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LAWTELL WATERWORKS DISTRICT NO. ONE OF ST. LANDRY PARISH LAWTELL, LOUISIANA ANNUAL FINANCIAL REPORT FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

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 SEP 2 9 1989

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Summary of Prior Year Findings

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Joel Lanclos, Jr., CPA Russell J. Stelly, CPA Chizal S. Fontenot, CPA James L. Nicholson, Jr., CPA G. Kenneth Pavy, II, CPA Darren J. Cart, CPA Michael A. Roy, CPA

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JOHN S. DOWLING & COMPANY A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA 1904-1984

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Retired

Harold Dupre, CPA 1996 John Newton Stout, CPA 1998 Dwight Ledoux, CPA 1998

COMPILATION REPORT

The Board of Directors Lawtell Waterworks District No. One of St. Landry Parish Lawtell, Louisiana

We have compiled the accompanying general purpose financial statements of the Lawtell Waterworks District No. One of St. Landry Parish, a component unit of the St. Landry Parish Police Jury, as of June 30, 1999 and 1998, and for the years then ended, 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 information that is the representation of management. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the <u>Louisiana Governmental Audit Guide</u> and the provisions of state law, we have issued a report, dated August 23, 1999, on the results of our agreed-upon procedures.

John S. Douling & Company

Opelousas, Louisiana August 23,1999

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P. O. Box 433 4766 I-49 North Service Road Opelousas, Louisiana 70571-0433 Telephone 318-948-4848 Telefax 318-948-6109

LAWTELL WATERWORKS DISTRICT NO. ONE OF ST. LANDRY PARISH LAWTELL, LOUISIANA COMPARATIVE BALANCE SHEETS JUNE 30, 1999 AND 1998

<u>ASSETS</u>

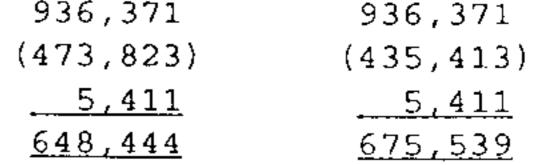
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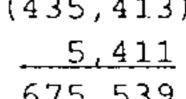
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PROPRIM		TARY FUND TYPE	
	1999	1998	
CURRENT ASSETS			
Revenue Account			
Cash in checking account	\$29,240	\$16,120	
Interest-bearing deposits	52,226	49,954	
<u>Total</u>	81,466	<u>.66,074</u>	
Revenue Bond and Interest Sinking Fund			
Cash in checking account	660	660	
Interest-bearing deposits	52,523	50,866	
Less: restricted portion	<u>(31,638</u>)	<u>(32,588</u>)	
<u>Net</u>	21,545	18,938	
Revenue Bond Reserve Fund			
Cash in checking account	20,419	19,965	
Interest-bearing deposits	33,250	31,645	
Less: restricted portion	(40,000)	<u>(40,000</u>)	
<u>Net</u>	13,669	11,610	
Replacement and Extension Fund			
Interest-bearing deposits	30,362	28,890	
Less: restricted portion	(20,000)	<u>(20,000</u>)	
<u>Net</u>	<u>10,362</u>	8,890	
Accounts receivable (net)	27,398	32,545	
Prepaid insurance	3,628	3,389	
<u>Total</u>	31,026	35,934	
<u>Total current assets</u>	<u>158,068</u>	<u> 141,446</u>	
RESTRICTED ASSETS			
Revenue Bond and Interest Sinking Fund	31,638	32,588	
Revenue Bond Reserve Fund	40,000	40,000	
Replacement and Extension Fund	20,000	20,000	
Meter Deposit Fund			
Cash in checking account	5,809	3,848	
Interest-bearing deposits	24,169	23,480	
<u>Total restricted assets</u>	<u>121,616</u>	<u>119,916</u>	
PROPERTY, PLANT, AND EQUIPMENT			
Equipment shed	2,519	2,519	
Building, parking lot and driveway	105,692	105,692	
Office furniture and fixtures	13,226	12,737	
Machinery and equipment	59,048	48,222	
Water system	936,371	936,371	

