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**WATERWORKS DISTRICT NO. 1  
OF CAMBON PARISH  
Camden, Louisiana**

**General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended December 31, 1997  
With Supplemental Information Schedule**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, 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 4-15-98

61 613 8007105  
1-11-98

**VERNON R  
COON**  
LEGISLATIVE AUDITOR

WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended  
December 31, 1997  
With Supplemental Information Schedule

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## Independent Auditor's Report

VERNON COON  
INDEPENDENT ACCOUNTANT  
PUBLIC ACCOUNTANTS

SOCIETY OF ACCOUNTANTS  
MEMBER FIRM  
MEMBERSHIP NO.

WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

I have audited the general purpose financial statements of Waterworks District No. 1 of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of December 31, 1997, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of Waterworks District No. 1's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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 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 financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Waterworks District No. 1 of Cameron Parish as of December 31, 1997, and the results of operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

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**WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Independent Auditor's Report  
December 31, 1987**

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of Waterworks District No. 1 of Cameron Parish. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated March 13, 1988 on my consideration of the internal control structure of Waterworks District No. 1 of Cameron Parish and a report dated March 13, 1988 on the district's compliance with laws and regulations.



West Monroe, Louisiana  
March 13, 1988

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(OVERVIEW)**

WATERWORKS DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, Louisiana  
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Balance Sheet, December 31, 1997

**ASSETS**

Current assets:	
Cash and equivalents	\$827,157
Receivables	148,638
Restricted assets - cash and equivalents	3,909
Property, plant and equipment (net of accumulated depreciation)	<u>595,582</u>
TOTAL ASSETS	<u>\$1,575,286</u>

**LIABILITIES AND FUND EQUITY**

Liabilities:	
Current liabilities:	
Accounts payable	\$18,911
Due to Sewerage District No. 1 of Cameron Parish	52,108
Payable from restricted assets - customer deposits	<u>3,482</u>
Total current liabilities	74,501
Long-term liabilities - compensated absences	<u>12,515</u>
Total Liabilities	<u>87,016</u>
Fund Equity:	
Contributed capital (net of amortization)	206,836
Retained earnings - Unreserved	<u>1,081,534</u>
Total Fund Equity	<u>1,288,370</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$1,375,386</u>

The accompanying notes are an integral part of this statement.

WATERWORKS DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, Louisiana  
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Revenues, Expenses, and  
Changes in Retained Earnings  
For the Year Ended December 31, 1997

<b>OPERATING REVENUES</b>	
Water sales	\$590,227
Other	9,560
Total operating revenues	<u>600,786</u>
<b>OPERATING EXPENSES</b>	
Personal services	63,723
Commissioner's per diem	2,590
Operating services	142,297
Materials and supplies	24,076
Depreciation	58,313
Total operating expenses	<u>348,138</u>
<b>OPERATING INCOME</b>	<u>248,652</u>
<b>NONOPERATING REVENUES (Expenses)</b>	
Ad valorem taxes	106,583
State revenue sharing	1,370
Payment in lieu of taxes	462
Interest earnings	31,512
Deductions from ad valorem taxes	<u>(5,480)</u>
Total nonoperating revenues (expenses)	<u>138,449</u>
<b>NET INCOME</b>	377,101
Add depreciation on fixed assets acquired with contributed capital	<u>7,584</u>
<b>INCREASE IN RETAINED EARNINGS</b>	384,685
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	<u>696,849</u>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<u>1,081,534</u>

The accompanying notes are an integral part of this statement.

**WATERWORKS DISTRICT NO. 1 OF CADERO PARISH**  
**Coronou, Louisiana**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUND**

Statement of Cash Flows  
 For the Year Ended December 31, 1997

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash received from customers	\$550,053
Cash paid to suppliers and others	<u>(183,673)</u>
Net cash provided by operating activities	<u>366,380</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Ad valorem taxes	71,990
State revenue sharing	1,412
Payment in lieu of taxes	462
Deductions from ad valorem taxes	<u>(7,489)</u>
Net cash provided from noncapital financing activities	<u>71,415</u>

**CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES**

Acquisition of fixed assets	(8,329)
-----------------------------	---------

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest earnings	<u>31,512</u>
Net increase in cash and equivalents	201,053

**CASH AND EQUIVALENTS AT BEGINNING OF YEAR**

	<u>530,863</u>
--	----------------

**CASH AND EQUIVALENTS AT END OF YEAR**

	<u>\$731,916</u>
--	------------------

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:**

Operating income	<u>\$240,657</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	28,712
Changes in assets and liabilities:	
Increase in receivables	(2,874)
Decrease in amount due to Sewerage District No. 1	(46,469)
Increase in accounts payable	8,697
Decrease in deferred revenue	(2,397)
Decrease in deposits payable	11,081)
Decrease in compensated absences	<u>(18,482)</u>
Total adjustments	<u>(74,722)</u>
Net cash provided by operating activities	<u>\$165,935</u>

The accompanying notes are an integral part of this statement.



