

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
 Baton Rouge, Louisiana

BALANCE SHEETS
 December 31, 1995 AND 1996

A.S.S.E.T.S

	<u>1995</u>	<u>1996</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 113,976	\$ 137,628
Prepaid insurance	3,103	3,090
Interest receivable	<u>471</u>	<u>598</u>
Total current assets	117,550	141,316
RESTRICTED ASSETS		
Revenue bond sinking fund	41,627	38,738
Revenue bond reserve fund	20,140	22,154
Depreciation and contingency fund	<u>30,060</u>	<u>32,138</u>
Total restricted assets	91,827	93,030
PROPERTY, PLANT, AND EQUIPMENT, AT COST		
Land	55,432	55,432
Plant and facilities (net)	<u>1,002,652</u>	<u>981,413</u>
Total property, plant, and equipment	1,058,084	1,036,845
OTHER ASSETS		
Deposits	<u>160</u>	<u>160</u>
TOTAL ASSETS	<u>\$1,267,521</u>	<u>\$1,267,349</u>

See accompanying notes to the financial statements.

LEROY J. CHUSTZ

CERTIFIED PUBLIC ACCOUNTANT, AICPA

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Livingston Parish Sewerage District No. 1
Denham Springs, Louisiana

I have audited the general purpose financial statements of Livingston Parish Sewerage District No. 1, Denham Springs, Louisiana, component unit of Livingston Parish Police Jury, as of and for the year ended December 31, 1996, and have issued my report thereon dated March 14, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States and the U.S. Department of Agriculture Farmers Home Administration Audit Program. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of Livingston Parish Sewerage District No. 1, 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 general purpose 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.

In planning and performing my audit of the general purpose financial statements of Livingston Parish Sewerage District No. 1, for the year ended December 31, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or

LEROY J. CRUSTE

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Livingston Parish Sewerage District No. 1
Denham Springs, Louisiana

I have audited the accompanying general purpose financial statements of Livingston Parish Sewerage District No. 1, Denham Springs, Louisiana, component unit of Livingston Parish Police Jury, as of and for the years ended December 31, 1995 and 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of Livingston Parish Sewerage District's No. 1 management. My responsibility is to express an opinion on these general purpose financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards: *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Legislative Auditors. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the general purpose financial statements related to above present fairly, in all material respects, the financial position of Livingston Parish Sewerage District No. 1 as of December 31, 1995 and 1996, and the results of its operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated March 14, 1997 on our consideration of Livingston Parish Sewerage District's No. 1 internal control structure and a report dated March 14, 1997 on its compliance with laws and regulations.


Leroy J. Cruste
Certified Public Accountant, APAC
March 14, 1997

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1

Notes to the Financial Statements, Continued

December 31, 1995 and 1996

7. INCOME TAXES

Sewerage District No. 1 is exempt from all federal and state income taxes.

8. LITIGATION

According to legal counsel, there is no material pending litigation against the sewerage district.

9. RETIREMENT PLAN

Sewerage District No. 1 does not sponsor a retirement plan.

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
Denham Springs, Louisiana

BALANCE SHEETS
December 31, 1995 AND 1996

LIABILITIES AND FUND EQUITY

	<u>1995</u>	<u>1996</u>
CURRENT LIABILITIES		
Accounts payable	\$ 1,198	\$ -0-
FICA tax payable	<u>83</u>	<u>-0-</u>
Total current liabilities	1,281	0-
CURRENT LIABILITIES (Payable from restricted assets)		
Accrued interest payable	27,148	27,300
Loan payable - 1984 series - current portion	<u>7,842</u>	<u>8,322</u>
Total current liabilities (Payable from restricted assets)	34,990	35,622
LONG-TERM LIABILITIES		
Loan payable - 1984 series	<u>483,412</u>	<u>484,881</u>
Total liabilities	<u>492,648</u>	<u>494,881</u>
FUND EQUITY		
Contributed capital	946,707	946,707
Retained earnings	<u>(183,624)</u>	<u>(122,649)</u>
Total fund equity	<u>763,073</u>	<u>771,067</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$1,282,721</u>	<u>\$1,261,542</u>

See accompanying notes to the financial statements.