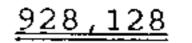
Less: accumulated depreciation Land and right-of-way Total property, plant, and equipment

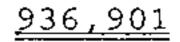




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<u>Total assets</u>





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LAWTELL WATERWORKS DISTRICT NO. ONE OF ST. LANDRY PARISH LAWTELL, LOUISIANA COMPARATIVE BALANCE SHEETS (CONTINUED) JUNE 30, 1999 AND 1998

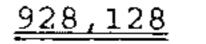
LIABILITIES AND FUND EQUITY

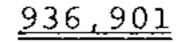
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	PROPRIETARY FUND TY	
	1999	1998
LIABILITIES		
<u>CURRENT LIABILITIES</u> (from current assets)		
Accounts payable	\$3,753	\$4,119
Payroll taxes payable	1,531	1,370
Sales taxes payable	608	<u> </u>
Total	5,892	6,169
<u>CURRENT LIABILITIES</u> (from restricted assets)		
Customer meter deposits	23,275	20,879
Revenue bonds payable - current portion	20,000	20,000
<u>Total</u>	43,275	40,879
LONG-TERM LIABILITIES		
Revenue bonds payable	245,000	265,000
Less: current portion	(20,000)	<u>(20,000</u>)
<u>Total</u>	<u>225,000</u>	<u>245,000</u>
<u>Total liabilities</u>	274,167	<u>292,048</u>
FUND EQUITY		
CONTRIBUTED CAPITAL		
Grant from state of Louisiana	<u> 90,000</u>	90,000
Total contributed capital	90,000	90,000
RETAINED EARNINGS		
Reserved for bond retirement	51,638	52,588
Reserved for replacements and extensions	20,000	20,000
Reserved for meter deposits	6,703	6,449
Unreserved	<u>485,620</u>	<u>475,816</u>
<u>Total retained earnings</u>	<u>563,961</u>	<u>554,853</u>
<u>Total fund equity</u>	<u>653,961</u>	<u>644,853</u>

Total liabilities and fund equity





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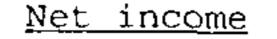
See accompanying notes and accountant's report.

LAWTELL WATERWORKS DISTRICT NO. ONE OF ST. LANDRY PARISH LAWTELL, LOUISIANA COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	PROPRIETARY FUND TYPE	
	1999	1998
<u>OPERATING REVENUES</u>		
Water sales	\$229,508	\$216,494
Water connections	7,251	6,086
Miscellaneous	320	1,466
<u>Total operating revenues</u>	<u>237,079</u>	224,046
<u>OPERATING EXPENSES</u>		
Advertising	489	304
Contract labor		170
Engineering fees	2,105	695
Bank charges	37	28
Dues and subscriptions	150	495
Legal and accounting	4,042	3,540
Meetings and conventions	1,696	1,272
Office supplies	5,879	5,931
Chemicals	15,870	9,044
Salaries	72,509	50,201
Collection of bills		5,952
Insurance - group		2,394
Insurance - other	5,744	7,389
Miscellaneous	318	285
Uniforms and laundry	1,847	
Retirement plan	3,171	400
Penalties	172	
Alarm system	382	99
Utility line clearance	431	
Repairs, maintenance and supplies	43,509	46,799
Taxes, permits and licenses	5,730	3,969
Telephone	3,347	1,794
Truck	3,861	3,006
Utilities	14,444	11,574
Depreciation	_38,410	32,708
Total operating expenses	224,143	188,049
<u>Operating income</u>	12,936	35,997
NONOPERATING REVENUES (EXPENSES)		
Interest income	8,256	9,575
Interest expense on revenue bonds	(12,084)	<u>(12,944</u>)
<u>Total nonoperating revenues (expenses)</u>	(3,828)	(3,369)
Net income	0 100	22 620

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<u>RETAINED EARNINGS</u>, beginning of year

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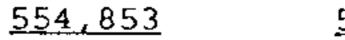
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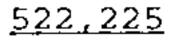
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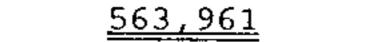
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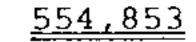
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<u>RETAINED EARNINGS</u>, end of year

See accompanying notes and accountant's report.

