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FINANCIAL REPORT OF THE  
MORRELL-VEDEUSE WATER DISTRICT  
Evangeline Parish, Louisiana  
FOR THE YEAR ENDED  
DECEMBER 31, 1983

Under provisions of state law, this report is a public document. Copies of the report have been submitted to the press and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 7-21-84

## TABLE OF CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT .....	1
COMPONENT UNIT FINANCIAL STATEMENTS: (Combined Statement Overview)	
Comparative Balance Sheet - Proprietary Fund Type .....	2 - 3
Comparative Statement of Income and Retained Earnings - Proprietary Fund Type .....	4
Comparative Statement of Cash Flows - Proprietary Fund Type .....	5
Notes to Financial Statements .....	6 - 11
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS .....	12 - 13
SCHEDULE OF FINDINGS .....	14
SCHEDULE OF PRIOR YEAR FINDINGS .....	15
MANAGEMENT'S CORRECTIVE ACTION PLAN .....	16
SUPPLEMENTAL LETTER .....	17 - 18

# MICHAEL W. JOHNSON

*Certified Public Accountant*  
A PROFESSIONAL CORPORATION  
100 NORTH 11th Street - Post Office Box 502  
SLATKIN, LOUISIANA 70588  
Phone (225) 457-7201 • Fax (225) 457-7200

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of Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Reddell-Vidrine Water District  
Evangeline Parish, Louisiana

I have audited the accompanying component unit financial statements of the Reddell-Vidrine Water District, Evangeline Parish, Louisiana, as of and for the year ended December 31, 2003, as listed in the table of contents. These component unit financial statements are the responsibility of the Reddell-Vidrine Water District's management. My responsibility is to express an opinion on these component unit financial statements based on my audit.

I conducted my 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. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Reddell-Vidrine Water District, Evangeline Parish, Louisiana, as of December 31, 2003, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated June 21, 2004, on my consideration of the Reddell-Vidrine Water District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

  
Michael W. Johnson  
Certified Public Accountant

Slatkin, Louisiana  
June 21, 2004

**COMPONENT UNIT FINANCIAL STATEMENTS**

(Combined Statement Overview)

**REDDELL-VIOLINE WATER DISTRICT  
OF EVANGELINE PARISH, LOUISIANA**

**Comparative Comparative Unit Balance Sheet, Proprietary Fund Type --  
As of December 31, 2001 and 2000**

ASSETS	PROPRIETARY FUND	
	2001	2000
<b>CURRENT ASSETS</b>		
Cash on Deposit		
Checking	\$ 13,403	\$ 10,948
Savings	35,215	48,157
Certificates of Deposit	40,866	38,812
Less Restricted Cash	(28,078)	(29,473)
Total Cash Available	\$ 61,406	\$ 68,444
Accounts Receivable - Water	\$ 20,000	\$ 18,450
Total Current Assets	\$ 81,406	\$ 86,894
<b>RESTRICTED CASH</b>		
Cash for Bond Sinking Fund	\$ 21,108	\$ 20,770
Cash for Bond Reserve Fund	23,880	22,250
Cash for Depreciation & Contingency	3,581	2,900
Cash for Security Deposits	(2,202)	8,348
Total Restricted Cash	\$ 46,367	\$ 54,268
<b>PLANT &amp; EQUIPMENT AT COST</b>		
Land	\$ 24,000	\$ 24,000
Buildings & Equipment	173,247	169,247
Water System	635,642	619,642
Total Plant & Equipment	\$ 832,889	\$ 812,889
Less Accumulated Depreciation	(612,907)	(616,143)
Net Plant & Equipment	\$ 219,982	\$ 196,746
<b>OTHER ASSETS</b>		
Security Deposits	\$ _____	\$ _____
<b>TOTAL ASSETS</b>	<b>\$688,265</b>	<b>\$645,618</b>

The accompanying notes are an integral part of this statement.

