

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
A COMPONENT UNIT OF THE BIENVILLE PARISH POLICE JURY
BIENVILLE, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS
AND ACCOUNTANT'S COMPILATION REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 11-10-04

KENNETH D. FOLDEN & CO.

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**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
A COMPONENT UNIT OF THE BIENVILLE PARISH POLICE JURY
Bienville, Louisiana**

**General Purpose Financial Statements
And Accountant's Compilation Report
As of and for the Year Ended June 30, 2004**

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SHILOH WATERWORKS DISTRICT

Willie Blow, President
Willie Logan, Secretary

ROUTE 1, BOX 48AA
BIENVILLE, LA 71008
(318) 263-2676

Joseph Nash
Dallas R. Davis
Michael Rhodes

TRANSMITTAL LETTER

GENERAL PURPOSE FINANCIAL STATEMENTS

September 22, 2004

Office of Legislative Auditor
Post Office Box 94397
1600 North Third
Baton Rouge, LA 70804-9397

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Shiloh Waterworks District of Bienville Parish, a component unit of the Bienville Parish Police Jury, as of and for the fiscal year ended June 30, 2004. These statements include all funds under the control and oversight of the Shiloh Waterworks District of Bienville Parish. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,


Willie Blow, President
Shiloh Waterworks District
of Bienville Parish

Enclosure

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
BIENVILLE PARISH POLICE JURY
Bienville, Louisiana

ANNUAL SWORN GENERAL PURPOSE FINANCIAL STATEMENTS
AND CERTIFICATION OF REVENUES \$50,000 OR LESS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Office of Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513 (1)(1)(c)(i).

AFFIDAVIT AND REVENUE CERTIFICATION

Personally came and appeared before the undersigned authority, Willie Blow, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Shiloh Waterworks District of Bienville Parish, a component unit of the Bienville Parish Police Jury, as of June 30, 2004, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Willie Blow, who duly sworn, deposes and says that Shiloh Waterworks District of Bienville Parish received \$50,000 or less in revenue and other sources for the year ended June 30, 2004, and accordingly, is not required to have an audit for the previously mentioned year.


Signature

Sworn to and subscribed before me, this 22nd day of September 2004.


NOTARY PUBLIC

Shiloh Waterworks District of Bienville Parish
Willie Blow, President
Rt. 1, Box 48 - AA
Bienville, LA 71008
(318) 263-2667

Kenneth D. Folden & Co.

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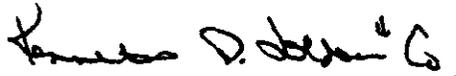
Members
American Institute of
Certified Public Accountants

ACCOUNTANT'S COMPILATION REPORT

Shiloh Waterworks District
Rt. 1, Box 48 - AA
Bienville, LA 71008

We have compiled the accompanying balance sheet of Shiloh Waterworks District of Bienville Parish as of June 30, 2004, and the related statements of revenues and expenses and cash flows for the year then ended, in accordance with the 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 financial statements and, accordingly, do not express an opinion or any other form of assurances on them.



KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
September 22, 2004

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
 BIENVILLE PARISH POLICE JURY
 Bienville, Louisiana

Statement A

BALANCE SHEET - PROPRIETARY FUND - ENTERPRISE FUND TYPE
 June 30, 2004

Assets:	
Current assets:	
Cash	\$ 11,538
Accounts receivable	1,860
Allowance for doubtful accounts	<u>(175)</u>
<i>Total current assets</i>	<u>13,223</u>
Restricted assets:	
Customer meter deposits	1,903
Bond reserve cash	2,625
Depreciation and contingency cash	3,872
Deposits	<u>25</u>
<i>Total restricted assets</i>	<u>8,425</u>
Fixed assets:	
Land	300
Equipment	57,800
Accumulated depreciation	<u>(32,852)</u>
<i>Total fixed assets (net of accumulated depreciation)</i>	<u>25,248</u>
<i>Total assets</i>	<u>\$ 46,896</u>
Liabilities:	
Current liabilities:	
Accounts payable	\$ 513
Water revenue bond payable - current	<u>2,109</u>
<i>Total current liabilities</i>	<u>2,622</u>
Current liabilities payable from restricted assets:	
Customer meter deposits payable	<u>2,425</u>
<i>Total current liabilities payable from restricted assets</i>	<u>2,425</u>
Non-current liabilities:	
Water revenue bond payable	<u>6,718</u>
<i>Total non-current liabilities</i>	<u>6,718</u>
<i>Total liabilities</i>	<u>11,765</u>
Equity:	
Retained earnings:	
Reserved	8,922
Unreserved	<u>26,209</u>
<i>Total retained earnings</i>	<u>35,131</u>
<i>Total liabilities and equity</i>	<u>\$ 46,896</u>