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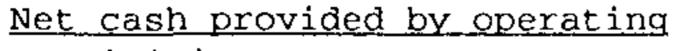
LAWTELL WATERWORKS DISTRICT NO. ONE OF ST. LANDRY PARISH LAWTELL, LOUISIANA COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

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	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$244,550	\$225,379
Cash paid to suppliers	(113,668)	(100,124)
Cash paid to employees	<u>(72,509</u>)	<u>(50,201</u>)
<u>Net cash provided by</u>		
<u>operating activities</u>	<u>58,373</u>	<u>75,054</u>
CASH FLOWS FROM CAPITAL AND RELATED		
FINANCING ACTIVITIES		
Purchase of property, plant and equipment	(11,315)	(121,933)
Interest paid on bonds	(12,084)	(12,944)
Principal paid on revenue bonds	<u>(20,000</u>)	<u>(15,000</u>)
Net cash (used) by capital and		
related financing activities	<u>(43,399</u>)	(<u>149,877</u>)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned on money market accounts	894	1,328
Certificate of deposit transfer to operations		38,582
Net cash provided by investing		
<u>activities</u>	894	<u>39,910</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,868	(34,913)
CASH AND CASH EQUIVALENTS, beginning of year	_56,830	91,743
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CASH AND CASH EQUIVALENTS, end of year	<u>72,698</u>	<u>56,830</u>
RECONCILIATION OF OPERATING INCOME TO NET		
CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ <u>12,936</u>	\$ <u>35,997</u>
Adjustments to reconcile operating income		
to net cash provided by operating activities:		
Depreciation	38,410	32,708
Changes in assets and liabilities		
(Increase) decrease in accounts receivable	5,147	49
(Increase) decrease in prepaid insurance	(239)	651
Increase (decrease) in accounts payable	(366)	4,119
Increase (decrease) in sales taxes payable	(72)	(71)
Increase (decrease) in payroll taxes payable	161	246
Increase (decrease) in customer meter deposits	2,396	1,355
<u>Total_adjustments</u>	<u>45,437</u>	39,057

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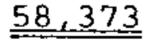
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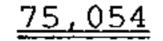


<u>activities</u>

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See accompanying notes and accountant's report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting practices of the Lawtell Waterworks District No. One conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. <u>The Reporting Entity</u>

The Lawtell Waterworks District No. One of St. Landry Parish, Louisiana was created by the St. Landry Parish Police Jury on June 8, 1965 and is a component unit of the St. Landry Parish Police Jury.

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Police Jury is the financial reporting entity for St. Landry 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 St. Landry 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.
- 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 data of the organization is not included because of the nature or significance of the relationship.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. <u>The Reporting Entity</u> (Continued)

Because the police jury appoints a voting majority of the Water District's governing body and the police jury has the ability to impose its will on the Water District, the Water District was determined to be a component unit of the St. Landry Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Water District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

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B. <u>Fund Accounting</u>

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The accounts of the Lawtell Waterworks District No. One are organized in one

fund, which is considered a separate accounting entity. The operations of the fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses. The fund presented in the financial statements is described as follows:

<u>Proprietary Fund Type - Enterprise Fund</u>. The Enterprise Fund is 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.

C. <u>Basis of Accounting</u>

All Proprietary Funds are accounted for on a flow of economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity 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) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of

the measurement focus applied.

All Proprietary Funds 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. Revenues consist primarily of water sales which are recognized when earned. Other revenues are recorded when received because they are generally not measurable until actually received. Investment earnings are recorded as earned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. <u>Basis of Accounting</u> (Continued)

Purchases of various operating supplies are regarded as expenditures at the time purchased and inventories of such supplies (if any) are not recorded as assets at the close of year-end, unless material.

