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# SOUTHWEST ALLEN PARISH WATER DISTRICT NO. 2 KINDER, LOUISIANA

A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY

## ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 1996

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 1/22/97



*Moran & Company*  
A Professional Corporation  
Certified Public Accountants

EASTERN PALM BEACH WATER DISTRICT NO. 2  
WESTON, FLORIDA

A COMPONENT UNIT OF THE PALM BEACH POLICE JUDIC  
ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2006

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**Miles & Company**  
*A Professional Corporation*

**Certified Public Accountants**

Atlanta  
Auditing Institute of Georgia Public Accountants  
Member of American Institute of Certified Public Accountants  
Phone: (404) 525-8100, ext. 4470

**INDEPENDENT AUDITORS' REPORT**

Board of Commissioners  
Southwest Allen Parish Water District No. 2  
A Component Unit of the Allen Parish Police Jury  
Bossier, Louisiana

We have audited the accompanying general purpose financial statements of the Southwest Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Southwest Allen Parish Water District No. 2 management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Southwest Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, as of December 31, 1999, and the results of its operations and cash flows of its proprietary fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 17, 1999 on our consideration of the Southwest Allen Parish Water District No. 2's internal control structure and a report dated June 17, 1999 on its compliance with laws and regulations.

*Miles & Company, CPAs, PC*

Miles & Company, CPAs, PC  
June 17, 1999

GENERAL PURPOSE FINANCIAL STATEMENTS

GOVERNMENT ALLEN BARTON TRUST NO. 1  
 A COMPANY UNIT OF THE ALLEN PORTER FUNDING TRUST  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP  
 December 31, 2008

	GOVERNMENTAL	PROPRIETARY	ACCOUNT
	FUND TYPE	FUND TYPE	GROUP
	Cash	Cash	LONG-TERM
	Receivables	Receivables	Debt
<b>ASSETS</b>			
Cash . . . . .	\$ 504,228	\$ 613,428	\$ -
Receivables:			
Taxes - net . . . . .	28,025	-	-
Accounts - net . . . . .	-	14,227	-
Interest . . . . .	-	4,282	-
Due from other fund . . . . .	10,000	-	-
Prepaid insurance . . . . .	-	3,813	-
Restricted assets:			
Bond sinking funds:			
Cash . . . . .	-	28,742	-
Bond reserve funds:			
Cash . . . . .	-	66,603	-
Bond contingency funds:			
Cash . . . . .	-	68,828	-
Bond deposits:			
Cash . . . . .	-	4,298	-
Fixed assets - net . . . . .	-	1,918,769	-
Amount available in debt service fund . . . . .	-	-	228,375
<b>TOTAL ASSETS</b>	<b>\$ 522,228</b>	<b>\$ 2,584,828</b>	<b>\$ 228,375</b>

See accompanying notes.

## TOTALS

MEMORANDUM DATES1988      1989

\$ 439,400	\$ 576,768
26,820	38,818
58,237	63,373
8,882	4,582
21,836	21,818
3,813	3,813
28,782	38,374
48,813	44,848
68,836	64,890
8,886	3,768
1,808,749	1,883,813
<u>285,290</u>	<u>218,180</u>
<u>\$ 1,523,519</u>	<u>\$ 1,665,633</u>

SOUTHWEST ALLEN PARKER WATER DISTRICT NO. 3  
 A COMPONENT UNIT OF THE ALLEN PARKER POLICE JURY  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 December 31, 1999

