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**BERNICE - BAYOU VESTA
JOINT WATERWORKS COMMISSION
OF THE
PARISH OF ST. HENRY
STATE OF LOUISIANA**
FINANCIAL STATEMENTS
**FOR THE YEARS ENDED
SEPTEMBER 30, 1997 and 1998**

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 ~~JUN 16 1998~~

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ADAMS & JOHNSON

MEMPHIS PUBLIC ACCT. CO. CHARITERS
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MEMBERS
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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF ADAMS & JOHNSON
WILLIAM JOHNSON, C.P.A.

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Berwick - Bayou Vista Joint Waterworks Commission
Parish of St. Mary
P.O. Box 322
Berwick, Louisiana 70342

We have audited the accompanying financial statements of Berwick - Bayou Vista Joint Waterworks Commission, a joint venture of the Town of Berwick & Waterworks District No. 2 of the Parish of St. Mary, State of Louisiana, as of and for the years ended September 30, 1987 and 1986, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 amounts 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 financial statements referred to above present fairly, in all material respects, the financial position of the Berwick - Bayou Vista Joint Waterworks Commission as of September 30, 1987 and 1986, and the results of its operations and the cash flows for the proprietary fund for the years then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information as listed in the table of contents, while not considered necessary for a fair presentation of the financial statements, is presented as supplementary analytical data.

Such information, except for that portion marked "unaudited", on which we express no opinion, has been subjected to auditing procedures applied in the audit of the financial statements, and in our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated January 8, 1998 on our consideration of Barwick-Bayou Vista Joint Waterworks Commission's internal control over financial reporting and a report dated January 8, 1998 on its compliance with certain provisions of laws, regulations and contracts.

Adams & Johnson

ADAMS & JOHNSON
Certified Public Accountants

Batterson, Louisiana
January 8, 1998

FINANCIAL STATEMENTS

BENWICK - BAYCO VISTA JOINT WATERWORKS COMMISSION
INTERNAL SERVICE FUND

BALANCE SHEETS - PROPRIETARY FUND TYPE
September 30, 1993 and 1994

ASSETS	9-30-97	9-30-96
CURRENT ASSETS		
Cash	\$ 11,810	\$ 9,440
Due from Participants	23,888	24,568
Prepaid Insurance	3,378	4,520
Restricted Assets		
Cash	98,293	84,483
Certificates of Deposit	21,274	20,267
Due from other Governmental Units	3,360	2,934
Accrued Interest	<u>863</u>	<u>848</u>
TOTAL CURRENT ASSETS	\$ 150,463	\$ 126,360
PROPERTY, PLANT, & EQUIPMENT		
Net of Accumulated Depreciation	35,875	33,792
OTHER ASSETS		
Deposits - Insurance	<u>1,242</u>	<u>1,242</u>
TOTAL ASSETS	\$ 187,610	\$ 161,400
	*****	*****
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 10,370	\$ 9,833
Payroll Taxes Payable	888	703
Retirement Payable	<u>1,613</u>	<u>873</u>
TOTAL CURRENT LIABILITIES	\$ 12,871	\$ 11,410
LONG-TERM LIABILITIES		
Due to Participants	\$ <u>22,800</u>	\$ <u>22,800</u>
TOTAL LONG-TERM LIABILITIES	<u>22,800</u>	<u>22,800</u>
TOTAL LIABILITIES	\$ 34,871	\$ 34,210
RETAINED EARNINGS		
Reserved	\$ 120,310	\$ 89,122
Unreserved	<u>40,430</u>	<u>38,663</u>
TOTAL FUND EQUITY	<u>160,334</u>	<u>127,165</u>
TOTAL LIABILITIES AND FUND EQUITY	\$ 187,610	\$ 161,400
	*****	*****

The accompanying notes are an integral part of these financial statements.