D. <u>Cash and Investments</u>

Louisiana statutes authorize the Water District to invest in United States bonds, treasury notes or certificates of deposit in state or national banks, or any other federally insured investment. Interest-bearing deposits are stated at cost, plus accrued interest to June 30, 1999 which approximates market. Interest-bearing accounts include certificates of deposit, money market accounts, and interest-bearing checking accounts.

E. <u>Fixed Assets</u>

Property, plant, and equipment, including infrastructure assets, (which constitute assets of the Proprietary Fund) are recorded at cost and depreciation is computed under the straight-line method and the declining balance method over the estimated useful lives of the respective assets. Interest cost incurred during construction, if any, are not capitalized. The service lives by type of asset are as follows:

Water system	40 years
Machinery and equipment	5-10 years
Equipment shed	15 years
Administration building	39 years
Parking lot and driveway	15 years
Office furniture and fixtures	5-7 years

F. Budgets and Budgetary Accounting

The Lawtell Waterworks District No. One is not required to adopt a budget for its Proprietary Fund.

G. <u>Statements of Cash Flows</u>

For the purpose of reporting cash flows all highly liquid investments with a maturity at purchase date of three months or less are considered to be cash equivalents.

Lawtell Waterworks District No. One does not employ the encumbrance system of accounting.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Vacation and Sick Leave

Full-time employees of Lawtell Waterworks District No. One earn three weeks of vacation per year and take sick leave as it is needed. There is no formal policy on carrying over leave time not used.

J. <u>Bad Debts</u>

Lawtell Waterworks District No. One has a policy of recognizing uncollectible amounts of water billings at the time information becomes available which would indicate the uncollectibility of the receivable. Uncollectible accounts are recognized and written off as bad debts after one year.

K. <u>Pensions</u>

The District's employees do not belong to any state pension plan, but are contributing to Social Security.

NOTE 2 - CASH

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At June 30, 1999, the carrying amount of Lawtell Waterworks' deposits totaled \$290,012 and the bank balances totaled \$291,090.

At June 30, 1998, the carrying amount of Lawtell Waterworks' deposits totaled \$264,859 and the bank balances totaled \$265,915.

NOTE 3 - ACCOUNTS RECEIVABLE

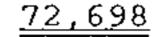
The accounts receivable of the Lawtell Waterworks District No. One consist of uncollected billed and unbilled utility services as shown below:

	<u> 1999 </u>	1998
Uncollected billed receivable	\$22,856	\$27,465
Unbilled receivable	5,385	<u>5,923</u>
	28,241	33,388
Allowance for doubtful accounts	<u>(843</u>)	(843)
	<u>27,398</u>	<u>32,545</u>

NOTE 4 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at each balance sheet date are made up of the following accounts:

	1999	1998
Revenue Account		
Cash in checking account	\$29,240	\$16,120
Revenue Bond and Interest Sinking Fund		
Cash in checking account	660	660
Revenue Bond Reserve Fund		
Cash in checking account	20,419	19,965
Meter Deposit Fund		
Cash in checking account	5,809	3,848
Cash in money market accounts	<u>16,570</u>	<u>16,237</u>



<u>56,830</u>

NOTE 5 ~ <u>RESTRICTED ASSETS</u>

Revenue Bond and Interest Sinking Fund

This Fund, as required by the Bond Resolution, is used for the annual payment of principal and the semi-annual payment of interest on the outstanding bonds. This is accomplished by transferring from the Operating Fund, monthly in advance, on or before the fifteenth day of each month, a sum equal to onesixth of the amount of the semi-annual interest due January 1 and July 1, and one-twelfth of the amount of annual principal due January 1.

Revenue Bond Reserve Fund

This Fund, as required by the Bond Resolution, is established for the purpose of paying the principal and interest on the bonds payable from the above mentioned Revenue Bond and Interest Sinking Fund, when monies in that Fund are not sufficient to pay. Monies are to be transferred into this Fund from the Operating Fund. These monies are a sum equal to 20% of that sum transferred to the Revenue Bond and Interest Sinking Fund until such time as the Fund shall equal \$40,000 and, thereafter, as may be necessary to maintain said reserve at \$40,000.

