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**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH  
A COMPONENT UNIT OF THE BIENVILLE PARISH POLICE JURY  
BIENVILLE, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
AND ACCOUNTANTS' COMPILATION  
AS OF AND FOR THE YEAR ENDED JUNE 30, 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 SEP 30 1998

**KENNETH D. FOLDEN & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

302 EIGHTH STREET, JONESBORO, LA 71251  
(318) 259-7316  
FAX (318) 259-7315

**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH  
A COMPONENT UNIT OF THE BIENVILLE PARISH POLICE JURY  
Bienville, Louisiana**

**General Purpose Financial Statements  
And Accountants' Compilation Report  
As of and for the Year Ended June 30, 1998**

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**SHILOH WATERWORKS DISTRICT**

Willie Blow, President  
Willie Logan, Secretary

**ROUTE 1, BOX 48AA  
BIENVILLE, LA 71008  
(318) 263-2676**

Joseph Nash  
Dallas R. Davis  
Michael Rhodes

**TRANSMITTAL LETTER**

**GENERAL PURPOSE FINANCIAL STATEMENTS**

September 10, 1998

**Office of Legislative Auditor  
Attention: Ms. JoAnne Sanders  
Post Office Box 94397  
1600 North Third  
Baton Rouge, LA 70804-9397**

Dear Ms. Sanders:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Shiloh Waterworks District of Bienville Parish, a component unit of the Bienville Parish Police Jury, as of and for the fiscal year ended June 30, 1998. These statements include all funds under the control and oversight of the Shiloh Waterworks District of Bienville Parish. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Willie Blow, President  
Shiloh Waterworks District  
of Bienville Parish

Enclosure

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH  
BIENVILLE PARISH POLICE JURY  
Bienville, Louisiana

ANNUAL SWORN GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

Required by Louisiana Revised Statute 24:514 to  
be filed with the Office of Legislative Auditor  
within 90 days after the close of the fiscal year

---

AFFIDAVIT

Personally came and appeared before the undersigned authority, Willie Blow, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Shiloh Waterworks District of Bienville Parish, a component unit of the Bienville Parish Police Jury, as of June 30, 1998, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

  
Signature

Sworn to and subscribed before me, this 25<sup>th</sup> day of September 1998.

  
NOTARY PUBLIC

---

Shiloh Waterworks District of Bienville Parish  
Willie Blow, President  
Rt. 1, Box 48 - AA  
Bienville, LA 71008  
(318) 263-2667

**Kenneth D. Folden & Co.**  
**Certified Public Accountants**

Kenneth D. Folden, CPA

Ted W. Sanderlin, CPA

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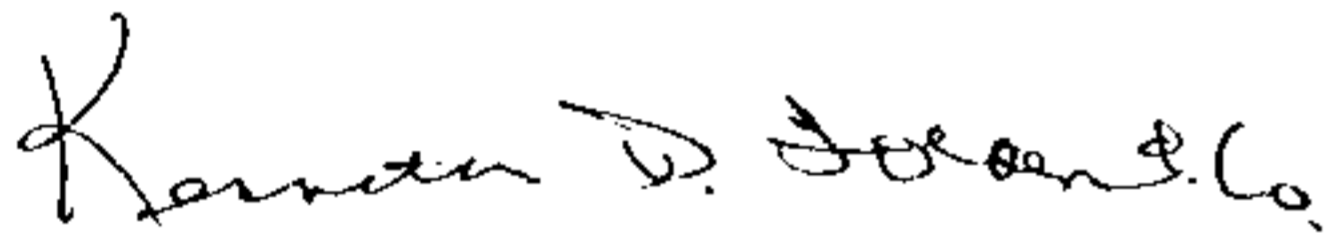
Members  
American Institute of  
Certified Public Accountants

**ACCOUNTANTS' COMPILATION REPORT**

**Shiloh Waterworks District**  
**Rt. 1, Box 48 - AA**  
**Bienville, LA 71008**

**We have compiled the accompanying balance sheet of Shiloh Waterworks District of Bienville Parish as of June 30, 1998, and the related statements of revenues and expenses and cash flows for the year then ended, in accordance with the 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurances on them.**



