

ST. LOUIS METROPOLITAN DISTRICT NO. 2
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 1990

There were no prior year audit findings relative to Federal award programs.

ST. LAWRENCE INTERIORS DISTRICT NO. 2

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 1997

| Federal Sponsor/Pass-Through Sponsor/Program Title | Federal CFDA Number | Program or Award Account | Receipts or Revenue Recognized | Federal Disbursement/ Expenditures |
|---|---------------------------|--------------------------------|--------------------------------------|--|
| Grants | | | | |
| U.S. Department of Agriculture: | | | | |
| Direct: | | | | |
| Water and Waste Disposal | | | | |
| Systems for Rural | | | | |
| Commitment Grant | | | | |
| | 10.793 | 11.829-000 | \$ 300,000 | \$ 300,000 |

Note 1. Basis of Accounting

The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

Note 2. Loans/Loan Guarantees

As of June 30, 1997, the District had the following outstanding debt balances:

| | Total Loan Amount | Total Advanced and Outstanding |
|---------------------------------|----------------------|--------------------------------------|
| Water Revenue Bonds, Series R-1 | \$ 810,000 | \$ 810,000 |
| Water Revenue Bonds, Series R-2 | 48,000 | 48,000 |
| Water Revenue Bonds, Series A | 136,000 | 2,800 |
| | <u>\$1,994,000</u> | <u>\$ 860,800</u> |

ST. LAWRY WILKINSON DISTRICT NO. 2

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 1990

Cause: Due to the small number of people performing functions and the lack of resources, the District is unable to implement a segregated system of internal control.

Recommendation and response: The District is aware of this problem and we are in agreement with them that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment.

III. Findings and Questioned Costs - Major Federal Award Program Audit

Department of Agriculture

Water and Waste Disposal System for Rural Communities Grant - CFDA #10.768

Reportable condition: The reportable condition at 87-1 above also applies to this grant.

ST. LANDRY WATERWORKS DISTRICT NO. 2

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 1997

I. Summary of Auditor's Results

The following summarizes the auditor's results in accordance with OMB Circular A-133:

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of St. Landry Waterworks District No. 2 as of and for the year ended June 30, 1997.
2. One reportable condition in internal control was disclosed during the audit of the District's financial statements and such condition was considered a material weakness.
3. The audit did not disclose any noncompliance considered material to the financial statements of St. Landry Waterworks District No. 2.
4. The audit disclosed one reportable condition in internal control over its major federal award program which is considered to be a material weakness.
5. An unqualified opinion was issued on compliance for the federal award program.
6. The audit finding relative to the major federal award program of the District is reported in Part III of this schedule.
7. The Water and Waste Disposal Systems for Rural Communities Grant (EPA 610.740) was treated as a major program for the year ended June 30, 1997.
8. The threshold used to distinguish Type A from Type B programs was \$200,000.
9. St. Landry Waterworks District No. 2 did not qualify as a low-risk auditee.

II. Findings - Financial Statement Audit

Reportable Condition:

FCI - Segregation of Duties

Finding: There is a lack of segregation of duties in all areas of the financial cycle.

(Continued)

To the Board of Commissioners
St. Landry Waterworks District No. 2

In our opinion, St. Landry Waterworks District No. 2 complied, in all material respects, with the requirements referred to above that are applicable to its major Federal program for the year ended June 30, 1997.

Internal Control Over Compliance

The management of St. Landry Waterworks District No. 2 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered St. Landry Waterworks District No. 2's internal control over compliance with requirements that could have a direct and material effect on the major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular 4-113.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, would adversely affect the District's ability to administer a major Federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 90-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

This report is intended for the information of management, Federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Ernest R. Phillips, F. B. Broussard

Crowley, Louisiana
December 13, 1997



HOUSE OF REPRESENTATIVES, COMMITTEE ON BUDGET
U.S. OFFICE OF MANAGEMENT AND BUDGET

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

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Members of House and Senate of
 the United States of America
 Bureau of Management and Budget
 Office of Management

To the Board of Commissioners
 St. Landry Waterworks District No. 2
 Lakeview, Louisiana

Compliance

We have audited the compliance of the St. Landry Waterworks District No. 2, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major Federal program for the year ended June 30, 1997. The District's major Federal program is identified in the summary of auditors' conclusions of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit included examining, on a test basis, evidence about St. Landry Waterworks District No. 2's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on St. Landry Waterworks District No. 2's compliance with those requirements.

