

West Baton Rouge Parish Water Works District No. 1
Notes to the Financial Statements
December 31, 1996

8. Deferred Compensation Plan

In July 1991, the District adopted a deferred compensation plan for its part-time employees in accordance with Internal Revenue Code Section 457. The District does not make any contributions to the plan, and benefits are held by a third-party insurer in individual accounts for the participants. The deferred compensation is not available to employees until termination, retirement, death, or emergency situations approved under the plan. All amounts of compensation deferred under the plan, and all income attributable to those amounts, are solely the property of the District, subject only to the claims of the District's general creditors. Participants' rights under the plan are equal to those of general creditors of the District in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of District management that the District has no liability for losses under the plan but does have duty of due care that would be required of an ordinary prudent investor.

9. Litigation

The District is not involved in any litigation at December 31, 1996.

10. Related Party Transactions

In July, 1986, the District entered into a contract with the West Baton Rouge Police Jury to collect garbage fees from water customers whose garbage is picked up under a private contract awarded by the Police Jury. The District retains a portion of collections as a fee, and is reimbursed by the Police Jury for uncollected charges when the water service is discontinued for non-payment. In January 1999, the contract was extended until July 1999.

In March 1987, the District entered into a contract with the Police Jury to collect sewer user fees from the residents of Addis Place Subdivision. The Contract was extended in November 1992, to expire November 1997, and does not provide for any compensation to the District as collection agent.

In April 1988, the District entered into a contract with the Town of Addis, Louisiana to invoice and collect sewer fees from water customers living within the Town. The original contract was valid for one year and was extended for one year in May 1990. The collection activity is ongoing, and a new service agreement was signed effective January 1, 1994, to extend to January 31, 1998. The sewer rates are based on water usage, and customers may have their water service discontinued for non-payment of the sewer fees. No compensation is paid to the District, but the Town accepts customer payments for water, sewer, and garbage charges on behalf of the District.

West Basin Rouge Parish Water Works District No. 1
Notes to the Financial Statements
December 31, 1996

2. Cash and Investments

Cash -

Under state law the District may deposit funds in demand deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 1996 the carrying amount of the District's deposits was \$25,383 and the bank balance was \$76,114, which was entirely covered by federal depository insurance.

Investments -

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days.

The District holds investments in certificates of deposit as follows:

	Carrying Amount	Rate	Maturity	Market Value
Unrestricted -				
Bank of W188	\$ 100,000	5.22%	4/12/97	\$ 100,000
Bank of W184	50,000	5.07%	9/18/97	50,000
Restricted -				
Illinois Bank	10,207	5.45%	6/30/97	10,207

At December 31, 1996 the bank balance of investments was \$160,207, of which \$140,596 was covered by federal deposit insurance. Deposit collateral consisting of securities having a market value of \$89,294, held in the fiscal agent bank's name, was pledged to secure the remaining investments of \$50,000 Risk Category 31.

3. Accounts Receivable

At December 31, accounts receivable from customers is comprised of the following:

	1996	1995
Water	\$ 12,163	\$ 12,140
Garbage	8,678	8,143
Senior - Town of Ada	12,429	13,490
Senior - Ada's Place	1,809	1,812
	<u>\$ 35,079</u>	<u>\$ 35,575</u>
Less: Allowance for Doubtful Accounts	(1,000)	(1,000)
	<u>\$ 34,079</u>	<u>\$ 34,575</u>

West Basin Rouge Parish Water Works District No. 1
Notes to the Financial Statements
December 31, 1986

I. Summary of Significant Accounting Policies (Continued)

E. Budgetary Practices

The District does not utilize any formal budgetary controls in its reporting system.

F. Circumstances

Circumstances accounting is not employed by the District.

G. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, all restricted and unrestricted cash in banks (demand deposits, interest-bearing demand deposits and money market accounts) and highly liquid investments, having a maturity of three months or less when purchased are considered to be cash equivalents.