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
Denham Springs, Louisiana 70726

Annual Financial Statements with Independent Auditor's Report
For the Years Ended December 31, 1995 AND 1996

C.O.N.T.E.N.T.S

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GENERAL PURPOSE FINANCIAL STATEMENTS

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LEROY J. CHUSTZ

CERTIFIED PUBLIC ACCOUNTANT, APAC

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Livingston Parish Sewerage District No. 1
Denham Springs, Louisiana

I have audited the general purpose financial statements of Livingston Parish Sewerage District No. 1, Denham Springs, Louisiana, component unit of Livingston Parish Police Jury, as of and for the year ended December 31, 1996, and have issued my report thereon dated March 14, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States; Louisiana Governmental Audit Guide, issued by the Louisiana Legislative Auditor; and the U.S. Department of Agriculture Farmers Home Administration Audit Program. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Livingston Parish Sewerage District No. 1, is the responsibility of Livingston Parish Sewerage District No. 1's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Board of Commissioners of Livingston Parish Sewerage District No. 1, Livingston Parish Police Jury, and the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.


Leroy J. Chustz
Certified Public Accountant, APAC
March 14, 1997

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
 Notes to the Financial Statements, Continued
 December 31, 1993 and 1996

\$60 per diem for each meeting they attend.

1993

<u>BOARD MEMBER</u>	<u>MEETINGS ATTENDED</u>	<u>PER DIEM</u>
Stephen H. Cutler, President Post Office Box 1205 Denham Springs, Louisiana 70727 (504) 665-8146	12	\$720
Cecil Thompson, Secretary Post Office Box 848 Denham Springs, Louisiana 70727 (504) 665-3306	13	\$780
Paul S. Jackson 9743 Green Buckled Drive Denham Springs, Louisiana 70727 (504) 665-1402	13	\$780

1996

<u>BOARD MEMBER</u>	<u>MEETINGS ATTENDED</u>	<u>PER DIEM</u>
Stephen H. Cutler, President Post Office Box 1205 Denham Springs, Louisiana 70727 (504) 665-8146	14	\$840
Cecil Thompson, Secretary Post Office Box 848 Denham Springs, Louisiana 70727 (504) 665-3306	13	\$780
Paul S. Jackson 9743 Green Buckled Drive Denham Springs, Louisiana 70727 (504) 665-1402	13	\$780

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
 Notes to the Financial Statements, Continued
 December 31, 1995 and 1994

1995	<u>LOAN R-1</u>		<u>LOAN R-2</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	
<u>YEAR ENDED</u>					
1997	\$ 4,690	\$ 13,553	\$ 3,744	\$ 18,333	\$ 40,280
1998	4,883	13,320	4,099	17,977	40,280
1999	5,127	13,036	4,489	17,588	40,280
2000	5,383	12,820	4,916	17,161	40,280
2001 through maturity	145,094	82,560	169,853	181,202	658,809
TOTAL	<u>\$205,397</u>	<u>\$142,879</u>	<u>\$202,485</u>	<u>\$249,682</u>	<u>\$ 803,329</u>

1994	<u>LOAN R-1</u>		<u>LOAN R-2</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	
<u>YEAR ENDED</u>					
1996	\$ 4,429	\$ 13,734	\$ 3,419	\$ 18,698	\$ 40,280
1997	4,650	13,523	3,744	18,333	40,280
1998	4,883	13,320	4,100	17,977	40,280
1999	5,127	13,036	4,489	17,588	40,280
2000	5,383	12,820	4,915	17,160	40,280
2001 through maturity	250,796	185,159	179,323	168,157	739,439
TOTAL	<u>\$275,268</u>	<u>\$231,702</u>	<u>\$203,284</u>	<u>\$237,822</u>	<u>\$283,122</u>

5. CONTRIBUTED CAPITAL

Contributed capital is comprised of funding from a grant from the Environmental Protection Agency (EPA) in the amount of \$740,058 and a grant provided by the State of Louisiana in the amount of \$286,643.

