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**BAYOU LAPOURCHIE FRESH WATER DISTRICT**  
Thibodaux, Louisiana

**GENERAL-PURPOSE FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORTS**

December 31, 1987

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 Jan. 1, 1988

**Wagnersack & Associates (APAC)**  
Certified Public Accountant  
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**RAYON LAPOURCHIE FRESH WATER DISTRICT**  
**Thibodaux, Louisiana**

**GENERAL-PURPOSE FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS REPORTS**

**December 31, 1997**

**BAYLOR LAPOURVILLE FRESH WATER DISTRICT**

December 31, 1992

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**INDEPENDENT AUDITORS' REPORT**

Board of Commissioners  
Bayou Lafourche Fresh Water District  
Thibodaux, Louisiana

We have audited the general-purpose financial statements of Bayou Lafourche Fresh Water District as of and for the year ended December 31, 1997, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Bayou Lafourche Fresh Water District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States, and Louisiana Governmental Audit Code, issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. Those standards require that we 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 accounts 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Bayou Lafourche Fresh Water District as of December 31, 1997 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 11, 1998 on our examination of Bayou Lafourche Fresh Water District's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is prepared for purposes of additional analysis and is not a required part of the general-purpose financial statements of the Bayou Lafourche Fresh Water District. Such information has been subjected to the auditing procedures applied to the rest of the general-purpose financial statements, and in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Waguespack & Associates (CPA)*  
Belle Rose, Louisiana  
June 12, 1998

**GENERAL - PURPOSE FINANCIAL STATEMENTS**

**BAYLUM LAPOURCHIE FIRE WATER DISTRICT**  
**Tillamook, Oregon**

**Statement 4**

**Condensed Balance Sheet - All Fund Types and Account Groups**  
**December 31, 2007**

	Governmental Fund Type General Fund	Fiduciary Fund Agency Fund	Account Groups		Total (Reconciling) Only
			General Fund Assets	General Long-Term Liabilities	
<b>ASSETS AND OTHER DEBITS</b>					
<b>Assets:</b>					
Cash	\$ 142,838	\$ -	\$ -	\$ -	\$ 142,838
Investments in government backed securities	868,775	-	-	-	868,775
Receivables:					
All salaries taxes	442,826	-	-	-	442,826
Interest receivable	8,018	-	-	-	8,018
State revenue sharing	46,228	-	-	-	46,228
Water sales	23,162	-	-	-	23,162
Prepaid insurance	68,615	-	-	-	68,615
Restricted Assets:					
Property and rights held under deferred compensation plan	-	7,785	-	-	7,785
General Fixed Assets:					
Land	-	-	8,783	-	8,783
Plant and properties	-	-	1,794,123	-	1,794,123
Equipment, furniture and vehicles	-	-	645,299	-	645,299
Other Debits:					
Amount to be provided for compensated absences payable	-	-	-	31,293	31,293
<b>Total Assets and Other Debits</b>	<b>\$ 1,584,900</b>	<b>\$ 7,785</b>	<b>\$ 2,438,231</b>	<b>\$ 31,293</b>	<b>\$4,052,815</b>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 43,040	\$ -	\$ -	\$ -	\$ 43,040
Compensated absences payable	9,611	-	-	31,293	40,904
Obligations to employees under deferred compensation plan	-	7,785	-	-	7,785
<b>Total Liabilities</b>	<b>52,651</b>	<b>7,785</b>	<b>-</b>	<b>31,293</b>	<b>91,729</b>
<b>Equity and Other Credits:</b>					
Investment in general fund net	-	-	2,418,210	-	2,418,210
Fund balance:					
Reserved - insurance	68,615	-	-	-	68,615
Unreserved undesignated	1,479,234	-	-	-	1,479,234
<b>Total equity and other credits</b>	<b>1,547,849</b>	<b>-</b>	<b>2,418,210</b>	<b>-</b>	<b>3,966,059</b>
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$ 1,584,900</b>	<b>\$ 7,785</b>	<b>\$ 2,438,231</b>	<b>\$ 31,293</b>	<b>\$4,052,815</b>

The accompanying notes are an integral part of this statement.