(Continued)

**REDDILL-WIDRINE WATER DISTRICT**  
**OF EVANGELINE PARISH, LOUISIANA**

**Comparative Component Cash Balance Sheet, Proprietary Fund Type -**  
**As of December 31, 2003 and 2002**

(Continued)

	<b>PROPRIETARY</b>	
	<b>FUND</b>	
	<b>2003</b>	<b>2002</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 3,794	\$ 3,293
Taxes Payable	1,577	1,833
Interest Payable	608	558
FFA Note #1 - Current Portion	-	-
FFA Note #2 - Current Portion	-	-
FFA Note #3 - Current Portion	3,027	3,868
Total Current Liabilities	<u>\$ 10,028</u>	<u>\$ 10,271</u>
<b>LIABILITIES FROM RESTRICTED</b>		
<b>ASSETS</b>		
Security Deposits Payable	\$ 8,000	\$ 8,000
<b>LONG-TERM DEBT (NOTE 2)</b>		
FFA Note #1	\$ 82,000	\$ 73,000
FFA Note #2	15,000	11,000
FFA Note #3	208,000	280,000
Total Long-Term Liabilities	<u>\$ 305,000</u>	<u>\$ 364,000</u>
Total Liabilities	<u>\$ 315,028</u>	<u>\$ 374,271</u>
<b>EQUITY</b>		
Memberships	\$ 8,150	\$ 8,150
Retained Earnings	308,056	302,940
Total Equity	<u>\$ 316,206</u>	<u>\$ 311,090</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 631,234</b>	<b>\$ 685,361</b>

The accompanying notes are an integral part of this statement.

**HEWLETT-WINDING WATER DISTRICT**  
**COMPARATIVE STATEMENT OF COMPONENT UNIT REVENUES,**  
**EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**For the Years Ended December 31, 2002 and 2001**

	12 Months Ended 2002	12 Months Ended 2001
<b>REVENUES</b>		
Water Sales and Late Fees	\$181,542	\$181,770
Commissions, Installations & Miscellaneous	1,028	18,208
Total Revenues	<u>\$182,570</u>	<u>\$200,000</u>
<b>EXPENSES</b>		
Accounting	\$ 1,100	\$ 1,400
Advertising	247	168
Bond Debts	0-	1
Bank Service Charges	87	32
Computer Supplies	0-	103
Depreciation	21,425	19,298
Insurance	426	414
Fees & Fonnin	1,115	1,084
Fuel & Truck Expense	4,491	2,180
Interest	14,912	12,433
Legal	1,288	180
Miscellaneous	628	98
Office Expense & Postage	1,424	1,267
Repairs	10,694	8,000
Salaries & Wages	18,298	15,558
Supplies	17,517	14,291
Tax Dept	3,000	3,288
Payroll Taxes	4,301	5,813
Rent Expense	1,800	2,000
Telephone	4,155	3,673
Utilities	21,188	18,289
Total Expenses	<u>\$112,288</u>	<u>\$122,117</u>
Operating Income (Loss)	<u>\$ 70,282</u>	<u>\$ 77,883</u>
<b>Other Financing Sources/Uses</b>		
Interest Revenue	\$ 1,464	\$ 1,136
Interest Expense	<u>(11,868)</u>	<u>(11,862)</u>
Total Other Financing Sources/Uses	<u>\$ (10,404)</u>	<u>\$ (10,726)</u>
Net Income (Loss)	<u>\$ 59,878</u>	<u>\$ 67,157</u>
Beginning Retained Earnings	<u>\$18,641</u>	<u>\$28,118</u>
Ending Retained Earnings	<u>\$78,526</u>	<u>\$95,275</u>

The accompanying notes are an integral part of this statement.