The accompanying notes are an integral part of this statement.

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
BIENVILLE PARISH POLICE JURY
Bienville, Louisiana

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN RETAINED EARNINGS - PROPRIETARY FUND - ENTERPRISE FUND TYPE
For the Year Ended June 30, 2004

Operating revenues:	
Sales of water	\$ <u>11,747</u>
Total operating revenues	<u>11,747</u>
Operating expenses:	
Administrative and general	4,977
Bad debt	8
Water services	6,893
Depreciation	<u>1,134</u>
Total operating expenses	<u>13,012</u>
Operating income (loss)	<u>(1,265)</u>
Non-operating revenues (expenses)	
Ad valorem taxes	9,114
Interest revenue	66
Interest expense	<u>(542)</u>
Total non-operating revenues (expenses)	<u>8,638</u>
Net income (loss)	7,373
Retained earnings at beginning of year	<u>27,758</u>
Retained earnings at end of year	<u>\$ 35,131</u>

The accompanying notes are an integral part of this statement.

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
Bienville, Louisiana

STATEMENT OF CASH FLOWS - PROPRIETARY FUND - ENTERPRISE FUND TYPE
For the Year Ended June 30, 2004

Cash flows from operating activities:	
Net income (loss)	\$ <u>7,373</u>
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,134
(Increase) decrease in accounts receivable	(39)
Increase (decrease) in allowance for doubtful accounts	8
(Increase) decrease in restricted assets	(340)
Increase (decrease) in current liabilities	(117)
Increase (decrease) in customer meter liability	<u>0</u>
Net cash provided (used) by operating activities	<u>8,019</u>
Cash flows from capital and related financing activities:	
Principal repayments - bond	<u>(2,008)</u>
Net cash used by financing activities	<u>(2,008)</u>
Net increase (decrease) in unrestricted cash	6,011
Unrestricted cash at beginning of year	<u>5,527</u>
Unrestricted cash at end of year	<u>\$ 11,538</u>
Supplemental disclosures of cash flows information:	
Cash paid during the year for interest on bond	<u>\$ 542</u>

The accompanying notes are an integral part of this statement.

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
BIENVILLE PARISH POLICE JURY
Bienville, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2004

INTRODUCTION

The Shiloh Waterworks District of Bienville Parish, Louisiana, is located in the central portion of Bienville Parish in northeast Louisiana. As provided by Chapter 8 of Title 33 of the Louisiana Revised Statute of 1950, the District was created by an ordinance of the Bienville Parish Police Jury. The District is governed by a Waterworks Commission consisting of five members appointed by the Bienville Parish Police Jury. Commissioners are residents of the District and serve terms of five years. The commissioners do not receive compensation.

The District was created for the purpose of providing water to approximately 50 residents within the estimated 4 square mile area of the District. The District's records are housed in the homes of the president and secretary of the Waterworks Commission.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Bienville Parish Police Jury is the financial reporting entity for Bienville 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 the 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 Bienville Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization, and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are 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.

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

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
Bienville, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. FUND ACCOUNTING

The District uses one fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The Shiloh Waterworks District of Bienville Parish, Louisiana, is an enterprise fund type of the proprietary fund category and is used to account for operations that are financed and operated in a manner similar to a private business enterprise 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.

