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**LaSalle Waterworks District No. 1  
LaSalle Parish Police Jury**

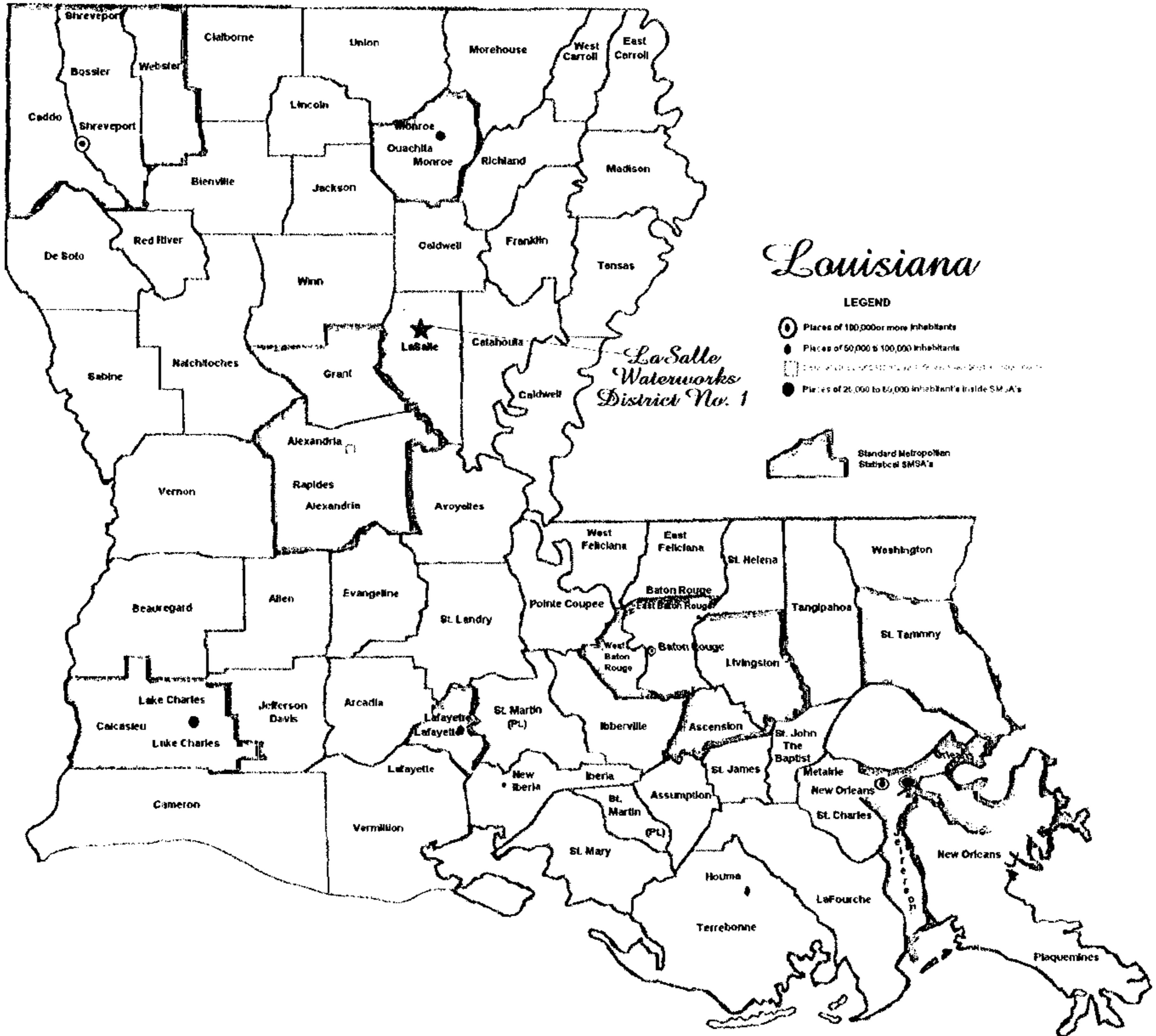
COMPONENT UNIT FINANCIAL STATEMENTS  
COMBINING & INDIVIDUAL FUNDS,  
ACCOUNT GROUP STATEMENTS, SCHEDULES  
& GRAPHS

*December 31, 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 **MAY 05 1999**

LASALLE WATERWORKS DISTRICT NO. 1  
 TROUT, LA. 71371



\* *LaSalle Waterworks District No. 1*

LaSalle Waterworks District No. 1 was created by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:4562. The Waterworks District is administered by a board of five commissioners who are appointed by the LaSalle Parish Police Jury. The district owns and operates water facilities and engages in activities designed to provide water to the Goodpine, Trout and Midway Communities.

