

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
Oakdale, Louisiana**

A Component Unit of the Allen Parish Police Jury

General Purpose Financial Statements

As of and For the Year Ended June 30, 2004

With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 1-12-05

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Stutzman & Gates, LLC
Certified Public Accountants

Member
American Institute of Certified Public Accountants
Société de Louisiana Certified Public Accountants

Board of Commissioners
Waterworks District No. 1 of Allen Parish
A Component Unit of the Allen Parish Police Jury
Oakdale, Louisiana

We have compiled the accompanying general purpose financial statements of Waterworks District No. 1 of Allen Parish, a component unit of the Allen Parish Police Jury, as of and for the year ended June 30, 2004, as listed in the table of contents, and the accompanying supplementary information, as listed in the table of contents, which are presented only for supplementary analysis purposes, in accordance with *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 supplementary schedules information that is the representation of management of Waterworks District No. 1 of Allen Parish. We have not audited or reviewed the accompanying general purpose financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them. However we did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

As explained in Note 1 to the financial statements, Waterworks District No. 1 of Allen Parish has not implemented the new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, as of June 30, 2004. Generally accepted accounting principles require that governmental entities adopt GASB No. 34. The effects of this departure from generally accepted accounting principles have not been determined.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated December 19, 2004, on the results of our agreed-upon procedures.

Stutzman & Gates, LLC

Stutzman & Gates, LLC
December 19, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
PROPRIETARY FUND - ENTERPRISE FUND
(All Fund Types and Account Groups)**

Balance Sheet, June 30, 2004

ASSETS

Current assets:

Cash \$ 174,402

Receivables:

Accounts 7,386

Interest 70

Total current assets 181,858

Restricted assets:

Customer deposits:

Cash 2,321

Total restricted assets 2,321

Fixed assets, at cost, net of

accumulated depreciation (\$151,431) 83,838

TOTAL ASSETS \$ 268,017

LIABILITIES AND FUND EQUITY

Liabilities:

Current liabilities (payable from current assets):

Accounts payable \$ 1,639

Wages payable 1,769

Total current liabilities (payable from current assets) 3,408

Current liabilities (payable from restricted assets):

Customer deposits 2,321

Total current liabilities (payable from restricted assets) 2,321

Total Liabilities 5,729

Fund Equity:

Contributed capital 3,302

Retained earnings:

Unreserved 258,986

Total Fund Equity 262,288

TOTAL LIABILITIES AND FUND EQUITY \$ 268,017

See accompanying notes and accountant's report.

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
PROPRIETARY FUND - ENTERPRISE FUND**

**Statement of Revenues, Expenses, and Changes in Retained Earnings
For the Year Ended June 30, 2004**

OPERATING REVENUES

Charges for services \$ 73,564

OPERATING EXPENSES

Advertising	75
Depreciation	7,557
Dues	440
Engineer fees	1,185
Insurance	13,118
Miscellaneous	204
Office	3,448
Per diem	4,200
Professional fees	2,432
Repairs and maintenance	10,350
Salaries	23,466
Supplies	4,199
Taxes	1,960
Truck	1,052
Utilities	<u>5,059</u>
Total operating expenses	<u>78,745</u>

OPERATING INCOME (Loss) (5,181)

NONOPERATING REVENUES (Expenses)

Interest income	2,920
Miscellaneous income	2,475
Grant revenue	<u>20,501</u>
Total nonoperating revenues (expenses)	<u>25,896</u>

NET INCOME (Loss) 20,715

RETAINED EARNINGS AT BEGINNING OF YEAR 238,271

RETAINED EARNINGS AT END OF YEAR \$ 258,986

See accompanying notes and accountant's report.