**BAVING LAKE/BECKE BROOK WATER DISTRICT**  
**Tillamook, Oregon**  
**Statement of Revenues and Expenditures and Changes in Fund Balance**  
**Governmental Fund Type - General Fund**

Statement B

For the Year Ended December 31, 1997

<b>REVENUES:</b>	
Ad valorem taxes	\$ 469,819
State revenue sharing	69,449
Water sales	311,537
Licenses and permits	40
Total revenues	<u>\$ 850,845</u>
<b>EXPENDITURES:</b>	
Salaries - operators and station	195,187
Salaries - administrative	45,844
Salaries - office	33,134
Payroll taxes and retirement	17,230
Fee dues	5,790
Advertising and legal publications	1,807
Bank/credit charges	384
Fuel cost	4,297
Group insurance	44,545
General insurance	38,530
Accounting and consulting fees	2,677
Legal fees	4,734
Materials and supplies	5,563
Office supplies and expense	9,647
Repairs and maintenance	34,649
Telephone	4,582
Travel	2,751
Utilities	340,258
Deductions from ad valorem taxes for retirement systems	15,789
Capital outlay	<u>11,827</u>
Total expenditures	<u>1,145,583</u>
Excess of revenues over expenditures	<u>305,262</u>
<b>Other Financing Sources (Uses)</b>	
Intercept income	55,866
Sale of equipment	3,940
Miscellaneous income/retirements	40
Miscellaneous expense	<u>(13,295)</u>
Total other financing sources (uses)	<u>46,511</u>
Excess of revenues and other financing sources over expenditures and other financing uses	351,773
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>1,247,583</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 1,599,356</u>

The accompanying notes are an integral part of this statement.

**RAYON LAPOSTOLIC FRESH WATER DISTRICT**  
Thibodaux, Louisiana

Statement C

**Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual - Governmental Fund Type - General Fund**

For the Year Ended December 31, 1997

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Ad valorem taxes	\$ 538,848	\$ 489,879	\$ 148,979
State revenue sharing	44,775	69,449	24,674
Water sales	246,640	311,207	(29,568)
Licenses and permits	48	48	-
Total revenues	<u>730,291</u>	<u>870,583</u>	<u>120,228</u>
<b>EXPENDITURES</b>			
Dee dues	3,538	3,589	-
Travel expense	3,048	2,251	797
Advertising and legal publications	858	1,877	(1,019)
Accounting and consulting	3,528	2,577	951
Bank/credit charges	277	304	(27)
Consultant legal fees	4,788	4,334	454
Salaries and wages:			
Administration	44,588	65,844	(21,256)
Office personnel	33,488	35,134	1,646
Bayou personnel	69,888	65,933	3,955
Station personnel	153,888	158,213	(4,325)
Office supplies and equipment	9,583	9,447	136
Utilities (electric, water and gas)	115,888	148,239	(32,351)
Telephones	8,788	8,583	205
Employee Contributions:			
Retirement system	4,488	6,889	(2,401)
Group & life insurance	47,888	49,343	1,455
Social security (FICA)	58,288	28,121	30,167
Fuel/expense	3,888	4,397	509
Material and supplies	4,888	3,444	1,444
Repairs to equipment - station	19,888	29,333	(9,445)
Repairs to equipment - bayou	12,888	11,214	1,674
Insurance - general	42,210	38,150	4,060
Deeds/leases - retirement system	12,888	13,789	(901)
Capital outlay - equipment	-	11,827	(11,827)
Total expenditures	<u>675,811</u>	<u>824,552</u>	<u>151,231</u>

Continued

The accompanying notes are an integral part of this statement.