Replacement and Extension Fund

This account was established by depositing in the bank from the Operating Fund a sum of \$200 per month until the balance in the Fund equals \$20,000 and, thereafter, as may be necessary to maintain the \$20,000 balance. The monies in the Fund may be withdrawn and used for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, replacements, extensions and paying the costs of improvements to the system which will either enhance its revenue-producing capacity or provide a higher degree of service. Also, in the event the available balance in the Revenue Bond and

NOTE 5 - <u>RESTRICTED ASSETS</u> (Continued)

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Interest Sinking Fund and/or the Revenue Bond Reserve Fund shall at any principal or interest payment date be insufficient to pay the next installment of principal and/or interest and to maintain the required reserve of \$40,000, transfers from this Fund shall be made to eliminate the deficiencies.

NOTE 6 - PROPERTY, PLANT, AND EQUIPMENT

The following is a summary of the property, plant, and equipment of the Proprietary Fund at June 30, 1999:

Description	Life in		Accumulated		Depreciation
<u>of Property</u>	Years	<u>Basis</u>	<u>Depreciation</u>	<u>Net</u>	<u>This Year</u>
Water system	40	\$936,371	\$419,590	\$516,781	\$23,410
Machinery and					
equipment	5-10	59,048	40,853	18,195	6,384
Equipment shed	15	2,519	2,519		
Land		5,411		5,411	
Administration					
building	39	83,298	2,760	80,538	2,136
Parking lot and					
driveway	15	22,394	2,724	19,670	2,186
Office furniture					
and fixtures	5-7	13,226	<u> </u>	7,849	4,294
<u>Totals</u>		<u>1,122,267</u>	<u>473,823</u>	648,444	<u>38,410</u>

The following is a summary of the property, plant, and equipment of the Proprietary Fund at June 30, 1998:

Description	Life in		Accumulated		Depreciation
<u>of Property</u>	<u>Years</u>	<u>Basis</u>	<u>Depreciation</u>	Net	<u>This Year</u>
Water system	40	\$936,371	\$396,180	\$540,191	\$23,410
Machinery and					
equipment	5-10	48,222	34,469	13,753	7,053
Equipment shed	15	2,519	2,519		
Land		5,411		5,411	
Administration					
building	39	83,298	624	82,674	624
Parking lot and					
driveway	15	22,394	538	21,856	538
Office furniture	1				
and fixtures	5-7	12,737	<u> 1,083</u>	11,654	1,083
<u>Totals</u>		<u>1,110,952</u>	<u>435,413</u>	<u>675,539</u>	<u>32,708</u>

NOTE 7 - BONDS PAYABLE

The original amount of the bond issue was \$470,000. The bonds are negotiable interest-bearing coupon bonds dated January 1, 1970, and are numbered 1 to 106, inclusive, and in denominations of \$1,000 and \$5,000. The bonds bear interest at 4.75%. Interest is payable semi-annually on January 1 and July 1 of each year. The bonds mature serially in stated amounts on each January 1 from 1972 to 2009, inclusive.

A summary of changes in bonds payable is as follows:

Balance of bonds payable,	July 1, 1997	\$280,000
Payment, January 1, 1998	3	<u>(15,000</u>)

Balance of bonds payable, July 1, 1998	265,000
Payment, January 1, 1999	<u>(20,000</u>)
Balance of bonds payable, June 30, 1999	<u>245,000</u>

The annual requirements to retire bonds payable at June 30, 1999 are as follows:

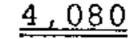
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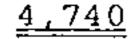
Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$20,000	\$11,637	\$31,637
2001	20,000	10,688	30,688
2002	20,000	9,737	29,737
2003	20,000	8,788	28,788
2004	25,000	7,838	32,838
2005-2009	140,000	20,664	<u>160,664</u>
	<u>245,000</u>	<u>69,352</u>	<u>314,352</u>

NOTE 8 - BOARD MEMBERS' COMPENSATION

Compensation paid to board members is summarized below:

Board Members	1999	1998
Curtis Miller	\$840	\$960
James Bourgeois	840	900
Lorella Marshall	780	960
Lee Ann Kidder	840	960
Calvin Thibodeaux	<u>780</u>	. 960





NOTE 9 - WATER RATES

The water rate schedule (per month) for commercial and individual customers for the year ending June 30, 1999 are as follows:

First 2,000 gallons All over 2,000 gallons

\$9.00 (minimum)
2.00 per 1,000 gallons

NOTE 10 - FUND EQUITY

The District did not have negative retained earnings at June 30, 1999 or June 30, 1998.