H. Fixed Assets

The cost of property, plant and equipment, including significant improvements to existing facilities and infrastructure is recorded in the integrity fund on its balance sheet. Interest costs during construction are capitalized. Depreciation of all exhaustible fixed assets are charged as an expense against operations and has been computed under the straight-line method based on the estimated useful lives of the individual assets. Estimated useful lives are as follows:

Office equipment	5 - 10 years
Plant equipment	10 - 30 years
Lines and improvements	30 - 50 years

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Depreciated assets are valued at their estimated fair value on the date reported.

I. Inventories

Inventories consist of unused materials on hand at year end and are recorded as an expense when consumed. Inventories are valud at the lower of cost, or market.

J. Compensated Absence

Employees of the District work part-time, and therefore the District does not have a formal leave policy.

West Baton Rouge Parish Water Works District No. 1
Notes to the Financial Statements
December 31, 1986

I. Summary of Significant Accounting Policies

West Baton Rouge Parish Water Works District No. 1 was created by the West Baton Rouge Parish Police Jury as provided by Louisiana Revised Statutes 25:2811 - 2821. The "District" is governed by a board of commissioners, appointed by the Police Jury. The District is responsible for providing water service within the boundaries of District No. 1. The District employs two part - time employees.

A. Basis of Presentation

The accompanying financial statements conform to generally accepted accounting principles (GAAP) as applicable to governmental units. Such accounting and reporting procedures also conform to the requirements of LRS 24:517 and the industry audit guide, *Audit of State and Local Governmental Units*, issued by the American Institute of Certified Public Accountants.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the West Baton Rouge Parish Police Jury is the financial reporting entity of West Baton Rouge 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 West Baton Rouge 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 the ability of the police jury to impose its will on that organization, and/or 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; and (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 West Baton Rouge Parish Police Jury appoints the governing board and because of the scope of public service, the District is deemed to be a component unit of the West Baton Rouge Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility.

West Baton Rouge Parish Water Works District No. 1
Notes to the Financial Statements
December 31, 1996

1. Summary of Significant Accounting Policies (Continued)

B. Reporting Entity (Continued)

The accompanying financial statements present only information 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.

C. Fund Accounting

The District is organized and operated on the basis of funds whereby a separate self-balancing set of accounts (Enterprise Fund) is maintained that comprise its assets, liabilities, fund equity, revenue and expense. 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 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.

The enterprise fund is used to account for water services provided to the residents and businesses within the District and the \$100,000 issue of revenue bonds dated July 1, 1973.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Enterprise 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 is included on the balance sheet. The Enterprise fund, as reported in the accompanying financial statements has been reported on the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when they are incurred.

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. In November 1996, the voters of the District approved the millage renewal through 2006.

State revenue sharing income (which is based on population and households in the parish), is received on a fiscal year period ending in June.

Unexpended insurance at the end of the year is recorded as a current asset. Salaries and other operating expenses are recorded as current expenses when they are incurred.

West Union House Finish Water Works District No. 1
Notes to the Financial Statements
December 31, 1996

4. **Restricted Assets and Reserves**

Revenue bonds are secured by the District's operating revenues. The instruments under which these bonds were issued provide for the establishment of a "Waterworks System Fund", into which all income derived from the operation or ownership of the system, any severance taxes received by the District, and the proceeds of maintenance and operating taxes levied by the District, shall be deposited, and establishment of restricted assets and debt service in specific order of priority as follows:

- a) Funds deposited into the "Waterworks System Fund" shall be expended for payment of all reasonable and necessary costs of operating, repairing, maintaining, and insuring the system, but shall exclude depreciation, payments into the "Water Revenue Bond and Interest Sinking Fund", "Water Revenue Bond Reserve Fund", and the "Capital Additions and Contingencies Fund";
- b) Establishment of a Revenue bond and interest sinking fund designated as the "Water Revenue Bond Fund" to be used exclusively for the purpose of paying principal and interest on these Revenue bonds. All accrued interest received from the sales of these Revenue bonds shall be deposited in this fund and thereafter, monthly transfers shall be made from the Waterworks System Fund of an amount not less than one-sixth of interest and one-twelfth of principal payable due on the next payment date.
- c) Establishment of a debt service reserve fund to be designated as the "Water Revenue Bond Reserve Fund" into which shall be transferred monthly a sum equal to 20% of that sum transferred to the "Water Revenue Bond Fund" until such time as the funds in this account shall equal \$12,000.
- d) Establishment of a separate fund to be designated as the "Capital Additions and Contingencies Fund" into which shall be deposited monthly an amount at least equal to five percent of the gross revenues of the system for the preceding month until a balance of \$5,000 is reached. Monies in this fund may be withdrawn and used by the District for the purpose of paying the cost of unusual and extraordinary maintenance, repairs, replacements and extensions and of paying the cost of improvements to the system which shall provide a higher degree of service.
- e) Subject to the foregoing, which are cumulative, any balance in the "Waterworks System Fund" in excess of \$1,000 at the end of any fiscal year shall be divided into equal parts. 50% of such excess revenue shall be deposited in the "Revenue Bond Reserve Fund" until such fund has a balance of \$12,000, and the other 50% shall be deposited into a "Surplus Revenue Fund". After the Reserve Fund has on deposit \$12,000 all remaining revenues shall be deposited into said "Surplus Revenue Fund". Monies in this fund may be used for cancellation of the outstanding Water Revenue Bonds or for redeeming the outstanding Water Revenue Bonds in inverse numerical order as not to exceed the applicable call price, or for making additions, extensions and improvements to the system.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT ACCOUNTING STANDARDS**

To the Mr. Herwin Bouquet, President
and Members of the Board of Commissioners
West Baton Rouge Parish Water Works District No. 1
Abitia, Louisiana 70710

I have audited the financial statements of the West Baton Rouge Parish Water Works District No. 1 for the year ended December 31, 1986, and have issued my report thereon dated May 22, 1987.

I have conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of West Baton Rouge Parish Water Works District No. 1 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 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 my audit of the financial statements of the West Baton Rouge Parish Water Works District No.1, for the year ended December 31, 1986, I obtained an understanding of its internal control structure. With respect to the internal control structure, 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. In order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

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INDEPENDENT AUDITOR'S REPORT

To Mr. Herold Houquet, President
and Members of the Board of Commissioners
West Baton Rouge Parish Water Works District No. 1
Aldo, Louisiana 70310

I have audited the accompanying general purpose financial statements of the West Baton Rouge Parish Water Works District No. 1, a component unit of the West Baton Rouge Parish Police Jury, as of and for the year ended December 31, 1986. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these financial statements based on my audit. The financial statements of West Baton Rouge Water Works District No. 1 as of December 31, 1985, were audited by other auditors whose report, dated February 26, 1986, expressed an unqualified opinion on these statements.

I conducted my 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 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 statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the West Baton Rouge Parish Water Works District No. 1 as of December 31, 1986, and the results of its operations and the cash flows of its proprietary fund types 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 financial statements taken as a whole. The accompanying financial information listed as "Schedules" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the West Baton Rouge Parish Water Works District No. 1. Such information, except for the portion marked "Unaudited" on which I express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to such statements taken as a whole.

W. Karlsson Brand

W. Karlsson Brand
May 22, 1987

West Baton Rouge Parish Water Works District No. 1
Notes to the Financial Statements
December 31, 1996

4. Plant and Equipment :

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

	Balance 1/1/95	Additions	Deletions	Balance (12/31/96)	Accumulated Depreciation	Book Value 12/31/96
Water System	\$ 1,015,474	\$ 95,865	\$ 0	\$ 1,075,377	\$ 608,177	\$ 479,144
Equipment1,8021,49303,3827,6671,715
	<u>\$ 1,026,276</u>	<u>\$ 60,358</u>	<u>\$ 0</u>	<u>\$ 1,086,734</u>	<u>\$ 624,844</u>	<u>\$ 469,890</u>

5. Bonds Payable

On July 1, 1992 the District issued \$100,000 in revenue bonds, (in the denomination of \$1,000 each), bearing interest from date until paid, at an annual rate of 6% per annum, payable continuously on January 1 and July 1 of each year until maturity. The revenue bonds mature on July 1 of each year beginning in 1995 through 1997. The following is a schedule of outstanding revenue bond and interest payments through maturity.