**BAYOU LAFOURCHE FRESH WATER DISTRICT**  
Thibodaux, Louisiana

Statement C

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual - Governmental Fund Type - General Fund - (Continued)**

For the Year Ended December 31, 1997

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Excess of revenues over expenditures	<u>150,682</u>	<u>226,178</u>	<u>75,496</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interest income	51,311	56,056	4,745
Sale of equipment	-	3,940	3,940
Miscellaneous income/investments	40	40	-
Miscellaneous Payments	<u>-</u>	<u>(1,780)</u>	<u>(1,780)</u>
Total other financing sources (uses)	<u>51,351</u>	<u>58,266</u>	<u>6,915</u>
Excess of revenues and other financing sources over expenditures and other financing uses	198,647	284,444	85,797
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>1,347,291</u>	<u>1,347,291</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 1,545,938</u>	<u>\$ 1,631,740</u>	<u>\$ 85,802</u>

The accompanying notes are an integral part of this statement.

**NOTES TO FINANCIAL STATEMENTS**

**DAVID LAFOURCHE FRESH WATER DISTRICT**  
Thibodaux, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 1997

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

The (Dauphin Lafourche Fresh Water District) ("District") was created under Act 113 of 1958, of the Louisiana Legislature, for the purpose of furnishing fresh water from the Mississippi River to the incorporated villages, towns and cities along Bayou Lafourche. The District is governed by a Board of five commissioners appointed for terms of four years by the parish government of Assumption, Assumption and Lafourche.

The accounting and reporting policies of the District conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting practices also conform to the requirements of Louisiana Revised Statutes 24:507 and to the guides set forth in the Louisiana Governmental Audit Guide, and in the industry audit guide, Audit of State and Local Government Units.

The following is a summary of certain significant accounting policies:

**FINANCIAL REPORTING ENTITY**

This report includes all funds and account groups which are controlled by the District which was determined on the basis of criteria as set forth under Governmental Accounting Standards Board (GASB) statement no. 14. The district is not included in any other governmental "reporting entity" as defined by the GASB pronouncements, since the appointed commissioners have ultimate making authority, the authority to levy fees or set rates, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. The district also is legally separate and is considered to be fiscally independent. Accordingly, the district has issued general-purpose financial statements which include all funds and account groups which are controlled by the district.

**FUND ACCOUNTING**

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in three individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements is described as follows:

**General Fund** - The general fund is the general operating and maintenance fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

**FINANCIAL FUNDS - Agency Fund**

The agency fund accounts for assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature (no debt liability) and do not involve measurement of results of operations.

**ACCOUNT GROUP CATEGORIES**

**Account Group Categories** are used to establish accounting control and accountability for the District's general fund assets and general long-term debt of the District. The two account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations.

**General Fund Asset Account Group** - This group of accounts is established to account for all fixed assets of the District. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Interest during construction is not capitalized.

**BOYU LAFOUCHE FRESH WATER DISTRICT**  
Bibb Parish, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 1997

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Control Group (Type-Collection Account Group)** - This group of accounts is established to account for all associated general long-term liabilities of the District.

**BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures or expenses are recognized and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement basis applied.

The District's records are maintained on a cash basis of accounting. However, the funds reported in the accompanying financial statements have been converted to a modified accrual basis of accounting utilizing the following procedures:

**Revenues** - All valuations taxes and the related state income sharing (which is based on population and households in the parish) are recorded in the year the taxes are assessed except for taxes paid under protest which are recorded as revenue in the year available. All valuations taxes are assessed on a calendar year basis, income due November 15 of each year and become delinquent on December 31. The taxes are generally collected in December of the current year. The revenue collected by the parish of the parishes involved are transferred to the District.

Water rates are recorded when earned.

Substantially all other revenues are recorded when received.

Receivable amounts are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected, they are recorded as income. The direct write-off method is not a major departure from GAAP as it approximates the valuation method.