SERVICE - BAYOU VISTA JOINT WATERWORKS COMMISSION
INTERNAL SERVICE FUND

STATEMENTS OF REVENUES AND EXPENSES - PROPRIETARY FUND TYPE
For the Years Ended September 30, 1997 and 1996

	<u>9-30-97</u>	<u>9-30-96</u>
OPERATING REVENUES		
Charges For Services	\$ 380,622	\$ 380,126
Additional 8 cents/1,000 Gallons Charge	<u>38,601</u>	<u>38,573</u>
TOTAL OPERATING REVENUES	\$ 419,223	\$ 418,700
OPERATING EXPENSES		
Advertising	\$ 498	\$ 368
Chemicals	26,182	28,187
Insurance	48,475	87,509
Janitorial Supplies	1,580	1,340
Secretary/Bookkeeping	4,100	4,100
Auditing	2,875	2,745
Miscellaneous	1,202	1,062
Office Supplies	747	2,388
Repairs and Maintenance	12,431	13,878
Major Repairs	3,266	2,370
Salaries	150,288	150,740
Taxes - Payroll	127	120
Utilities	52,484	52,885
Retirement	12,248	12,123
Engineering	2,827	2,203
Depreciation	3,234	3,206
Fee and Subscriptions	428	318
Lab Fees	6,202	2,250
Equipment Rental	35	2,844
Uniforms	<u>1,262</u>	<u>---</u>
TOTAL OPERATING EXPENSES	387,782	312,303
OPERATING INCOME	\$ 31,441	\$ 106,397
OTHER INCOME		
Interest Income Earned on Savings and Certificates of Deposit	<u>3,222</u>	<u>3,628</u>
NET INCOME	\$ 34,663	\$ 110,025

The accompanying notes are an integral part of these financial statements.

NEWBICK - LAGOON VISTA JOINT WATERWORKS COMMISSION
INTERNAL SERVICE FUND

STATEMENTS OF CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE
For the Years Ended September 30, 1997 and 1996

	<u>9-30-97</u>	<u>9-30-96</u>
BALANCE, BEGINNING	\$ 123,795	\$ 95,798
ADD: NET INCOME	<u>32,343</u>	<u>31,393</u>
BALANCE, ENDING	\$ 156,138	\$ 127,191

The accompanying notes are an integral part of these financial statements.

SEBRIDGE - BAYOU VISTA JOINT WATERWORKS COMMISSION
 INTERNAL SERVICE FUND

STATEMENTS OF CASH FLOWS - PROPRIETARY FUND TYPE
 For the Years Ended September 30, 1997 and 1998

	<u>9-30-97</u>	<u>9-30-98</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from participants	\$ 337,238	\$ 341,281
Cash payments for personal services	<128,255>	<128,746>
Cash payments for supplies and operating services	<175,092>	<190,512>
Cash received from deposit	<u>---</u>	<u>3,488</u>
Net cash provided by operating activities	\$ 35,879	\$ 23,488
CASH FLOWS (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	\$< 6,014>	\$< 16,198>
CASH FLOWS FROM INVESTING AND NON-OPERATING REVENUE AND EXPENSE ACTIVITIES:		
Interest Income	\$ 3,323	\$ 3,632
Net increase in cash and cash equivalents	\$ 33,098	\$ 9,926
Cash and cash equivalents at beginning of year	<u>24,322</u>	<u>24,471</u>
Cash and cash equivalents at end of year	\$ 127,485	\$ 34,397
	*****	*****

The accompanying notes are an integral part of these financial statements.

SERVICE - BAYOU VIEUX JOINT MATERNITY COMMISSION
INTERNAL SERVICE FUND

STATEMENTS OF CASH FLOWS - PROPRIETARY FUND TYPE
For the Years Ended September 30, 1997 and 1996

	<u>9-30-97</u>	<u>9-30-96</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 29,712	\$ 29,379
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	1,931	1,398
CHANGE IN ASSETS AND LIABILITIES:		
Increase in due from other governmental units	< 276>	< 108>
Decrease in prepaid expenses	1,250	4
Decrease in deposit insurance	---	1,465
Increase (decrease) in accounts payable	845	= 1,104>
(Decrease) in accounts payable from restricted assets	---	< 9,380>
Increase (decrease) in payroll taxes payable	= 18>	65
Increase in retirement payable	<u>424</u>	<u>31</u>
Net cash provided by operating activities	<u>\$ 35,879</u>	<u>\$ 23,488</u>

The accompanying notes are an integral part of these financial statements.