D. BASIS OF ACCOUNTING

The accounting and financial treatment applied to a fund is determined by its measurement focus. Proprietary funds are 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 proprietary fund uses the accrual basis of accounting; revenues are recognized when earned, and expenses are recognized at the time the related liabilities are incurred.

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates which are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Shiloh Waterworks District of Bienville Parish has no investments at June 30, 2004.

F. COMPENSATED ABSENCES

There are no accumulated and vested benefits relating to vacation and sick leave as the District has no employees at June 30, 2004.

G. FIXED ASSETS AND LONG-TERM OBLIGATIONS

The fixed assets of the Shiloh Waterworks District enterprise fund are included on the balance sheet of the fund, net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by the enterprise fund operations are charged as an expense against operations. Depreciation has been computed using the straight-line method. Estimated useful lives are as follows:

Plant and Equipment	5-50 years
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Long-term obligations of the enterprise fund are accounted for within the fund.

H. RESERVED RETAINED EARNINGS

The March 14, 1975 loan agreement between the Farmers' Home Administration and the Shiloh Waterworks District requires that five percent (5%) of the monthly payment on the revenue bond be deposited into the bond reserve fund on a monthly basis until there is accumulated therein an amount equal to the highest annual debt service payable in any future

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
Bienville, Louisiana
Notes to the Financial Statements (Continued)

year. Also, an amount of \$11 per month is to be deposited in the depreciation and contingency fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. RESERVED RETAINED EARNINGS (Continued)

In accordance with the loan agreement, the amounts reserved are illustrated below:

Customer Meter Deposits	\$ 2,425
Bond reserve	2,625
Depreciation and contingency reserve	<u>3,872</u>
Reserved Retained Earnings	<u>\$ 8,922</u>

2. LEVIED TAXES

The following is a summary of authorized and levied taxes:

	Authorized Millage	Levied Millage	Expires
District taxes:			
Maintenance and operation tax	1.00	1.00	2009
Maintenance and operation tax	1.00	1.00	2007
Total	<u>2.00</u>	<u>2.00</u>	

3. CASH AND CASH EQUIVALENTS

At June 30, 2003, the District has cash and cash equivalents (book balances) totaling \$19,938, as follows:

Demand deposits, unrestricted	\$ 11,538
Demand deposits, restricted for depreciation and bond reserve	6,497
Demand deposits, restricted for customer deposits	<u>1,903</u>
	<u>\$ 19,938</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2004, the District has \$19,873 in deposits (collected bank balances). These deposits are secured from risk by \$19,873 of federal deposit insurance.

4. CHANGES IN FIXED ASSETS

The following is a summary of changes in property, plant and equipment:

	Land	Water System	Accumulated Depreciation	Total
Balance, June 30, 2002	\$ 300	\$ 57,800	\$ (31,718)	\$ 26,382
Additions			(1,134)	(1,134)
Balance, June 30, 2003	<u>\$ 300</u>	<u>\$ 57,800</u>	<u>\$ (32,852)</u>	<u>\$ 25,248</u>

5. CHANGES IN LONG-TERM OBLIGATIONS

The Shiloh Waterworks District issued a water revenue bond to Farmers Home Administration in the amount of \$43,000 on March 8, 1976. Payments of principal and interest on the bond are due annually in the amount of \$2,550 for years one through eleven with a final payment in year twelve of \$4,729; interest accrues at a rate of five per cent per annum.

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH
 Bienville, Louisiana
 Notes to the Financial Statements (Concluded)

5. CHANGES IN LONG-TERM OBLIGATIONS (Continued)

The following is a summary of changes in the water revenue bond payable for the year ended June 30, 2004:

	Certificates of Indebtedness
Balance, June 30, 2003	\$ 10,835
Retirements during the year ended June 30, 2004	<u>(2,008)</u>
Balance, June 30, 2004	<u>\$ 8,827</u>

The debt service requirements to maturity including interest of \$1,002 are as follows:

Year ending	
June 30, 2005	2,550
June 30, 2006	2,550
June 30, 2007	<u>4,729</u>
Total	<u>\$ 9,829</u>

6. LITIGATION

The Waterworks Commission has advised that there is no pending or threatened litigation in which the District is involved.