**LASALLE PARISH WATERWORKS DISTRICT NO. 1**  
**LASALLE PARISH POLICE JURY**  
**JENA, LA.**

**C O N T E N T S**

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# JOHN R. VERCHER PC

*Certified Public Accountant*

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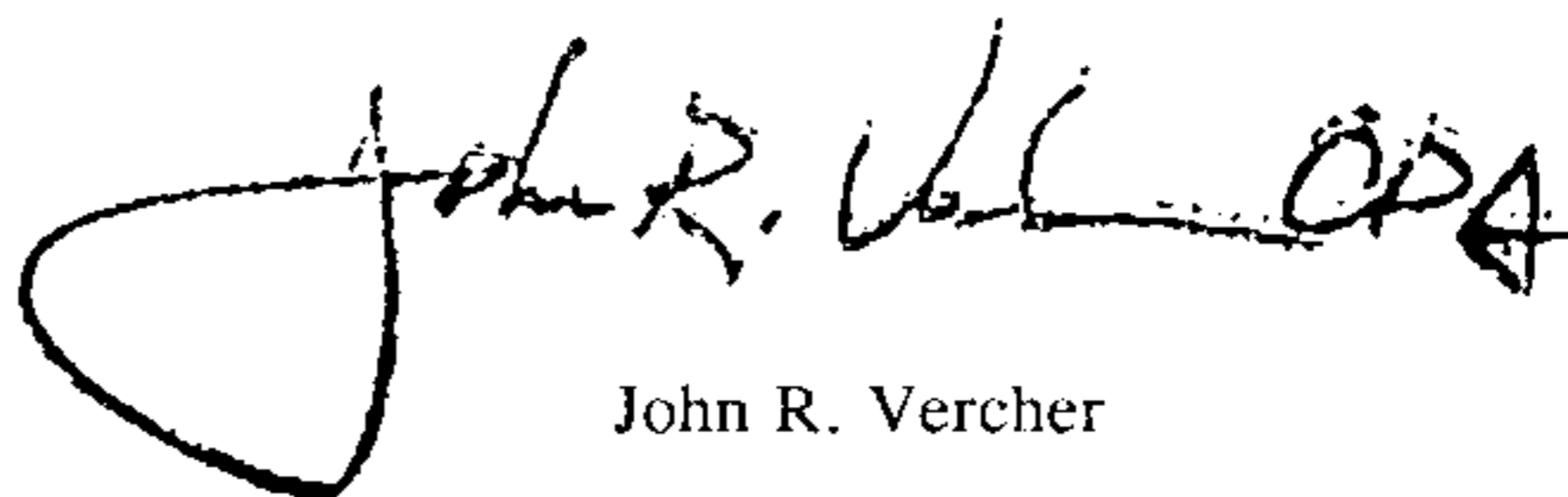
## ACCOUNTANT'S COMPILATION REPORT ON COMPONENT UNIT FINANCIAL STATEMENTS

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

I have compiled the component unit financial statements and graphs of the LaSalle Waterworks District No. 1, as of and for the year ended December 31, 1998, as listed in the table of contents, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Government Audit Guide and the provisions of state law, I have issued a report, dated February 10, 1999, on the results of our agreed-upon procedures.



John R. Vercher

February 10, 1999  
Jena, Louisiana

# JOHN R. VERCHER PC

*Certified Public Accountant*

P.O. Box 1608  
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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of  
LaSalle Parish Waterworks  
District No. 1  
LaSalle Parish Police Jury  
Jena, Louisiana 71342

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of LaSalle Parish Waterworks District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about LaSalle Waterworks District No. 1's compliance with certain laws and regulations during the year ended December 31, 1998 included in the accompanying Louisiana Attestation 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, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

\* I found no such expenditures.

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 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 those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

\* None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

MEMBER  
—AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS—  
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

### **Budgeting**

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

\* The District has no general funds to budget.