	GOVERNMENTAL	PROFESSORIAL	ACCOUNT
	FUND TYPE	FUND TYPE	GROUP
	Debt	Fund Type	Long-Term
	Reserve	Estimation	Debt
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Accounts payable . . . . .	\$ -	\$ 29,313	\$ -
Due to other funds . . . . .	-	21,830	-
Payable from restricted assets:			
Revenue bonds . . . . .	-	12,890	-
Accrued interest . . . . .	-	18,433	-
Semi deposits . . . . .	-	3,320	-
General obligation bonds payable . . . . .	-	-	200,000
Revenue bonds payable . . . . .	-	471,800	-
Capital lease obligation . . . . .	-	13,383	-
<b>TOTAL LIABILITIES</b>	<b>-----</b>	<b>763,736</b>	<b>200,000</b>
<b>Fund equity</b>			
Contributed capital . . . . .	-	788,957	-
Retained earnings:			
Reserve for debt service . . . . .	-	138,176	-
Unreserved . . . . .	-	3,088,949	-
Fund balance:			
Reserve for debt service . . . . .	208,326	-	-
Unreserved . . . . .	61,338	-	-
<b>TOTAL FUND EQUITY</b>	<b>-----</b>	<b>1,218,684</b>	<b>-----</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,218,684</b>	<b>\$ 1,218,684</b>	<b>\$ 200,000</b>

See accompanying notes.



NOTES

(Continued on Page 2)

		<u>1984</u>		<u>1983</u>	
\$	37,543	\$	33,844		
	<u>33,000</u>		<u>31,000</u>		
	4,543		2,844		
	33,000		30,000		
	<u>33,813</u>		<u>30,813</u>		
	3,226		3,000		
	<u>368,326</u>		<u>313,188</u>		
	471,000		484,000		
	<u>13,503</u>		<u>17,188</u>		
	<u>771,655</u>		<u>778,376</u>		
	788,887		783,193		
	130,176		116,196		
	<u>1,000,349</u>		<u>1,000,345</u>		
	200,326		213,188		
	<u>49,758</u>		<u>53,851</u>		
	<u>2,249,168</u>		<u>2,288,821</u>		
	<u>\$ 2,698,486</u>		<u>\$ 2,850,312</u>		

SOUTHWEST ALLEN RAPIDS WATER DISTRICT NO. 2  
 A COMPONENT UNIT OF THE ALLEN DESIGN POLICE JURY  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - COMMERCIAL FUND TYPE  
 Year Ended December 31, 1982

	<u>1982</u>	<u>1981</u>
Revenues:		
Ad valorem taxes - net . . . . .	\$ 36,323	\$ 36,015
Interest . . . . .	8,533	5,211
TOTAL REVENUES	<u>44,856</u>	<u>41,226</u>
Expenditures:		
Debt service:		
Principal retirement . . . . .	2,883	1,000
Interest . . . . .	22,383	21,227
TOTAL EXPENDITURES	<u>25,266</u>	<u>22,227</u>
Excess of revenues over expenditures . . . . .	19,590	19,000
FUND BALANCE - BEGINNING . . . . .	265,792	244,510
Prior period adjustments . . . . .	-	(26,643)
FUND BALANCE - ENDING, REPORTED . . . . .	<u>285,382</u>	<u>217,867</u>
FUND BALANCE - DEBITED	<u>\$ 271,204</u>	<u>\$ 216,720</u>

See accompanying notes.

GOVERNMENT ALLEN BRIDGE WATER DISTRICT NO. 3  
 A COMPANY UNIT OF THE ALLEN BRIDGE POLICE JURY  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
 ACCUMULATED FUNDING - PROPRIETARY FUND TYPE  
 Year Ended December 31, 1994

	1994	1993
<b>OPERATING REVENUES:</b>		
Charges for services . . . . .	\$ 448,880	\$ 437,864
Miscellaneous . . . . .	<u>8,780</u>	<u>21,794</u>
TOTAL OPERATING REVENUES	<u>457,660</u>	<u>459,658</u>
<b>OPERATING EXPENSES:</b>		
Advertising . . . . .	2,287	1,451
Bad debts . . . . .	81	781
Computer services . . . . .	983	1,170
Depreciation . . . . .	78,381	78,833
Fuel . . . . .	368	326
Insurance - general . . . . .	13,257	13,384
Insurance - health . . . . .	13,488	18,565
Miscellaneous . . . . .	13,928	13,888
Office . . . . .	8,528	8,375
Per diem . . . . .	3,975	3,780
Postage . . . . .	3,878	3,779
Professional fees . . . . .	8,088	8,904
repairs and maintenance . . . . .	38,843	38,777
rental . . . . .	8,323	8,800
Salaries . . . . .	83,884	84,044
supplies . . . . .	52,948	58,848
Taxes and licenses . . . . .	628	713
Transportation . . . . .	3,771	8,888
Travel . . . . .	389	448
Utilities . . . . .	<u>77,318</u>	<u>64,287</u>
TOTAL OPERATING EXPENSES	<u>528,282</u>	<u>544,218</u>
OPERATING INCOME	<u>29,378</u>	<u>15,440</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
Interest income . . . . .	31,800	17,344
Interest expense . . . . .	<u>(28,122)</u>	<u>(27,127)</u>
TOTAL NON-OPERATING REVENUES	<u>3,678</u>	<u>(9,783)</u>
NET INCOME	<u>33,056</u>	<u>5,657</u>