**REDELL-VIOLINE WATER DISTRICT**  
**COMPARATIVE STATEMENT OF COMPONENT UNIT CASH FLOWS**  
**PROPRIETARY FUND TYPE**  
**FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	2003	2002
<b>Cash flows from operating activities</b>		
Net income (Loss) from operating activities	\$ 7,081	\$ 33,763
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	\$ 21,833	\$ 19,286
(Increase/Decrease in Receivables)	(3,771)	(3,258)
Increase/Decrease in Payables	1,244	(1,248)
Increase/Decrease in Water Deposits	621	3,181
Total Adjustments	<u>\$ 19,327</u>	<u>\$ 18,062</u>
Net cash provided by operating activities	<u>\$ 26,408</u>	<u>\$ 51,825</u>
<b>Cash flows from capital and related financing activities</b>		
Payments for property, plant & equipment	\$ (6,600)	\$ (11,600)
New Principals payments	(15,871)	(13,438)
Loan Proceeds	<u>2,139</u>	<u>0</u>
Net cash provided/(used) by investing activities	<u>\$ (18,332)</u>	<u>\$ (25,038)</u>
<b>Cash flows from investing activities</b>		
Interest Received	\$ 1,866	\$ 2,326
Interest Paid	<u>(12,686)</u>	<u>(11,982)</u>
Net cash provided (used) by investing activities	<u>\$ (10,820)</u>	<u>\$ (9,656)</u>
Net increase/(decrease) in cash and cash equivalents	\$ (1,342)	\$ 16,811
Cash and cash equivalents at beginning of year	<u>111,211</u>	<u>94,401</u>
Cash and cash equivalents at end of year	<u>\$112,531</u>	<u>\$112,511</u>

The accompanying notes are an integral part of this statement.



**RODDELL-VIENNE WATER DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS OF DECEMBER 31, 2003**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Roddell-Vienne Water District of Evangeline Parish, Louisiana was created by the Evangeline Parish Police Jury on July 14, 1967, and is governed by five board members appointed by the Evangeline Parish Police Jury.

**Basis of Presentation**

The accompanying component unit financial statements of the Roddell-Vienne Water District of Evangeline Parish, Louisiana 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 established governmental units.

**Reporting Entity**

GASB Codification Section 2100 established criteria for determining the governmental reporting entity and component units that should be included with 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 service

Because the Evangeline Parish Police Jury appoints the governing board and controls the scope of public service, the district was determined to be a component unit of the Evangeline Parish Police Jury, the governing body of the parish and the governmental body with the oversight responsibility.

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 that governmental unit, or the other governmental units that comprise the governmental reporting entity.

**REDDILL-VIDRINE WATER DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

Fund Accounting

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

Basis of Accounting

A proprietary fund is used to account for the operation of the water system.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Proprietary Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

Depreciation of all exhaustible fixed assets used by Proprietary Funds is charged as an expense against their operations, accumulated depreciation is reported on Proprietary Fund Balance Sheets. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Water System	50 Years
Wells	50 Years
Meters	50 Years
Line Extensions	50 Years
Buildings and Equipment	5 - 50 Years

**REDBELL-VIDRINE WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**NOTE B – PROPERTY, PLANT, AND EQUIPMENT**

A summary of Proprietary Fund Type property, plant, and equipment at December 31, 2003 follows:

Land	\$ 24,500
Buildings and Equipment	115,247
Water Systems	<u>623,642</u>
Total	\$759,389
Less: Accumulated Depreciation	(202,987)
Net	<u>\$556,402</u>

**NOTE C – PROPRIETARY FUND DEBT**

**FHA Note #1:**

\$250,000 of Water Revenue Bonds, Series 1969, bearing interest at the rate of 5% per annum payable annually on January 1<sup>st</sup> of each year.

The annual requirement to amortize this debt outstanding as of December 31, 2003 are as follows:

Year Ending December 31	Amount
2004	\$ -0-
2005	11,000
2006	12,000
2007	13,000
2008	13,000
2009	13,000
Total	<u>\$62,000</u>

**FHA Note #2**

\$25,000 of Water Revenue Bonds, Series 1974, bearing interest at the rate of 5% per annum payable annually on January 1<sup>st</sup> of each year.

