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KELLY WATER DISTRICT
Kelly, Louisiana

**General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
October 31, 1998**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the elected, or nominated, or duly appointed appropriate public officials. The report is available for public inspection at the Division of Legislative Audits, Department of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: NOV 11 1998

KELLY WATER DISTRICT
Kelly, Louisiana

**General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
October 31, 1998**

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M. Carlton Dumas
CERTIFIED PUBLIC ACCOUNTANT

288 BIRLAHUGH BOULE • CALICOU, LOUISIANA 71225 • TELEPHONE 518/644-8724

Accountant's Compilation Report

BOARD OF COMMISSIONERS
KELLY WATER DISTRICT
Kelly, Louisiana

I have compiled the accompanying general purpose financial statements and supplemental information schedules, as listed in the foregoing table of contents, of the Kelly Water District as of October 31, 1998, and for the year then ended, in accordance with standards established by *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 and schedules, information that is the representation of management. I have not audited or reviewed the accompanying financial statements and schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated January 20, 1999, on the results of my agreed-upon procedures.



Carlton, Louisiana
January 20, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

KELLY WATER DISTRICT
 Kelly, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Balance Sheet, October 31, 1998

ASSETS AND OTHER DEBITS

Current assets:

Cash	\$17,081
Investments	52,605
Accounts receivable - water sales (net of allowance for doubtful accounts)	8,785
Total current assets	<u>88,541</u>

Restricted assets:

Cash	4,486
Investments	4,458
Property, plant and equipment (net of accumulated depreciation)	<u>407,118</u>

TOTAL ASSETS AND OTHER DEBITS**\$504,583****LIABILITIES AND FUND EQUITY**

Current liabilities (payable from current assets) - accounts and taxes payable	\$313
Current liabilities (payable from restricted assets) - customer deposits	8,354
Total liabilities	<u>9,287</u>
Fund equity:	
Contributed capital	182,000
Retained earnings - unreserved - undesignated	285,301
Total Fund Equity	<u>485,296</u>

TOTAL LIABILITIES AND FUND EQUITY**\$504,583**

See accompanying notes and accountant's compilation report.

KELLY WATER DISTRICT
Kelly, Louisiana
GOVERNMENTAL FUND TYPE - DEBT SERVICE FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended October 31, 1998

REVENUES	
Ad valorem taxes	\$6,422
Use of money and property - interest earnings	131
Total revenues	<u>6,552</u>
EXPENDITURES	
Debt service:	
Principal	9,000
Interest	368
Intergovernmental	120
Total expenditures	<u>9,588</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(3,036)
OTHER FINANCING USE - operating transfer out	<u>(1,082)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER USES	(4,118)
FUND BALANCE AT BEGINNING OF YEAR	<u>4,112</u>
FUND BALANCE AT END OF YEAR	<u><u>None</u></u>

See accompanying notes and accountant's compilation report.

KELLY WATER DISTRICT
 Kelly, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Revenues, Expenses, and
 Changes in Retained Earnings
 For the Year Ended October 31, 1998

OPERATING REVENUES	
Water sales	\$82,828
Connection fees	1,168
Total revenues	<u>83,996</u>
OPERATING EXPENSES	
Office expenses	1,500
Repairs and maintenance	16,105
Utilities	6,264
Education	175
Insurance	4,977
Salaries	31,937
Payroll taxes	2,408
Depreciation	14,944
Other operating expenses	1,852
Total operating expenses	<u>81,358</u>
OPERATING INCOME	<u>1,937</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest earned on deposits	3,357
Operating transfer in	1,893
Interest expense	(3,502)
Total non-operating revenues (expenses)	<u>1,748</u>
NET INCOME	6,297
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>196,894</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$203,151</u>

See accompanying notes and accountant's compilation report.