To the Board of Commissioners
St. Landry Parish District No. 2

certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs on item 37-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. The consideration of internal control over financial reporting would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

This report is intended for the information of management, federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Ernest R. Fournier, Director

Erosley, Louisiana
December 15, 1990



PRICEWATERHOUSECOOPERS, LEWIS & BERKMAN
 REGISTERED PUBLIC ACCOUNTANTS

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

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To the Board of Commissioners
 St. Landry Waterworks District No. 2
 Carette, Louisiana

We have audited the general purpose financial statements of the St. Landry Waterworks District No. 2 as of and for the year ended June 30, 1997, and have issued our report thereon dated December 15, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a

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Debra J. Galloway, CPA

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David J. Jones, CPA

David L. Johnson, CPA

John J. Johnson, CPA

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Stephen D. Johnson, CPA

John A. Johnson, CPA

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David J. Johnson, CPA

James B. Johnson, CPA

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John A. Johnson, CPA

ST. LOUIS INTERMEDIARY DISTRICT NO. 2

SCHEDULE OF COMPENSATION PAID BY BOARD OF COMMISSIONERS
Year Ended June 30, 1997

The board of commissioners consists of five members. Effective August 14, 1997, board members receive \$60 for each meeting they attend at which a quorum is present. For the year ended June 30, 1997, the compensation earned by board members is:

| <u>Name</u> | <u>Amount</u> |
|----------------------------|-----------------|
| Joseph C. Lyons, President | \$ 850 |
| Linda Richard | 850 |
| Bobby Richard | 850 |
| Erney Legas | 750 |
| Todd Broadhead | 650 |
| | <u>\$ 3,750</u> |

The schedule of compensation to board members was prepared in compliance with House Concurrent Resolution No. 56 of the 1979 Session of the Legislature.

ST. LOUIS WATERWORKS DISTRICT NO. 2

SCHEDULE OF MONTHLY WATER RATES

The monthly retail water rates in effect as June 30, 1987 were as follows:

| | |
|---|----------|
| First 2,000 gallons per month or less | \$ 18.35 |
| Each 1,000 gallons thereafter up to 20,000 gallons | \$ 2.75 |

NOTES TO FINANCIAL STATEMENTS

Note 5. Intergovernmental Agreements

For the year ended June 30, 1987, the District was servicing a limited area of customers who have existing water lines from the Village of Cashon. The water provided to customers was provided by the Village of Cashon's water system. Upon completion of construction and annually thereafter, the District will return the number of gallons provided to this small base of customers.

In addition, the District has entered into an intergovernmental agreement with the Village of Cashon whereby the Village is to provide the services of all personnel required for the efficient and competent operation of the system. These persons shall perform all services required for the ordinary operation and maintenance of the system; keep all books, records, accounts and files necessary or desirable in the operation of the system; read all meters, make and submit bills, and handle all collections and deposits. The District will pay Village of Cashon \$3.75 for each customer billed on a monthly basis.

Note 6. Contributed Capital

The change in the District's contributed capital accounts is as follows:

| | Federal Government | Local | Total |
|--|-----------------------|-----------|-----------|
| Beginning balance, contributed capital | \$ - | \$ 27,538 | \$ 27,538 |
| Add: Current year contributions | 806,883 | 3,825 | 810,708 |
| Ending balance, contributed capital | 806,883 | 37,363 | 844,246 |

The contributed capital from the federal government results from a Department of Agriculture grant while the contributed capital from local sources results from member contributions.

Note 7. Deficit Retained Earnings

As of June 30, 1987, the District has deficit retained earnings of \$12,948.