**KENNETH D. FOLDEN & CO.**  
**Certified Public Accountants**

**Jonesboro, Louisiana**  
**September 10, 1998**

**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH  
BIENVILLE PARISH POLICE JURY  
Bienville, Louisiana**

Statement A

**BALANCE SHEET - PROPRIETARY FUND - ENTERPRISE FUND TYPE  
June 30, 1998**

**Assets:**

**Current assets:**

|                                 |    |                |
|---------------------------------|----|----------------|
| Cash                            | \$ | 5,860          |
| Accounts receivable             |    | 4,097          |
| Allowance for doubtful accounts |    | <u>(3,304)</u> |
| <b>Total current assets</b>     |    | <u>6,653</u>   |

**Restricted assets:**

|                                   |  |              |
|-----------------------------------|--|--------------|
| Customer meter deposits           |  | 1,725        |
| Bond reserve cash                 |  | 2,569        |
| Depreciation and contingency cash |  | 3,646        |
| Deposits                          |  | <u>25</u>    |
| <b>Total restricted assets</b>    |  | <u>7,965</u> |

**Fixed assets:**

|   |  |                 |
|---|--|-----------------|
| Land  |  | 300             |
| Equipment   |  | 57,800          |
| Accumulated depreciation                                    |  | <u>(25,938)</u> |
| <b>Total fixed assets (net of accumulated depreciation)</b> |  | <u>32,162</u>   |

**Total assets**

**\$ 46,780**

**Liabilities:**

**Current liabilities:**

|                                      |    |              |
|--------------------------------------|----|--------------|
| Accounts payable                     | \$ | 1,590        |
| Water revenue bond payable - current |    | <u>1,574</u> |
| <b>Total current liabilities</b>     |    | <u>3,164</u> |

**Current liabilities payable from restricted assets:**

|   |  |              |
|---|--|--------------|
| Customer meter deposits payable                                 |  | <u>1,725</u> |
| <b>Total current liabilities payable from restricted assets</b> |  | <u>1,725</u> |

**Non-current liabilities:**

|                                      |  |               |
|--------------------------------------|--|---------------|
| Water revenue bond payable           |  | <u>17,956</u> |
| <b>Total non-current liabilities</b> |  | <u>17,956</u> |
| <b>Total liabilities</b>             |  | <u>22,845</u> |

**Equity:**

**Retained earnings:**

|                                |  |               |
|--------------------------------|--|---------------|
| Reserved                       |  | 6,215         |
| Unreserved                     |  | <u>17,720</u> |
| <b>Total retained earnings</b> |  | <u>23,935</u> |

**Total liabilities and equity**

**\$ 46,780**

The accompanying notes are an integral part of this statement.

**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH  
BIENVILLE PARISH POLICE JURY  
Bienville, Louisiana**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN RETAINED EARNINGS - PROPRIETARY FUND - ENTERPRISE FUND TYPE  
For the Year Ended June 30, 1998**

|  |                         |
|--|-------------------------|
| <b>Operating revenues:</b>                     |                         |
| Sales of water                                 | \$ <u>6,877</u>         |
| <b>Total operating revenues</b>                | <u>6,877</u>            |
| <b>Operating expenses:</b>                     |                         |
| Administrative and general                     | 8,510                   |
| Water services                                 | 4,692                   |
| Depreciation                                   | <u>1,244</u>            |
| <b>Total operating expenses</b>                | <u>14,446</u>           |
| <b>Operating income (loss)</b>                 | <u>(7,569)</u>          |
| <b>Non-operating revenues (expenses)</b>       |                         |
| Ad valorem taxes                               | 6,614                   |
| Interest revenue                               | 175                     |
| Miscellaneous revenue                          | 506                     |
| Interest expense                               | <u>(1,051)</u>          |
| <b>Total non-operating revenues (expenses)</b> | <u>6,244</u>            |
| <b>Net income (loss)</b>                       | <u>(1,325)</u>          |
| <b>Retained earnings at beginning of year</b>  | <u>25,260</u>           |
| <b>Retained earnings at end of year</b>        | <u>\$ <u>23,935</u></u> |

The accompanying notes are an integral part of this statement.