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Joel Lancios, Jr., CPA Russell J. Stelly, CPA Chizal S. Fontenot, CPA James L. Nicholson, Jr., CPA G. Kenneth Pavy, II, CPA Darren J. Cart, CPA Michael A. Roy, CPA



JOHN S. DOWLING & COMPANY A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA 1904-1984

Retired

Harold Dupre, CPA 1996 John Newton Stout, CPA 1998 Dwight Ledoux, CPA 1998

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Directors Lawtell Waterworks District No. One of St. Landry Parish Lawtell, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Lawtell Waterworks District No. One of St. Landry Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Lawtell Waterworks District No. One's compliance with certain laws and regulations during the year ended June 30, 1999 included in the accompanying Louisiana Attestation 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 materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000.

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 LSA-RS 42:1101-1124 (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.

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

Management provided us with the required list.

Determine whether any of those employees included in the listing obtained from 4. management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members. P. O. Box 433 4766 I-49 North Service Road Opelousas, Louisiana 70571-0433 Telephone 318-948-4848 Telefax 318-948-6109

The Board of Directors Lawtell Waterworks District No. One of St. Landry Parish

None of the employees included on the list of employees provided by management {agreed-upon procedure (3)} appeared on the list provided by management in agreed-upon procedures (2).

Budgeting

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

The Lawtell Waterworks District No. One is not required to adopt a budget because it is a Proprietary Fund.

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

Not applicable.

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%.

Not applicable.

Accounting and Reporting

- 8. Randomly select 6 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 payment was for the proper amount and made to the correct payee.

(b) Determine if payments were properly coded to the correct fund and general leger account; and

Payments were properly coded to the correct fund and general ledger account.

(c) Determine whether payments received approval from proper authorities.

Payments were approved by the Board of Directors in the process of approving invoices and signing checks for payment of invoices.

<u>Meetings</u>

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open

meetings law).

Lawtell Waterworks District is only required to post a notice of each meeting and the accompanying agenda at the District's office. We observed such posting.

The Board of Directors Lawtell Waterworks District No. One of St. Landry Parish

<u>Debt</u>

10. 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 Bonuses

11. 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.

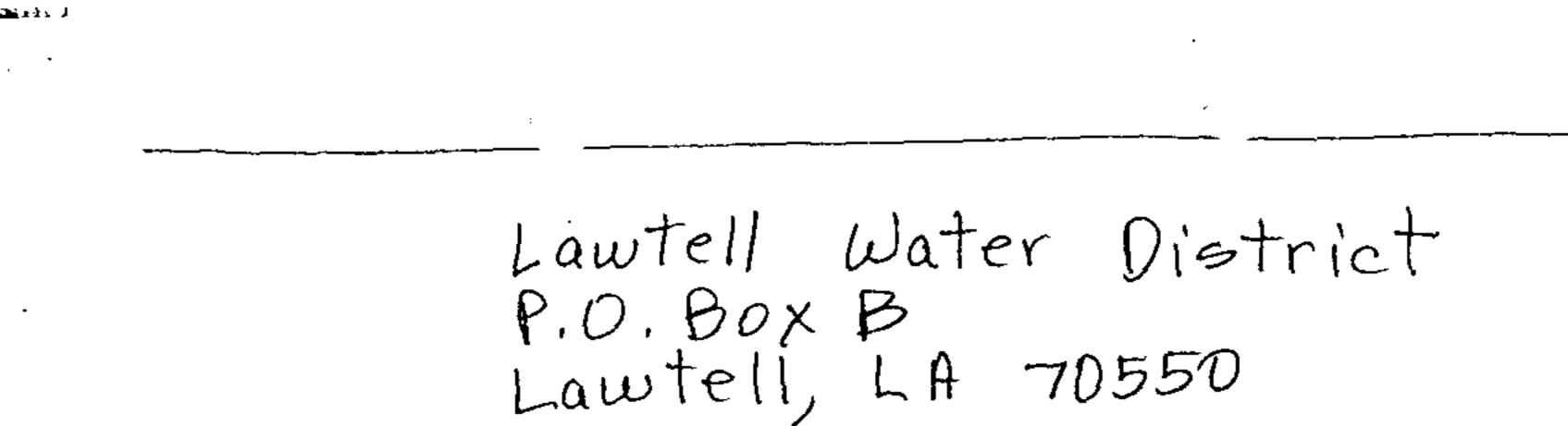
A reading of the minutes of Lawtell Waterworks District No. One for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

