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CADDOUS PARISH MATRONS
DISTRICT NO. 10

FINANCIAL STATEMENTS

December 31, 1999

RECEIVED
LEGISLATIVE AUDITOR
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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 8-23-96

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W. Michael Ryan, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Cameron Parish Waterworks District No. 10:

I have audited the accompanying component unit financial statements of Cameron Parish Waterworks District No. 10 as of December 31, 1986, and for the year then ended. These component unit financial statements are the responsibility of Cameron Parish Waterworks District No. 10's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. 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 Cameron Parish Waterworks District No. 10 as of December 31, 1986, and the results of its operations and changes in financial position for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole. The accompanying financial information listed as schedules in the table of contents are presented for purposes of additional analysis and are not a required part of the component unit financial statements of Cameron Parish Waterworks District No. 10. The information in these schedules has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in my opinion, is fairly stated in all material respects in relation to the component unit financial statements taken as a whole.

Elliott & Assoc. "APAC"
Louisville, Louisiana
June 17, 1986

WILCOIT & ASSOCIATES, INC.
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Lexington, Virginia 24006-1287

11/19/1998
12/29/1998
000 12/29/98

W-1046-1-1000, CPA

Board of Commissioners
Camoron Parish Waterworks District No. 10:

I have audited the component unit financial statements of Camoron Parish Waterworks District No. 10, as of and for the year ended December 31, 1998, and have issued my report thereon dated June 17, 1999.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the component unit financial statements of Camoron Parish Waterworks District No. 10, for the year ended December 31, 1998, I considered the internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the component unit financial statements and not to provide assurance on the internal control structure.

The management of Camoron Parish Waterworks District No. 10 is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure 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 recorded 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 internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

Cash receipts	Payroll
Merchandise/receiving	Property and equipment
Accounts payable	General ledger
Cash disbursements	

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Cameron Parish Waterworks District No. 18's management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Elliott + Assoc. CPAs
Elliott + Assoc. CPAs
Monroe, Louisiana
June 27, 1996

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Board of Commissioners
Cameron Parish Waterworks District No. 10:

I have examined the component unit financial statements of the Cameron Parish Waterworks District No. 10, for the year ended December 31, 1995, and have issued my report thereon dated June 13, 1996. My examination was made in accordance with generally accepted auditing standards; the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of 28CF Circular A-133, Audits of State and Local Governments; and, accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances. Additionally, my examination included procedures necessary in my judgment to determine compliance with contractual terms and conditions and regulations, policies, and procedures related to financial accounting prescribed by management, insofar as such compliance review was necessary under the provisions of the various grants.

Compliance with laws, regulations, contracts, and grants applicable to Cameron Parish Waterworks District No. 10 is the responsibility of Cameron Parish Waterworks District No. 10's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of Cameron Parish Waterworks District No. 10's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions.

My examination did, however, disclose one matter which is listed below:

Flagging: The District did not adopt or publish a budget for the year ended December 31, 1995.

Change: The District was not aware that a budget was required due to the fact that their gross revenues had never exceeded \$250,000 until this year and thus a budget was not adopted or published.

Effect: There was no effect upon the financial statements.

Next Reporting: The District adopted a 1996 budget in late 1995 and will revise it as necessary in late 1996.

The results of my tests indicate that for the transactions and records tested the Cameron Parish Waterworks District No. 10 complied with those laws and regulations referred to above. My testing was more limited than would be necessary to express an opinion on whether the Cameron Parish Waterworks District No. 10 administered those programs in compliance, in all material respects, with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures. With respect to the transactions and records that were not tested by me, nothing came to my attention to indicate that the Cameron Parish Waterworks District No. 10 had not complied with laws and regulations.