**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH**  
**Bienville, Louisiana**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUND - ENTERPRISE FUND TYPE**  
**For the Year Ended June 30, 1998**

|  |                        |
|--|------------------------|
| <b>Cash flows from operating activities:</b>   |                        |
| Net income (loss)  | \$ <u>(1,325)</u>      |
| <b>Adjustments to reconcile net income to net cash provided by operating activities:</b> |                        |
| Depreciation   | 1,244                  |
| (Increase) decrease in accounts receivable   | 201                    |
| Increase (decrease) in allowance for doubtful accounts                                   | (9)                    |
| (Increase) in restricted assets  | (917)                  |
| Increase (decrease) in current liabilities   | <u>(97)</u>            |
| Net cash provided (used) by operating activities   | <u>(903)</u>           |
| <b>Cash flows from capital and related financing activities:</b>                         |                        |
| Principal repayments - bond  | <u>(1,573)</u>         |
| Net cash used by financing activities  | <u>(1,573)</u>         |
| Net increase (decrease) in unrestricted cash   | (2,476)                |
| Unrestricted cash at beginning of year   | <u>8,336</u>           |
| Unrestricted cash at end of year   | \$ <u><u>5,860</u></u> |
| <b>Supplemental disclosures of cash flows information:</b>                               |                        |
| Cash paid during the year for interest on bond   | \$ <u><u>1,051</u></u> |

The accompanying notes are an integral part of this statement.



**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH  
BIENVILLE PARISH POLICE JURY  
Bienville, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 1998**

**INTRODUCTION**

The Shiloh Waterworks District of Bienville Parish, Louisiana, is located in the central portion of Bienville Parish in northeast Louisiana. As provided by Chapter 8 of Title 33 of the Louisiana Revised Statute of 1950, the District was created by an ordinance of the Bienville Parish Police Jury. The District is governed by a Waterworks Commission consisting of five members appointed by the Bienville Parish Police Jury. Commissioners are residents of the District and serve terms of five years. The commissioners do not receive compensation.

The District was created for the purpose of providing water to over 50 residents within the approximate 4 square mile area of the District. The District's records are housed in the homes of the president and secretary of the Waterworks Commission.

**1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the 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 establishing governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Bienville Parish Police Jury is the financial reporting entity for Bienville 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 Statement No. 14 established criteria for determining which component units should be considered part of the Bienville 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
  - 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 misleading if data of the organization is not included because of the nature or significance of the relationship.

**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH**

**Bienville, Louisiana**

**Notes to the Financial Statements (Continued)**

**B. REPORTING ENTITY (Continued)**

Because the police jury approves the organization's governing body, and the ability of the police jury to impose its will on the District, the District was determined to be a component unit of the Bienville 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 one fund to report on its financial position and the results of its 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.

The Shiloh Waterworks District of Bienville Parish, Louisiana, is an enterprise fund type of the proprietary fund category and is used to account for operations that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the 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.

**D. BASIS OF ACCOUNTING**

The accounting and financial treatment applied to a fund is determined by its measurement focus. Proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The proprietary fund uses the accrual basis of accounting; revenues are recognized when earned, and expenses are recognized at the time the related liabilities are incurred.

**E. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days, however, if the original maturities are 90 days or less, they are classified as cash equivalents. Shiloh Waterworks District of Bienville Parish has no investments at June 30, 1998.

**F. COMPENSATED ABSENCES**

There are no accumulated and vested benefits relating to vacation and sick leave as the District has only part-time employees.

**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH**

Bienville, Louisiana

Notes to the Financial Statements (Continued)

**G. FIXED ASSETS AND LONG-TERM OBLIGATIONS**

The fixed assets of the Shiloh Waterworks District enterprise fund are included on the balance sheet of the fund, net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by the enterprise fund operations are charged as an expense against operations. Depreciation has been computed using the straight-line method. Estimated useful lives are as follows:

Plant and Equipment 5-50 years

Long-term obligations of the enterprise fund are accounted for within the fund.

**H. RESERVED RETAINED EARNINGS**

The March 14, 1975 loan agreement between the Farmers' Home Administration and the Shiloh Waterworks District requires that five percent (5%) of the monthly payment on the revenue bond will be deposited into the bond reserve fund monthly until there is accumulated therein an amount equal to the highest annual debt service payable in any future year. Also, an amount of \$11 per month will be deposited in the depreciation and contingency fund.