BELLY WATER DISTRICT
 Kelly, Louisiana
 PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Cash Flows
 For the Year Ended October 31, 1998

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income:	<u>\$1,897</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	34,944
Increase in accounts receivable	(1,278)
Increase in customer deposits	700
Decrease in accounts payable	(785)
Total adjustments	<u>33,681</u>
Net cash provided by operating activities	<u>35,802</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Principal on revenue bonds	(5,000)
Interest on revenue bonds	(150)
Operating transfer in	1,083
Purchase of fixed assets	<u>(2,080)</u>
Net cash used by capital financing activities	<u>(6,147)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings on bank deposits	1,357
Increase in investments	<u>(23,007)</u>
Net cash used by investing activities	<u>(21,650)</u>
NET DECREASE IN CASH	<u>(9,895)</u>
CASH AT BEGINNING OF YEAR	<u>41,447</u>
CASH AT END OF YEAR	<u>\$31,552</u>

See accountant's compilation report and accompanying notes.

KILLY WATER DISTRICT
Kelly, Louisiana

Notes to the Financial Statements
As of and for the Year Ended October 31, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Kelly Water District was created by the Caldwell Parish Police Jury in 1972, as authorized by Louisiana Revised Statute 15:3811 for the purpose of supplying safe drinking water to the population of the district. The district is governed by a five member board appointed by the police jury who serve for indefinite terms of office without the benefit of compensation. The district serves approximately 338 customers and has three employees.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of Kelly Water District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for established governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Caldwell Parish Police Jury is the financial reporting entity for Caldwell Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Caldwell Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and

See accountant's compilation report.

KELLY WATER DISTRICT

Kelly, Louisiana

Notes to the financial statements (Continued)

- a. The ability of the police jury to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
 3. Organizations for which the reporting entity financial statements would be understating if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints the governing body of the district and has the ability to impose its will on the district, the district was determined to be a component unit of the Caldwell Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The district uses funds and account groups to report on its financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long-term debt) that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and

KELLY WATER DISTRICT

Kelly, Louisiana

Notes to the financial statements (Continued)

a description of each existing fund type follows:

Governmental Funds

Governmental funds are used to account for all or most of the district's general activities, including the collection and disbursement of legally restricted monies and the servicing of general long-term debt. Governmental funds of the district include:

Debt Service Fund

The debt service fund accounts for the collection of ad valorem tax revenues levied to pay principal and interest on general obligation bonds issued for the purpose of constructing the water system.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

Enterprise Fund

The enterprise fund is used to account for operations of the district, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services to customers in the district on a continuing basis be financed or recovered primarily through user charges.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current

See accountant's compilation report.

KELLY WATER DISTRICT

Kelly, Louisiana

Notes to the financial statements (Continued)

Financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting the debt service governmental fund type. The district uses the following practices in recording revenues and expenditures of the debt service fund:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach to an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1190 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Interest on demand deposits is recognized when it has been earned and credited to the fund's account.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

Other Financing Uses

Transfers between funds that are not expected to be repaid are accounted for as other financing sources and are recorded when the underlying events occur.

The Enterprise Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this

See accountant's compilation report.

KELLY WATER DISTRICT

Kelly, Louisiana

Notes to the financial statements (Continued)

measurement basis, all assets and liabilities associated with the operation of this fund are included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Water sales and connection fees are recognized in the period the service is provided to the customer. Salaries and other expenses are recognized when incurred.

E. CASH

Cash includes amounts in demand deposits and interest-bearing demand deposits. Time deposits with original maturities that exceed 90 days are classified as investments. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with banks organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States.

F. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2665 and the district's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At October 31, 1998, the district's investments consist of nonnegotiable certificates of deposits with original maturities of one year that are reported in the accompanying financial statements at cost. The bank balances of the deposits are fully secured from risk by federal deposit insurance.

G. RESTRICTED ASSETS

Certain resources of the Enterprise Fund set aside for the refunding of customer deposits are classified as restricted assets on the balance sheet because their use is limited.

H. FIXED ASSETS

Fixed assets of the district are included on the balance sheet of the enterprise fund and are recorded at actual cost. Fixed assets reported on the balance sheet are net of accumulated depreciation. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over

KILLY WATER DISTRICT

Kelly, Louisiana

Notes to the financial statements (Continued)

estimated useful lives of 40 years for the water distribution system and 5-10 years for furniture and equipment.