BERWICK - BAYOU VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS
September 30, 1997 and 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Berwick-Bayou Vista Joint Waterworks Commission was established in 1961 as a joint venture between the Town of Berwick and St. Mary Parish Waterworks District No. 2. The Commission is composed of, and managed by, four board members. The Commission's sole responsibility and duty is to maintain, operate, administer and produce water for human consumption by utilizing the Joint Waterworks System.

The accounting and reporting policies of the Commission conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517, and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

- A) Fund Structure:
The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities, or attaining certain objectives in accordance with special regulations, restrictions or limitations.

PROPRIETARY FUND TYPE

Internal Services Fund - An Internal Service fund is used to account for the financing of special activities and services performed by a designated organizational unit, within a governmental jurisdiction for other organizational units within the same governmental jurisdiction.

BERNICK - BAYOU VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 1997 and 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- D) Basis of Accounting:
Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The Commission's accounting system uses the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.
- C) Investments:
Investments are stated at cost.
- D) Accumulated Vacation, Compensatory Time and Sick Leave:
Accumulated vacation, compensatory time and sick leave are recorded as an expenditure of the period in which earned. At September 30, 1997 and 1996, unrecorded liabilities for the above are an immaterial amount.
- E) Property, Plant, and Equipment:
Property, plant, and equipment are stated at cost. Additions, improvements, and expenditures that add materially to productive capacity, or extend the life of an asset, are capitalized.

Depreciation is charged as an expense against operations. Depreciation has been provided over the estimated economic lives of the assets by the straight-line method. The estimated useful lives are as follows:

Equipment	5 - 40 years
Improvements	10 - 40 years

- F) Statement of Cash Flows:
For the purposes of the statement of cash flows, the Bernick-Bayou Vista Joint Waterworks Commission considers all cash and certificates of deposit with a maturity of less than one year, including restricted assets, to be cash or cash equivalents.

BERWICK - BAYON VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 1997 and 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Reporting Entity:

Berwick - Bayon Vista Joint Waterworks Commission was established by a joint venture between two participants, the Town of Berwick and the St. Mary Parish Waterworks District No. 3. The Commission's sole responsibility and duty is to maintain and operate the Joint Waterworks system. Each participant accounts for their equity interest in Berwick - Bayon Vista Joint Waterworks on their own financial statement.

NOTE 2 - CASH AND CASH EQUIVALENTS

Statutes authorize the Commission to invest in certificates of deposit, repurchase agreements, passbooks, bankers acceptances and other available bank investments provided that approved securities are pledged to secure these funds on deposit, as required. Cash and interest bearing deposits as of September 30, 1997 and 1996 were as follows:

	September 30 <u>1997</u>	September 30 <u>1996</u>
Demand deposits	\$ 11,018	\$ 9,448
Money market accounts	88,193	84,483
Certificate of deposit	<u>31,224</u>	<u>20,262</u>
Total	\$ 130,435 *****	\$ 114,193 *****

Respectively, the carrying amount (cost) and bank balance were the same amount and the total cash and interest bearing deposits were covered by insurance provided by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation.

BERWICK - BAYOU VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 1997 and 1996

NOTE 3 - PROPERTY, PLANT, AND EQUIPMENT

Depreciation was \$3,931 and \$3,294 for the years ended September 30, 1997 and 1996.

Property	Balance 2-28-96	Additions	Disposals	Balance 2-28-97
Improvements	\$ 4,375	\$ ---	-0-	\$ 4,375
Equipment	27,876	4,014	-0-	42,890
Accumulated Depreciation	<u>28,220</u>	<u>23,931</u>	-0-	<u>52,151</u>
Net of Accum. Depreciation	\$3,752			\$3,875

NOTE 4 - PENSION PLAN

All full-time employees of Berwick - Bayou Vista Joint Waterworks Commission are members of the Parochial Employees Retirement Systems of Louisiana, multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and 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 Berwick - Bayou Vista Joint Waterworks Commission are members of Plan B.

All permanent employees working at least 28 hours per week who are paid wholly or in part from Berwick - Bayou Vista Joint Waterworks Commission funds are eligible to participate in the system. Under Plan B, employees who retire at or after age 52 with at least 10 years of creditable service or after age 55 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 monthly salary in excess of \$100 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 18 consecutive or joined months that produce the highest average.