**WATERWORKS DISTRICT NO. 1 OF CAMERON PARISH**  
Cameron, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended December 31, 1997

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Waterworks District No. 1 of Cameron Parish was created by the Cameron Parish Police Jury, as authorized by Louisiana Revised Statute 33:5811. The district is governed by the Cameron Parish Sewerage and Water Board for District No. 1, as authorized by Act 818 of 1990. The board is comprised of seven members who are appointed by the police jury. The district is responsible for providing water service to users within the boundaries of the district.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity for Cameron Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Cameron 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

**WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana**

**Notes to the Financial Statements (Continued)**

be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints all board members of the district and can impose its will on the district, the district was determined to be a component unit of the Cameron Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**B. FUND ACCOUNTING**

Waterworks District No. 1 of Cameron Parish is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues and expenses. The operations are financial and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

**C. FIXED ASSETS**

Fixed assets of the district are included on the balance sheet of the fund. Depreciation of all depreciable fixed assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is 3 to 10 years for equipment, 25 years for buildings, and 40 years for the waterworks system.

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement focus applied. The Enterprise Fund is reported in the accompanying financial statements on the accrual basis of accounting. Revenues are recognized when they are earned. Ad valorem taxes and the related state revenue sharing 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. Ad valorem taxes are generally collected in December of the current year and January and February of the ensuing year.

WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)

Water service charges are levied as of the twenty-fifth day of each month, and billings are distributed to customers before the last day of each month. Amounts for unbilled services from the twenty-sixth day of the month through the end of December are considered immaterial and are not included in the accompanying financial statements. Expenses are recognized when they are incurred.

**E. CASH AND CASH EQUIVALENTS**

Under state law, the district may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The district may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 1997, the district has cash and cash equivalents (bank balances) totaling \$831,036 as follows:

Petty cash	575
Demand deposits	1,569
Money market accounts	289,707
Time deposits	<u>625,715</u>
Total	<u>\$831,036</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

Cash and cash equivalents (bank balances) at December 31, 1997, are secured as follows:

Bank balances	<u>538,126</u>
Federal deposit insurance	\$212,613
Pledged securities (uncollateralized)	<u>80,297</u>
Total	<u>\$831,036</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank

**WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)**

rather than the name of the district, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

For the purposes of the Statements of Cash Flows, cash equivalents includes all highly liquid investments (certificates of deposit and money market accounts ) with a maturity date of three months or less when purchased.

## **F. COMPENSATED ABSENCES**

Employees may accumulate from 5 to 25 days of vacation leave, depending on their length of service with the district. Vacation leave can be accumulated without limitation. Upon resignation or retirement, unused vacation leave is paid to the employee at the employee's current rate of pay. Employees may accumulate 12 to 18 days of sick leave each year, depending on their length of service. Sick leave may be accumulated without limitation. Any unused sick leave is forfeited by the employee at time of resignation. Upon retirement, unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with the GASB Codification Section C80, is recorded as a long-term liability on the balance sheet of the Enterprise Fund. The cost of leave privileges, computed in accordance with the preceding codification, is recognized as a current year expense of the Enterprise Fund when leave is earned.

## **2. LEVIED TAXES**

The district has an authorized tax millage of 3.65 mills which is restricted, by tax proposition, to operation and maintenance of the district. The tax is due to expire with the 2001 tax roll. For the year ended December 31, 1997, the district levied 4.67 mills as a result of assessments of taxable property as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

The following are the principal taxpayers for the parish and their 1997 assessed valuation (amounts expressed in thousands):

WATERWORKS DISTRICT NO. 1  
 OF CAMERON PARISH  
 Calcasieu, Louisiana  
 Notes to the Financial Statements (Continued)

	1997 Assessed Valuation	Percent of Total Assessed Valuation
Natural Gas Pipeline Company of America	\$7,690	5.44%
Warren NGL, Incorporated	7,270	5.14%
ANR Pipeline Company	7,164	5.06%
Transcontinental Gas Pipeline	4,034	2.83%
Amoco Production Company	3,697	2.61%
Texas Eastern Transmission Corporation	3,689	2.60%
Trico Marine Assets	3,248	2.30%
Cryo Industrial Products	3,126	2.21%
Higman Barge Lines, Inc.	3,106	2.20%
Tenneco	3,072	2.17%
<b>Total</b>	<u>\$46,100</u>	<u>32.50%</u>

3. RECEIVABLES

At December 31, 1997, the district has receivables of \$148,618, as follows:

Water sales	\$40,813
Ad valorem taxes	106,851
State revenue sharing	974
<b>Total</b>	<u>\$148,618</u>

4. FIXED ASSETS

A summary of fixed assets at December 31, 1997, follows:

	Cost	Accumulated Depreciation	Total
Land	\$9,590		\$9,590
Buildings and equipment	82,707	(55,113)	27,594
Water system, tanks and wells	3,145,380	(787,351)	2,358,029
<b>Total</b>	<u>\$3,237,677</u>	<u>(842,464)</u>	<u>\$2,395,213</u>

WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

Notes to the Financial Statements (Continued)

5. PENSION PLAN

Substantially all employees of the waterworks district are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the district are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1983, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1983. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1261.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the district is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the district are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:100, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The district's contributions to the System under Plan A for the years ending December 31, 1997, 1996, and 1995 were \$3,278, \$3,322, and \$3,297, respectively, equal to the required contributions for each year.

WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

Notes to the Financial Statements (Continued)

**6. CHANGES IN GENERAL LONG-TERM  
OBLIGATIONS**

The following is a summary of changes in compensated absences for the year ended December 31, 1997.

Compensated absences payable - January 1, 1997	530,978
Additions	4,231
Deductions	<u>(22,694)</u>
Compensated absences payable - December 31, 1997	<u>512,515</u>

**7. CONTRIBUTED CAPITAL**

Contributed capital is amortized based on the depreciation recognized on that portion of assets acquired with such contributions. The district received grants of \$349,288 from the State of Louisiana in past years for construction of the water system and \$3,756 from the Cameron Parish Police Jury for equipment. The contributed capital is amortized over the life of the associated fixed assets. At December 31, 1997, accumulated amortization is \$146,307.

**8. LITIGATION AND CLAIMS**

The district is not involved in any litigation at December 31, 1997, nor is it aware of any unasserted claims.

**9. PRIOR PERIOD ADJUSTMENT**

The beginning retained earnings has been adjusted to correct an error in the calculation of the balance due to Sewerage District No. 1 of Cameron Parish at December 31, 1996, as follows:

Retained earnings at December 31, 1996, as previously reported	5780,865
Adjustment - understatement of liabilities	<u>(84,000)</u>
Retained earnings at December 31, 1996, restated	<u>5696,865</u>

**SUPPLEMENTAL INFORMATION SCHEDULE**



WATERWORKS DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 1997

**PER DIEM PAID COMMISSIONERS**

The schedule of per diem paid to commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1978 Session of the Louisiana Legislature.

As provided by Louisiana Revised Statutes 33:3879 and 33:4067, Waterworks District No. 1 of Cameron Parish commissioners received \$50 for each meeting attended. Act 818 of 1990 (Louisiana Revised Statute 33:4067) created the Cameron Parish Sewerage and Water Board for District No. 1 as the governing authority of Cameron Parish Sewerage District No. 1 and Cameron Parish Waterworks District No. 1. As reflected on the schedule of per diem paid commissioners, one half of the per diem for each meeting attended is paid out of Waterworks District No. 1 of Cameron Parish.

WATERWORKS DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, Louisiana

Schedule of Per Diem Paid Commissioners  
For the Year Ended December 31, 1997

	<u>METTINGS ATTENDED:</u>	<u>AMOUNT</u>
Jimmy Colligan	9	\$231
Bobby Doney	9	270
Larry Dryson	15	450
Ronnie Johnson	15	450
Billy Johnson	6	180
Jimmy Kelley	14	420
Johnny Landry	5	150
J. C. Murphy	14	420
Ricky Wolfe	4	<u>120</u>
Total		<u>\$2,730</u>

**Independent Auditor's Reports Required  
by Government Auditing Standards**

The following independent auditor's reports on internal control and compliance are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



**Independent Auditor's Report  
on Internal Control Structure**

**WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana**

I have audited the general purpose financial statements of Waterworks District No. 1 of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of December 31, 1997, and for the year then ended, and have issued my report thereon dated March 13, 1998.

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 general purpose financial statements are free of material misstatement.

The management of Waterworks District No. 1 of Cameron Parish 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 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. 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 general purpose financial statements of Waterworks District No. 1 of Cameron Parish, for the year ended December 31, 1997, I obtained an understanding of the 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.

**VERNON R. COON**  
**INSTITUTE OF CERTIFIED**  
**PUBLIC ACCOUNTANTS**  
**CITY OF LAFAYETTE,**  
**CAMERON PARISH,**  
**LOUISIANA**  
**REGISTERED ACCOUNTANT**  
**FRANCIS LAMARTE JR.**  
**INDEPENDENT**  
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WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Independent Auditor's Report  
on Internal Control Structure  
December 31, 1997

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 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 were 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 board of commissioners of Waterworks District No. 1 of Cameron Parish and management of the district. This is not intended to limit the distribution of this report, which is a matter of public record.



Wade Monroe, Louisiana  
March 13, 1998



**Independent Auditor's Report on  
Compliance With Laws and Regulations**

**MEMBER ASSOCIATION**  
**Institute of Certified  
Public Accountants**  
**CITY OF LOUISIANA**  
**MEMBER ORGANIZATION**  
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**WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana**

I have audited the general purpose financial statements of Waterworks District No. 1 of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of December 31, 1997 and for the year then ended, and have issued my report thereon dated March 13, 1998.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States, and the Louisiana Governmental Audit Guide, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. These standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws and regulations applicable to Waterworks District No. 1 of Cameron Parish is the responsibility of the district's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the district's compliance with certain provisions of laws and regulations. However, the objective of my audit of the general purpose 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.

WATERWORKS DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Independent Auditor's Report  
on Compliance, Etc.  
December 31, 1997

This report is intended for the information of the board of commissioners of Waterworks District No. 1 of Cameron Parish and management of the district. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana  
March 13, 1998