatement of previously reported revenues and receivables of the prior year were corrected this year, resulting in changes in the retained earnings at April 30, 1996.

Gas Utility District No. 1
West Feliciana Parish
Notes to Financial Statements
April 30, 1997
(Continued)

During the year, no employees belonged to the System.

All employees of the Gas District are members of the Social Security System.

Note #9: RELATED PARTY TRANSACTIONS

During the year, the Gas District sold \$19,812 of natural gas to West Feliciana Parish Police Jury.

Note #10: COMPENSATED ABSENCE

At April 30, 1997, employees of the District have accumulated and vested \$8,930 of employee leave benefits, which was computed in accordance with GASB Codification 68.

Note #11: LEASES

The Gas District leases to the State of Louisiana a gas transmission line which provides natural gas to the Louisiana State Penitentiary and East Louisiana State Hospital. The lease expires in 1998. The annual revenue from this lease is \$378,880. These lease rentals are pledged for the payment of the revenue bonds.

The Gas District leases office space on a monthly basis under an operating lease.

Note #12: MAJOR CUSTOMERS

The Gas District provides natural gas to the East Louisiana State Hospital and the Louisiana State Penitentiary.

During the year, gas sold to the East Louisiana State Hospital and the Louisiana State Penitentiary was \$330,933 and \$1,825,837, respectively, which represents 37% and 53%, respectively, of the total gas sold.

Note #13: BOARD OF COMMISSIONERS' COMPENSATION

The Board of Commissioners are paid a per diem of \$50 for attending a board meeting.

The total amount of per diem for the year was \$5,850.

GAS UTILITY DISTRICT NO. 1
NORT KALIFORNIA PALMS
STATE OF FINANCIAL STATEMENTS
APRIL 30, 1997
(Continued)

On the 30th day of each month, there shall be transferred from the "Revenue" account into an "Operation and Maintenance" account that amount required for the payment of the reasonable and necessary current expenses of operating, maintaining and repairing the system.

From the monies remaining in the "Revenue" account after the transfer into the "Operation and Maintenance" account, there shall next be paid by the 30th day of each month into the "Bond" account such sum, which together with other monies then on deposit in the "Bond" account, will be fully sufficient to pay the interest which will become due on the next succeeding interest payment date on the bonds then outstanding, if any, and the principal of all such bonds which will become due on May 1st.

There shall be deposited into the "Reserve" account on the 30th day of each month, one-half of all money remaining in the "Revenue" account after payments required above have been made. Deposits need not be made into the "Reserve" account if the money on hand equals or exceeds \$140,000. Money in the "Reserve" account shall be used solely for the payment of principal and interest on the bonds. The "Reserve" account has a balance of \$272,625 at April 30, 1997. Therefore, deposits are no longer required.

The next available money in the "Revenue" account after transfers as provided above, shall be deposited monthly on the 30th day of each month into the "Renewal and Contingency" account until there is accumulated and maintained in such account the sum of \$140,000. Money in this fund may be used for repairs, replacements, extensions or improvements to the system. Also, monies on deposit in this account may be transferred to the "Bond" account and "Operation and Maintenance" account in the event monies on deposit in these accounts are insufficient to meet the payments for which they were established. The "Renewal and Contingency" account has a balance of \$152,844 at April 30, 1997. Therefore, deposits are no longer required.

Note #8: RETIREMENT COMMITMENTS

All employees of the Gas District have the opportunity to belong to the Parochial Employees' Retirement System of Louisiana (System) a multiple employee, cost-sharing, public employee retirement system, controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions.

GAS UTILITY DISTRICT NO. 1
WEST FOLICIANA PARISH
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 1957
(Continued)

Note #6: BONDS PAYABLE

Bonds payable are comprised of the following issues:

\$1,400,000 Gas Utility District No. 1 Revenue Bonds dated April 8, 1951, for the purpose of constructing and improving a gas utility system for a portion of West Feliciana Parish, due in annual installments of various amounts through May 1, 2000, with interest ranging from 8% to 6.75%.

The annual requirements to amortize all debt outstanding as of April 30, 1957, including interest payments of \$69,851, are as follows:

<u>Year Ending</u> <u>April 30,</u>	<u>Amount</u>
1950	\$122,844
1959	121,363
2000	119,348
2001	<u>182,400</u>
Total	<u>528,851</u>

A summary of changes in bonds payable follows:

Revenue bonds payable, beginning of year	\$ 550,000
Revenue bonds retired	<u>(130,000)</u>
Revenue bonds payable, end of year	<u>420,000</u>

Note #7: FLOW OF FUNDS; RESTRICTION OF USE

Under the terms of the bond indenture on outstanding Gas Utility District Bonds, certain income and revenues, with the exception of pledged lease rentals, (hereinafter referred to as revenue) derived from the operation of the Gas District is dedicated to the retirement of said bonds, and are to be set aside into the following special accounts:

All of the revenue is to be deposited daily in the "Revenue" account.

ONE UTILITY DISTRICT NO. 1
WEST PALM BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 1997
(Continued)

Note #2: RETAINED EARNINGS DEFICIT

The deficit of unreserved retained earnings at April 30, 1997 was created by the reserving for bond retirement. The deficit will be eliminated when the bonds are paid off.