6. PER DIEM PAID TO BOARD MEMBERS

Board members are appointed by the Livingston Parish Police Jury and serve at the pleasure of the police jury. There are no set terms of office. Board members are paid

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1

Notes to the Financial Statements, Continued

December 31, 1995 and 1996

	LOAN R-1	LOAN R-2	TOTAL
Loans payable at December 31, 1995	\$275,268	\$199,594	\$474,862
New debt issued	-0-	-0-	-0-
Principal retired	<u>4,677</u>	<u>1,508</u>	<u>6,185</u>
Loans payable at December 31, 1996	<u>\$270,591</u>	<u>\$198,086</u>	<u>\$468,677</u>

Long-term debt consists of two loans made by the sewerage district and held by the Farmers Home Administration. Loan R-1 in the amount of \$307,000 bears interest of five per cent per annum. Loan R-2 in the amount of \$225,000 bears interest at the rate of nine and five-tenths per cent.

Repayment is to be made as follows:

A. \$307,000 SEWERAGE SYSTEM LOAN NUMBER R-1

Interest only on the first two annual payments starting on February 28, 1985.

Payments of \$18,208 annually thereafter on each February 28th until principal and interest are fully paid, except the final payment of the entire indebtedness, if not sooner paid, shall be due and payable on the last annual payment date which is forty years from the date of the bond.

B. \$225,000 SEWERAGE SYSTEM LOAN NUMBER R-2

Interest only on the first two annual payments starting on February 28, 1985.

Payments of \$22,077 annually thereafter on each February 28th until principal and interest are fully paid, except the final payment of the entire indebtedness, if not sooner paid, shall be due and payable on the last annual payment date which is forty years from the date of the bond.

The annual requirements to amortize all long-term debt outstanding at December 31, 1995, including interest of \$208,577 and at December 31, 1996, including interest of \$206,933 are as follows:

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
Denham Springs, Louisiana

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 1995 and 1994
Increase (Decrease) in Cash and Cash Equivalents

	<u>1995</u>	<u>1994</u>
Cash flows from operating activities:		
Operating income (loss)	\$ (16,753)	\$ (18,200)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	33,502	34,272
(Increase) decrease in accounts receivable	(48)	(127)
(Increase) decrease in prepaid expenses	(299)	53
Increase (decrease) in accrued liabilities	450	(1,185)
Net cash provided (used) by operating activities	<u>16,892</u>	<u>14,883</u>
Cash flows from investing activities:		
Purchase of property and equipment	<u>(2,828)</u>	<u>(8,025)</u>
Net cash provided (used) by investing activities	<u>(2,828)</u>	<u>(8,025)</u>
Cash flows from capital financing activities:		
Principal payments	(7,387)	(7,988)
Interest	4,282	4,757
Permits/Inspection fees	1,979	2,675
User fees	12,695	16,770
Miscellaneous	<u>852</u>	<u>2,082</u>
Net cash provided (used) by capital financing activities	<u>11,617</u>	<u>18,218</u>
Net increase (decrease) in cash and equivalents	25,681	24,985
Cash and cash equivalents, beginning of year	<u>170,023</u>	<u>185,500</u>
Cash and cash equivalents, end of year	<u><u>195,704</u></u>	<u><u>210,485</u></u>
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	\$ 32,894	\$ 32,284
Income taxes	\$ -0-	\$ -0-

See accompanying notes to the financial statements.

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1

Notes to the Financial Statements, Continued

December 31, 1995 and 1996

2. RESERVE REQUIREMENTS

The district is required to maintain the following reserves by the Farmer's Home Administration as a condition of the loans made to the sewerage district.

