

1521	Accum Deprec - Wtr Plt	(598,194)	(36,208)	-	(634,402)	(634,403)	1
1531	Accum Deprec - Dist Lines	(2,477,347)	(165,691)		(2,643,038)	(2,643,038)	-
1541	Accum Deprec - Meters	(523,447)	(15,181)		(538,628)	(538,628)	(0)
1551	Accum Deprec - Office Equip	(44,874)	(410)		(45,284)	(45,284)	-
1561	Accum Deprec - Equip	(207,048)	(17,666)		(224,714)	(224,714)	-
1566	Accum Deprec - Vehicles	(121,820)	(6,961)	-	(128,781)	(128,781)	-
	Total Accum Depreciation	(3,972,730)	(242,117)	-	(4,214,847)	(4,214,848)	

	2018	2017	2016	2015
Depreciation Expense	242,117	244,053	233,193	227,970
% of Total Assets	1.94%	1.97%	1.89%	1.88%

Procedures:

- 1) Obtained fixed asset schedule and updated schedule above
- 2) Reviewed District's capitalization policy to capitalize capital assets in excess of \$1,500
- 3) Reviewed minutes, reviewed predecessor's workpapers, inquired of management, and board members:
- 4) Updated depreciation schedule for asset additions and recalculated depreciation [F-2](#)

7/30/2019 New Taps (20)	15,000	20 Times 750
1/10/2019 Computer	1,306	
12/3/2019 Computer	1,599	
7/23/2019 Mapping & Inspection	8,235	PL-2
12/1/2019 Wilson Road Line Relocation	40,451	F-3A
12/9/2019 Asbury Hollow Line Extension	49,800	F-3B
3/1/2019 Ram #508001	20,884	F-3D
3/1/2019 Ram #508002	20,884	F-3D
Total	158,159	

- 5) Per inquiry and other audit procedures, no potentially impaired assets were identified
- 6) Reviewed GL detail for all repairs and maintenance accounts and inquired of any items in excess of the capitalization

- 7) Compared depreciation expense to prior years and as a percentage of total fixed assets
- 8) Inquired of Ken Taylory of KenVirons Engineering regarding changes in work in progress
Both Asbury Hollow and Wilson Road projects were complete as of 12/31/19
- 9) Noticed items at **F-3B** were expensed instead of capitalized, made the following entry to correct this error

AJE07			
	5115	Repairs - Equipment	6,615.00
	5020	Contractual Services	16,877.00
	1530	Distribution Lines	23,492.00

- 10) Proposed adjustment to update depreciation expense

AJE05			
1531	Accum Deprec - Dist Lines	33	
1541	Accum Deprec - Meters		50
1566	Accum Deprec - Vehicles		1,392
5131	Depreciation Expense	1,409	

Conclusion:

Capital assets appear to be reasonably stated as adjusted