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**WATERWORKS DISTRICT NO. 1
OF ALLEN PARISH
OAKDALE, LOUISIANA**

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 1996

REPORT
FOR THE YEAR
ENDING 6/30/96

Under provisions of state law, this report is a public record. A copy of the report has been submitted to the Auditor, the governing entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date July 2, 1997



Miles & Company
A Professional Corporation
Certified Public Accountants

WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
ORANGE, LOUISIANA

A Component Unit of the Allen Parish Police Jury

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING JUNE 30, 1990

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Mirco & Company
A Professional Corporation

Certified Public Accountants

Member
Association of Certified Public Accountants
New York State Certified Public Accountants
Public Accountants Branch of the AICPA

Board of Commissioners
Waterworks District No. 1 of Allen Parish
1 Compensated Unit of the Allen Parish Police Jury
Mehala, Louisiana

We have compiled the accompanying balance sheet of Waterworks District No. 1 of Allen Parish, its component unit of the Allen Parish Police Jury, as of June 30, 1980, and the related statements of income, retained earnings, and cash flows for the year then ended, and the accompanying supplementary information contained in Schedule 1, which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Mirco & Company, CPAs, APC

Mirco & Company, CPAs, APC
December 14, 1980

WATKINSON DISTRICT NO. 1 OF ALABAMA POLICE
 A COMPONENT UNIT OF THE ALABAMA POLICE JURY
 COMBINED BALANCE SHEET - ALL FUND TYPES
 June 30, 1996

	PROFITABLE - FUND TYPE - BALANCE
ASSETS	
Current assets:	
Cash	\$ 216,618
Receivables:	
Accounts	8,480
Interest	422
TOTAL Current Assets	<u>225,520</u>
Restricted assets:	
Customer deposits:	
Cash	1,362
TOTAL Restricted Assets	<u>1,362</u>
Fixed assets, at cost, net of accumulated depreciation (144,421)	77,324
TOTAL ASSETS	<u>\$ 304,206</u>
LIABILITIES AND FUND EQUITY	
Liabilities:	
Current liabilities (payable from current assets):	
Accounts payable	8,480
Revenue bond payable - current portion	8,828
TOTAL Current Liabilities (payable from current assets)	<u>17,308</u>
Current liabilities (payable from restricted assets):	
Customer deposits	1,362
TOTAL Current Liabilities (payable from restricted assets)	<u>1,362</u>
Long-term liabilities:	
Revenue bonds payable	18,584
TOTAL LIABILITIES	<u>37,254</u>
Fund equity:	
Contributed equity	3,340
Retained earnings:	
Unreserved	85,612
TOTAL FUND EQUITY	<u>88,952</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 304,206</u>

See accompanying notes and accountants' report.

REVENUE DISTRICT NO. 1 OF ALLEN TWP
 A COMPARED LIST OF THE ALLEN TWP POLICE JURY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES
 IN RETAINED EARNINGS
 YEAR ENDED JUNE 30, 1996

With Comparative Totals for Year Ended June 30, 1995

	<u>1996</u>	<u>1995</u>
OPERATING REVENUES:		
Charges for services	\$ 45,293	\$ 48,437
OPERATING EXPENSES:		
Depreciation	5,366	5,366
Insurance	5,193	5,193
Miscellaneous	894	894
Office	1,864	1,864
Gas/diesl	1,560	1,526
Professional fees	2,415	593
Salaries	38,987	38,547
Supplies	4,479	4,875
Taxes	1,881	2,880
Travel	5,248	878
Utilities	3,152	4,752
TOTAL OPERATING EXPENSES	<u>49,525</u>	<u>48,342</u>
TOTAL OPERATING INCOME	<u>12,778</u>	<u>1,528</u>
NONOPERATING REVENUES (EXPENSES):		
Interest income	4,331	2,838
Interest expense	<u>(2,185)</u>	<u>(2,312)</u>
TOTAL NONOPERATING REVENUES	<u>2,146</u>	<u>526</u>
NET INCOME (LOSS)	<u>14,924</u>	<u>2,054</u>
RETAINED EARNINGS, beginning	<u>81,265</u>	<u>79,250</u>
RETAINED EARNINGS, ending	<u>\$ 96,189</u>	<u>\$ 81,304</u>

See accompanying NOTES AND ACCOUNTANTS' REPORTS.

WATERBURY DISTRICT NO. 1 OF ALLEN PARTER
 A CERTIFIED COPY OF THE ALLEN PARTER POLICE JURY
 COMPARATIVE STATEMENT OF CASH FLOWS
 Years Ending June 30, 1976 and 1975

	1976	1975
CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating Income	\$ 12,700	\$ 7,338
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,362	3,362
Decreased decrease in accounts receivable	(2,515)	(1,058)
Decreased decrease in interest receivable	-	95
Increase (decrease) in accounts payable	(23)	1453
Increase (decrease) in customer deposits	312	382
NET CASH FROM OPERATING ACTIVITIES	<u>14,163</u>	<u>9,520</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Principal paid on revenue bonds	(4,518)	(4,400)
Interest paid on revenue bonds	(2,100)	(2,220)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(6,618)</u>	<u>(6,620)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	4,332	3,872
NET INCREASE (DECREASE) IN CASH	<u>12,905</u>	<u>6,300</u>
CASH AT BEGINNING OF YEAR	<u>109,048</u>	<u>102,748</u>
CASH AT END OF YEAR	<u><u>\$ 122,053</u></u>	<u><u>\$ 109,048</u></u>

See accompanying notes and accountants' report.

WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
June 30, 1986

INTRODUCTION

The Waterworks District No. 1 of Allen Parish is a political subdivision of the State of Louisiana. It was created under the provisions of Louisiana Revised Statute 18:1011, for the purpose of providing water to the rural area of Northwest Allen Parish. The District is governed by a compensated Board of Commissioners composed of five members appointed by the Allen Parish Police Jury. The District has five part-time employees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Waterworks District No. 1 of Allen 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 Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations 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 Statement No. 14 established criteria for determining which component units should be considered part of the Allen 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.
2. Organizations for which the police jury does not appoint a voting majority but are financially dependent on the police jury.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. 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 police jury appoints all members to the governing body and has the ability to impose its will on the District, the District was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. 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 the governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund is summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenses. The following fund is used by the District:

Proprietary Fund Type:

Enterprise Fund-

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing water services to the general public on a continuing basis is financed through user charges.

D. Basis of Accounting

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

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

WATERBURY DISTRICT NO. 1 OF ALICE PRINCE
& COMPANY UNIT OF THE ALICE PRINCE POLICE JURY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Budgets

The District, according to LA Rev. Statute 19:1201, is not required to and has not adopted a budget for the year ended June 30, 1998.

F. Cash and Cash Equivalents

Cash includes accounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include accounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

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; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. Accounts Receivable

Uncollectible amounts due for remission are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible. This method does not result in a change to bad debts that is materially different from the amount that would be charged if the reserve method were used.

H. Fixed Assets

All fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Purchased fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation of each class of depreciable property is computed using the straight-line method. Estimated useful lives are as follows:

Equipment	5 years
Fleet	60 years

METROPOLE DISTRICT NO. 1 OF ALLEN PARISH
 A COMPONENT UNIT OF THE ALLEN PARISH GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. STATEMENT OF CASH FLOW

For purposes of the statement of cash flows, for the enterprise fund, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

NOTE 2 - CASH & CASH EQUIVALENTS

As June 30, 1996, the District has cash and cash equivalents (bank balances) totaling \$118,589 as follows:

Demand deposits	\$ 21,054
Interest-bearing demand deposits	-
Time deposits	89,048
Other	-
Total	\$ 110,102

These deposits are stated at cost, which approximates market. Under state law, these deposits for the resulting bank balances must be secured by Federal deposit insurance or the pledge of securities owned by the financial agent bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount on deposits with the financial agent. These securities are held in the name of the pledging financial agent bank in a holding or custodial bank like is mutually acceptable to both parties. At June 30, 1996, the District has \$118,589 in deposits (collected bank balances). These deposits are secured from risk by \$118,082 of Federal deposit insurance.

NOTE 3 - FIXED ASSETS

A summary of changes in proprietary fund fixed assets for the year ended June 30, 1996:

	Fixed Assets		
	June 30, 1995	Net Additions	June 30, 1996
Land	\$ 500	\$ -	\$ 500
Equipment	18,804	-	18,804
Vehicles	124,811	-	124,811
	143,115	-	143,115
Less accumulated depreciation	124,526	-	124,526
TOTAL	\$ 18,589	\$ -	\$ 18,589

Depreciation expense was \$3,344 for the year ended June 30, 1996.

ENTERPRISE DISTRICT NO. 1 OF ALLEN TAHSIL
 A CONSTITUENT UNIT OF THE ALLEN COUNCIL POLICE COM
 NOTES TO FINANCIAL STATEMENTS
 June 30, 1996

NOTE 4 - LONG-TERM DEBT

A. Debt Outstanding

The following is a summary of debt transactions of the District for the year ended June 30, 1996:

	Payable	Issued	Payable
	<u>₹/10,000</u>	<u>₹/10,000</u>	<u>₹/10,000</u>
Revenue bonds . . .	<u>₹ 57,200</u>	<u>₹ 4,538</u>	<u>₹ 52,132</u>

bonds payable at June 30, 1996 are comprised of the following individual issues:

Revenue bonds:

₹10,000 Selling Revenue Bonds dated 9/7/87; due in annual installments of ₹6,023, including interest, through September 7, 2001; interest at 8.75% ₹ 52,132

B. Debt Service Requirements to Maturity:

The annual requirements to service all debts outstanding as of June 30, 1996, including interest of ₹10,000 are as follows:

Year ending ____June 30.	Total
1997	₹ 6,023
1998	6,023
1999	6,023
2000	6,023
2001	6,023
Thereafter	<u>26,483</u>
	<u>₹ 52,058</u>

NOTE 5 - RISK MANAGEMENT

The district is exposed to various risks of loss related to: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

MEMORANDUM DIVISION NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
June 30, 1988

NOTE 4 - RELATED PARTY TRANSACTIONS

During the course of our engagement, we became aware of the following matters involving related party transactions which should be addressed by the District:

1. The District paid two board commissioners to perform part-time work for the District.
2. The District also participated in transactions with a business owned by a commissioner of the District. This is a violation of LA. Rev. Stat. 49:1512. The District should request a ethics ruling as regards to these transactions.