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

\* Not applicable

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

\* Not applicable

### **Accounting and Reporting**

8. Randomly select 6 disbursements made during the period under examination and:

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

\* I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

\* All of the payments were properly coded to the correct fund and general ledger account.

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

\* Inspection of documentation supporting each of the six selected disbursements indicated approvals from the clerk and the chairman of the Board of Commissioners.

### **Meetings**

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

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

### **Debt**

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

\* I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

\* A reading of the minutes of the district for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I did not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of LaSalle Waterworks District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

John R. Vercher

Jena, Louisiana  
February 10, 1999

**LASALLE PARISH WATERWORKS DISTRICT NO. 1**  
**LASALLE PARISH POLICE JURY**  
**PROPRIETARY - ENTERPRISE FUND**  
**BALANCE SHEET**  
**DECEMBER 31, 1998**

**ASSETS**

Current Assets	
Cash	\$ 77,554
Depreciation Cash	42,395
Accounts Receivable (Note 3)	<u>12,650</u>
<b>Total Current Assets</b>	<b>\$ 132,599</b>
<b>RESTRICTED ASSETS</b>	
Meter Deposits	<u>\$ 34,195</u>
Plant and Equipment at Cost, Net of Depreciation of \$250,753 for 1998	<u>\$ 149,678</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 316,472</u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>	
Current Liabilities	
Accounts Payable	<u>\$ 7,408</u>
<b>CURRENT LIABILITIES (Payable from Restricted Assets)</b>	
Deposits Subject to Refund	<u>\$ 24,514</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 31,922</u></b>
<b>RETAINED EARNINGS</b>	
Unreserved	<u>\$ 284,550</u>
<b>TOTAL RETAINED EARNINGS</b>	<b><u>\$ 284,550</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 316,472</u></b>

See Accountant's Compilation Report  
 The notes to the financial statements are an integral part of this statement.



**LASALLE PARISH WATERWORKS DISTRICT NO. 1**  
**LASALLE PARISH POLICE JURY**  
**PROPRIETARY - ENTERPRISE FUND**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 1998**

**OPERATING REVENUE**

Charges for Services-	
Water Sales	\$ 149,929
Delinquent Fees	567
Miscellaneous	1,890
Tap Fees	3,126
	<hr/>
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 155,512</b>

**OPERATING EXPENSES**

Salaries	\$ 82,721
Office Expenses	3,131
Official Journal	244
Insurance	16,243
Maintenance & Repairs	43,817
Supplies	15,083
Utilities & Telephone	17,641
Depreciation	13,234
Truck Expense	1,714
Other Operating Expenses	3,223
	<hr/>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 197,051</b>

**OPERATING INCOME (LOSS)** **\$ (41,539)**

**NON-OPERATING REVENUE (EXPENSES)**

Fire Protection Collections	\$ 20,165
Interest Income	5,769
Fire Protection Remittance	(19,550)
Interest Expense	(938)
	<hr/>
<b>TOTAL NON-OPERATING REVENUE (EXPENSES)</b>	<b>\$ 5,446</b>

**NET INCOME (LOSS)** **\$ (36,093)**

**RETAINED EARNINGS BEGINNING OF YEAR** **\$ 320,643**

**RETAINED EARNINGS END OF YEAR** **\$ 284,550**

See Accountant's Compilation Report  
 The notes to the financial statements are an integral part of this statement.

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
 LASALLE PARISH POLICE JURY  
 PROPRIETARY FUND

Statement of Cash Flows  
 for the Year Ended December 31, 1998

<b>Cash from Operations:</b>	
Net Income	\$ (36,093)
<b>Adjustments to Net Income:</b>	
Add – Depreciation	\$ 13,234
Decrease in Allowance for Bad Debt	(8)
Decrease in Accounts Receivable	161
Increase in Accounts Payable	2,150
Total Additions	\$ 15,537
<b>Cash Provided by Operations</b>	\$ (20,556)
<b>Cash Provided from Customer Deposits</b>	580
Total Cash Provided	\$ (19,976)
<b>Cash Was Applied To:</b>	
Restricted Funds	\$ 1,692
Equipment	17,538
Total Cash Applied	\$ 19,230
Increase (Decrease) in Cash Flow	\$ (39,206)
Cash Beginning of Year	159,155
Cash End of Year	\$ 119,949

See Accountant's Compilation Report  
 The notes to the financial statements are an integral part of this statement.