**REDDLE-VIBRINE WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS, CONTINUED**

The annual requirements to amortize this debt outstanding at December 31, 2003 are as follows:

Year Ending December 31	Amount
2004	\$ -0-
2005	1,000
2006	1,000
2007	1,000
2008	1,000
2009-2014	<u>5,000</u>
Total	<u>\$10,000</u>

**FHA Note #3:**

\$225,000 Water Revenue Bonds, Series 1998, bearing interest at the rate of 4 7/8 % per annum. Payments of \$1,857.50 will be due on the 11<sup>th</sup> day of each month beginning June 11, 1999 through May 11, 2008. As of December 31, 2003, \$225,000 of the \$225,000 bond issue had been advanced to the District.

The annual requirements to amortize this debt are as follows:

Year Ending December 31	Amount
2004	\$ 3,027
2005	3,257
2006	3,415
2007	3,580
2008	3,750
2009-2018	<u>186,020</u>
Total	<u>\$203,029</u>

**NOTE D - SCHEDULE OF COMPENSATION PAID TO COMMISSIONERS**

Name of Commissioner	Amount
Haley Vidrine	\$ 600
Shane LaFleur	500
Daryl McGee	600
Peter Miller	700
Scott Deshotel	<u>1,700</u>
Total	<u>\$4,100</u>

**REDDILL-VIADRINE WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**NOTE E – COLLATERALIZATION OF CASH**

Bank Balances at December 31, 2003	\$111,534
Less Amount Insured by FDIC	(100,000)
Less Amount Collateralized with securities pledged in the District's name	(1,202,511)
Uninsured/Uncollateralized Bank Balances at December 31, 2003	\$ <u>        </u>

The District's cash was adequately collateralized at December 31, 2003.

**NOTE F – LITIGATION**

In the opinion of the District's attorney, the claims and potential claims against the District not covered by insurance would not materially affect the Financial Statements of the District.

**NOTE G – STATEMENT OF CASH FLOWS**

The statement of cash flows included in the accompanying component unit financial statements presents cash and cash equivalents at the beginning and end of the period. Cash equivalents are defined as short-term, highly liquid investments that are both:

- Readily convertible to known amounts of cash.
- So near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

The statement of cash flows focuses on cash receipts and cash payments resulting from operating, non capital financing, capital and related financing, or investing activities.

Operating activities generally result from providing services and producing and delivering goods, and include all transactions and other events that are not defined as investing activities. Cash flows from operating activities generally are the cash effects of transactions and other events that enter into the determination of operating income.

Non capital financing activities include borrowing money for purposes other than to acquire, construct, or improve capital assets and repaying those amounts borrowed, including interest. This category includes proceeds from all borrowings (such as revenue anticipation notes) not clearly attributable to acquisition, construction or improvement of capital assets, regardless of the form of the borrowing. Also, included are certain other interfund and intergovernmental receipts and payments.

**REDELL-VIEBINE WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS, CONTINUED**

Capital and related financing activities include (a) acquiring and disposing of capital assets used in providing services or producing goods, (b) borrowing money for acquiring, constructing, or improving capital assets and repaying the amounts borrowed, including interest, and (c) paying for capital assets obtained from vendors on credit.

Investing activities include making and collecting loans and acquiring and disposing of debt or equity instruments.

# MICHAEL W. JOHNSON

*Certified Public Accountant*  
A PROFESSIONAL CORPORATION  
101 North 11th Street - Post Office Box 620  
MONROE, LOUISIANA 70002  
Phone (225) 487-7941 - Fax (225) 487-7941

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OF  
CERTIFIED COST ACCOUNTANTS

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

To the Board of Commissioners  
Reddell-Vidrine Water District  
Ville Platte, Louisiana

I have audited the financial statements of Reddell-Vidrine Water District, Evangeline Parish, Louisiana as of and for the year ended December 31, 2003, and have issued my report thereon dated June 21, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America 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 Reddell-Vidrine Water District's financial statements are free of material misstatement, I 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 those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered Reddell-Vidrine Water District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Reddell-Vidrine Water District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as item 3000-1.

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. My consideration of the internal control over financial reporting 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 of the reportable conditions described above, I do not consider any to be a material weakness.