WATERBURY DISTRICT NO. 1 OF ALLEN BRIDGE
A CONTROLLED UNIT OF THE ALLEN BRIDGE POLICE CIVIL
SUPERVISORS ASSOCIATION SCHEDULE
For the Year Ending June 30, 1994

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 14 of the 1979 Session of the Maine Legislature. This is in accordance with M.R.S. 22:2819, allowing up to \$40 to be paid for up to 24 meetings in each year and for each special meeting not to exceed 12 special meetings in each year.

MIDDLEBORO DISTRICT NO. 3 OF MASS BARIEN
 A COMPONENT UNIT OF THE MASS POLICE FED
 SUPPLEMENTAL INFORMATION SCHEDULE
 For the Year Ended June 30, 1988

Schedule of compensation paid board members for the year ended June 30, 1988:

Name	Positions	1988	
		Per Annum	Salary
DAVE CARPENTER	12	\$ 100	\$ 248
THOMAS BROWN	12	100	5,140
MILLIE PAIT	12	100	-
MERVIN BLANKEN	9	500	-
Total		\$ 3,100	\$ 5,388

See ACCOUNTANTS' REPORT.



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 Society of American Certified Public Accountants
 Public Company Review Rules, PCAOB

**INDEPENDENT ACCOUNTANTS' REPORT
 ON APPLIED BUSINESS-SPIN PROCEDURES**

Board of Commissioners
 Waterworks District No. 1 of Allen Parish
 A Component Unit of the Allen Parish Police Jury
 Oakdale, Louisiana

We have performed the procedures included in the Louisiana Government Audit's Guide and enumerated below, which were agreed to by the management of the Waterworks District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Waterworks District No. 1's compliance with certain laws and regulations during the year ended June 30, 2014 included in the accompanying Louisiana Division Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$25,000, and determine whether such purchases were made in accordance with LA-RS 48:2131-2133 (the public bid law).

We reviewed all disbursements made during the year. There were no expenditures over \$5,000 for materials and supplies, and no expenditures over \$25,000 for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LA-RS 42:1101-1104 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

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

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

Name of the employee included on the list of employees provided by management (approved upon procedure #1) appeared on the list provided by management in approved upon procedure #2, except for Gary Carpenter, employed part-time, who is listed as the non-in-charge of Thurman Hester, Commissioner.

Substantive

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

Waterworks District No. 1 of Allen Parish does not have a general fund or a special revenue fund. It only has an enterprise fund whose expenditures were not exceed \$200,000. Because of these facts, according to LA. Rev. Stat. 50:1322, the District is not required to have a budget and does not have one.

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

See #5 above.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

See #5 above.

Accounting and Disbursements

8. Randomly select 4 disbursements made during the period under examination and:
(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payments were for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

We found that all payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the chairman of the board of Commissioners. In addition, each of the disbursements were traced to the District's minute book where they were approved by the full commission.

M. G.

NOTICES

5. Examine evidence indicating that agendas for meetings recorded in the agenda book were posted or advertised as required by LA-RR 42:1 through 42:13 (aka open meetings law).

Waterworks District No. 3 of Allen Parish is only required to post a NOTICE of each meeting and the accompanying agenda on the door of the DISTRICT'S office building. Management has asserted that it does not post a notice of each meeting and the accompanying agenda on the door of the District's office building.

DEBIT

11. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

ADVANCES AND DEBITS

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

A reading of the minutes of the District for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other factors might have come to our attention that would have been reported to you.

However, during the course of our engagement we became aware of certain matters that we feel required to communicate to management and the legislative auditor of the State of Louisiana.

1. The District currently pays two commissioners to perform part-time duties consisting of water reading and repair work. The District should request an ethics ruling from the State of Louisiana on this matter as soon as possible.
2. The District had financial transactions with a business owned by one of the commissioners during the fiscal year ended June 30, 1996. LA. Rev. Stat. 42:1512 prohibits financial transactions between a governmental entity and a business in which a commissioner has a personal substantial economic interest.

M C

Board of Commissioners
Waterworks District No. 1 of Allen Parish
A Component Unit of the Allen Parish Police Jury
Page 4

This report is intended solely for the use of management of the Waterworks District No. 1 of Allen Parish and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the efficiency of the procedures for their purposes. Moreover, this report is a matter of public record and its distribution is not limited.

Miles & Company, CPAs, APC

Miles & Company, CPAs, APC
December 14, 1988