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
LASALLE PARISH POLICE JURY

Notes to Financial Statements

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

LaSalle Waterworks District No. 1 was created by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:4562. The Waterworks District is administered by a board of five commissioners who are appointed by the LaSalle Parish Police Jury. The district owns and operates water facilities and engages in activities designed to provide water to the Goodpine, Trout and Midway Communities.

For financial reporting purposes, the district is a component unit of the LaSalle Parish Police Jury, the governing body of the parish. The accompanying financial statements present financial information only on the funds and account groups maintained by LaSalle Waterworks District No. 1 and do not present information on the Police Jury and the general government services provided by that governmental unit or any of its other component units.

**A. FUND ACCOUNTING**

LaSalle Waterworks District No. 1 is organized and operated on a fund basis whereby a separate set of self-balancing accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues and expenses.

**B. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement focus applied.

The Waterworks District's records are maintained on a cash basis of accounting. However, the fund reported in the accompanying financial statements has been converted to an accrual basis of accounting utilizing the following practices in recording revenues and expenses:

**Revenues**

Operating income (water sales) is recorded when billed.

Interest income on investments is recorded when the investments have matured and the income is available.

Substantially all other revenues are recorded when received.

The District collects from its customers a "Fire Protection Fee" and remits part of the same to the Jena Fire Department. The customers are under no obligation to pay the fee, nor is the district under any obligation to remit the same to the fire department.

**Expenses**

Expenses are generally recognized under the accrual basis of accounting when the related liability is incurred.

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
LASALLE PARISH POLICE JURY

Notes to Financial Statements  
(Continued)

**Fixed Asset Depreciation**

All fixed assets are reported at cost and depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation is reported over the useful lives of the assets using the straight-line method. The estimated useful lives follows:

Water System	50 Years
Miscellaneous Equipment	8 Years

**2. CASH AND RESTRICTED ASSETS**

All cash and restricted cash assets are reported at cost and are on deposit at a FDIC insured institution. Cash and security is as follows:

	Bank of Jena	First Community Bank
Bank Statement Balances 12-31-98	\$ 108,032	\$ 46,977
FDIC Coverage	(108,032)	(46,977)
Cash Balances not Covered 12-31-98	\$ -0-	\$ -0-

**3. ACCOUNTS RECEIVABLE**

The receivables at December 31, 1998 are detailed below:

Water Sales	\$ 13,316
Allowances for Bad Debt	(666)
Total	\$ 12,650

**4. CHANGES IN FIXED ASSETS:**

System Cost 12-31-97	\$ 397,940
Additions	17,538
Total Cost 12-31-98	\$ 415,478
Less Allowance for Depreciation (as of 12-31-98)	(265,800)
Net Fixed Assets 12-31-98	\$ 149,678

LASALLE PARISH WATERWORKS DISTRICT NO. 1  
LASALLE PARISH POLICE JURY

Notes to Financial Statements  
(Continued)

5. Schedule of per diem paid board members for the year ended December 31, 1998:

Huey King - President	\$ 60
Vandell Smith	170
Johnny Ray Dean	50
Jerry King	545
Albert Jones	545
Total	<u>\$ 1,370</u>

6. WATER RATES

*Residential:*

Minimum charge \$8.00 for first 2,000 gallons, \$.85 per 1,000 gallons thereafter

*Commercial:*

\$.95 per 1,000 gallons

*Business:*

Minimum charge \$10.00 for first 2,500 gallons, \$.85 per 1,000 gallons thereafter