SEBIECK - BAYOU VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 1997 and 1996

NOTE 4 - 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 ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The following reflects the entire Parochial Employees Retirement System of Louisiana (Plan B) estimated benefit obligations:

Year Ended December 31, 1996

Plan B

Retirement System

Net assets	\$ 24,372,481
Pension benefit obligation	<u>12,509,022</u>
Excess assets	\$ 11,863,459

State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, 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.

Covered employees are required by the State Legislature to contribute 2.50% of their gross salary to the plan. The Commission was required by the same statute to contribute 2.50% in 1997 and 1.50% in 1996 of each employee's gross salary to the plan.

SEWICK - MAYCO VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 1997 and 1996

NOTE 4 - PENSION PLAN (continued)

The following provides certain disclosures of the contributions by Sewick - Mayco Vista Joint Waterworks Commission and its employees into Plan B for the year ended September 30, 1997 that are required by such Codification Section 909.129:

	10/01/96 <u>to 12/31/96</u>	01/01/97 <u>to 09/30/97</u>	<u>Total</u>
Contribution Rates:			
Employee	2.864	2.864	
Employer	1.864	2.864	
Total current-year payroll	\$ 30,861	\$ 95,394	\$ 126,255
Total current-year covered payroll	\$ 30,861	\$ 95,394	\$ 126,255
Contributions:			
Required by Statute:			
Employee	\$ 617	\$ 1,938	\$ 2,555
Employer	<u>303</u>	<u>2,385</u>	<u>2,688</u>
Total	\$ 920	\$ 4,323	\$ 5,243
	*****	*****	*****
Actuarially required contribution dollar amount			\$ 3,169
Per cent of total actuarially required contribution of all participating employers and employees			.264

The pension benefit obligation is a standardized measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rated benefits, estimated to be payable in the future as a result of employee service to date.

SERVICE - BAYOU VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 1989 and 1988

NOTE 4 - PENSION PLAN (continued)

The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERB and employers. The System does not make separate measurements of assets and pension benefit obligations for individual employees.

The ten year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's December 31, 1988 comprehensive annual financial report. Herwick - Bayou Vista Joint Waterworks Commission does not guarantee benefits granted by the System.

Retirement Plan - All Herwick - Bayou Vista Joint Waterworks Commission's employees are covered under the Federal Insurance Contribution Act (Social Security). The Commission's contributions for the above plan totaled \$8,481 and \$8,844 for the years ended September 30, 1989 and 1988. This was paid to the respective retirement systems which are responsible for administering the plan.

NOTE 5 - BOARD OF COMMISSIONERS

The Board of Commissioners consists of four members, two each appointed by the Town and the District. According to the terms of the agreement, any compensation or expense reimbursement is to be paid by the Town and the District. For the years ended September 30, 1988 and 1989, no payments were made by Herwick-Bayou Joint Waterworks Commission to the board of commissioners.

SERVICE - MAYOR VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 September 30, 1997 and 1996

NOTE 6 - TOTAL DUE TO AND FROM OTHER GOVERNMENTAL UNITS

Due from other governmental units consist of unrestricted and restricted receivables. Due to and from other governmental units consisted of the following:

<u>September 30, 1997</u>		
	Due from	Due to
Town of Berwick	\$ 14,593	\$ 12,250
St. Mary Waterworks District No. 2	<u>14,574</u>	<u>2,350</u>
Totals	\$ 29,167	\$ 14,600

<u>September 30, 1996</u>		
	Due from	Due to
Town of Berwick	\$ 15,737	\$ 12,250
St. Mary Waterworks District No. 2	<u>11,255</u>	<u>2,350</u>
Totals	\$ 26,992	\$ 14,600

NOTE 7 - RESTRICTED ASSETS

These funds are set aside for major repairs and capital outlays. Any repairs and capital outlays in excess of \$1,000 are to be paid with these funds. The Commission obtains these funds from the Town and the District by charging a fee of 8 cents per 1,000 gallons of water consumed, until \$200,000 has been accumulated to meet emergency repairs or capital outlay needs.

NOTE 8 - RETAINED EARNINGS - RESERVED

The Commission's regulations indicate that a portion of the fund equity can only be used for certain future uses. At the statement date, these funds can only be used for future repairs and capital outlay that exceed \$1,000. Current regulations allow up to \$200,000 of reserved retained earnings to be accumulated for these emergency repairs or capital outlay needs.