**Expenditures** - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**BUDGETARY ACCOUNTING**

Annually, the Board of Commissioners of the District adopts a detailed budget for the general fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and a public hearing on the budget. The budget is prepared on a modified accrual basis of accounting. Budgeted amounts included in the accompanying financial statements include original adopted budget amounts and all subsequent amendments.

**ANNUAL AND SICK LEAVE**

The District employees accumulate an unlimited amount of annual and sick leave at varying rates as established by state regulations. Upon termination or retirement, unused annual leave of up to 500 hours is paid to employees at the employee's current rate of pay. Upon retirement, annual leave in excess of 500 hours and unused sick leave is credited as annual leave in computing retirement benefits.

**BOYD LAFOURCHE FRESH WATER DISTRICT**  
Thibodaux, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 1991

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**POST EMPLOYER HEALTH CARE BENEFITS**

Effective June 15, 1994, the district is offering an early retirement benefit to all current and future classified employees between the ages of sixty-two (62) and sixty-five (65) who are fully vested in and eligible to retire in the Periodic Employees' Retirement System at the time of retirement. The district will pay the entire cost of the state portion of the retiring employee's medical insurance premium until the employee reaches the age of sixty-five (65) and becomes eligible for medical insurance primary coverage, or until revoked by the commissioners or the retiring employee fails to submit payment to the district for further portion of the premium by the fifth day of the month in which the premium is due. The cost of retirement health care benefits is recognized as an expenditure when the related premium liability is incurred. For 1993, the district did not incur any costs related to post employee health care benefits.

**TOTAL COLLATIONS ON FINANCIAL STATEMENTS - OVERVIEW**

Total collations on the financial statements - overview are captioned Miscellaneous Only to indicate that they are presented only to facilitate financial analysis. Data in these collations do not present financial condition or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**EXCERPTS**

Excerpts are accounting entries which pertain to leases, contracts and other commitments for the expenditure of assets are recorded in order to ensure that portions of the applicable appropriate, is not employed by the District.

**NOTE B - CASH AND INVESTMENTS**

The District has deposits in checking accounts at a local financial institution. The District may deposit funds with a local agent bank or postal under the laws of the State of Louisiana, any other state in the union or the United States. The District may also invest in time deposits or certificates of deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

State law also requires that deposits be fully collateralized at all times. Acceptable collateralization includes the \$100,000 FEDERAL RESERVE insurance and the market value of securities purchased and pledged. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations provided as security must be held by the District or with an non-Sitard bank or trust company for the account of the District.

**DAUPHIN LAFFRERIE FRESH WATER DISTRICT**  
**Tulahoma, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 1997

**NOTE B - CASH AND INVESTMENTS - Continued**

Under a provision of the GASB, pledged securities, which are not in the name of the governmental unit are considered uncollateralized.

Cash and cash equivalents	<u>\$ 341,638</u>
Bank balance of deposits	<u>\$ 151,007</u>
Portion insured by federal deposit insurance	<u>100,000</u>
Pledged securities under Louisiana law	<u>111,503</u>
Amount unsecured under Louisiana law	<u>\$ _____</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provision of GASB Statement 3, Louisiana Revised Statute 26:1229 imposes a statutory requirement on the collateral bank to inform and bill the pledgor every three weeks within 30 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

The District invests through its broker/dealer in United States government securities. In order to provide an indication of the level of risk assumed by the entity at year end, the investments in United States government securities are Category 1. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. The carrying amount of the investments is \$466,775. The market value is \$466,775.

**NOTE C - AD VALOREM TAXES**

In 1993, the District was authorized to levy up to 2.10 mills in ad valorem taxes. A 1.56 mill of ad valorem tax was levied for the year ended December 31, 1997. This assessment is made on real property and business personal properties located in part of Avoyelles Parish and within the boundaries of Assumption and Lafourche Parishes.

**NOTE D - PENSION PLAN**

Substantially all employees of the Dauphin Lafferie Fresh Water District are members of the Periodic Employees Retirement System of Louisiana (PERSOL), a non-acting, multiple-employer 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. All employees of the District are members of Plan B.