See accompanying notes.

SOUTHWEST ALLEN PARISH WATER DISTRICT NO. 2  
 A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
 RETAINED EARNINGS - PROPRIETARY FUND TYPE  
 Year Ended December 31, 1996

	1996	1995
Add current year's depreciation on fixed assets acquired by funds externally restricted for capital expenditures that reduce contributed capital . . . . .	\$ 7,328	\$ 7,379
Increase in retained earnings . . . . .	88,387	63,763
RETAINED EARNINGS - BEGINNING . . . . .	3,248,860	3,833,073
RETAINED EARNINGS - ENDING	<u>\$3,324,575</u>	<u>\$3,964,105</u>

See accompanying notes.

SOUTHWEST ALLEN PARKER WATER DISTRICT NO. 2  
 A CONSOLIDATED UNIT OF THE ALLEN PARKER POLICE JAWB  
 STATEMENT OF CASH FLOWS - SUPPLEMENTARY FUND TYPE  
 Year Ended December 31, 1998

	<u>1998</u>	<u>1997</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating income . . . . .	\$ 43,739	\$ 46,250
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation . . . . .	79,380	79,038
(Increase) decrease in:		
Accounts receivable . . . . .	(14,374)	(4,567)
Prepaid insurance . . . . .	-	(75)
Increase (decrease) in:		
Accounts payable . . . . .	13,449	7,991
Bank deposits . . . . .	(975)	495
Accrued interest payable . . . . .	(1420)	(1420)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>120,817</u>	<u>141,009</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Contributions from customers . . . . .	4,048	4,808
Acquisition of fixed assets . . . . .	(66,431)	(64,951)
Principal paid on revenue bonds . . . . .	(18,000)	(18,000)
Interest paid on revenue bonds . . . . .	(12,808)	(12,808)
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(93,191)</u>	<u>(90,951)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest on investments . . . . .	20,403	17,144
Purchase of cash investments . . . . .	-	(2,130)
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<u>20,403</u>	<u>15,014</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>48,029</u>	<u>65,072</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR . . . . .</b>	<u>362,251</u>	<u>317,179</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 410,280</u>	<u>\$ 382,251</u>
<b>Non-cash transactions:</b>		
Equipment acquired under capital lease . . . . .	<u>2,000</u>	<u>2,000</u>

See accompanying notes.

SOUTHWEST ALLEN PARISH WATER DISTRICT NO. 1  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Southwest Allen Parish Water District No. 1 is a political subdivision of the State of Louisiana. It was created under the provisions of Louisiana Revised Statute 18:1811, for the purpose of providing water to the rural area of Southwest Allen Parish. The District is governed by a board of commissioners composed of five members appointed by the Allen Parish Police Jury.

The financial statements of the Southwest Allen Parish Water District No. 1 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**A. Reporting Entity**

In the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen 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 Allen 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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Because the police jury appoints all members to the governing body and has the ability to impose its will on the District, the District was determined to be a component unit of the Alien Worker 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 the governmental unit, or the other governmental units that comprise the financial reporting entity.

**B. Fund Accounting**

The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenses or expenditures. The following funds and account groups are used by the District:

**Governmental Fund Type:**

**Debt Service Fund:**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt.

**Proprietary Fund Type:**

**Enterprise Fund:**

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs of operations, including depreciation of providing water services to the general public on a continuing basis is financed through user charges.

**General Long-Term Debt Account Group:**

The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from government funds.

