# **Appendix D: District Records**

Due to the segmented nature of a district's activities, no one individual maintains all the required records and information. As a guide, the following list of records for your Board's review has been divided according to the individuals responsible for originating or maintaining these records. Each district should establish clear lines of responsibility for these records according to its own particular situation. We recommend that these responsibilities be added to your district's Manual to document your district's unique procedural, administrative, and accounting practices (Refer to the **District Manual** section in the General Financial Guidance Chapter on page 1-18).

# The Bookkeeper

# **Primary Accounting Records**

- 1. General Ledger. Should be segregated into funds and coded according to your district's Chart of Accounts (Appendix B).
- 2. Cash Receipts Journal. All resources should be classified in this journal according to your district's Chart of Accounts.
- 3. Cash Disbursements Journal. All expenditures should be classified in this journal according to your district's Chart of Accounts.
- **4. General Journal or Journal Vouchers.** All journal entries should be adequately explained and approved by a designated person and referenced in the General Ledger. Appropriate supporting documentation should be provided and filed in the same sequence as the entries are recorded. If journal vouchers are used, they should be numbered and filed numerically.
- 5. Cash Receipts Documentation. Your district's bookkeeper should maintain all documentation on cash receipts.
- 6. Cash Disbursements Documentation. Your district should maintain copies of its checks or check register stubs in numerical order. Expenditure information (invoice numbers and a brief explanation of the transaction) should be entered on the check copy or check register stub. Vendor payments should be made from original invoices. Original invoices should be verified for accuracy and signed. All paid invoices should be canceled by showing date paid and check number, and should be filed in an orderly fashion. Invoices and other documentation supporting all expenditures should be maintained in either numerical or alphabetical order and coded using your district's Chart of Accounts. Your district should maintain paid bonds and bond coupons and cremation certificates on bonds and coupons.

- 7. Accounts Receivable Subledger. A detailed subsidiary record should be maintained if multiple customers are included in one General Ledger account and the subsidiary records should be in agreement with the General Ledger. These records do not need to duplicate the subsidiary records maintained by others (billing agent or tax assessor-collector).
- **8.** Current Investment Journal. A schedule showing all transactions by fund should be provided. Copies of certificates of deposit and savings account statements should be maintained.
- **9.** Accounts Payable Subledger. A subledger is needed if multiple vendors are included in one General Ledger account and the subledger should be agree with the General Ledger.
- 10. Security Ledger. A ledger showing all securities pledged and released by financial institutions. Copies of safekeeping receipts and related documents should be maintained.
- 11. Capital Asset Register A detailed list of each infrastructure and other capital asset purchased/constructed by the district including: a description, identification number, the purchase or construction date, the source document details, and columns for: purchased/constructed costs, the annual and accumulated depreciation, and the asset's total cost (Appendix A).
- 12. Reconciled Monthly Bank Statements. All accounts should be reconciled monthly and reconciliations should be retained. Reconciled bank statements should be dated, signed, and include outstanding checks and deposits in transit. Separate bank statement folders should be maintained for each account.
- 13. Check Register. Should be reconciled monthly to your district's bank statement.
- *14. Deposit Documentation.* The district's bookkeeper should maintain the deposit slips and all applicable documentation on the district's deposits.

#### Other Special Journals and Records

- 1. Payroll Journal. If your district has several employees this journal may include each employee's name, social security number, classification, exemptions and/or deductions, and net pay.
- **2. Purchase Journal.** If your district has a large number of monthly purchases, this journal may be necessary as an internal control for all purchases. Purchase orders may be issued on all purchases over a certain amount and should be prenumbered and have specific approvals.
- 3. *Investment Records*. This record would contain any backup paperwork (safekeeping receipts for certificates of deposits).

- **4. Operator Reports.** Your district can use these reports for posting to your district's General Ledger.
- 5. Tax Collector Reports. Your district can use these reports for posting to the General Ledger.
- **6. Bookkeeping Reports.** These reports would be submitted to your district's Board each month.
- 7. *Audits*. Copies should be kept to cross-reference the current fiscal year with prior years.
- **8. Bond Sale Records.** Records on your district's bond sales, official statements, amortization schedules, and documentation for all bond sale disbursements.
- **9.** Legal Contracts. This record would contain all contracts with other governmental units. Escrow agreements and releases should be reviewed for proper accounting.
- 10. Minutes. The district's board meeting minutes should be reviewed to make certain that any special directions are followed.
- 11. Inspection of Facilities Report. This record should contain the facility inspections performed by your district's engineer.
- 12. Bond Amortization Schedules. The district's fiscal agent will supply this schedule for each bond issue.
- 13. Source Documents. This record would contain any backup paper work not accounted for in another journal or record set.