All permanent employees working at least 18 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 B, employees who retire at or after the age of 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$300 for each year of creditable service. Furthermore, employees with at least 18 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final-average salary. Final-average salary is the employee's average salary over the 30 consecutive or joint-consecutive that produce the highest average.

**BAVIER LAPOURTE FRESH WATER DISTRICT**  
Thibodaux, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 1997

**NOTE B - PENSION PLAN - Continued**

Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the age 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 included financial statements and required supplementary information for the System. That report may be obtained by writing to the Parished Employees' Retirement System, Post-Office Box 14103, Baton Rouge, Louisiana 70803-0610, or by calling (504) 633-1341.

Under Plan B, members are required by state statute to contribute 2.0 percent of their annual covered salary in excess of \$1,200 and the Bayou Lafourche Fresh Water District is required to contribute at an actuarially determined rate. The current rate is 2.5 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 Bayou Lafourche Fresh Water District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:150, the employee contributions are determined by rates set by valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Bayou Lafourche Fresh Water District's contributions to the System under Plan B for the years ending December 31, 1995, 1996 and 1997, were \$1,608, \$1,513, and \$2,965, respectively, equal to the required contributions for each year.

**NOTE E - DEFERRED COMPENSATION PLAN**

Employees of the District may participate in the deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans With Respect to Services For State and Local Governments).

The deferred compensation plan is available to all employees of the District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The District is not required to match the contribution. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by Great West Life and Annuity Insurance Company, an independent entity. Under the terms of an IRC Section 457 deferred compensation plan, all amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held paid or made available to the employee or other beneficiary solely the property and rights of the District (without being restricted to the provisions of benefits under the plan), 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 to an amount equal to the fair market value of the deferred amount for each participant. The District believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise. All assets of the plan are reported at fair market value and are administered by an independent entity. As part of its fiduciary role, the District has an obligation of due care in selecting the third party administrator.

**BOYD LAPOURCHÉ FRESH WATER DISTRICT**  
 Thibodaux, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
 For the Year Ended December 31, 1997

**NOTE B - DEFERRED COMPENSATION PLAN - Continued**

The following is a summary of activity in the fund for the year ended December 31, 1997:

Asset balance at January 1, 1997	\$ 2,118
Deferrals of compensation	4,800
Earnings	947
Less withdrawals	_____
Asset balance at December 31, 1997	<u>\$ 3,765</u>

**NOTE F - CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance December 31, 1996	Additions	Deletions	Balance December 31, 1997
Land	\$ 8,783	\$ -	\$ -	\$ 8,783
Plant and properties	1,775,054	315	(1,996)	1,774,373
Equipment, furniture and vehicles	672,080	10,800	(18,043)	664,837
Totals	<u>\$ 2,455,917</u>	<u>\$ 11,115</u>	<u>\$ (18,043)</u>	<u>\$ 2,448,989</u>

**NOTE G - CHANGES IN GENERAL LONG-TERM OBLIGATION**

The following is a summary of the long-term obligation transactions during the year:

	Composited Amounts Payable
Long-term debt at January 1, 1997	\$29,415
Additions	1,870
Deletions	_____
Long-term debt at December 31, 1997	<u>\$31,285</u>



**BOYD LAFOUCHE FRESH WATER DISTRICT**  
Thibodaux, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 1993

**NOTE II - LITIGATION**

At December 31, 1993, Boyd LaFouche Fresh Water District is involved in litigation which is considered by management to be covered and within the limits of insured coverage. In addition, Boyd LaFouche Fresh Water District is not aware of any unasserted claims or assessments which should be reflected in the accompanying financial statements.

