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ACCOUNTANT'S COMPLIANCE REPORT ON  
COMPONENT UNIT FINANCIAL STATEMENTS

Board of Commissioners  
LaSalle Parish Waterworks District No. 1  
LaSalle Parish Police Jury  
Jena, Louisiana 71042

I have compiled the component unit financial statements and graphs of the LaSalle Waterworks District No. 1, as of and for the year ended December 31, 1998, as listed in the table of contents, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

January 11, 1999  
Jena, Louisiana



John B. Vercher

**LASALLE WATERWORKS DISTRICT NO. 1**  
**ASSETS - DECEMBER 31, 1996**

**CURRENT ASSETS**  
**\$106,315**



**RESTRICTED ASSETS**  
**\$29,565**

SEE ACCOUNTANTS  
COMPILATION REPORT

**FIXED  
ASSETS**  
**\$147,187**

**LASALLE WATERWORKS DISTRICT NO. 1**  
**Expenses (Except Fire Remit.) 12-31-96**

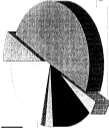
OTHER OPERATING  
\$30,882

DEPRECIATION  
\$11,025

TRUCK EXPENSE  
\$2,667

INSURANCE  
\$4,873

UTILITIES  
&  
TELEPHONE  
\$18,475



SALARIES  
\$70,899

REPAIR & MAINTENANCE  
\$9,241

SEE ACCOUNTANTS  
COMPILATION REPORT

3234

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LASALLE WATERWORKS DISTRICT NO. 1  
LASALLE PARISH POLICE JURY  
JENA, LOUISIANA  
DECEMBER 31, 1996

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, the assessor, city and other appropriate public officials. The report is available for public inspection at the Parish Police Jury office of the Jena Parish Courthouse, where appropriate, at the office of the parish clerk of court.

Attest: Dec. 29, 1996

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
LASALLE PARISH POLICE JURY  
BONNE, LA

C O N T E N T S

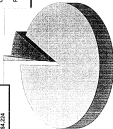
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# LASALLE WATERWORKS DISTRICT NO. 1

## *Liabilities & Equity 12-31-96*

CURRENT LIABILITIES  
\$4,204

CURRENT LIABILITIES  
PAYABLE FROM  
RESTRICTED ASSETS  
\$22,099



RETAINED EARNINGS  
\$307,144

SEE ACCOUNTANT'S  
COMPILATION REPORT

**JOHN R. VERCHER PC**  
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**INDEPENDENT ACCOUNTANTS REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

To the Management of  
LaSalle Parish Waterworks  
District No. 1  
LaSalle Parish Police Jury  
Jena, Louisiana 71342

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of LaSalle Parish Waterworks District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about LaSalle Waterworks District No. 1's compliance with certain laws and regulations during the year ended December 31, 1998 included in the accompanying Louisiana Accounting Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purposes for which this report has been requested or for any other purpose.

**Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$5,000 on public work exceeding \$50,000, and determine whether such purchases were made in accordance with LAARS SB2211:224 into public bid law.

\* I found no such expenditures.

2. Obtain from management a list of the immediate family members of each board member as defined by LAARS SB1105:1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

\* Management provided me with the required list including the needed information.

3. Obtain from management a listing of all employees paid during the period under examination.

\* Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure 03 were also included on the listing obtained from management in agreed-upon procedure 02 as immediate family members.

\* None of the employees included on the list of employees provided by management in agreed-upon procedure 03 appeared on the list provided by management in agreed-upon procedure 02.

### **Budgeting**

5. Obtain a copy of the legally adopted budget and all amendments.

\* The District has no general funds in budget.

6. Trace the budget adoption and amendments in the minute book.

\* Not applicable

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

\* Not applicable

### **Accounting and Reporting**

8. Randomly select 6 disbursements made during the period under examination and:  
a) trace payments to supporting documentation as to proper amount and payee;

\* I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

b) determine if payments were properly coded to the correct fund and general ledger account; and

\* All of the payments were properly coded to the correct fund and general ledger account.

c) determine whether payments received approval from proper authorities.