**C. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

WESTPORT ALLEN PARKER WATER DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARKER POLICE JURY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund resources. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, interest revenue and charges for services.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

B. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the District.

State securities authorize the District to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Deposits:

At December 31, 1996, the District has cash and cash equivalents (bank balances) totaling 198,000 as follows:

Interest-bearing demand deposits . . . . .	\$ 187,500
Time deposits . . . . .	<u>10,500</u>
Total	<u>\$ 198,000</u>



GOVERNMENT ASSETS FINANCIAL STATEMENTS NO. 3  
A COMPONENT UNIT OF THE ALABAMA FINANCIAL POLICE JURY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1994

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

These deposits are stated at cost, which approximates market. Under state law, these deposits for 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. On December 31, 1994, the District has \$783,981 in deposits (collateral bank balances). These deposits are secured from risk by \$708,084 of Federal deposit insurance and \$759,981 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GAAS Category 1).

Even though the pledged securities are considered uncollateralized Category 1) under the provisions of GAAS Statements No. 3, Louisiana Revised Statute 28:1228 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

E. Accounts Receivable

Receivable amounts due for receivables are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible. This method does not result in a charge to bad debts that is materially different from the amount that would be charged if the reserve method were used.

F. Fixed Assets

All fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation of each class of depreciable property is computed using the straight-line method. Estimated useful lives are as follows:

Building . . . . .	27 years
Distribution system . . . . .	50 years
Furniture & fixtures . . . . .	5-7 years
Equipment . . . . .	5 years

**SOUTHWEST ALASKA FIRELESS WATER DISTRICT NO. 1**  
**A COMPONENT UNIT OF THE ALASKA PUBLIC POLICE JURY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 1998**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**D. Statement of Cash Flow**

For purpose of the statement of cash flows, for the enterprise fund, the District considers all highly liquid investments including restricted monies with a maturity of three months or less to be cash equivalents. The statement reflects ending cash and cash equivalents of \$281,837 which represents unrestricted and restricted monies of \$913,418 and \$148,427, respectively.

**E. Budgets**

The District did not adopt a budget for the year ended December 31, 1998.

**1. Fund Equity**

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers or customers. Reserves represent those portions of fund equity legally segregated for debt service.

**2. Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditures is reported for these amounts. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement of Financial Accounting Standards No. 41, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement. As December 31, 1998 the District's liability for compensated absences could not be reasonably estimated.

**F. Total Columns on Statements**

Total columns on the component unit financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation; interfund eliminations have not been made in the aggregation of this data.

SOUTHERN ALABAMA PARISH WATER DISTRICT NO. 1  
 A COMPONENT UNIT OF THE ALABAMA PARISH POLICE JURY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 1996

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. Comparative Data**

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

**NOTE 2 - ALL VALUATION TAXES**

FOR the year ended December 31, 1996 taxes of 3.66 mills were levied on property with assessed valuations totaling \$7,049,849 and were dedicated as follows:

Road building 3.66 mills

Total taxes levied were \$26,842.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before December 15 of the current year, and become delinquent after September 31. Property taxes not paid by the end of February are subject to lien.

**NOTE 3 - FIXED ASSETS**

A summary of changes in proprietary fund fixed assets for the year ended December 31, 1996 is as follows:

	Fixed Assets		
	Beginning Of Year	NET ADDITIONS	END OF Year
Building . . . . .	\$ 189,489	\$ -	\$ 189,489
Distribution system . . . . .	3,528,489	88,828	3,617,317
Furniture, fixtures, & equipment . . . . .	129,126	9,328	138,454
Truck lease . . . . .	28,148	-	28,148
Land . . . . .	32,189	368	32,557
	3,798,439	98,524	3,896,963
Less accumulated depreciation . . . . .	881,820		881,220
	\$ 2,916,619		\$ 3,015,743

Depreciation expense was \$95,863 for the year ended December 31, 1996.

