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LASALLE WATERWORKS DISTRICT NO. 1
LASALLE PARISH POLICE JURY
JENA, LOUISIANA
DECEMBER 31, 1997

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 ~~1998-2-5-1998~~

LASALLE WATERWORKS DISTRICT NO. 1
TROUT, LA. 71371



• LaSalle Waterworks District No. 1

LaSalle Waterworks District No. 1 was created by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:4562. 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 Geopline, Trout and Highway Communities.

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

C O N T E N T S

	<u>AMOUNT</u>	<u>PAGE NO.</u>
Accountant's Report on Component Unit Financial Statements		1
Independent Accountant's Report on Agreed-Upon Procedures		1-4
Balance Sheet - December 31, 1997	A	5
Statement of Revenue, Expenses and Changes in Retained Earnings - for the Year Ended December 31, 1997	B	6
Statement of Cash Flow - for the Year Ended December 31, 1997	C	7
Notes to Financial Statements		8-20
Management Letter Comments		21
Graphs		22

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ACCOUNTANTS' COMPLAINT REPORT ON
COMPOSITE UNIT FINANCIAL STATEMENTS

Board of Commissioners
LaSalle Parish Waterworks District No. 1
LaSalle Parish Police Jury
Jena, Louisiana 71342

I have reviewed the component unit financial statements and graphs of the LaSalle Waterworks District No. 1, as of and for the year ended December 31, 1997, 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.

March 18, 1998
Jena, Louisiana



John R. Vercher

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREEMENTS 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 summarized 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, 1997 included in the accompanying Louisiana Assertion Questionnaire. This agreement 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 purpose 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, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA RS 49:2211.2250 (the 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 LSA RS 45:1106.1124 (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 agreement procedure 3) were also included on the listing obtained from management in agreement procedure 2) as immediate family members.

* None of the employees included on the list of employees provided by management in agreement procedure 3) appeared on the list provided by management in agreement procedure 2).

Budgeting

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

* The District has no general funds or budget.

6. Trace the budget adoption and amendments to 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 varied budgeted amounts by more than 5%.

* Not applicable

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and list from payments to supporting documentation to the proper amount and pages.

* 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.

8a) 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.

8b) 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 ISA 88-421 through 4212 (the open meetings law).

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

Debt

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

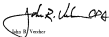
Advances and Bonuses

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 amounts 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 R. Venable

Shreveport, Louisiana
March 18, 1998

LASALLE PARISH WATERWORKS DISTRICT NO. 1
 LASALLE PARISH POLICE JURY
 PROPRIETARY ENTERPRISE FUND
 BALANCE SHEET
 DECEMBER 31, 1997

ASSETS

Current Assets

Cash	\$ 87,182
Depreciation Cash	91,738
Accounts Receivable (2002 \$)	12,440

Total Current Assets	\$ 191,360

Restricted Assets

Motor Expense	\$ 34,500

Total Restricted Assets	\$ 34,500

Plant & Equipment, at Cost, Net of Accumulated Depreciation
 of \$459,751 for 1997

\$ 194,360

Total Assets

\$ 340,220

LIABILITIES AND FUND EQUITY

Current Liabilities

Accounts Payable	\$ 3,200

Total Current Liabilities	\$ 3,200

Current Liabilities (Payable from Restricted Assets)
 Expense Subject to Refund

\$ 20,804

Total Current Liabilities (Payable from Restricted Assets)

\$ 20,804

Total Liabilities

\$ 24,004

Retained Earnings

Unreserved	\$ 312,412

Total Retained Earnings	\$ 312,412

Total Liability and Fund Equity

\$ 340,220

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, 1997

Operating Revenue	
Charges for Services -	
Water Sales	\$ 143,185
Relievement Fees	1,110
Miscellaneous	1,428
Tap Fees	1,375

Total Operating Revenue	\$ 147,098

Operating Expenses	
Salaries	\$ 79,952
Office Expenses	4,848
Official Journal	189
Insurance	12,427
Maintenance & Repairs	3,888
Supplies	13,740
Utilities & Telephone	17,860
Depreciation	11,528
Truck Expenses	3,973
Other Operating Expenses	3,248