I. LONG-TERM OBLIGATIONS

General obligation bonds financed from governmental funds by ad valorem taxes assessed against property owners in the district are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Revenue bonds financed from Enterprise Fund operations are accounted for in the Enterprise Fund.

J. CONTRIBUTED CAPITAL

Contributed capital is recorded in proprietary funds that have received capital grants or contributions when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired from such resources.

K. TOTAL COLUMN ON THE COMBINED BALANCE SHEET

The total column on the combined balance sheet is captioned Memorandum Only to indicate that it is prepared only to facilitate financial analysis (overview). Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CASH

At October 31, 1998, the district has interest-bearing demand deposits (bank balances) totaling \$31,577. These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Cash (bank balances) at October 31, 1998, are \$32,033, and are fully insured from risk by federal deposit insurance.

See accountant's compilation report.

KELLY WATER DISTRICT

Kelly, Louisiana

Notes to the financial statements (Continued)

3. LEVIED TAXES

The ad valorem tax millage levied by the district was 4.0 mills for the year ended October 31, 1998. On October 3, 1998, the voters of the district approved a 10 mill ad valorem tax for the purpose of constructing, acquiring, improving, maintaining, and operating the water system. The tax will be levied for a period of ten years beginning with the year 1998 and ending with the year 2007.

4. ACCOUNTS RECEIVABLE

At October 31, 1998, the district has net receivables of \$8,785 as follows:

Water sales	\$90,112
Allowance for uncollectible accounts	<u>(81,327)</u>
Net receivables	<u>\$8,785</u>

The allowance for uncollectible accounts at October 31, 1998 is an estimate based on the amount of past due accounts at October 31, 1998, and prior years' collection percentages.

5. FIXED ASSETS

A summary of fixed assets at October 31, 1998, follows:

Water system	\$604,972
Furniture and equipment	<u>18,302</u>
	623,274
Less accumulated depreciation	<u>(218,048)</u>
Property, plant and equipment, net	<u>\$405,226</u>

During the year ended October 31, 1996, the Caldwell Parish Police Jury obtained a grant to construct a new water well for the district. On February 18, 1998, the police transferred these assets totaling \$177,100 to Kelly Water District.

6. LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended October 31, 1998:

See accountant's compilation report.

KELLY WATER DISTRICT

Kelly, Louisiana

Notes to the financial statements (Continued)

	General Obligation Bonds	Revenue Bonds	Total
Long-term obligations at November 1, 1997	\$9,000	\$5,000	\$14,000
Retirements	<u>(9,000)</u>	<u>(5,000)</u>	<u>(14,000)</u>
Long-term obligations at October 31, 1998	<u>None</u>	<u>None</u>	<u>None</u>

7. LITIGATION AND CLAIMS

The district is not involved in any litigation as of October 31, 1998, nor is it aware of any unasserted claims. The district maintains insurance coverage to reduce the risk of loss resulting from property damage or liability claims. There were no significant reductions in insurance coverage during the year ended October 31, 1998, nor were there any costs resulting from claims or judgments.

8. YEAR 2000 ISSUE

In August 1998, the district agreed to begin converting its computer systems to be year 2000 compliant. The total cost of the conversion and training is estimated to be approximately \$2,358. The district's computer systems are expected to be compliant by the end of June 1999. The district plans to expense all costs associated with these system changes and will fund these costs through operating cash flows.

See accountant's compilation report.

SUPPLEMENTAL INFORMATION SCHEDULES

See accountant's compilation report.

KELLY WATER DISTRICT
Kelly, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended October 31, 1998

PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in the summary schedule of prior year findings (Schedule 1).

CURRENT YEAR FINDINGS

The corrective action plan for current year findings is presented in Schedule 2.

KELLY WATER DISTRICT
Kelly, Louisiana

Summary Schedule of Prior Year Findings
For the Year Ended October 31, 1998

<u>Reference Number</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Additional Explanation</u>
Procedure 9	10/31/97	Agendas for board meetings not posted or advertised	Yes	N/A

See accountant's compilation report.