LaSalle Waterworks District No. 1  
LaSalle Parish Police Jury

Management Letter Comments  
December 31, 1998

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

A) Prior Year Management Letter Comments

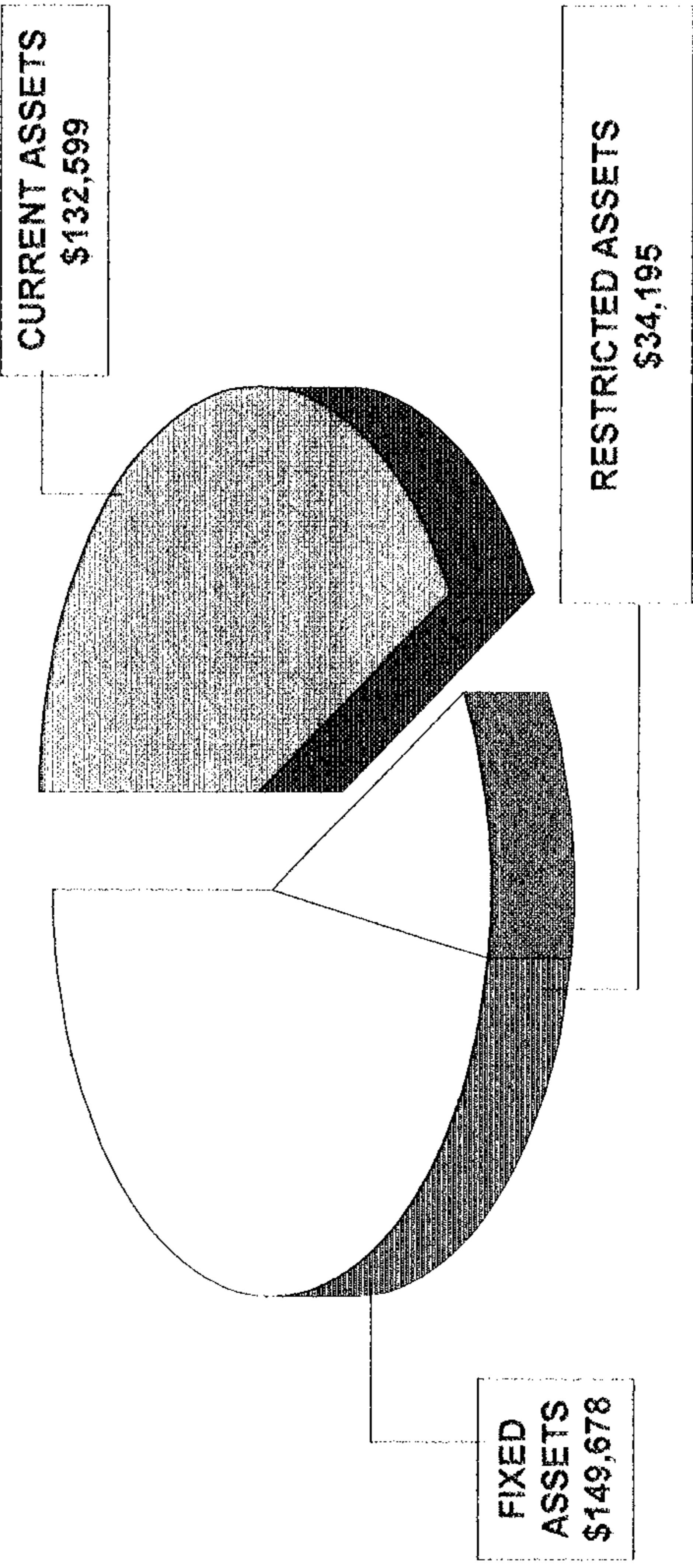
1.) There were no prior year management letter comments.

B) Current Year Management Letter Comments

1.) There are no current year management letter comments.