A. RESERVE BOND SINKING FUND

Each month the district must transfer into the revenue bond sinking fund, a sum equal to one-twelfth of the interest falling due on the next interest payment date and, in addition, a sum equal to one-twelfth of the principal falling due on the next principal payment date, together with such additional proportionate sum as may be required as the same respectively become due. Said fiscal agent bank shall make available from the revenue bond sinking fund to the paying agent for all installments on the bond payable from said fund, at least ten days in advance of the date on which such payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and interest so falling due on each date.

B. SEWERAGE SYSTEM REVENUE BOND RESERVE FUND

Each month the district must transfer into the reserve fund, a sum equal to five per cent of the sum required to be transferred in each month into the revenue bond sinking fund as required in the reserve bond sinking fund, the payments to continue until such time as there has been accumulated therein a sum equal to the highest combined principal and interest requirement in any succeeding fiscal year on the outstanding principal of the bonds. The money in the reserve fund is to be retained solely for the purpose of paying the principal of and the interest on bonds payable from the revenue bond sinking fund as to which there would otherwise be default.

C. DEPRECIATION AND CONTINGENCY FUND

Each month the district must transfer into the depreciation and contingency fund the sum of \$188.00. All moneys in the depreciation and contingency fund may be drawn on and used by the district for the purpose of paying the cost of annual or extraordinary maintenance, repairs, replacements and extensions; and the costs of improvements to the sewerage system which will either enhance its revenue producing capacity or provide a higher degree of service.

Restricted assets have been set aside in the current period as required by the Farmer's Home Administration in order to service the bond payable.

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
 Notes to the Financial Statements, Continued
 December 31, 1995 and 1996

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. At December 31, 1995 and 1996, the district had cash and cash equivalents (bank balances) totaling \$188,581 and \$170,888 respectively as follows:

	<u>December 31,</u>	
	<u>1995</u>	<u>1996</u>
Demand deposits	\$170,903	\$145,888
Time deposits	<u>17,678</u>	<u>25,000</u>
Total	<u>\$188,581</u>	<u>\$170,888</u>

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. Deposits (bank balances) at December 31, 1995 and 1996, are secured as follows:

	<u>December 31,</u>	
	<u>1995</u>	<u>1996</u>
Bank balances	\$188,581	\$170,110
Federal deposit insurance	\$188,581	\$141,743
Pledged securities	<u>0-</u>	<u>87,367</u>
Total insurance and securities	<u>\$188,581</u>	<u>\$229,110</u>
Unsecured deposits at 12/31	<u>\$ 0-</u>	<u>\$ 0-</u>

B. BUDGET POLICY

Each year the district adopts an annual operating cash basis budget. Periodic comparisons of budget to actual data are made. The budget is amended as required by the circumstances. Encumbrance accounting is not utilized. Appropriations lapse at year end.

general public on a continuing basis be financed or recovered primarily through user charges; or (h) where the governing body has decided that periodic determinations of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

B. FIXED ASSETS AND LONG-TERM LIABILITIES

All fixed assets are valued at historical costs. It is the policy of the sewerage district to capitalize interest costs incurred during the period of construction. No interest was capitalized during 1995 or 1996.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement basis. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets. All infrastructure assets are accounted for and depreciated.

Depreciation of all depreciable fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary funds balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives for plant and facilities is forty years.

C. 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. Basis of accounting relates to the timing of the measurements made, regardless of the measurement basis applied.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

D. CASH

Cash includes demand deposits and interest bearing demand deposits which are fully secured through the pledge of bank-owned securities or federal deposit insurance. For purposes of the statement of cash flows, the sewerage district considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
Denham Springs, Louisiana
Notes to the Financial Statements
For the Years Ended December 31, 1995 and 1996

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sewerage District No. 1, Denham Springs, Louisiana, was created by the Livingston Parish Police Jury on October 26, 1974, pursuant to the provisions of R.S. 33:3811, et. seq., of the Louisiana Revised Statutes of 1950.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local government.