## SUPPLEMENTAL INFORMATION

DAYTON LAPOUCHE FRESH WATER DISTRICT  
Tulahoma, Louisiana

For Amount Paid to Board Members  
For the Year Ended December 31, 1997

<u>Board Member</u>	<u>Amount</u>
Alfred Davis, Jr., Chairman	\$ 600
Harold Duvall, Vice-Chairman	500
Peggy Dupala	500
Lyron Aymone	500
James Ruggiero	500
James Waggoner	<u>600</u>
	<u>\$ 3,200</u>

**INDEPENDENT AUDITOR'S REPORT REQUIRED  
BY GOVERNMENT AUDITING STANDARDS**

**WAGUESPAK & ASSOCIATES**  
(A Professional Accounting Corporation)  
**CERTIFIED PUBLIC ACCOUNTANTS**  
P.O. Box 401  
Belle Rose, LA 70601-0401

Michael Jean Waguespak, CPA  
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF THE GENERAL-PURPOSE FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of Bayou Lafourche Fresh Water District as of and for the year ended December 31, 1991, and have issued our report thereon dated June 11, 1992. We conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and Louisiana Government Audit Guide, issued by the Louisiana Legislative Auditor and Louisiana Society of Certified Public Accountants.

**COMPLIANCE**

As part of obtaining reasonable assurance about whether Bayou Lafourche Fresh Water District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, none compliance with which could have a direct and material effect of the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit, we considered Bayou Lafourche Fresh Water District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Bayou Lafourche Fresh Water District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items W-1 through W-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items W-1 through W-1 to be material weaknesses.

This report is intended for the information of the management of Bayou Lafourche Fresh Water District, the Legislative Auditor and interested state and federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Wagunyah & Associates (AAAC)*

70164 New Orleans, Louisiana

June 22, 1993

**SCHEDULE OF FINDINGS**  
**December 31, 1997**

**FF-1 SEGREGATION OF DUTIES**

Due to the size of the District's administrative and accounting staff, there is an insufficient segregation of duties to have an effective internal control.

Since the cost of an internal control system should not outweigh the benefits derived from it, we can only recommend that the District consider and analyze the costs versus the benefits associated with hiring additional administrative/accounting personnel.

Management of the District concurs with the finding. Due to the budget and staff limitations, no action will be taken at this time.

**FF-2 NEED TO IMPROVE CONTROLS OVER TRAVEL EXPENSE REIMBURSEMENTS**

Our review of travel expenses indicates an inconsistent policy with respect to amounts reimbursed to employees as well as travel expenses paid for employees who may travel on office business.

Management of the District should establish policies and procedures with respect to reimbursements and payments of travel expenditures. Legal counsel should be consulted to determine the allowable reimbursement of travel expense amounts in compliance with state statutes. After consulting with legal counsel, the District should implement policies and procedures and determine allowable travel expense amounts. The travel amounts should cover meals, lodging, mileage reimbursements, and other related travel expenses.

Management of the District concurs with the finding. They will consult with legal counsel to determine the statutory requirements and will implement new policies and procedures in order to improve controls with respect to travel expense reimbursements.

**FF-3 NEED TO PROPERLY MONITOR AND RECORD LEAVE BENEFITS**

Our review of payroll records and discussions with the management of the District indicates that controls over payroll as it relates to monitoring and recording leave benefits, as well as correctly recording actual hours worked, need to be improved.

Management of the District should establish policies and procedures with respect to monitoring overtime hours earned and leave benefits taken by salaried and hourly employees. Before establishing any procedures, we recommend that management of the District consult it's legal counsel, the Louisiana Department of Civil Service, and the U.S. Department of Labor to ensure compliance with all applicable requirements.

**RAYON LAFOURCHE FRESH WATER DISTRICT**  
Thibodaux, Louisiana

**Schedule 1**  
**2 of 2**

**SCHEDULE 1B FINANCES - continued**  
**December 31, 1997**

Managers of the District indicated that they will contact legal counsel and the respective agencies and perform research as to all the applicable requirements. After the requirements are outlined, they will implement policies and procedures necessary to ensure compliance with the applicable requirements.