GRAPHS

**LASALLE WATERWORKS DISTRICT NO. 1  
ASSETS - DECEMBER 31, 1998**



SEE ACCOUNTANT'S  
COMPILATION REPORT

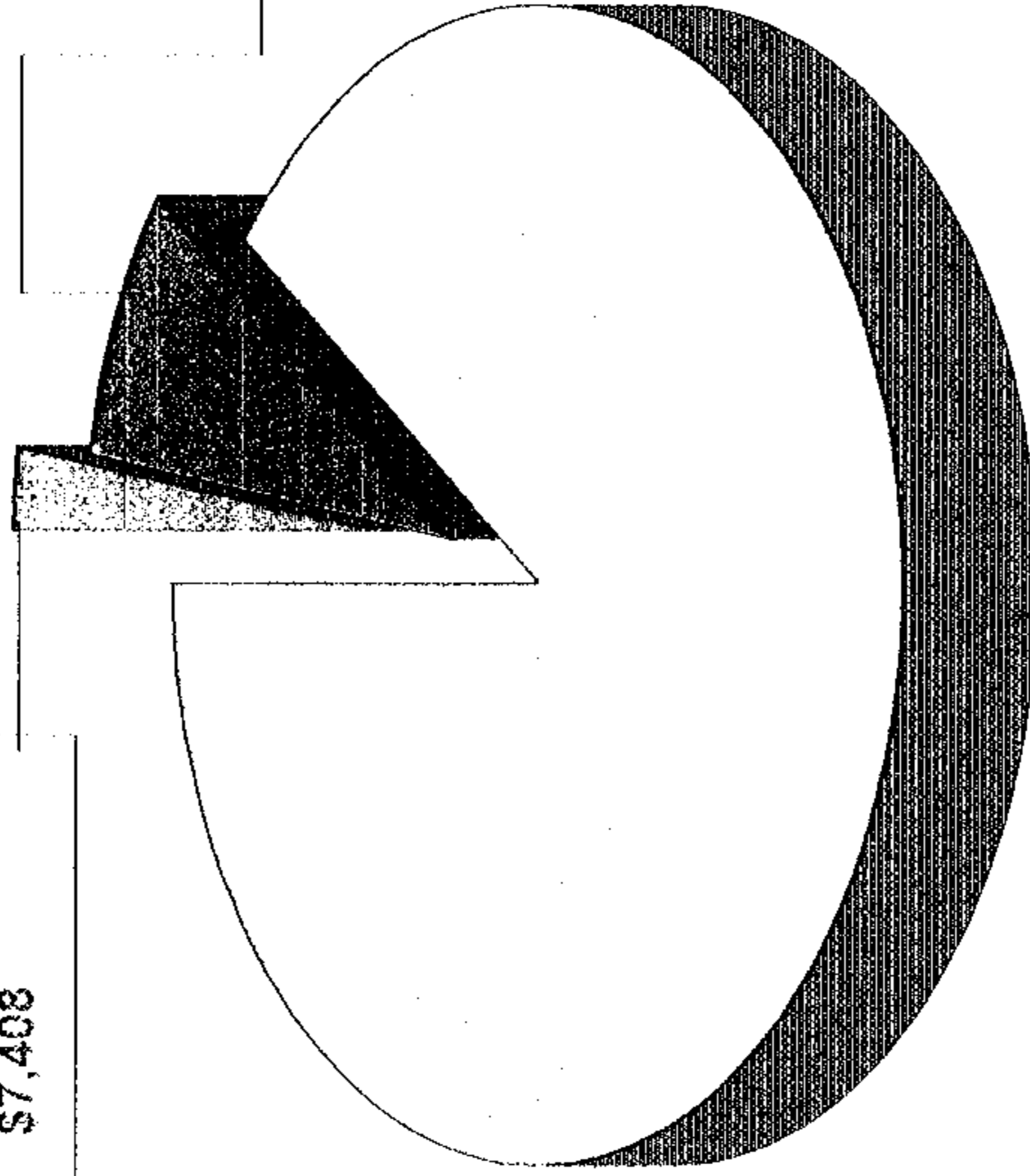


# LASALLE WATERWORKS DISTRICT NO. 1

## Liabilities & Equity 12-31-98

CURRENT LIABILITIES  
\$7,408

CURRENT LIABILITIES  
PAYABLE FROM  
RESTRICTED ASSETS  
\$24,514



RETAINED EARNINGS  
\$284,550

SEE ACCOUNTANT'S  
COMPILATION REPORT

LOUISIANA ATTESTATION QUESTIONNAIRE

February 10, 1999 . Date

John R. Vercher PC  
210 N. 2nd St.  
PO Box 1608  
Jena, La. 71342

In connection with your compilation of our financial statements as of December 31, 1999 and for the period then ended, and as required by Louisiana Revised Statute 24:513 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 regulation 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 the information available to us as of 2-10-99 (date).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes  No

It is true that 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 that would constitute a violation of LSA-RS 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-Rs 39:43.

Yes  No

**Accounting and Reporting**

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, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and or 39:92, as applicable.

Yes  No

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

Yes  No

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [  ] No [  ]

**Debt**

It is true 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 VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes [  ] No [  ]

**Advances and Bonuses**

It is true 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 79-729.

Yes [  ] No [  ]

We have disclosed to you all known noncompliance 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 noncompliance 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 noncompliance which may occur subsequent to the issuance of your report.

\_\_\_\_\_  
*Velma Martin*

Secretary  
Treasurer  
President