NOTES TO FINANCIAL STATEMENTS

Note 3. Bonds Payable

Bonds payable are represented by the following individual issues:

| | Monthly Authorized Installments | Interest Rate % | Maturity Date | Forward and Out- standing |
|---------------------------------------|------------------------------------|--------------------|------------------|---------------------------------|
| Revenue Bonds | | | | |
| Water revenue bonds, Series E-1 | \$604,000 | \$ 3.75 | 07-18-34 | \$604,000 |
| Water revenue bonds, Series E-2 | \$ 48,000 | \$ 3.00 | 07-18-34 | 48,000 |
| Water revenue bonds, Series A | \$134,000 | \$ 4.24 | 07-18-34 | <u>134,000</u> |
| Total bonds payable | | | | <u>\$811,000</u> |

The annual requirements including interest to amortize all long-term obligations outstanding at June 30, 1937 are as follows:

| Year | Revenue Bonds |
|---------------------|--------------------|
| 1938 | \$ 41,881 |
| 1939 | 50,480 |
| 2000 | 47,888 |
| 2001 | 47,889 |
| 2002 | 47,889 |
| 2003 and thereafter | <u>1,612,300</u> |
| | \$1,897,447 |
| Less: Interest | <u>(1,086,447)</u> |
| Net amount | <u>\$ 811,000</u> |

Note 4. Concentration of Credit Risk

The only financial instrument that potentially subjects St. Landry Waterworks District No. 2 to concentrations of credit risk is trade receivables. Concentrations of credit risk with respect to trade receivables are limited to the geographical region of which the District services water and the general economy of that region. At June 30, 1937, the District had no significant concentrations of credit risk.

NOTES TO FINANCIAL STATEMENTS

Depreciation:

All items of property, plant and equipment are recorded and depreciation is computed or recorded thereon, in accordance with generally accepted accounting principles. However, as June 30, 1987, the District is still constructing its plant facilities and distribution lines; thus, no depreciation has been recorded.

Bond Insurance Costs:

Bond insurance costs are amortized by the straight-line method. However, amortization will not begin until the District begins making monthly bond payments.

Fund Equity:

Contributed capital is recorded for capital grants received as contributions from developers and customers. Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use.

Note 3. Land, Plant, and Distribution System

| | Cost |
|---------------------|--------------------|
| Land | \$ 17,800 |
| Treatment plant | 588,813 |
| Distribution system | 1,047,430 |
| Water wells | <u>389,817</u> |
| Total fixed assets | <u>\$2,043,860</u> |

Interest of \$68,842 has been capitalized in the cost of the treatment plant, distribution system, and water wells above.

NOTES TO FINANCIAL STATEMENTS

Basis of accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement bases applied. The Waterworks District's accounts are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Services for water are recorded as revenue when billed to customers on a monthly cycle reading cycle. At the end of the year, utilities services which have been rendered from the latest date of each cycle reading cycle to year-end, which are unbilled, are accrued for financial reporting purposes.

Cash and cash equivalents:

For purposes of reporting, cash and cash equivalents include all highly liquid investments with a maturity of three months or less when purchased.

Cash and certificates of deposit:

Under state law, the Waterworks 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. At June 30, 1990, the Waterworks District has cash (bank balances) in financial institutions totaling \$28,835.

Under state law, these deposits (or the resulting bank balances) must be secured by federal insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus federal insurance must at all times equal the amount on deposit with the federal agent. Deposits (bank balances) totaling \$28,523 at June 30, 1990, are fully secured by federal deposits insurance.

Fixed assets:

Recorded cost of assets:

The cost of the assets recorded for St. Landry Waterworks District No. 1 represents the actual cost of these assets. Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the assets constructed, net of interest earned on the invested proceeds over the same period.

NOTES TO FINANCIAL STATEMENTS

Fund accounting:

The Waterworks District is organized on the basis of a proprietary fund (enterprise fund). The operations of the enterprise fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenses. The enterprise fund is the general operating fund of the Waterworks District and accounts for all of its activities.