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
PROPRIETARY FUND - ENTERPRISE FUND**

**Statement of Cash Flows
For the Year Ended June 30, 2004**

Cash flows from operating activities:	
Operating income (loss)	\$ (5,181)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	7,557
(Increase) decrease in accounts receivable	(1,149)
(Increase) decrease in interest receivable	(12)
Increase (decrease) in accounts payable	123
Increase (decrease) in customer deposits	<u>(3,467)</u>
Net cash provided (used) by operating activities	<u>(2,129)</u>
Cash flows from capital and related financing activities:	
Purchase of fixed assets	(19,161)
Proceeds from State	<u>20,501</u>
Net cash provided (used) from (for) capital and related financing activities	<u>1,340</u>
Cash flows from investing activities:	
Interest on investments	2,920
Miscellaneous income	<u>2,475</u>
Net cash provided (used) from (for) investing activities	<u>5,395</u>
Net increase (decrease) in cash	4,606
Cash at beginning of year	<u>172,117</u>
Cash at end of year	<u>\$ 176,723</u>

See accompanying notes and accountant's report.

WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

INTRODUCTION

The Waterworks District No. 1 of Allen Parish is a political subdivision of the State of Louisiana. It was created under the provisions of Louisiana Revised Statute 33:3811, for the purpose of providing water to the rural area of Northcast Allen Parish. The district is governed by a compensated board of commissioners composed of five members appointed by the Allen Parish Police Jury. The district has five part-time employees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Waterworks District No. 1 of Allen Parish 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. In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved *Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (Statement). The financial statements must include a Management Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations; financial statements prepared using full accrual accounting for all of the District's activities, including reporting infrastructure assets (roads, bridges, etc.); and, a change in the fund financial statements to focus on the *major* funds. The District has chosen not to apply GASB No. 34 in the preparation of its financial statements.

B. REPORTING ENTITY

The district is a component unit of the Allen Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the district because it appoints a voting majority of the board and has the ability to impose its will on them.

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.

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY**
Oakdale, Louisiana
Notes to the Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. FUND ACCOUNTING

The Waterworks District No. 1 of Allen Parish is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services 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. 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 measurement focus, all assets and all liabilities associated with the operation of this fund is 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. The Enterprise Fund uses the following practices in recording certain revenues and expenses:

Revenues:

Revenue from water sales and other sources are recorded when earned.

Expenses:

Expenses, which include insurance, repairs and maintenance, salaries, and utilities are recorded when the related liability is incurred.

E. BUDGETS

The district, according to LA Rev. Statute 39:1303, is not required to and has not adopted a budget for the year ended June 30, 2004.

WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
Notes to the Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. 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, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 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.

H. ACCOUNTS RECEIVABLE

Uncollectible amounts due for receivables are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible. This method does not result in a charge to bad debts that is materially different from the amount that would be charged if the reserve method were used.

I. FIXED ASSETS

Fixed assets of the district are included on the balance sheet of the fund. Interest costs incurred during construction are capitalized. Depreciation of all exhaustible fixed assets are charged as an expense against operations. Fixed assets reported on the balance sheet are net of accumulated depreciation.

All fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
Notes to the Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Depreciation of each class of depreciable property is computed using the straight-line method. Estimated useful lives are as follows:

Building	10 years
Equipment	5-10 years
Plant	40 years

J. COMPENSATED ABSENCES

The district does not have a formal leave policy and there is no accumulation and vesting of leave.

K. LONG-TERM LIABILITIES

Long-term liabilities are recognized within the Enterprise Fund.

L. STATEMENT OF CASH FLOWS

For the purpose of the statement of cash flows, for the enterprise fund, the district considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

M. FUND EQUITY

Contributed Capital

Grants, entitlements, or shared revenues received that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired from such contributions.

NOTE 2 - CASH AND CASH EQUIVALENTS

At June 30, 2004, the district has cash and cash equivalents (book balances) totaling \$176,723 as follows:

WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
Notes to the Financial Statements (Continued)

NOTE 2 - CASH AND CASH EQUIVALENTS

Demand deposits	\$ -
Interest-bearing demand deposits	66,204
Time deposits	110,519
Other	-
Total	<u>\$ 176,723</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. At June 30, 2004, the district has \$176,723 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$76,723 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 - FIXED ASSETS

A summary of fixed assets at June 30, 2004 follows:

	<u>Fixed Assets</u>		
	<u>June 30,</u> <u>2003</u>	<u>Net</u> <u>Additions</u>	<u>June 30,</u> <u>2004</u>
Building	\$ 7,253	\$ -	\$ 7,253
Land	500	-	500
Equipment	26,204	19,161	45,365
Plant	<u>182,151</u>	<u>-</u>	<u>182,151</u>
	216,108	<u>\$ 19,161</u>	235,269
Less accumulated depreciation ...	<u>143,874</u>		<u>151,431</u>
Totals	<u>\$ 72,234</u>		<u>\$ 83,838</u>

WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
Notes to the Financial Statements (Continued)

NOTE 3 - FIXED ASSETS

Depreciation expense was \$7,557 for the year ended June 30, 2004.