SERVICE - RAYON VISTA JOINT WATERWORKS COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 1997 and 1996

NOTE 9 - REPAIR AND REPLACEMENT FEE

This is the source of funding for major repairs and capital outlay equipment that exceed \$1,000. The commission charged its participants a fee of 8 cents per 1,000 gallons consumed for the years ended September 30, 1997 and September 30, 1996.

SUPPLEMENTARY INFORMATION

SEWICE - BAYOU VISTA JOINT WATERWORKS COMMISSION

SCHEDULE OF INSURANCE IN FORCE

For the Years Ended September 30, 1997 and 1998
(Unaudited)

September 30, 1997

<u>Insurer</u>	<u>Type of Coverage</u>	<u>Am't of Coverage</u>	<u>Exp. Date</u>
LA Workers' Comp. Corp.	Workers' Compensation		Paid Monthly
	By Accident	\$ 100,000	
	By Disease	\$ 500,000	
	Each Employee	\$ 100,000	
Twin City Fire	Commercial General Liability		4-10-98
	Bodily Injury:		
	Each Occurrence	\$2,000,000	
	Aggregate	\$2,000,000	
	Fire Damage:		
Any One Fire	\$ 500,000		
Medical			
Any one person	\$ 20,000		
Reliance	Property		2-02-98
	Plant	\$ 821,000	
	Personal Property	\$ 499,000	

SERVICE - SANDO VISTA JOINT WATERWORKS COMMISSION

SCHEDULE OF INSURANCE IN FORCE (Continued)
 For the Years Ended September 30, 1997 and 1996
 (Unaudited)

September 30, 1996

Insurer	Type of Coverage	Am. of Coverage	Exp. Date
LA Workers' Comp. Corp.	Workers' Compensation		Paid
	By Accident	\$ 100,000	Monthly
	By Disease	\$ 500,000	
	Each Employee	\$ 100,000	
Titan Hartford	General Liability		4-15-97
	Bodily Injury:		
	Each Occurrence	\$2,000,000	
	Aggregate	\$2,000,000	
	Medicals:		
Any One Person	\$ 10,000		
Fire Damage:			
Any One Fire	\$ 500,000		
Reliance	Property		1-02-97
	Plant	\$ 900,000	
	Personal Property	\$ 499,000	
	Tank	\$ 31,000	

**BERRICK - BAYOU VISTA COUNTY WATERWORKS COMMISSION
INTERNAL SERVICE FUND**

SUMMARY OF CHARGES FOR THE PAST TWENTY ONE REPORTING PERIODS

ended June 30.	Berrick		Bayou Vista		Costs per 1,000 gallons
	Gallons	\$	Gallons	\$	
78	263,288,420	68,326	178,358,600	66,477	24.05
79	275,628,564	73,399	185,688,488	68,880	27.58
80	111,608,836	84,006	224,603,420	68,751	27.06
81	258,186,877	83,870	212,701,204	65,458	28.78
82	298,637,800	111,504	195,881,000	71,202	33.37
83	272,628,860	106,820	212,889,000	83,697	38.39
84	283,259,000	114,403	228,422,000	87,816	48.31
85	288,762,000	124,353	218,837,000	86,882	44.24
86	288,824,000	114,525	284,468,000	93,128	48.58
ended					
Sept -					
30.					
*86	96,048,000	26,868	48,237,000	22,284	48.14
87	225,179,000	114,717	182,487,000	82,062	58.65
88	284,688,000	126,408	187,318,000	88,924	63.25
89	338,482,000	142,823	176,488,000	108,081	61.86
90	253,428,000	181,888	184,384,000	118,023	57.98
91	282,598,000	168,078	198,882,000	121,066	63.13
92	272,018,000	163,554	185,388,000	121,484	68.24
93	283,222,000	168,884	171,655,000	120,218	64.81
94	288,188,000	182,394	178,122,000	121,284	63.83
95	258,287,000	173,238	192,938,000	121,486	67.88
96	288,768,000	188,828	178,288,000	126,188	70.68
97	272,408,000	177,084	188,728,000	121,526	65.19