Enterprise funds are used to 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 that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

All proprietary funds are accounted for as a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activities are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) to net total assets.

Proprietary funds are reported in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting. This standard requires that all applicable GASB pronouncements, Financial Accounting Standards Board (FASB) Statements and Interpretations, accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) issued on or before November 30, 1989 be applied to proprietary activities unless they (FASB Statements and Interpretations, APB Opinions, and ARBs) conflict with or contradict GASB pronouncements.

GASB Statement No. 20 also states that for proprietary activities, management may elect to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. Proprietary activities under the control of the District have elected not to apply FASB Statements and Interpretations issued after November 30, 1989, unless they are adopted by GASB.

ST. LANDRY WATERWORKS DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

St. Landry Waterworks District No. 2 of St. Landry Parish, a component unit of St. Landry Parish Police Jury, was created by the St. Landry Parish Police Jury as authorized by Louisiana Revised Statute 33:1816. The ordinance creating this waterworks district was dated August 16, 1989. St. Landry Waterworks District No. 2 of St. Landry Parish is governed by a five-member board of commissioners, appointed by the Police Jury, who are authorized to construct, maintain, and improve the waterworks system within the district.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. All GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

GASB Codification Section 2100 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the Police Jury is determined on the basis of the following criteria:

1. Appointment of governing board
2. Designation of management
3. Ability to significantly influence operations
4. Accountability for fiscal matters
5. Scope of public services

Because the Police Jury appoints the governing board and can influence the scope of public services, the Waterworks District was determined to be a component unit of the St. Landry Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying general purpose financial statements present information only on the funds maintained by the Waterworks District and do not present information on the St. Landry Parish Police Jury, the general government services provided by the governmental unit, or the other governmental units that comprise the governmental reporting entity.

ST. LAFAYETTE WATERWORKS DISTRICT NO. 2

COMBINED STATEMENT OF CASH FLOWS - ENTERPRISE FUND
Year Ended June 30, 1997

CASH FLOWS FROM OPERATING ACTIVITIES

| | | |
|---|----|---------------|
| Operating loss | \$ | (7,849) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | | |
| Provision for uncollectible accounts | | 350 |
| Increase in assets: | | |
| Accounts receivable | | 1976 |
| Unbilled services receivable | | 41,355 |
| Grant receivable | | (192,341) |
| Other | | 47,489 |
| Increase in liabilities: | | |
| Accounts payable | | 34,819 |
| Retainage payable | | 115,283 |
| Other payables | | 1,843 |
| Customer deposits | | 380 |
| Accrued interest payable | | 28,857 |
| | | <u>26,060</u> |

Net cash provided by operating activities \$ 26,060

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | | |
|---|---------------|----------|
| Acquisition and construction of capital assets | \$(1,781,093) | |
| Proceeds from bond issuance | 871,000 | |
| Bond insurance cost | (26,234) | |
| Proceeds from federal grant | 986,859 | |
| Increase in contributed capital from local funds | <u>5,825</u> | |
| Net cash used by capital and related financing activities | | (23,743) |

CASH FLOWS FROM INVESTING ACTIVITIES

| | | |
|--|----|---------------|
| Interest received | \$ | 1,098 |
| Purchase of certificates of deposit | | (37,512) |
| Proceeds from retirement of certificate of deposit | | <u>12,262</u> |
| Net cash used by investing activities | | (24,212) |

Net decrease in cash and cash equivalents \$ (22,895)

Cash and cash equivalents, beginning 22,579

Cash and cash equivalents, ending \$ 1,684

See Notes to Financial Statements.