In accordance with the loan agreement, the amounts reserved are illustrated below:

|                                      |                 |
|--------------------------------------|-----------------|
| Bond reserve                         | \$ 2,569        |
| Depreciation and contingency reserve | <u>3,646</u>    |
| Reserved Retained Earnings           | <u>\$ 6,215</u> |

**2. LEVIED TAXES**

The following is a summary of authorized and levied taxes:

|                               | Authorized<br>Millage | Levied<br>Millage | Expires |
|-------------------------------|-----------------------|-------------------|---------|
| District taxes:               |                       |                   |         |
| Maintenance and operation tax | 0.59                  | 0.59              | 1999    |
| Maintenance and operation tax | <u>1.00</u>           | 0.57              | 2007    |
| <b>Total</b>                  | <u>1.59</u>           | <u>1.16</u>       |         |

**3. CASH AND CASH EQUIVALENTS**

At June 30, 1998, the District has cash and cash equivalents (book balances) totaling \$13,800, as follows:

|   |                  |
|---|------------------|
| Demand deposits, unrestricted                                 | \$ 5,860         |
| Demand deposits, restricted for depreciation and bond reserve | 6,215            |
| Demand deposits, restricted for customer deposits             | <u>1,725</u>     |
|   | <u>\$ 13,800</u> |

**SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH**

Bienville, Louisiana

Notes to the Financial Statements (Continued)

**3. CASH AND CASH EQUIVALENTS (Continued)**

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. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1998, the District has \$13,960 in deposits (collected bank balances). These deposits are secured from risk by \$13,960 of federal deposit insurance.

**4. CHANGES IN FIXED ASSETS**

The following is a summary of changes in property, plant and equipment:

|                        | Land   | Water System | Accumulated Depreciation | Total     |
|------------------------|--------|--------------|--------------------------|-----------|
| Balance, June 30, 1997 | \$ 300 | \$ 57,800    | \$ (24,694)              | \$ 33,406 |
| Additions              |        |              | (1,244)                  | (1,244)   |
| Balance, June 30, 1998 | \$ 300 | \$ 57,800    | \$ (25,938)              | \$ 32,162 |

**5. CHANGES IN LONG-TERM OBLIGATIONS**

The Shiloh Waterworks District issued a water revenue bond to Farmers Home Administration in the amount of \$43,000 on March 8, 1976. Payments of principal and interest on the bond are due annually in the amount of \$2,550 and interest accrues at a rate of five per cent per annum.

The following is a summary of changes in the water revenue bond payable for the year ended June 30, 1998:

|   | Certificates of Indebtedness |
|---|------------------------------|
| Balance, June 30, 1997                          | \$ 21,028                    |
| Retirements during the year ended June 30, 1998 | (1,498)                      |
| Balance, June 30, 1998                          | \$ 19,530                    |

The debt service requirements to maturity including interest of \$5,598, are as follows:

| Year ending   |           |
|---------------|-----------|
| June 30, 1999 | \$ 2,550  |
| June 30, 2000 | 2,550     |
| June 30, 2001 | 2,550     |
| June 30, 2002 | 2,550     |
| June 30, 2003 | 2,550     |
| Thereafter    | 12,378    |
| Total         | \$ 25,128 |

**6. LITIGATION**

The Waterworks Commission has advised that there is no pending or threatened litigation in which the District is involved.

SHILOH WATERWORKS DISTRICT OF BIENVILLE PARISH  
BIENVILLE PARISH POLICE JURY  
Bienville, Louisiana

SWORN STATEMENT OF REVENUES  
FOR THE YEAR ENDED JUNE 30, 1998

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AFFIDAVIT

Personally came and appeared before the undersigned authority, Willie Blow, who, duly sworn, deposes and says that the revenues of the Shiloh Waterworks District of Bienville Parish for the year ended June 30, 1998, were less than \$50,000.

  
Signature

Sworn to and subscribed before me, this 25<sup>th</sup> day of September 1998.

  
NOTARY PUBLIC

---

Shiloh Waterworks District of Bienville Parish  
Willie Blow, President  
Rt. 1, Box 48 - AA  
Bienville, LA 71008  
(318) 263-2667