\* Inspection of documentation supporting each of the six selected disbursements indicated approval from the accountant and the chairman of the Board of Commissioners.

### **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by USA-BS 421 through 4212 (the open meetings law).

\* The District meets on the third Monday of each month.

### **Bank**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be payments of bank loans, bonds, or like indebtedness.

\* I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be payments of bank loans, bonds, or like indebtedness.

### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

\* A reading of the minutes of the district for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.



I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I did not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of LaSalle Waterworks District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



John E. Teacher

Jena, Louisiana  
January 21, 1997

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
 LASALLE PARISH POLICE JURY  
 PROPRIETARY - ENTERPRISE FUND  
 BALANCE SHEET  
 DECEMBER 31, 1996

ASSETS

## Current Assets

Cash	\$ 78,781
Depreciation Cash	44,545
Accounts Receivable (Note 2)	11,979
	-----
Total Current Assets	\$ 135,305

## Restricted Assets

Water Deposits	\$ 28,988
	-----
Total Restricted Assets	\$ 28,988

Fixed Equipment, at Cost, Net of Accumulated Depreciation  
of \$216,783 for 1996

	\$ 147,187
	-----
Total Assets	\$ 311,480

## LIABILITIES AND FUND EQUITY

## Current Liabilities

Accounts Payable	\$ 4,214
	-----
Total Current Liabilities	\$ 4,214

## Current Liabilities Payable from Restricted Assets

Deposits Subject to Refund	\$ 28,988
	-----
Total Current Liabilities Payable from Restricted Assets	\$ 28,988

Total Liabilities	\$ 33,202
-------------------	-----------

## Retained Earnings

Unreserved	\$ 187,244
	-----
Total Retained Earnings	\$ 187,244

Total Liability and Fund Equity	\$ 311,480
---------------------------------	------------

(See Accountant's Compilation Report)

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

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
 LASALLE PARISH POLICE JURY  
 PROPRIETARY - ENTERPRISE FUND  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN RETAINED EARNINGS  
 FOR THE YEAR ENDED DECEMBER 31, 1996

Operating Revenue	
Charges For Services :	
Water Sales	\$ 129,894
Delinquent Fees	2,471
Miscellaneous	188
Tax Fees	2,188
	-----
Total Operating Revenue	\$ 134,741
	-----
Operating Expenses	
Salaries	\$ 78,894
Office Expenses	6,843
Official Journal	278
Insurance	4,873
Maintenance & Repairs	8,418
Supplies	8,558
Payroll Taxes	14,818
Utilities & Telephone	18,473
Depreciation	11,838
Travel Expense	2,807
Other Operating Expenses	884
	-----
Total Operating Expenses	\$ 203,219
	-----
Operating Income (Loss)	\$ 13,522
	-----
Non-Operating Revenue (Expenses)	
Fire Protection Collections	\$ 58,870
Interest Income	4,441
Fire Protection Assistance	(128,880)
	-----
Total Non-Operating Revenue (Expenses)	\$ 34,431
	-----
Net Income/(Loss)	\$ 47,953
	-----
Retained Earnings Beginning of Year	\$ 187,870
	-----
Retained Earnings End of Year	\$ 235,823
	-----

See Accountant's Compilation Report

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

LAFAYETTE PARISH WATERWORKS DISTRICT NO. 1  
LAFAYETTE PARISH POLICE JURY  
PROPRIETARY FUND

Statement of Cash Flows  
for the Year Ended December 31, 1998

Cash from Operations:	
Net Income	\$ 3,378
	-----
Adjustments to Net Income:	
Add - Depreciation	13,025
Increase in Allowance for Bad Debts	38
	-----
Total Additions	\$ 13,063
	-----
Deduct - Increase in Accounts Payable	\$ 118
Increase in Accounts Receivable	714
	-----
Total Deductions	\$ (896)
	-----
Cash provided by Operations	\$ 12,167
Cash provided from Customer deposits	1,400
Cash provided from Restricted Funds	57,259
	-----
Total Cash Provided	\$ 70,826
	-----
Cash was applied to:	
Restricted Funds	\$ 2,800
	-----
Total Cash Applied	\$ 2,800
	-----
Increase (Decrease) in Cash Flow	\$ 68,026
Cash Beginning of Year	47,849
	-----
Cash End of Year	\$ 115,875
	-----