Total Operating Expenses	\$ 158,043

Operating Income (Loss)	\$ (10,945)

Non-Operating Revenue (Expenses)	
Fire Protection Collections	\$ 18,873
INTEREST INCOME	3,873
Fire Protection Residuals	(14,708)

Total Non-Operating Revenue (Expenses)	\$ 8,038

Net Income/(Loss)	\$ (2,907)

Retained Earnings Beginning of Year	\$ 191,144

Retained Earnings End of Year	\$ 188,237

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 FUND

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

Cash from Operations:	
Net Income	\$ 6,187

Adjustments to Net Income:	
ADD - DEPRECIATION	11,028
Increase in Allowance For Bad Debt	44
Increase in Accounts Receivable	2,094

Total Additions	\$ 13,354

Deduct - Increase in Accounts Receivable	\$ 468

Total Deductions	\$ (468)

Cash Provided by Operations	\$ 12,886
Cash Provided from Customer Deposits	3,493

Total Cash Provided	\$ 16,379

Cash was applied to:	
Restricted Funds	\$ 2,538

Total Cash Applied	\$ 2,538

Increase (Decrease) in Cash Flow	\$ 14,841
Cash Beginning of Year	144,328

Cash End of Year	\$ 159,169

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 48:653. 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 Millway 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 accounts 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 (proprietary fund) is maintained that comprises 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 refers to the timing of the measurement basis 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 (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 Jean 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 normally 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 exhaustible 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 follows:

Water System	30 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 FDIC insured institution. Cash and security is as follows:

	Bank of Iowa	First Community Bank
Bank Statement Balances 12-31-97	\$ 148,383	\$ 48,043
FDOC Coverage	(148,383)	148,043
	*****	*****
Cash balances not covered at 12-31-97	\$ -0-	\$ -0-
	*****	*****

3. ACCOUNTS RECEIVABLE

The receivables at December 31, 1997 are detailed below:

Water Sales	\$ 13,871
Allowance for Bad Debt	1674

Total	\$ 12,203

4. CHANGES IN FIXED ASSETS

System Cost 12-31-97	\$ 397,940

Total Cost 12-31-97	397,940
Less Allowance for Dep'n (as of 12-31-97)	136,170

Net Fixed Assets 12-31-97	\$ 261,770

LASALLE PARISH WATERWORKS DISTRICT NO. 1
LASALLE PARISH POLICE JURY

Notes to Financial Statements
(Continued)

5. Schedule of per diem paid board members for the year ended December 31, 1995

Ray King (President)	\$	-0-
Wendell Smith		275
Johnny Ray Dean		275
Jerry King		275
Albert Jones		300

Total	\$	1,125

6. WATER RATES

Residential:

Minimum charge \$100 for first 2,000 gallons, \$45 per 1,000 gallons thereafter

Commercial:

\$75 per 1,000 gallons

Business:

Minimum charge \$1000 for first 2,500 gallons, \$45 per 1,000 gallons thereafter

LaSalle Waterworks District No. 1
LaSalle Parish Police Jury

Management Letter Comments
December 31, 1997

During the course of my compilation, I observed conditions and circumstances that may be improved, believe are situations that may be improved (if any), recommendation for improvement and the Director's response. I have also included prior year management letter comments (if any) and District's action taken on those comments.

A) Prior Year Management Letter Comments:

1) There were no prior year management letter comments.

B) Current Year Management Letter Comments:

1) There are no current year management letter comments.

12

**LASALLE WATERWORKS DISTRICT NO. 1
ASSETS - DECEMBER 31, 1997**

**CURRENT ASSETS
\$174,988**

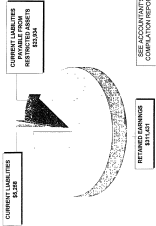


**FIXED
ASSETS
\$138,162**

**RESTRICTED ASSETS
\$12,500**

SEE ACCOUNTANT'S
COMPILATION REPORT

LASALLE WATERWORKS DISTRICT NO. 1
Liabilities & Equity 12-31-97



LASALLE WATERWORKS DISTRICT NO. 1

Expenses (Except Fire Remit.) 12-31-97