Wright & Assoc. "ARAC"

Monroe, Louisiana

June 17, 1996

LIABILITIES AND EQUITY

Current liabilities:	
Matured interest payable	\$ 3,357
Accounts payable	5,904
Payroll taxes payable	2,500
Deferred revenues	5,567
Accrued salaries payable	1,528
Retirement deductions payable	3,454
Total current liabilities	17,809
Current liabilities payable from restricted assets:	
Retirement deductions payable	5,000
Accrued interest payable (Note 5)	10,441
General obligation bonds payable—current (Note 5)	392,800
Total current liabilities payable from restricted assets	104,341
Long-term liabilities:	
General obligation bonds payable (net of current portion)—(Note 5)	1,344,800
Total liabilities	1,500,210
Equity:	
Contributed capital, net (Note 6)	1,240,840
Retained earnings:	
Reserve for general obligation bond indebtedness (Note 5)	70,385
Earnings	3,982,223
Total retained earnings	1,981,928
Total equity	3,228,868
Total liabilities and equity	34,228,011

Statement of Revenues, Expenses and
Changes in Retained Earnings

For the year ended December 31, 1988

Operating revenues:	
Charges for sales and services:	
Water sales	\$ 181,323
Installation service	3,750
Water tap fees	525
Total operating revenues	185,598
Operating expenses:	
Advertising	349
Salaries and related benefits	97,760
Pay dues of board members	3,800
Operation of plant	109,118
Depreciation (Note 4)	25,174
Total operating expenses	236,391
Operating income (loss)	(150,643)
Nonoperating revenues (expenses):	
Ad valorem taxes (Note 3)	216,832
State revenue sharing	351
Federal revenue sharing	6,100
Interest income	28,088
Interest expense (Note 5)	(86,257)
Reduction from ad valorem taxes	(29,352)
Total nonoperating revenues (expenses)	125,662
Net income	95,140
Add depreciation on assets acquired through contributed capital (Note 6)	32,758
Increase in retained earnings	127,898
Retained earnings, January 1	1,367,288
Prior period adjustment	(2,259)
Retained earnings restated, January 1	1,365,029
Retained earnings, December 31	1,492,927

The accompanying notes are an integral part of this statement.

Exhibit C

CAMDEN PRIME MATHEMATICS DISTRICT NO. 10
Statement of Cash Flows
For the year ended December 31, 1988

Operating activities:	
Net income	\$ 93,140
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	79,174
(Increase) decrease in accounts receivable—all categories	6,350
(Increase) decrease in inventory	(532)
(Increase) decrease in prepaid expense	(11)
Increase (decrease) in accounts payable	143
Increase (decrease) in accrued majority payable	1,254
Increase (decrease) in matured interest payable	1,343
Increase (decrease) in payroll related payables	422
Increase (decrease) in retirement deductions payable	(227)
Increase (decrease) in deferred taxes	2,856
Increase (decrease) in restricted liability	(12,180)
Net cash provided by operating activity	183,502
Investing activities:	
Purchase of capital assets	(1,692,480)
Capitalization of construction in progress	1,525,576
Net cash used by investing activities	(166,904)
Financing activities:	
Prior period adjustments	(2,256)
Payment of general obligation bonds and interest associated	(121,608)
Net cash used by financing activities	(123,864)
Increase (decrease) in cash and cash equivalents	(66,266)
Cash and cash equivalents, January 1	311,562
Cash and cash equivalents, December 31	245,296

The accompanying notes are an integral part of this statement.

CAMERON PARISH WATERWORKS DISTRICT NO. 10

Notes to the Financial Statements

December 31, 1986

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Cameron Parish Police Jury is a political subdivision of the State of Louisiana. Cameron Parish Police Jury is the reporting entity for Cameron Parish as defined by GASB Statement 3, (Defining the Governmental Reporting Entity).

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 governments. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local governments.

Cameron Parish Waterworks District No. 10 "District" is a component unit of Cameron Parish Police Jury as defined by GASB codification Section 2106. The District was created by the Cameron Parish Police Jury as authorized by Louisiana Revised Statutes 33:3411-21. The District is governed by a board of five commissioners appointed by the Cameron Parish Police Jury, who are responsible for providing water service within the boundaries of the district. In addition to the above the district is required by Louisiana Revised Statutes 33:3411 to report annually by April 10 to the Legislative Auditor.