Year	Payment Date	Interest Maturity	Bond Maturity	Total
1997	7/1	\$ 300		\$ 300
1997	7/1300	11,000	11,300
	Total	\$ 600	\$ 11,000	\$ 11,600

As December 31, 1996, four matured bonds had not been redeemed by the Fiscal agent for \$1,000 each, along with matured interest coupons totaling \$ 300.

West Baton Rouge Parish Water Works District No. 1
Notes to the Financial Statements
December 31, 1996

6. Restricted Assets and Reserves (Continued)

Revenue bond related restricted assets are comprised of the following:

	1996	1995
Cash with fiscal agent	\$ 4,360	\$ 4,660
Water Revenue Bond Sinking Fund	12,204	22,508
Water Revenue Reserve Fund	12,000	12,000
Capital additions and/or emergency fund	5,000	5,000
Totals	\$ 33,564	\$ 44,168

At December 31, 1996, the amount of retained earnings reserved for revenue bond retirement is as follows:

Restricted Assets, Cash with Fiscal Agent, and Revenue Bond and Revenue Bond Reserve Fund	\$ 33,159
Less:	
Accrued interest attributable to Revenue Bonds Payable from Restricted Assets	690
Current maturities of Revenue Bonds Payable from Restricted Assets	15,000
Retained Earnings Reserved	\$ 17,469

7. Components of Restricted Assets

	Revenue Bond Fund	Consumer Deposits	Employee Deferred Compensation	Total
December 31, 1996:				
Cash	\$ 23,067	\$ 10,091	\$ 0	\$ 33,158
TIF's	10,500	0	0	10,500
Benefit investments	0	0	11,712	11,712
Totals	\$ 33,567	\$ 10,091	\$ 11,712	\$ 55,370

West Water Rafting Parish Water Works District No. 1
 Independence Fund
 Balance Sheet
 December 31, 2000 and 1999

Exhibit A

	2000	1999
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Payable from Current Assets:		
Accounts payable	\$18,417	\$7,883
Taxes and payroll tax payable	833	821
Garbage and street fees payable	18,804	20,560
Payable from Restricted Assets -		
Customer deposits	10,081	9,318
Deferred compensation due employees	11,712	9,241
Accrued interest payable	883	1,288
Revenue bonds payable - current portion	15,000	15,000
Total Current Liabilities	<u>78,340</u>	<u>81,801</u>
Long - Term Liabilities:		
Revenue bonds payable	0	11,800
	<u>0</u>	<u>11,800</u>
Total Liabilities	<u>78,340</u>	<u>93,601</u>
Fund Equity:		
Contributed Capital -		
Federal	28,070	28,070
Federal grants	354,920	354,980
Municipality	2,800	2,680
Parish	5,828	5,625
Construction fund	140,000	140,000
Total Contributed Capital	<u>542,618</u>	<u>542,185</u>
Retained Earnings -		
Reserved for Revenue bond retirement	17,469	24,008
Unreserved	118,501	80,818
Total Retained Earnings	<u>135,970</u>	<u>104,826</u>
Total Fund Equity	<u>678,588</u>	<u>647,011</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$704,510</u>	<u>\$704,612</u>

The accompanying notes to the financial statements are an integral part of this statement.

RECEIVED
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JUL 20 1997

**OFFICIAL
FINANCIAL REPORT**

DO NOT SIGN OVER

Always necessary
Signatures from the
Mayor and Mayor
Council in 1997

**West Baton Rouge Parish
Water Works District No. 1**

Annual Financial Statements

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.

Released Date: JUL 20 1997

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL - GOVERNMENT ACCOUNTING
STANDARDS (CONTINUED)

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 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, fair errors or irregularities in amounts that would be material in relation to the general purpose; lines of 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 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.