This report is intended solely for the information and use of management, the commission members, and the Legislative Auditor and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Michael W. Johnson*  
Michael W. Johnson  
Certified Public Accountant

Baton Rouge, Louisiana  
June 21, 2004



**REDELL-VIDRINE WATER DISTRICT**  
**SCHEDULE OF FINDINGS**  
**For the Year Ended December 31, 2003**

I have audited the financial statements of Redell-VIDRINE Water District, Evangeline Parish, Louisiana as of and for the year ended December 31, 2003, and have issued my report thereon dated June 21, 2004. I conducted my 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. My audit of the financial statements as of December 31, 2003 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

- a. **Report on Internal Control and Compliance Material to the Financial Statements**

**Internal Control**

Material Weaknesses        Yes   X   No

Reportable Conditions   X   Yes        No

**Compliance**

Compliance Material to Financial Statements        Yes   X   No

**Section II Financial Statement Findings**

**2003-1. Inadequate Segregation of Duties**

**Finding:** The segregation of duties is inadequate to provide effective internal control.

**Cause:** The condition is due to economic and space limitations.

**Recommendation:** No action is recommended.

**SCHEDULE OF PRIOR YEAR FINDINGS**  
**For the Year Ended December 31, 2003**

**SECTION I. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE  
FINANCIAL STATEMENTS**

No Findings.

**REDELL-VIBRINE WATER DISTRICT  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
For the Year Ended December 31, 2003**

**SECTION I. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE  
FINANCIAL STATEMENT**

No Findings.

# MICHAEL W. JOHNSON

*Chartered Public Accountant*  
(A PROFESSIONAL CORPORATION)  
100 South 7th Street - Post Office Box 1019  
Baton Rouge, Louisiana 70801  
Phone (225) 487-7881 • Fax (225) 487-7881

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To the Board of Commissioners:  
Boddehl - Vidrine Water District  
Evangeline Parish, Louisiana

I have audited the financial statements of Boddehl - Vidrine Water District for the year ended December 31, 2003, and have issued my report thereon dated June 21, 2004. As part of my audit I made a study and evaluation of the district's system of internal accounting control to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of my study and evaluation was necessary for expressing an opinion on the district's financial statements. My study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of Boddehl - Vidrine Water District is responsible for establishing and maintaining a system of internal accounting control. In fulfilling that responsibility, estimates, and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with procedures may deteriorate.

My study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, I do not express an opinion on the system of internal accounting control of Boddehl - Vidrine Water District taken as a whole. However, my study and evaluation disclosed no condition that I believed to be a material weakness.

Buildell - Vidette Water District has insurance coverage of the following types, amounts, and expiration dates:

TYPE	AMOUNT	EXPIRATION DATE
General Liability	\$ 1,000,000	11/05
Property	198,000	11/05
Employee Dishonesty	10,000	11/05
Business Auto	1,000,000	2/1/05
Worker's Compensation	100500/100	4/1/05

Accounts Receivable were aged as follows:

0-30 days	\$13,318
31-60 days	2,471
61-90 days	901
Over 90 days	<u>1,810</u>
	<u>\$20,500</u>

The district has 748 residential and 36 commercial customers.

The water rates are as follows:

#### COMMERCIAL & RESIDENTIAL RATES

FLAT RATE FOR 1/2 INCH:	\$32.00
FLAT RATE FOR 1 INCH:	\$38.00
FLAT RATE FOR 1 1/2 INCH:	\$95.00
FLAT RATE FOR 3 INCH:	\$40.00

0-2000 GALLONS:	FLAT RATE
2000-4000 GALLONS:	\$ 20 PER 100 GALLONS
4000-6000 GALLONS:	\$ 24 PER 100 GALLONS
6000-10,000 GALLONS:	\$ 31 PER 100 GALLONS
10,000 AND UP:	\$ 655 PER 100 GALLONS

This report is intended solely for the use of management and the Office of Bond Development and should not be used for any other purpose.

*Michael W. Johnson*  
 Michael W. Johnson  
 Certified Public Accountant  
 Eunice, LA 70533  
 June 21, 2004