SOUTHWEST ALASKA BRACKEN WATER DISTRICT NO. 3  
 A COMPANED UNIT OF THE ALASKA BRACKEN POLICE JURY  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 1996

NOTE 4 - LONG-TERM DEBT

A. Debt Outstanding

The following is a summary of bond transactions of the District for the year ended December 31, 1996:

	Decreased Obligation	Revenue	Total
Bonds payable, January 1, 1996	\$ 343,148	\$ 426,800	\$ 769,948
Bonds retired . . . . .	<u>2,851</u>	<u>22,820</u>	<u>19,969</u>
Bonds payable December 31, 1996	\$ <u>340,297</u>	\$ <u>449,620</u>	\$ <u>789,917</u>

Bonds payable as December 31, 1996 are comprised of the following individual issues:

General obligation bond

228,824 Refunding Bond dated 04/26/89; Due in annual installments of \$773 - \$29,703 through April 7, 2019; Interest at 11.0%. The right to prepay the whole or any part of the principal amount may be made on any interest payment date, but not until after April 7, 1999. (This issue secured by levy and collection of ad valorem taxes)

\$ 228,824

Revenue bond

\$69,893 Utility Revenue Bonds dated 06/26/77; due in annual installments of \$10,000 - \$24,000 through May 24, 2017; Interest at 8.0%. The right to prepay the whole or any part of the principal amount may be made on any interest payment date, but not until after April 1, 1999.

\$ 69,893

B. Debt Service Requirements to Maturity

The annual requirements to amortize all debts outstanding as of December 31, 1996, including interest payments of \$890,898 are as follows:

Year Ending December 31,	General Obligation	Revenue	Total
1997 . . . .	\$ 28,881	\$ 27,200	\$ 56,081
1998 . . . .	28,881	26,550	55,431
1999 . . . .	28,881	26,900	55,781
2000 . . . .	28,881	27,250	56,131
2001 . . . .	28,531	27,600	56,131
Thereafter . . . .	<u>411,180</u>	<u>682,500</u>	<u>1,093,680</u>
	\$ <u>569,825</u>	\$ <u>777,000</u>	\$ <u>1,346,825</u>

ROBERTSON ALLEN FARMER WATER DISTRICT NO. 2  
 A COMPONENT UNIT OF THE ALLEN DRAIN POLICE JURY  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 1994

NOTE 2 - COMPONENTS OF RESTRICTED ASSETS

Enterprise Fund:

	Revenue Bond Sinking	Revenue Bond Reserve	Revenue Bond Contingency	Customer Reserve	Total
End . . . . .	<u>\$ 12,182</u>	<u>\$ 45,451</u>	<u>\$ 48,036</u>	<u>\$ 4,336</u>	<u>\$ 109,999</u>

Certain proceeds of enterprise fund revenue bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The "bond sinking" account is used to segregate monies accumulated for debt service payments over the next twelve months. The "bond reserve" account is used to report resources set aside to make up potential future deficiencies in the bond sinking account. The "bond contingency" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements.

The amount of retained earnings reserved for revenue bond retirement is detailed as follows:

Restricted assets: revenue bond sinking, reserve and contingency funds . . . . .	\$ 144,331
Less:	
Current maturity of revenue bonds, payable from restricted assets . . . . .	13,408
Accrued interest, payable from restricted assets . . . . .	<u>14,932</u>
Retained Earnings Reserved	<u>\$ 115,991</u>

NOTE 3 - CONTRIBUTED CAPITAL

During the year, contributed capital changed by the following amount:

Contributions from customers . . . . .	\$ 4,446
Depreciation of fixed assets acquired by funds externally restricted for capital expenditures . . . . .	<u>12,229</u>
	12,229
CONTRIBUTED CAPITAL, BEGINNING . . . . .	<u>782,181</u>
CONTRIBUTED CAPITAL, ENDING	<u>\$ 798,856</u>

SOUTHWEST ALABAMA RURAL WATER DISTRICT No. 2  
 A COMPONENT UNIT OF THE ALABAMA RURAL POLICE JURY  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 1994

NOTE 1 - RETIREMENT OBLIGATIONS

The District contributes to a pension plan through the National Rural Water Association for all employees. Total payroll for the District was \$90,454 and total payroll for covered employees was \$80,280.