A. FUND ACCOUNTING

Cameron Parish Waterworks District No. 10 is organized and operated as a fund basis as a Proprietary Fund Type Enterprise Fund. In an enterprise fund the accrual basis of accounting is utilized and revenues are recognized when earned and expenses are recognized when incurred. Enterprise Funds are used to account for operations 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 and ad valorem taxes.

CAMERON PARISH WATERWORKS DISTRICT NO. 10

Notes to the Financial Statements (Continued)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

B. FIXED ASSETS AND LONG-TERM LIABILITIES

The fixed assets and long-term liabilities of the waterworks district are reported for on the balance sheet of the Enterprise Fund. The fixed assets of the district as shown on the balance sheet are recorded at historical cost. Depreciation is computed by the straight line method based on the estimated useful life of the individual assets.

C. BASIS OF ACCOUNTING

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

D. BUDGETARY PRACTICE

The Cameron Parish Waterworks District No. 10 utilizes the following budgetary practices:

Annually the District adopts a budget for the Enterprise Fund as a management device for control of revenues and expenses. The budget is amended at various times during the year as the need arises. A comparison of revenues and expenses is not included with the accompanying statements.

E. INVESTMENTS

Investments are stated at cost. These investments are time deposits which are fully secured through the pledge of bank-issued securities or Federal deposit insurance.

F. INVENTORY

Inventories are valued at cost. Inventories in the Enterprise Fund consist of expendable supplies held for use in repairs and maintaining water mains of the waterworks district. The cost is recorded as an expense at the time the item is purchased. At year end the physical inventory is adjusted to expenses and carried on the balance sheet as a current asset.

CAMERON PARISH WATERWORKS DISTRICT NO. 10
Notes to the Financial Statements (Continued)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

G. VACATION AND SICK LEAVE

The Cameron Parish Waterworks District No. 10 has the following policy related to vacation and sick leaves:

Employees of the District accrue from 5 to 25 days annual leave each year depending on length of service. Upon resignation or retirement, unused annual leave is forfeited. In addition, employees of the District accrue from 12 to 18 days of sick leave each year depending on length of service. Upon resignation or retirement, unused sick leave is forfeited.

NOTE 2--CASH AND INVESTMENT COLLATERAL

At December 31, 1995, the carrying amount of the District's cash and investments was \$308,828 and the bank balance was \$308,828. Of the bank balance, \$100,000 was covered by Federal depository insurance, and \$208,828 was covered by collateral held in the District's name by the pledging banks' manufacturing credit.

NOTE 3--RECEIVABLES

Receivables at December 31, 1995 consist of the following:

Ad valorem taxes--unrestricted	\$ 72,720
Ad valorem taxes--restricted original debt issues	62,824
Ad valorem taxes--restricted 1994 debt issues	122,423
State revenue sharing	234
Accounts receivable	22,407
Federal revenue sharing--unrestricted	1,856
Federal revenue sharing--restricted original debt issues	1,408
Federal revenue sharing--restricted 1994 debt issues	____1,124
Net total receivables	\$385,792

Construction in Program	Total
\$ 366,666	\$3,732,861
848,420	1,682,488
(1,835,875)	(2,035,028)
---	4,399,266
-----	(139,262)
<u>B.....</u>	<u>\$3,825,286</u>

CAMERON PARISH WATERWORKS DISTRICT NO. 10
Notes to the Financial Statements (Continued)

NOTE 4--CHANGES IN FIXED ASSETS (CONTINUED)

The following estimated useful lives are used to compute depreciation:

Buildings	15 years
Improvements other than buildings	45 years
Furniture, fixtures, and equipment	3-10 years

NOTE 5--CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the Cameron Parish Waterworks District No. 10 for the year ended December 31, 1984:

Bonds payable, 12/31/84	\$ 639,000
Bonds retired	(150,000)
Bonds payable, 12/31/85	<u>\$ 489,000</u>

Bonds payable at December 31, 1985 are comprised of the following issues:

\$1,816,000 of general obligation bonds dated February 1, 1978; due in annual installments of \$22,000 - \$89,000 through 2002; interest at 5.30% - 6.50%	<u>\$ 392,000</u>
---	-------------------

The annual requirements to amortize this issuance of covered bonds outstanding as of December 31, 1984, including interest payments of \$150,643 are as follows:

Year Ending	
1984	\$ 82,914
1987	81,549
1988	91,740
1989	91,600
2000	91,360
2001-2003	<u>322,298</u>
Total	<u>\$ 1,222,861</u>

CAMERON PARISH METROPOLITAN DISTRICT NO. 10

Notes to the Financial Statements (Continued)

NOTE 3--CHANGES IN LONG-TERM DEBT--(CONTINUED)

The following is a summary of bond transactions of The Cameron Parish Metropolitan District No. 10 for the year ended December 31, 1999 for new general obligation bonds issued June 9, 1994, to finance the purchase of a new well site near Hackberry, Louisiana.

Bonds payable, 12/31/94	\$ 976,000
Bonds retired	____173,000
Bonds payable, 12/31/99	<u>\$ 803,000</u>

\$976,000 of general obligation bonds issued June 9, 1994, due in annual installments of \$75,000-\$120,000 through 2004; interest at 4.25% - 4.75% \$ 803,000

The annual requirements to service all revenue bonds outstanding as of December 31, 1999, including interest payments of \$280,474 are as follows:

Year Ending	
1998	\$ 127,644
1997	127,644
1996	126,040
1995	126,180
2000	120,525
2001 - 2004	____510,461
Total	<u>\$2,168,494</u>

CAMERON PARISH WATERWORKS DISTRICT NO. 10

Notes to the Financial Statements (Continued)

NOTE 6--CONTRIBUTED CAPITAL

Charges during 1998 in the contributed capital account are as follows:

Balance 12/31/94	\$1,298,588
Reproduction of assets acquired by contributed capital122,708
Balance 12/31/95	\$1,241,058

NOTE 7--PENSION PLAN

Substantially all employees of the District are members of the Parochial Employees Retirement System. Aggregate pension cost totaled approximately \$8,881 for 1998. The District does not guarantee any of the benefits granted by the retirement system.

NOTE 8--LITIGATION

The District was not involved in any litigation nor did it have asserted claims lodged against it.

NOTE 9--OPERATING LEASE

On July 18, 1979, the District entered into a 99-year lease agreement for approximately one acre of land in the Holly Beach area. The annual rental for the first 10 years of the lease is \$400 per year. The annual rental after the first 10-year period is based on the consumer price index but not less than \$400 per year, adjusted each 10-year period.

SUPPLEMENTARY IMMUNITY

CEMERON PARISH WATERWORKS DISTRICT NO. 10

SUPPLEMENTARY INFORMATION

For the year ended December 31, 1955

Schedule 1--Compensation of Board Members

The schedule of per diem paid to board members was prepared in compliance with House Concurrent Resolution No. 14 of the 1955 session of the legislature.

As provided by Louisiana Revised Statute 33:4563, the Board Members received \$40 per diem during 1955.

	1955	
	Number	Amount
	Attended	
Lloyd Bacon	11	\$ 440
J. P. Constantine	11	440
Hat Griffith	11	440
Hick Gaster	11	440
Tommy Pease	11	440

Total	55	\$2,200

Schedule 2--Questioned Costs

During the year ended December 31, 1955, I noted no questioned costs arising from my examination.

Schedule 3--Exit Conference

An exit conference was held with Mrs. Charlene Young, Head Bookkeeper on June 17, 1956 to discuss the proposed audit report and the fact that no questioned costs were discovered during my examination.