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BACK IN FILEPARISH OF ACACIANA, LOUISIANA
WATERWORKS DISTRICT NO. 2

COMPLETION REPORT

DECEMBER 21, 1963

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 MAR 27 1964

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P. J. CABALLERO, CPA

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ACCOUNTANTS COMPILATION REPORT

The Board of Commissioners of the
Parish of Assumption, Louisiana
Metairie District NO. 2

I have compiled the accompanying balance sheet of the Parish of Assumption, Louisiana - Metairie District No. 2, a component unit of the Parish of Assumption, Louisiana as of December 31, 1987, and 1986 and the related statements of income and retained earnings and cash flows for the year then ended, in accordance with Statements on 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 assurance on them.



Metairie, Louisiana
April 1, 1988

P.J. CABALLERO, CPA

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPOON PROCEDURES**

Commissioners of the Parish of Ascension, Louisiana -
Waterworks District No. 3

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Ascension Parish Waterworks District No. 3 and the legislative auditor, State of Louisiana, MOBILE TO ASSIST the users in evaluating MANAGEMENT'S assertions about Ascension Parish Waterworks District No. 3's compliance with certain laws and regulations during the period ended December 31, 1987 included in the Louisiana Reimbursement 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, we 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 purposes.

PUBLIC BID LAW

1. Select all expenditures made during the year for material and supplies exceeding \$ 5,000 or public works exceeding \$ 25,000, and determine whether such purchases were made in accordance with LA 107-22 28-1221-2121 (the public bid law).

There were no expenditures made exceeding \$ 5,000 or public works exceeding \$ 25,000 during the year.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LA 107-22 42-1201-1204 (the code of ethics) and a list of outside business interests of all board members and employees, as well as their immediate families.

A listing of all board members and their per diem was provided by management.

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

Ascension Parish Waterworks District No. 1 has no employees. The district subcontracts the normal operations to GTR, Inc.

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

See explanation number 3 above.

ACCOUNTING

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

BUDGET NOT REQUIRED FOR AN ENTERPRISE FUND.

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

See explanation number 5 above.

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

See explanation number 5 above.

ACCOUNTING AND REPORTING

8. Randomly select 4 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and source;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct party.

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

The six payments were properly coded to the correct general ledger account.

(c) Determine whether payments received approval from proper authorities.

The documents indicated that approval was made from CMA, Inc., the operator for the water district. In addition, the disbursements were traced to the DISTRICT'S check book where they were approved for payment.

MEETINGS

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LA-RS 49:1 through 49:12 (the open meetings law).

Management partially complied with the laws and regulations regarding the open meetings law. Notices were posted regarding the dates and time for all meetings, but failed to include an agenda for each meeting.

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.

The bank deposits were examined for the period and it was noted that no deposits appeared to be proceeds of bank loans, bonds, or like indebtedness.

ADVANCES AND BENEFITS

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.

See explanation number 3 above.

We were 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, we do not express such an opinion, and we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Association Parish Waterworks District No. 3 and the Legislative Bodies, 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.


White Martin, Louisiana
April 6, 1998

BALANCE SHEET
WATERBURY DISTRICT NO. 2 OF THE PARISH OF LACROIX, LOUISIANA
DECEMBER 31, 1987 (UNAUDITED) AND 1986 (UNAUDITED)

EXHIBIT A

	-----DECEMBER 31-----	-----
	1987	1986
	-----	-----
ASSETS		
CURRENT ASSETS		
Cash (demand and time deposits)	\$ 244,474	\$ 218,160
Receivables receivable and accrued water sales (net of allowance for uncollectible accounts of \$3,000 in 1987 and \$3,000 in 1986)	50,449	50,481
Other receivables	308	471
Prepaid insurance	3,075	3,075
	-----	-----
RESTRICTED ASSETS - CASH	298,738	343,130
Customers' meter deposits - cash	15,180	18,189
	-----	-----
FIXED ASSETS (Net)		
Plant and equipment (at cost, net of accumulated depreciation of \$600,114 for 1987 and \$448,666 for 1986)	200,808	200,180
Construction In Progress (Net)	13,448	0
	-----	-----
	\$ 488,347	\$ 481,881
	-----	-----
LIABILITIES AND UNPAID BARRINGS		
CURRENT LIABILITIES		
Payable from current assets:		
Accounts Payable	\$ 8,824	\$ 8,328
Vendors Payable	341	180
	-----	-----
	8,475	8,128
Payable from restricted assets:		
customers' meter deposits	14,144	18,580
	-----	-----
	22,619	26,708
	-----	-----
RETAINED EARNINGS:		
Contributed Capital		
Customers	38,388	38,388
Federal Grants	170,500	170,500
	-----	-----
	208,888	208,888
	-----	-----
Retained Earnings:		
Reserved for revenue bond and interest retirement and contingencies	0	0
Unreserved	208,847	208,771
	-----	-----
	\$ 488,347	\$ 481,881
	-----	-----