# Operator/Billing Agent

## **Tap Journal**

Records should be maintained so the tap fees collected can be identified with the taps installed. The journal should include:

- Date cash received for the tap
- Name of person or company ordering the tap
- Service address and legal description on the tap's location
- Date the tap was installed
- Serial number of the meter installed
- Account number assigned to the service address
- Date the tap installation's cost was billed to the district
- The receipt number and amount received for the tap installation
- Date the related sewer inspection was performed, if applicable

# **Monthly Billing Records**

Monthly billing records should include:

- Monthly current billing and cash receipts
  - Identified as water, sewer, penalty, surcharge, application fee, garbage, customer deposits, etc.
  - Standby Billings (identified by current billing and any penalty and interest)
  - Builder Damages [Keep a separate record of any damages, including the date of damage, the person responsible (if known), the cost of the repairs, and the date of billing if your district is experiencing an active building program]
- Monthly Billing Adjustment Register
  - Authorized approval (general manager)
  - Detail on the returned checks
- Accounts Receivable Ledger identified by customer
- Monthly billed water usage in gallons
- Cash receipts listing of customer payments
- Number of customers in district
- Operator Reports (submitted to your Board by the district's bookkeeper)

#### **Rate Order**

The date your Board adopted the rate order and the effective date should be noted.

# **Map of District**

A map with all lots marked by account number to facilitate meter reading. The map could be an electronic scaled diagram that would show all above-ground and below-ground system components (property lines, streams, pipelines, tanks). The distribution and collection lines would be shown by size and location. A facilities map could be the base for your district's inventory of its system infrastructure assets by adding information on each asset's cost and installation date (see **Facilities Map** on page 2-16 of this *Guide's* Chapter on Accounting Guidance).

#### **Meter Books**

Books with meter reading sheets for your district's customers should be maintained.

# **Security Deposit Record**

Record all deposits by customer and detail the legal description or service address, date of receipt, and the amount of each deposit. The overall deposit total should be maintained. Your bookkeeper should ensure that the total agrees with the General Ledger.

## Tax Collector

#### Tax Rolls

Your district should maintain the original tax roll for each year the district levied a tax.

# **Delinquent Rolls**

Your district should also maintain a roll showing all outstanding taxes by year, as of the fiscal year end.

## **Tax Receipts**

Paid receipts should be grouped by deposit date.

# **Deposit Slips**

Copy of the deposit slip should be attached to appropriate group of receipts.

## **Monthly Tax Reports**

Are furnished to the bookkeeper with the necessary information to properly record the district's assessments and collections. The information on the report should separately indicate the following for an operations and maintenance tax and a debt service tax:

- All cash receipts, assessments, and collections
- Taxes receivable reported by years and all changes shown
- Collections should agree with cash receipts

# **Attorney**

May maintain the following records depending on your district's needs:

#### **Minutes**

As approved by your Board

#### **Bond Orders**

#### **Rate Orders**

#### **Board Member Information**

Include terms and addresses

#### **Fidelity Bond Coverage**

Directors, bookkeepers and tax assessors

#### **Construction Contracts**

# Order Establishing New Depositories Grant Applications

(unless provided by the engineer to the bookkeeper)

# **Developer Contributions**

Include Agency order and agreement with developer.

## **Engineer's Inspection of Facilities**

#### **Notes**

Paid notes and copies of unpaid notes.

# **Escrow Agreements**

Include Agency agreement, other contractual agreements, escrow agreement with bank, and the release of escrowed funds.

#### **Insurance Policies**

Physical damage and general liability.

#### **Certificates of Insurance**

# **Deeds for Land Acquired**

## **Any Other Contracts**

Not cited above

# **Engineer**

May maintain your district's infrastructure maps and records.

# Investment Officer

*Investment Reports.* Written reports are required by the Public Funds Investment Act to be provided by your district's investment officer (Government Code Chapter 2256, Subchapter A).