* Three Month Period

BERNICE - BAYOU VISTA JOINT WATERWORKS COMMISSION

SCHEDULE OF CERTIFICATES OF DEPOSIT
 For the Years Ended September 30, 1997 and 1998

September 30, 1997

SECURITY	MATURITY	RATE	IMAGE
Certificate of Deposit - Iberia Savings Bank	4-24-98	5.10%	\$ 21,274
Total Certificate of Deposit			\$ 21,274 *****

September 30, 1998

SECURITY	MATURITY	RATE	IMAGE
Certificate of Deposit - Iberia Savings Bank	04-14-97	4.85%	\$ 20,267
Total Certificate of Deposit			\$ 20,267 *****

INTERNAL CONTROL AND COMPLIANCE REPORTS

SERVICE - BAYOU VISTA JOINT WATERWORKS COMMISSION
OF THE
PARISH OF ST. MARY
STATE OF LOUISIANA

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS ISSUED BY THE GAO

YEARS ENDED SEPTEMBER 30, 1993 and 1994

ADAMS & JOHNSON

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS ISSUED BY THE GAO

To the Board of Commissioners
Berwick-Bayou Vista Joint Waterworks Commission
Parish of St. Mary
P. O. Box 323
Berwick, Louisiana 70342

We have audited the basic financial statements of the Berwick - Bayou Vista Joint Waterworks Commission for the years ended September 30, 1997 and 1998, and have issued our report thereon dated January 9, 1999.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of Berwick - Bayou Vista Joint Waterworks Commission, for the years ended September 30, 1997 & 1998, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

The management of the Berwick - Bayou Vista Joint Waterworks Commission 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 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.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Finding:

Our examination disclosed that there is not any segregation of duties within the District's accounting function, (especially in the areas of cash receipts, bank reconciliations, cash disbursements, general ledger and journal entries). This weakness is due to the fact that the District sub-contracts out this bookkeeping function to an accountant. Due to the lack of segregation of duties, possible errors or irregularities could occur in the accounting records and not be detected. Understandably, since the District doesn't have any employees hired to handle the accounting function and they sub-contract this service out, the most ideal system of internal control or the most desirable accounting system may not be practicable. Also the cost of hiring employees to handle the accounting function might exceed any benefits gained. The management of the Commission is well aware of the loss of internal control that results with their sub-contracting of the accounting functions and are constantly on watch for any problems that would occur.

Recommendation:

Based upon the cost-benefit of hiring accounting personnel, it may not be feasible to achieve complete segregation of duties. We recommend management continue to closely monitor all receipts and transactions.

Management Response:

No response is considered necessary.

A material weakness is a reportable condition in which the design or operation of one or more of the specific 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 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 structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is not a material weakness.

This report is intended solely for the use of management, the participants, and the Louisiana Legislative Auditor, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Newkirk - Bayou Vista Joint Waterworks Commission is a matter of public record.



ADAMS & JOHNSON
Certified Public Accountants

Baton Rouge, Louisiana
January 8, 1998

BOGOTEC - BAYOU VISTA JOINT WATERWORKS COMMISSION
OF THE
PARISH OF ST. MARY
STATE OF LOUISIANA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT ACCOUNTING STANDARDS ISSUED BY THE GAO

YEARS ENDED SEPTEMBER 30, 1987 and 1986

ADAMS & JOHNSON

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS ISSUED BY THE GAO

To the Board of Commissioners
Berwick-Bayou Vista Joint Waterworks Commission
Parish of St. Mary
P.O. Box 321
Berwick, Louisiana 70342

We have audited the basic financial statements of the Berwick - Bayou Vista Joint Waterworks Commission as of and for the years ended September 30, 1997 and 1998, and have issued our report thereon dated January 9, 1999.

We conducted our 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 we plan and perform our audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Berwick - Bayou Vista Joint Waterworks Commission is the responsibility of Berwick - Bayou Vista Joint Waterworks Commission's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Berwick - Bayou Vista Joint Waterworks Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, it should be noted that our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclose no instances of non-compliance that are required to be reported by Government Auditing Standards.

This report is intended solely for the use of management, the participants, and the Louisiana Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Service - Bayou Vista Joint Waterworks Commission, is a matter of public record.

Adams & Johnson

ADAMS & JOHNSON
Certified Public Accountants

Baton Rouge, Louisiana
January 8, 1988