See accompanying notes and accountant's report.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
RETAINED EARNINGS - PROPRIETARY FUND TYPE

PARISH OF SACHERON, LOUISIANA - WATERWORKS DISTRICT NO. 1
FOR THE YEARS ENDED DECEMBER 31, 1997 (UNAUDITED) AND 1996 (UNAUDITED)

	INTERMEDIATE FUND	
	1997	1996
	-----	-----
OPERATING REVENUES		
Sale of water	\$ 219,347	\$ 209,890
Portofied discounts	3,788	8,288
Service charges	3,938	1,158
	-----	-----
	227,073	220,336
	-----	-----
OPERATING EXPENSES		
Management fees and service charges	34,383	31,828
Cost of water	83,852	84,248
Repairs and maintenance	15,243	8,108
Depreciation	7,488	7,832
Board fees	8,408	3,388
Professional fees	6,758	5,878
Insurance expenses	3,332	3,188
Uncollectible accounts	(828)	4,828
Miscellaneous	1,888	354
	-----	-----
	128,804	173,107
	-----	-----
OPERATION INCOME	\$ 4,139	\$ 17,147
	-----	-----
NONOPERATING REVENUES		
Interest on investments	5,278	4,768
Miscellaneous	42	47
	-----	-----
	5,320	4,815
	-----	-----
NONOPERATING EXPENSES		
Gain on asset dispositions	8	3,808
	-----	-----
	8	3,808
	-----	-----
NET INCOME (LOSS)	1,172	29,453
Retained earnings - beginning of year	288,772	288,319
	-----	-----
Retained earnings - end of year	\$ 289,944	\$ 317,772
	-----	-----

See accompanying notes and accountant's report.

STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE

PARTIAL OF ALEXANDRIA, LOUISIANA - WATERWORKS DISTRICT NO. 1
FOR THE YEARS ENDED DECEMBER 31, 1997 (UNAUDITED) AND 1996 (AUDITED)

	BUDGETARY FUND	
	1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 1,573	\$ 20,658
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,898	7,412
(Increase) decrease in accounts receivable	1,812	(4,968)
(Increase) decrease in other receivables	333	(818)
(Increase) decrease in prepaid expenses	0	(8)
Decrease (Increase) in accounts payable	(508)	(342)
Increase (Decrease) in other payable	92	(188)
Decrease (Increase) in restricted liabilities	2,818	485
Total adjustments	12,827	2,709
Net cash provided by operating activities	13,100	23,367
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	1,224	1,248
Construction in progress	12,648	
Net cash used in investing activities	14,872	1,248
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital contributed by customers	808	2,788
Sale on asset dispositions	0	0
Net cash provided by financing activities	808	2,788
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 736	\$ 24,907
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	224,542	204,645
CASH AND CASH EQUIVALENTS AT END OF YEAR (Sheet A)	\$ 225,278	\$ 229,552

See accompanying notes and accountant's report.

PARISH OF ACADIANA, LOUISIANA - WATERWORKS DISTRICT NO. 1
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1997

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Fund Structure

Water District No. 1 of the Parish of Acadiana, Louisiana, a component unit of the parish, is an enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Basis of Accounting

Enterprise funds are maintained on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred. Revenues for utility services are accrued through year-end.

Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include cash, demand deposits, time deposits, and certificates of deposit with original maturities of three months or less and debt management vehicles investing in obligations guaranteed by the federal government and subject to immediate withdrawal. At December 31, 1997 Waterworks District No. 1 of the Parish of Acadiana, Louisiana had cash balances in one bank as follows with additional security stated as market:

	Balance	FDIC Insurance	Additional Security
First National Bank of Commerce Covington, Louisiana	\$ 129,777	\$ 390,908	\$ 149,985
Total	\$ 129,777	\$ 390,908	\$ 149,985

Investments

Investments are stated at cost and are not subject to market fluctuation.

Restricted Assets

Restricted assets on the combined balance sheet represent funds held for customer deposits.

Note A: ACCOUNTING POLICIES (Continued)

Utility Plant

The utility plant is recorded at cost. Depreciation is provided on a straight-line basis over an estimated useful life of 15 years.

Changes in Contributed Capital

The change in contributed capital for the enterprise fund on the combined balance sheet from December 31, 1986 to December 31, 1987 results from customer contributions for new services installed.

Risk of Loss

The district is exposed to various risks of loss related to theft, theft of, damage to and destruction of assets, and natural disasters. The district purchases commercial insurance for these risks of loss. There have been no insurance claims or reductions in insurance coverage for the past three years.

Note B: FIXED ASSETS AND DEPRECIATION

A summary of utility plant and equipment at December 31, 1987 is as follows:

DESCRIPTION	DATE		DEPRECIATION	
	ACQUIRED	COST	1986	1987
System	1984-1990	\$ 145,394	\$ 145,394	\$ 3,344
	1971-1980	97,433	25,081	1,120
	1981	7,383	2,282	148
	1982	47,022	12,792	959
	1983	2,977	923	49
	1984	928	228	28
	1985	599	161	58
	1986	8,094	1,275	122
	1987	8,444	1,488	148
	1988	47,021	8,097	959
	1989	2,224	184	28
	1990	4,212	648	84
	1991	422	87	22
	1992	18,948	523	222
	1993	2,888	448	127
	1994	8,754	128	88
	1995	2,242	64	42
	1996	2,448	28	48
	1997	2,228	0	22
		\$ 572,044	\$ 142,488	\$ 7,488

Note C: OTHER GENERAL INFORMATION

In 1983, the district was required to relocate water lines in Route-Road No. 942. The total cost of the water line relocation was

NOTE 5: OTHER GENERAL INFORMATION (Continued)

188,018. By agreement and under Act 119 of the 1981 Legislature the state funded all relocation costs in excess of \$19,194. Project costs not funded by the state totaling \$19,194 are included in the Utility Plans. Also, under Act 119, the district is restricted from using any other state owned right-of-way to locate its utility lines until the state's funding is reimbursed. The population in the area served by the district has not increased since 1981 and is not expected to increase in the foreseeable future. The board of commissioners therefore does not anticipate using any state right-of-way to locate utility lines. If it becomes necessary to utilize a state owned right-of-way and reimburse the state's funding this expenditure will be made a part of the project cost.

The district is currently in the process of receiving approval for a water line replacement expansion. Although no construction has begun place, it is certain that the repayment of the relocation costs referred to above will be addressed in the financial statements for 1994.

The district purchased water from the St. James Parish Utility System for \$1.10 per thousand gallons in March 1994. Subsequently, the purchase price increased to \$1.37 per thousand gallons. The agreement provides, in part, for annual increases in rate of up to 10% in any one year after August 1, 1991. The agreement is effective until June 30, 1998 but may be cancelled by St. James Parish Utility System after August 1, 1990 by written notice at least 120 days prior to the termination or cancellation date.

The district has contracted with G.F.S. Inc., an independent utilities management company for the complete operation of the system including meter reading, the preparation of monthly bills to customers, the collection of customer payments, payment of operating expenses and maintaining the system's accounting records. The district pays G.F.S. \$7.33 per customer per month for these services. This rate is adjusted annually, in proportion to the increase or decrease in the U. S. Consumer Price Index from the preceding year. This agreement may be cancelled by either party with 30 days notice.