Note #3: CASH AND CASH EQUIVALENTS

At April 30, 1997, the carrying amount of deposits is \$242,000. This total is comprised of interest-bearing demand deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At April 30, 1997, the bank balance of the deposits is \$483,000. These deposits are secured from risk by federal deposit insurance in the amount of \$300,000 and pledged securities in the amount of \$183,000.

Note #4: INVESTMENTS

Investments at April 30, 1997, are comprised of a mutual fund which invests in United States government securities. These investments are purchased through the fiscal agents and are fully secured by the United States government. The investments are stated at cost which approximates market.

Note #5: PROPERTY AND EQUIPMENT

A summary of property and equipment follows:

Distribution system	21,464,268
Vehicles	11,347
Furniture and fixtures	2,748
Equipment	228
	<u>1,478,852</u>
Less: Depreciation to date	<u>1,128,488</u>
Net	<u>342,428</u>

Depreciation expense charged to operations is \$52,837 for the year.

GAS UTILITY DISTRICT NO. 1
WEST CALIFORNIA POWER
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 1981
(Continued)

I. Restricted Assets

Certain proceeds of the revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The "revenue bond" account is used to segregate resources accumulated for debt service payments over the next twelve months.

The "reserve" account is used to report resources set aside to make up potential future deficiencies in the "revenue bond" account. The "renewal and contingency" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements.

J. Property and equipment

Property and equipment are stated at historical cost.

Depreciation of property and equipment is charged as an expense against operations. Depreciation is computed using the straight-line method over an estimated useful life of 5 to 33 years.

K. Compensated Absences

Vested or accumulated vacation leave is recorded as a fund liability and operating expense in the year earned.

In accordance with the provisions of Statement of Financial Standard No. 43, Accounting for Compensated Absences, no liability is recorded for accruing accumulated rights to receive sick pay benefits nor vacation leave.

L. Long-Term Liabilities

Long term liabilities are recognized within the Enterprise Fund.

M. Fund Equity

Contributed capital represents grants or contributions from governmental bodies, developers or customers.

Reserves represent those portions of fund equity not legally segregated for a specified future use.

CASH OFFICER DISTRICT NO. 1
WEST LOUISIANA PARISH
NOTE TO FINANCIAL STATEMENTS
APRIL 30, 1997
(Continued)

F. Cash and Cash Equivalents and Investments

Cash includes amounts in interest-bearing demand deposits. For purposes of the statement of cash flows, the District considers all time deposits (including restricted assets) with a maturity of ninety days or less to be cash equivalents. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under Louisiana Revised Statute 13:2935, the District may invest in United States bonds, treasury notes or certificates, or any other federally insured investment, or in mutual and trust fund institutions, which are registered with the Securities and Exchange Commission, and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies. For purposes of the statement of cash flows, the District considers all highly liquid investments (including restricted assets) with a maturity of three months or less to be cash equivalents.

Investments are stated at cost which approximate market value. Discounts and premiums on the purchase of investments are amortized over the life of the investment. This amortization is presented as accrued interest receivable.

G. Receivables

The direct charge-off method for bad debts is used; therefore, there is no allowance for doubtful accounts as no material write-offs are expected for receivables at the balance sheet date.

All amounts known to be uncollectible have been charged off.

Substantially all amounts presented are expected to be collected within one year.

H. Prepaid Insurance

Expenses made for insurance coverage that will benefit periods beyond April 30, 1997, are recorded as prepaid insurance.

ONE UTILITY DISTRICT NO. 1
WEST FELICIANA PARISH
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 1997
(Continued)

2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if debt of the organization is not included because of the nature of significance of the relationship.

Because the police jury meets criteria (1) above, One Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana is determined to be a component unit of West Feliciana Parish Police Jury, financial reporting entity. The accompanying financial statements present information only on the funds maintained by One Utility District No. 1 and do not present information on the Police Jury, the general government services provided by the Police Jury, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The District is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

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 uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

E. Budgets and Budgetary Accounting

A budget is not required by state law and, therefore, is not prepared.

GAS UTILITY DISTRICT NO. 1
WEST FELICIANA PARISH
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 1991

INTRODUCTION

Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana was created by the West Feliciana Parish Police Jury under Louisiana Revised Statutes 184201-184208. The District is governed by nine commissioners. These nine members are referred to as the Board of Commissioners. The nine commissioners are appointed by the parish governing authority. The District was created to provide natural gas resources to residents within the District.

Note #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of Gas Utility District No. 1, West Feliciana Parish, 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.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the West Feliciana Parish Police Jury is the financial reporting entity for West Feliciana Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organization for which the primary government is financially accountable, and (c) 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 No. 14 established criteria for determining which component units should be considered part of West Feliciana 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. This criteria includes:

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 provide specific financial benefits to or impose specific financial burdens on the police jury.