GASB Codification Section 1100 established criteria for determining the governmental reporting entity and component units which should be included within the reporting entity. The reporting entity for Livingston Parish includes the component unit with oversight responsibility, and other governmental entities within the parish for which the police jury has oversight responsibility. Oversight responsibility is determined on the basis of the following criteria:

1. Financial interdependency
2. Selection of governing authority
3. Designation of management
4. Ability to significantly influence operations
5. Accountability for fiscal matters
6. Scope of public service
7. Special financing relationship

Based on the previous criteria, the Livingston Parish Police Jury has determined that Sewerage District No. 1 is part of the reporting entity based on criteria 2, 4, and 6.

The accounting policies of Sewerage District No. 1 conform to generally accepted accounting principles. The following is a summary of the significant policies.

A. FUND ACCOUNTING - PROPRIETARY FUND TYPE

The Sewerage District No. 1 is an enterprise fund. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1

Notes to the Financial Statements, Continued

December 31, 1995 and 1996

3. CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in fixed assets.

	BALANCE 12/31/94	ADDITIONS	DELETIONS	BALANCE 12/31/95
Land	\$ 35,432	\$ -0-	\$ -0-	\$ 35,432
Plant and facilities	\$1,318,705	\$ 2,638	\$ -0-	\$1,321,343
Accumulated depreciation	(288,689)	(33,321)	-0-	(322,010)
Plant and facilities (net)	\$1,030,016	\$ 230,317	\$ -0-	\$1,000,632
	BALANCE 12/31/95	ADDITIONS	DELETIONS	BALANCE 12/31/96
Land	\$ 35,432	\$ -0-	\$ -0-	\$ 35,432
Plant and facilities	\$1,321,343	\$ 8,000	\$ -0-	\$1,329,343
Accumulated depreciation	(322,010)	(31,321)	-0-	(353,331)
Plant and facilities (net)	\$1,000,632	\$ 6,679	\$ -0-	\$ 996,962

4. CHANGES IN LONG-TERM DEBT

The following is a summary of loan transactions of the sewerage district for the years ending December 31, 1995 and 1996:

	LOAN B-1	LOAN B-2	TOTAL
Loans payable at December 31, 1994	\$283,449	\$201,939	\$ 485,388
New debt issued	0	0	0
Principal retired	(2,552)	(2,788)	(5,340)
Loans payable at December 31, 1995	\$280,897	\$199,151	\$ 478,648

LIVINGSTON PARISH SEWERAGE DISTRICT NO. 1
Denham Springs, Louisiana

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS

For the Years Ended December 31, 1995 and 1996

	<u>1995</u>	<u>1996</u>
OPERATING REVENUES		
Sewer fees	\$ 101,967	\$ 115,630
OPERATING EXPENSES		
Salaries and related benefits	174	3,161
Interest	32,193	32,348
Depreciation	19,901	34,372
Systems maintenance	15,229	48,170
Professional fees	9,951	9,479
Insurance	4,641	4,864
Per diem	2,280	2,640
Office supplies	96	259
Miscellaneous	744	648
Total operating expenses	<u>118,712</u>	<u>150,840</u>
NET OPERATING INCOME (LOSS)	<u>(16,745)</u>	<u>(35,210)</u>
OTHER REVENUE		
Interest	4,282	4,757
Permits/Inspection Fees	1,975	2,625
User fees	12,898	16,770
Miscellaneous	852	2,801
Total other revenue	<u>19,007</u>	<u>26,953</u>
NET INCOME (LOSS)	<u>2,262</u>	<u>(8,257)</u>
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>768,824</u>	<u>760,077</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$771,086</u>	<u>\$751,820</u>

See accompanying notes to the financial statements.