KELLY WATER DISTRICT
Kelly, Louisiana

Corrective Action Plan
For Current Year Findings
For the Year Ended October 31, 1998

Reference Number	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Procedure 8(a)	One disbursement was not adequately supported.	All future disbursements will be adequately supported.	Glenis Marcano, Secretary - Treasurer	October 31, 1998

See accountant's compilation report.

**Independent Accountant's Report on Applying
Agreed-Upon Procedures**

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governments' Audit Guide* and the *Louisiana Statutory Questionnaire*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

M. Carlton Dumas
CERTIFIED PUBLIC ACCOUNTANT

389 DONALDSON ROAD • CALHOUN, LOUISIANA 71228 • TELEPHONE 338/244-5726

**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

**BOARD OF COMMISSIONERS
KELLY WATER DISTRICT
Kelly, Louisiana**

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Kelly Water District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Kelly Water District's compliance with certain laws and regulations during the year ended October 31, 1998, included in the accompanying *Louisiana Articulation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the 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 materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

A review was made of all disbursements for the year. There were no disbursements exceeding \$15,000 made during the year.

Kelly Ward District
Independent Accountant's Report on
Applying Agreed-Upon Procedures
October 31, 1998

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 ILSA-RS-42:1101-1124 (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 noted 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 the employees included in the listing obtained from management in agreed-upon procedure (3) were also included in the listing obtained from management in agreed-upon procedure (2) as immediate family members.

There were no names on the employee listing that were also included on the listing of immediate family members.

Budgeting

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

The district was not required to adopt a budget for the year ended October 31, 1998.

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

See results of procedures listed under agreed-upon procedure (5).

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

See results of procedures listed under agreed-upon procedure (5).

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
- (a) trace payments to supporting documentation as to correct amount and paper;
 - (b) determine if payments were properly coded to the correct fund and general ledger account;
 - (c) determine whether payments received approval from proper authorities.

An examination of six randomly selected disbursements disclosed the following:

- (a) One of the six selected disbursements was not supported by adequate documentation.
- (b) The six selected payments were properly coded to the correct fund and general ledger account.
- (c) The six selected payments received approval from the proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (the opening meetings law).

Agendas for board meetings were posted as required by LSA-RS 42:7.

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 examined all bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Kelly Water District
Independent Accountant's Report on
Applying Agreed-Upon Procedures
October 31, 1998

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 board meetings and an examination of payroll records indicated no payments which may 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 do 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 the Kelly Water District 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.



Catherine P. Dumas
January 20, 1999

Louisiana Attestation Questionnaire:

The accompanying Louisiana Attestation Questionnaire has been completed by management and is included in this report as required by the Louisiana Governmental Audit Guide.

M. Carlen Dumas
Certified Public Accountant
369 Donaldson Rd.
Caldwell, La 71225

Mrs. Dumas,

In connection with your completion of our financial statements of the Kelly Water District as of October 31, 1986 and for the year then ended, and as required by Louisiana Revised Statute 24:305 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on information available to us as of 1-11-79.

PUBLIC BID LAW

1. The provisions of the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.

Yes No N/A

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. No employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone which would constitute a violation of LSA-RS 42:1301-1324.

Yes No N/A

3. No member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980 under circumstances which would constitute a violation of LSA-RS 42:1119.

Yes No N/A

BUDGETING

4. We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1901-14) or the budget requirements of LSA-RS 39:43.

Yes No N/A

ACCOUNTING AND REPORTING

5. All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:51, and 44:56.

Yes No N/A

6. We have filed our annual financial statements in accordance with LSA-RS 24:514, LSA-RS 24:463, and/or LSA-RS 39:92, as applicable.

Yes No N/A

7. We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No N/A

MEETINGS

8. We have complied with the provisions of the Opening Meetings Law, LSA-RS 42:1-12.

Yes No N/A

DEBT

9. We have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VII, Section 13 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes No N/A

ADVANCES AND BONUSES

10. We have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-329.

Yes No N/A

We have disclosed to you all known non-compliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible non-compliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known non-compliance which may occur subsequent to the issuance of your report.

Glenda Mauer 1-11-99
Date