12. LANEY WATERWORK DISTRICT NO. 2

COMBINED STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS - ENTERPRISE FUND
Year Ended June 30, 1997

| | | |
|--|------------|------------------|
| Operating revenues: | | |
| Charges for services | | \$ 11,816 |
| Miscellaneous | | <u>310</u> |
| | | \$ 12,126 |
| Operating expenses: | | |
| Equipment and supplies | \$ 796 | |
| Utilities | 1,912 | |
| Contract labor | 318 | |
| Board per diem | 2,808 | |
| Taxes/fees | 1,273 | |
| Contract fees | 4,889 | |
| Bad debt | 210 | |
| Office supplies | 158 | |
| Books and subscriptions | 158 | |
| Advertising | 695 | |
| Miscellaneous | <u>608</u> | <u>22,837</u> |
| Operating loss | | \$ (7,711) |
| Nonoperating revenues: | | |
| Interest income | | <u>1,800</u> |
| Net loss | | \$ (5,911) |
| Retained earnings (deficit), beginning | | <u>121,689</u> |
| Retained earnings (deficit), ending | | <u>\$115,778</u> |

See Notes to Financial Statements.

| | <u>Proprietary Fund Type</u> <u>Estimates</u> | |
|---|--|--------------------|
| LIABILITIES AND FUND EQUITY | | |
| CURRENT LIABILITIES (payable from current assets) | | |
| Accounts payable | \$ | 34,871 |
| Retainage payable | | 135,390 |
| Other payables | | <u>33,330</u> |
| Total current liabilities (payable from current assets) | \$ | 204,591 |
| CURRENT LIABILITIES (payable from restricted assets) | | |
| Customer deposits | \$ | 100 |
| Accrued interest payable | | <u>28,842</u> |
| | | 28,942 |
| NONCURRENT LIABILITIES | | |
| Revenue bonds payable | | <u>831,800</u> |
| Total liabilities | | \$1,185,310 |
| FUND EQUITY | | |
| Contributed capital: | | |
| Federal government | \$ | 404,884 |
| Local | | <u>33,144</u> |
| Total contributed capital | \$ | 440,928 |
| Retained earnings (deficit): | | |
| Unreserved | | <u>(12,942)</u> |
| Total fund equity | | <u>427,986</u> |
| Total liabilities and fund equity | | <u>\$1,613,296</u> |

ST. LOUISY WATERWORKS DISTRICT NO. 2

COMBINED BALANCE SHEET
ALL FUND TYPES
June 30, 1993

| ASSETS | <u>Proprietary Fund Type</u> <u>Receipts</u> |
|---|---|
| CURRENT ASSETS | |
| Cash and cash equivalents | \$ 1,347 |
| Accounts receivable, net of allowance for uncollectible accounts of \$150 | 514 |
| Unbilled services receivable | 1,355 |
| Grant receivable | 192,381 |
| Accrued interest receivable | 181 |
| Other receivable | <u>2,388</u> |
| Total current assets | \$ 196,966 |
| RESTRICTED ASSETS | |
| Cash and cash equivalents: | |
| Reserve fund | \$ 51 |
| Depreciation fund | 51 |
| Reserve note fund | 182 |
| Customers' deposits | 180 |
| Certificates of deposit: | |
| Reserve fund | 8,483 |
| Depreciation fund | 3,354 |
| Reserve note fund | <u>3,287</u> |
| | 35,148 |
| UNCURRENT ASSETS | |
| Bond issue costs | 26,514 |
| PLANT AND EQUIPMENT, at cost | |
| | <u>1,283,080</u> |
| Total assets | <u>\$2,836,805</u> |

See Notes to Financial Statements.

To the Board of Commissioners
St. Landry Parishes District No. 3

In accordance with Government Auditing Standards, we have also issued a report dated December 15, 1997 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of law, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Schedules" in the table of contents, including the schedule of expenditures of federal awards required by OMB Circular A-133, is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to such financial statements taken as a whole.

Ernest R. L'Amour, CPA

Crowley, Louisiana
December 15, 1997



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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
 St. Landry Waterworks District No. 2
 Careless, Louisiana

We have audited the accompanying general purpose financial statements of St. Landry Waterworks District No. 2 as of and for the year ended June 30, 1997. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Generally Accepted Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Standards of Basic Local Government and Non-Profit Organizations." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of St. Landry Waterworks District No. 2 as of June 30, 1997, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

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ST. LANDRY WATERWORKS DISTRICT NO. 2

FINANCIAL REPORT

JUNE 30, 1967

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 8-1-68