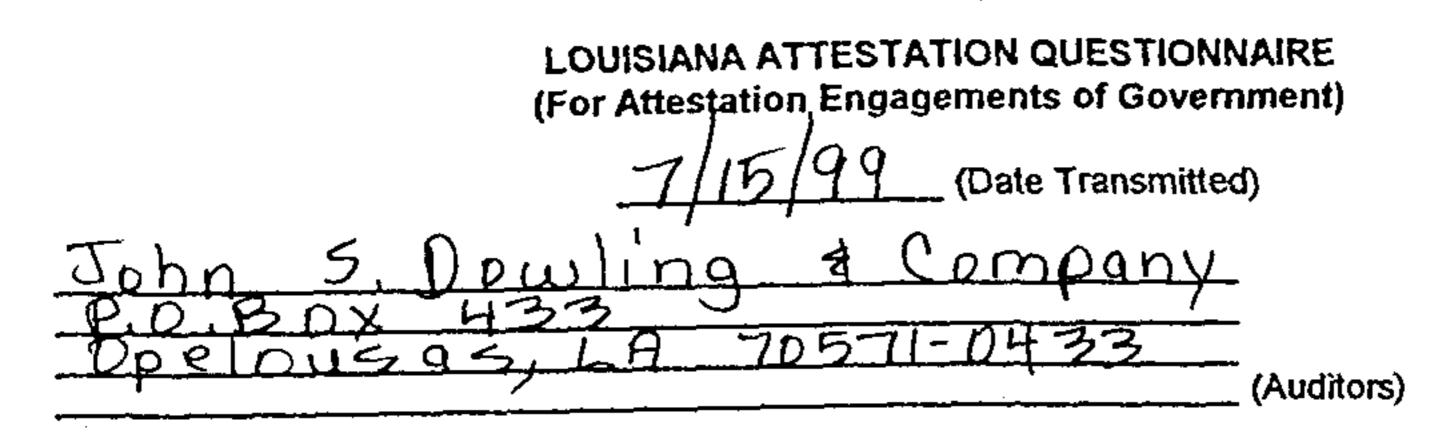
We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have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

This report is intended solely for the use of management of Lawtell Waterworks District No. One of St. Landry 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 sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

m S. Dowling & Company

Opelousas, Louisiana August 23, 1999





In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations with the following laws and regulations.

These representations are based on the information available to us as of (date of 7/15/99 completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes 🔀 No [.]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124. Yes [V] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [X] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [X No []

LOUISIANA GOVERNMENTAL AUDIT GUIDE

Revised 1/1998

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Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes 📈 No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513. Yes [>>] No [

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12. Yes M No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65. Yes [>] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes 🔀 No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of

your report.		, ,	
Calm Leul 1000	_Secretary_	7/15/99	_Date
Calm' Den Thtos	Treasurer	7/15/99	Date
		- Cope - for the form	
Lacella L. Marchall	_President	7/15/99	Date

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Revised 1/1998

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LAWTELL WATERWORKS DISTRICT NO. ONE OF ST. LANDRY PARISH LAWTELL, LOUISIANA SUMMARY OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED JUNE 30, 1999

FINDINGS - APPLYING AGREED-UPON PROCEDURES

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There were no findings in the prior year report.

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