W. Kathleen Board
May 22, 1997

W. Kathleen Beard
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Mr. Hewitt Hougan, President
and Members of the Board of Commissioners
West Baton Rouge Parish Water Works District No. 1
Abbeville, Louisiana 70710

I have audited the financial statements of the West Baton Rouge Parish Water Works District No. 1 and for the year ended December 31, 1995, and have issued my report thereon dated May 22, 1997.

I conducted my 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 I 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 West Baton Rouge Parish Water Works District No. 1 is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. 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*.

This report is intended for the information of 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.



W. Kathleen Beard
May 22, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS
Combined Statements Overview

West Denver Regional District Water Works District No. 1
 Enterprise Fund
 Balance Sheet
 December 31, 1999 and 1998

Exhibit A

	1999	1998
ASSETS		
Current Assets:		
Cash and cash equivalents	\$47,829	\$48,467
Investment in certificates of deposit	180,000	158,000
Interest receivable	3,807	580
Accounts receivable - Customers	34,108	34,575
Taxes receivable - Ad valorem	14,807	10,080
Prepaid insurance	508	501
Inventory	4,824	0
Total Current Assets	296,241	249,093
Restricted Assets:		
Cash and cash equivalents	33,850	43,494
Investment in certificates of deposit	18,507	10,000
Deferred compensation benefit receivable	13,712	0,281
Total Restricted Assets	55,979	53,775
Property, Plant and Equipment:		
Water systems	1,077,507	1,028,474
Office equipment	9,287	7,902
Less Accumulated Depreciation	(1,086,734)	(1,028,328)
Land	491,852	415,052
Total Property, Plant and Equipment	488,792	423,098
TOTAL ASSETS	\$784,813	\$726,866

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

West Haven Board: Public Water Works District No. 1
Insurance in Force (Unaudited)
December 31, 1996

Schedule 2

Insurer	Type of Coverage	Amount	Policy Expiration	Term in Months
Lombard Worker's Compensation Corporation	Worker's compensation	Statutory limits	2-4-96	11
Alliance Insurance Company	Commercial Property	Limit \$ 212,000	2-3-96	11
	Additional Building and Personal Property	Limits - various	2-3-96	11
	Commercial General Liability	\$1,000,000 General Aggregate Limit	2-3-96	11
	Commercial Crime - Employee dishonesty	Limit \$100,000		
	Property or alteration	Limit \$5,000	2-3-96	11
	Business Auto	Limit \$1,000,000	2-3-96	11
Equipment Breakdown - Boiler & machinery		Property damage/ Income/Extra Expense		
		Limit \$150,000	2-3-96	11

West Haven Sewage Parish Water Works District No. 1
 Notes to the Financial Statements
 December 31, 1996

10. Related Party Transactions (Continued)

The amount payable for garbage and sewer fees is detailed as follows:

	1996	1995
West Haven Parish Police Jury -		
Garbage fees	\$ 3,883	\$ 3,568
Sewer fees	1,512	1,512
Town of Ada -		
Sewer fees	12,419	13,480
Total garbage and sewer fees payable	\$ 19,814	\$ 20,560

The schedule of per diem paid to board members was prepared in compliance with House Concurrent Resolution No. 56 of the 1979 Session of the Legislature.

The per diem of the board members is included in the operating expenses of the enterprise fund. In accordance with Louisiana Revised Statute 35:3818, each member received \$60 for each regular monthly meeting they attended and \$90 for each special meeting.

Board Member	Amount
Herwin Bouquet	\$780
Shane Lopez	690
Miriam Mphah	780
Ellis Dean Theobaldson	720
Lyle Chantz	780
Ray A. Bivert	780
Louis LaDorn	690
Ernest Grant, Jr.	720
Total	<u>\$5,880</u>

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West Union Energy Periodic
 West Union District No. 1
 Annual Financial Statements
 Year ended December 31, 1999

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West Water Region (Public Water Works District No. 1)
 Enterprise Fund
 Statement of Revenues, Expenses and Changes in Retained Earnings
 Years ended December 31, 1998 and 1997