**GAS UTILITY DISTRICT NO. 1
 WEST PHOENIX BORON
 STATEMENT OF CASH FLOWS
 YEAR ENDED APRIL 30, 1992**

CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$	53,855
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization		94,399
(Increase) decrease in		
Receivables - customers	261,883	
Accrued interest receivable	(313)	
Increase (decrease) in		
Accounts payable	(89,940)	
Interest coupons payable	(263)	
Accrued interest payable	(3,039)	
Compensated leave	2,158	
	<u> </u>	<u> </u>
Net cash provided by operating activities	<u> </u>	<u>383,818</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Miscellaneous income	<u> </u>	<u>573</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on bond maturities	(88,088)	
Interest paid on bond maturities	<u> </u>	<u>(14,088)</u>
	<u> </u>	<u> </u>
Net cash used for capital and related financing activities	<u> </u>	<u>(102,088)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	<u> </u>	<u>15,184</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	<u> </u>	<u>196,908</u>
CASH AND CASH EQUIVALENTS, beginning of year	<u> </u>	<u>699,448</u>
CASH AND CASH EQUIVALENTS, end of year	<u> </u>	<u>896,356</u>

The accompanying notes are an integral part of this statement.

GAS UTILITY DISTRICT NO. 1
 WEST WILCOX, CALIF.
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN RETAINED EARNINGS
 YEAR ENDED APRIL 30, 1962

OPERATING REVENUES	
Charges for services	\$1,979,167
Losses	<u>128,388</u>
Total operating revenues	<u>2,107,555</u>
OPERATING EXPENSES	
Gas purchased	1,067,274
Depreciation	82,838
All other	<u>128,388</u>
Total operating expenses	<u>2,078,500</u>
Operating income	<u>29,055</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	35,194
Miscellaneous income	575
Interest expense	(30,929)
Bad debts	<u>(2,121)</u>
Total nonoperating revenues	<u>2,569</u>
NET INCOME	<u>31,624</u>
RETAINED EARNINGS, beginning of year, as originally stated	264,836
Prior period adjustment	<u>43,349</u>
RETAINED EARNINGS, beginning of year, as restated	<u>308,185</u>
RETAINED EARNINGS, end of year	<u>340,809</u>

The accompanying notes are an integral part of this statement.

LIABILITIES AND FUND EQUITY LIABILITIES**CURRENT LIABILITIES (payable from****current assets)**

Accounts payable	\$ 100,920
Accrued leave	<u>8,030</u>
Total current liabilities	<u>108,950</u>

CURRENT LIABILITIES (payable from**restricted assets)**

Revenue bonds payable	96,000
Interest coupons payable	381
Accrued interest payable	18,828
Customers' security deposits	<u>1,323</u>

Total current liabilities (payable from restricted assets)	<u>116,532</u>
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LONG-TERM LIABILITIES

Revenue bonds payable	<u>165,000</u>
Total liabilities	<u>281,532</u>

FUND EQUITY

Contributed capital	
In aid of construction	<u>168,592</u>
Retained earnings	
Reserved for revenue bond retirement	711,408
Unreserved	<u>(187,528)</u>

Total retained earnings	<u>523,880</u>
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Total fund equity	<u>692,472</u>
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Total liabilities and fund equity	<u>1,544,772</u>
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GAS UTILITY DISTRICT NO. 1
 WEST PRINCIPALS PARISH
 BALANCE SHEET
 APRIL 30, 1997

ASSETS

CURRENT ASSETS

Cash	\$	70,454
Receivables		
Customers	91,887	
Prepaid insurance		<u>180</u>
<u>Total current assets</u>		<u>162,421</u>

RESTRICTED ASSETS

Cash		
Revenue account	182,399	
Paying agent account	24,738	
Customers' security deposit account	4,448	
Investments		
Bond account	323,396	
Reserve account	373,626	
Renewal and contingency account	152,844	
Accrued interest receivable		<u>2,008</u>
<u>Total restricted assets</u>		<u>820,959</u>

PROPERTY AND EQUIPMENT

Property and equipment	1,878,852	
Less: depreciation to date		<u>1,128,848</u>
<u>Net property and equipment</u>		<u>750,004</u>

OTHER ASSETS

Unamortized bond expense		7,323
		<u>7,323</u>
<u>Total assets</u>		<u>2,840,715</u>

The accompanying notes are an integral part of this statement.

DYER & VICKNAIR

CERTIFIED PUBLIC ACCOUNTANTS

In accordance with Government Auditing Standards, we have also issued a report dated July 18, 1997 on our consideration of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana's internal control structure and a report dated July 18, 1997 on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The financial information referred to as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Gas Utility District No. 1, West Feliciana Parish, St. Francisville, Louisiana. Such information, except for that portion marked "unaudited", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended for the use of management and the State of Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

St. Francisville, Louisiana
July 18, 1997

Dyer & Vicknair

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**GRAND UTILITY DISTRICT NO. 1
WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA**
ANNUAL FINANCIAL REPORT
YEAR ENDED MARCH 31, 1992

Under provisions of state law, this report is a public document. A copy of the report has been distributed to the auditor, all members, debts and other interested public officials. The report is available for public inspection at the Office of the State Comptroller of Public Accounts and, where appropriate, at the office of the parish clerk of court.

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Release Date _____