Covered employees are required to contribute 3.0% of their total compensation. The District is required to contribute 7.0% of total compensation. Total contributions made by the District and employees were \$4,323 and \$2,730, respectively.

Full time employee membership is mandatory as a condition of employment. Eligibility requirements consist of minimum age of 20, twelve months of service and 1,800 hours worked. Vesting is automatic and at 200%.

NOTE 2 - COMMISSIONS

For days paid commissions for the year ended December 31, 1994 were as follows:

	<u>PER DIEM</u>
Lee White . . . . .	\$ 375
Percy Morehead . . . . .	385
William B. Jackson . . . . .	375
Johnny Millard . . . . .	380
Patricia Odom . . . . .	<u>380</u>
	<u>\$ 1,515</u>

NOTE 3 - RISK MANAGEMENT

The District is exposed to various risks of loss related to terror, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial outgo in any of the past three fiscal years.

NOTE 4 - LEASE COMMITMENT

During the year ended December 31, 1994, the District began leasing a vehicle under an agreement classified as a capital lease. The following is a summary of property held under capital lease as of December 31, 1994:

1994 Ford Truck . . . . .	\$ 20,243
Less accumulated Depreciation . . .	<u>17,849</u>
	<u>\$ 2,394</u>

SOUTHWEST ALABAMA PAROLE BOARD DISTRICT NO. 3  
 A COMPONENT UNIT OF THE ALABAMA PAROLE BOARD COMY  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 1998

NOTE 18 - LEASE COMMITMENT

Depreciation of assets under capital lease is included in depreciation expense for the year.

The following is a schedule of future minimum lease payments under capital lease, together with the present value of the net minimum lease payments as of December 31, 1998:

1999	\$ 8,000
2000	8,000
2001	8,000
2002	<u>800</u>
Total future minimum lease payments	16,800
Less amount representing interest	<u>4,812</u>
Present value of future minimum lease payments	<u>\$11,988</u>

TECHNICAL SUPPORT REPORT SECTION





**Mirex & Company**  
*A Professional Corporation*  
**Certified Public Accountants**

Member  
 American Institute of Certified Public Accountants  
 Society of Government Accountants and Auditors  
 Public Company Accountants, Inc.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE  
 BASED ON AN ASSESS OF GENERAL PURPOSE  
 FINANCIAL STATEMENTS PREPARED  
 IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
 Southeast Allen Parish Water District No. 2  
 A Component Unit of the Allen Parish Police Jury  
 Kinder, Louisiana

We have audited the general purpose financial statements of the Southeast Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 17, 1997.

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

The management of the Southeast Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, evaluation 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 executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Degree 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 procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Southeast Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, for the year ended December 31, 1998, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, would adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

The reportable condition is that the District does not have adequate segregation of duties within its internal control structure. However, because of the District's size and resources, proper segregation of duties is not feasible.

A material weakness is a reportable condition in which the design or operation of one or more of the 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 general purpose 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matter involving the internal control structure and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of the Northwest Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, for the year ended December 31, 1990.

We believe the reportable condition described above is a material weakness.

This report is intended for the information of the management, the Board of Commissioners, and the legislative bodies for the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Miles & Company, CPAs, APC*

Miles & Company, CPAs, APC  
June 17, 1997





**Miron & Company**  
*A Professional Corporation*

**Certified Public Accountants**

Members  
American Institute of Certified Public Accountants  
Louisiana Institute of Certified Public Accountants  
Texas Institute of Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED  
ON AN EXAM OF FEDERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
Southwest Allen Parish Water District No. 2  
A Component Unit of the Allen Parish Police Jury  
Kenner, Louisiana

We have audited the general purpose financial statements of the Southwest Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 1994, and have issued our report thereon dated June 17, 1997.

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

Compliance with laws, regulations, contracts, and grants applicable to the Southwest Allen Parish Water District No. 2, a component unit of the Allen Parish Police Jury, is the responsibility of the Southwest Allen Parish Water District No. 2's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Southwest Allen Parish Water District No. 2's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the management, the Board of Commissioners, and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Miron & Company, CPAs, AIC*

Miron & Company, CPAs, AIC  
June 17, 1997