NOTE 4 - RISK MANAGEMENT

The district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the district. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 5 - NET WORKING CAPITAL

Net working capital at June 30, 2004 was \$178,450.

SUPPLEMENTAL INFORMATION SCHEDULES

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended June 30, 2004**

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. This is in accordance with L.A.R.S. 33:3819, allowing up to \$60 to be paid for up to 24 meetings in each year and for each special meeting not to exceed 12 special meetings in each year.

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS

The corrective action plan for current year findings is presented in management's corrective action plan for current year findings.

MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR FINDINGS

The follow-up and corrective action taken on all prior findings is presented in management's summary schedule of prior findings.

See accountant's report.

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana**

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2004**

<u>Name</u>	<u>2004</u>	
	<u>Meetings</u>	<u>Per Diem</u>
Randy Welch	14	\$ 840
Rayburn Carpenter	14	840
Marvin Stanton	14	840
Donald Harper	14	840
Bruce Wheat	14	<u>840</u>
Total		<u>\$ 4,200</u>

See accountant's report.

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana**

**Management's Corrective Action Plan for Current Year Findings
For the Year Ended June 30, 2004**

AGREED-UPON PROCEDURES: (FINDINGS)

None.

See accountant's report.

**WATERWORKS DISTRICT NO. 1 OF ALLEN PARISH
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Oakdale, Louisiana**

**Management's Summary Schedule of Prior Findings
For the Year Ended June 30, 2004**

AGREED-UPON PROCEDURES: (FINDINGS)

None.

See accountant's report.

Stutzman & Gates, LLC

Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Waterworks District No. 1 of Allen Parish
A Component Unit of the Allen Parish Police Jury
Oakdale, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Waterworks District No. 1 of Allen Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Waterworks District No. 1 of Allen Parish's compliance with certain laws and regulations during the year ended June 30, 2004 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 and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we 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 \$20,000, 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).

We reviewed all disbursements made during the year. There were no expenditures over \$20,000 for materials and supplies, and no expenditures over \$100,000 for public works.

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 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 us 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 us 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).

Budgeting

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

Waterworks District No. 1 of Allen Parish does not have a general fund or a special revenue fund. It only has an enterprise fund whose expenditures does not exceed \$250,000. Because of these facts, according to LA. Rev. Stat. 39:1303, the district is not required to have a budget and does not have one.

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

See #5 above.

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 #5 above.

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;

We 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

We found that all 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 accountant and the chairman of the Board of Commissioners. In addition, each of the

disbursements were traced to the district's minute book where they were approved by the full commission.

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).

Waterworks District No. 1 of Allen Parish is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. Management has asserted that it does post both a notice of the meeting and the agenda on the door of the district's office building. We viewed these notices posted on the door as asserted.

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.

We 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, advances, or gifts.

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

Our prior year report, dated December 17, 2003, did not include any comments or unresolved matters.

We were 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, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Waterworks District No. 1 of Allen Parish and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the

Board of Commissioners
Waterworks District No. 1 of Allen Parish
A Component Unit of the Allen Parish Police Jury
Page 4

procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stutzman & Gates, LLC

Stutzman & Gates, LLC
December 19, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

12/15/09 (Date Transmitted)

Stutzmont Gates, LLC
P.O. Box 1238
Sulphur, LA 70664-1238

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year 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 (date of completion/representations).

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 39:34.
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 39:1410.60-1410.65.

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.

<u>William S. Clark</u>	Secretary	<input checked="" type="checkbox"/>	<u>12-15-04</u>	Date
<u>William S. Clark</u>	Treasurer	<input checked="" type="checkbox"/>	<u>12-15-04</u>	Date
<u>Donald E. Harper</u>	President	<input checked="" type="checkbox"/>	<u>12-15-04</u>	Date

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.