Table B

	1998	1997
OPERATING REVENUE:		
Water sales	\$194,217	\$95,672
Fees/rents	8,108	7,569
Insulations and other fees	5,023	9,153
	<hr/>	<hr/>
Total operating revenue	207,348	112,394
OPERATING EXPENSE:		
Salaries	29,780	28,728
Payroll taxes	460	380
Fuel/dies	5,860	6,780
Maintenance - labor	23,707	9,294
Maintenance - materials	5,500	12,281
Water treatment supplies	15,151	18,443
Office supplies and postage	2,671	3,496
Utilities	8,488	4,149
Insurance	9,126	12,129
Telephone	610	457
Professional services	4,185	5,847
Membership and association dues	873	738
Deception expense	348	0
Miscellaneous	818	380
Depreciation	43,894	38,634
Bad debt expense	0	534
	<hr/>	<hr/>
Total Operating Expense	181,409	150,221
	<hr/>	<hr/>
OPERATING INCOME (LOSS)	25,939	(37,827)
NON-OPERATING REVENUE:		
All revenues	19,585	11,210
Revenues sharing	3,260	3,442
Interest revenue	13,258	9,733
Other revenue	14	43
	<hr/>	<hr/>
Total Non-operating Revenues	36,117	24,388
NON-OPERATING EXPENSE:		
Interest expense	1,380	1,440
Bond agent fees	626	564
	<hr/>	<hr/>
Total Nonoperating Expense	2,006	2,004
	<hr/>	<hr/>
NET INCOME (LOSS)	34,144	1,384
RETAINED EARNINGS - BEGINNING	125,728	124,344
	<hr/>	<hr/>
RETAINED EARNINGS - ENDING	\$159,872	\$125,728
	<hr/>	<hr/>

The accompanying notes to the financial statements are an integral part of this statement.

West Water Flow in Potomac Water Works District No. 1
 Enterprise Fund
 Statement of Cash Flows
 Years ended December 31, 1998 and 1997

Exhibit C

	1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net cash provided by operating activities -		
Net operating income (loss)	(\$20,893)	(\$20,637)
Adjustments to reconcile operating income to net cash provided by operating activities -		
Depreciation	43,553	36,874
Change in Assets and Liabilities -		
(Increase) Decrease in accounts receivable	489	(5,792)
(Increase) Decrease in prepaid insurance	(17)	2,158
(Increase) in inventory	(4,824)	0
Increase in accounts payable	18,534	2,857
Increase (Decrease) in sales and payroll taxes payable	11	48
Increase (Decrease) in garbage and sewer fees payable	(756)	2,803
	<hr/>	<hr/>
Net Cash Provided by (Used for) Operating Activities	28,008	45,211
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
All water loans	18,565	11,378
Revenue sharing	3,368	3,442
Change in Assets -		
(Increase) Decrease in loans receivable - all water	(4,607)	438
	<hr/>	<hr/>
Net Cash Provided by (Used for) Noncapital financing activities	17,326	16,242
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of capital assets	(80,387)	(38,184)
Principal paid on revenue bond issue	24,000	(8,000)
Interest and fees paid on revenue bond issue	(2,084)	(2,325)
Change in Liabilities payable from restricted assets -		
Increase in customer deposits	775	619
(Decrease) in accrued interest payable	(570)	(240)
	<hr/>	<hr/>
Net Cash Provided by (Used for) Noncapital financing activities	(71,547)	(48,034)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest revenue	13,258	9,713
Divid. interest	14	47
Redemption of certificates of deposit	180,000	100,000
Investment in certificates of deposit	(180,007)	(180,000)
Change in Assets -		
(Increase) Decrease in interest receivable	(2,747)	(286)
	<hr/>	<hr/>
Net Cash Provided by (Used for) Investing Activities	18,118	(30,540)
INCREASE (DECREASE) IN CASH AND EQUIVALENTS	<hr/>	<hr/>
	(18,161)	(45,821)
CASH AND CASH EQUIVALENTS, BEGINNING	<hr/>	<hr/>
	81,888	125,807
CASH AND CASH EQUIVALENTS, ENDING	<hr/>	<hr/>
	\$63,727	\$79,986

The accompanying notes to the financial statements are an integral part of this statement.

SUPPLEMENTARY INFORMATION