SUPPLEMENTARY INFORMATION

COMMENTS ON OPERATIONS OF WATER UTILITY SYSTEM

1. During 1987 revenues were derived from the sale of water at the following rates:

DOMESTIC RATES

(Effective April 1984)
 First 2,000 gallons per month or less \$ 4.00 (minimum)
 Over 2,000 gallons 2.00 per 1,000 gallons

COMMERCIAL RATES

(Effective April 1984)
 First 2,000 gallons per month or less \$ 12.00 (minimum)
 Over 2,000 gallons 4.00 per 1,000 gallons

2. Water was purchased from a neighboring parish at a rate of \$0.51 per thousand gallons. A comparative summary of water purchased and billed for the years ended December 31, 1987 and 1986 is reflected in the district's records as follows:

	IN THOUSAND GALLONS	
	1987	1986
Water purchased	26,018.2	42,718.9
Water billed	28,208.8	30,842.1
Disaccounted for	9,812.7	11,785.8
Percent unaccounted for	28.8%	37.5%

COMMENTS ON OPERATIONS OF WATER UTILITY SERVICE (continued)

3. CUSTOMER STATISTICS relative to water billed and the number of customers for current and prior year are as follows:

	1987	1986
Water sales	\$ 139,347	\$ 138,981
Quantity of water sold (in thousand gallons)	28,208.8	28,943.1
Average number of customers billed per month	281	288
Average annual revenue per customer	\$ 494.75	\$ 477.18
Average monthly revenue per customer	\$ 41.23	\$ 39.76
Average annual quantity of water billed per customer (in thousand gallons)	78.1	88.4
Average monthly quantity of water billed per customer (in thousand gallons)	6.5	7.4
Average annual revenue per thousand gallons billed	\$ 6.08	\$ 5.67

4. Names and titles of principal officers and per diem paid to each.

	PER DIEM
President	\$ 1,240.00
Sec./Treas.	1,820.00
Member	1,040.00
Member	.00
Member	1,820.00
Member	820.00

INSURANCE IN FORCE BY DECEMBER 31, 1997 - UNAUDITED

Insurance in force as December 31, 1997 was as follows:

(a) commercial general liability:

CASUALTY Aggregate limit (Other Than	4	
Products-Completed Operations)		\$50,000
Products-Completed Operations Aggregate Limit		\$50,000
Personal and Advertising Injury limit		\$50,000
Each Occurrence Limit		\$50,000
Fire Damage limit (Any One Fire)		\$5,000
Medical Expense limit (Any One Person)		\$,000

(b) public officials liability 1,000,000

(c) business auto (hired & non-owned) 500,000

(d) commercial property (force) 1,000

(e) commercial crime coverage 10,000

The above schedule of insurance coverage is intended only as a descriptive summary and the independent accountant expressed no opinion as to the adequacy of such coverage.

P. J. CABALLERO, CPA

1987 *Annual Report*

2007 Louisiana State Route 1

Metairie, Louisiana 70002-1007

504-885-5112

April 8, 1988

Board of Directors
Parish of Acadiana, Louisiana - Waterworks District No. 2
Metairie, Louisiana

I have compiled the component unit financial statements of The Parish of Acadiana, Louisiana Waterworks District No. 2 for the year ended December 31, 1987 and have issued my report thereon dated April 1, 1988. As a part of my compilation, I made a study and evaluation of the District's compliance with laws and regulations regarding open meeting procedures. I recommend that management consider the following comments and suggestions relative to the District's operating procedures:

- 1 - Establish an agenda for all meetings and post the agenda on the door of the meeting place to comply with the laws and regulations regarding the open meetings law.
- 2 - Expand the minutes of each meeting to include items such as:
 - a. Acceptance and approval of all expenditures for the month.
 - b. Approval and discussion of any adjustments to accounts and the reasons there for.
 - c. All items discussed out of the normal course of business.

Please note that the comments referred to above were included in the management letter for the compilation of the financial statements for the year ended December 31, 1986, but were only partially resolved. The dates and times of all meetings were properly posted, but failed to include a detailed agenda. Upon reviewing the district's minutes, it was determined that the minutes were poorly reported and failed to include the issues discussed above.

I will be pleased to discuss these matters with you at your convenience. We are assured you is their implicitness.

I thank the officers of the District and the employees of the systems operator for the cooperation given me during the course of my compilation.

Sincerely,



P. J. Caballero