See Accountant's Compilation Report

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

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
LASALLE PARISH POLICE JURY

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

LaSalle Waterworks District No. 1 was created by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:652. The Waterworks District is administered by a board of five commissioners who are appointed by the LaSalle Parish Police Jury. The district owns and operates water facilities and engages in activities designed to provide water to the Goodpine, Truxtun and Blibbery Communities.

For financial reporting purposes, the district is a component unit of the LaSalle Parish Police Jury, the governing body of the parish. The accompanying financial statements present financial information only on the funds and account groups maintained by LaSalle Waterworks District No. 1 and do not present information on the Police Jury and the general government services provided by that governmental unit or any of its other component units.

A. FUND ACCOUNTING

LaSalle Waterworks District No. 1 is organized and operated on a fund basis whereby a separate set of self-balancing accounts Enterprise Fund is maintained that compares its assets, liabilities, fund equity, revenues and expenses.

B. 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 relates to the timing of the measurement being applied.

The Waterworks District's records are maintained on a cash basis of accounting. However, the fund reported in the accompanying financial statements has been converted to an accrual basis of accounting utilizing the following practices in recording revenues and expenses:

Revenues:

Operating income from water sales is recorded when billed.

Interest income on investments is recorded when the investments have matured and the income is available.

Substantially all other revenues are recorded when received.

The District collects from its customers a "Fire Protection Fee" and remits part of the same to the Area Fire Department. The customers are under no obligation to pay the fee, nor is the district under any obligation to remit the same to the fire department.

Expenses:

Expenses are generally recognized under the accrual basis of accounting when the related liability is incurred.

**LASALLE PARISH WATERWORKS DISTRICT NO. 1  
LASALLE PARISH POLICE JURY**

**Notes to Financial Statements  
Continued**

**Fixed Asset Depreciation**

All fixed assets are reported at cost and depreciation of all depreciable fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation is reported over the useful lives of the assets using the straightline method. The estimated useful lives follow:

Water System	18 Years
Miscellaneous Equipment	8 Years

**2. CASH AND RESTRICTED ASSETS**

All cash and restricted cash assets are reported at cost and are on deposit at a FIDC insured institution. Cash and security is as follows:

	PARISH of Louisiana	First Community Bank
Bank Statements Balance 12-31-96	\$ 126,794	\$ 41,573
FIDC Coverage	(126,840)	(41,562)
	-----	-----
Cash Balance not Covered as 12-31-96	\$ 5,743	\$ -0-
	-----	-----

**3. ACCOUNTS RECEIVABLE**

The receivables at December 31, 1996 are detailed below:

Water Sales	\$ 12,829
Allowance for Bad Debt	(938)
	-----
Total	\$ 12,879
	-----

**4. CHANGES IN FIXED ASSETS**

System Cost 12-31-96	\$ 167,948
	-----
Total Cost 12-31-96	167,948
Less Allowance for Dep'n less of 12-31-96	(228,731)
	-----
Net Fixed Assets 12-31-96	\$ 147,187
	-----

11/10/02

LASALLE WATERWORKS DISTRICT NO. 1  
 THIBOU, LA. 71371



**Lasalle Waterworks District No. 1**

Lasalle Waterworks District No. 1 was created by the Lasalle Parish Police Jury, is authorized by Louisiana Revised Statute 48:562. The Waterworks District is administered by a board of five commissioners who are appointed by the Lasalle Parish Police Jury. The district owns and operates water facilities and engages in activities designed to provide water to the Gasline, Trout and Midway.