

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 operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the North Monroe Subdivision Sewerage District #1's management and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

  
Dennis J. Hoff, CPA  
Monroe, Louisiana

May 20, 1997

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**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
North Monroe Subdivision Sewerage District #1

I have audited the accompanying general purpose financial statements of North Monroe Subdivision Sewerage District #1, a component unit of The Ouachita Parish Police Jury, as of and for the year ended, December 31, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. 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 amounts 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 financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the North Monroe Subdivision Sewerage District #1 as of December 31, 1996, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The financial information listed as supplemental information schedules in the table of contents is presented for purposes of additional analysis, and is not a required part of the financial statements of North Monroe Subdivision Sewerage District #1. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated May 20, 1997 on my consideration of North Monroe Subdivision Sewerage District #1's internal control structure and a report dated May 20, 1997, on its compliance with laws and regulations.

*Jimmie Scheep*  
Monroe, Louisiana  
May 20, 1997

**NORTH MIDWIDE SUBDIVISION SEWERAGE DISTRICT #1**

**Component Unit Financial Statements As of and For the Year Ended  
December 31, 1996  
With Supplemental Information Schedules**

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**NORTH HOUNDS SUBDIVISION GENERAL DISTRICT #1**

*Charles Paulk, Public Acct  
Mayor, Louisiana*

**AUDIT REPORT**

As of and For the Year Ended December 31, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor 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: July 16, 2007

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH THE ORGANIZATION'S ACCOUNTING STANDARDS

Board of Commissioners  
North Monroe Subdivision Sewerage District #1

I have audited the accompanying general purpose financial statements of the North Monroe Subdivision Sewerage District #1, Monroe, La., a component unit of Ouachita Parish Police Jury, as of and for the year ended December 31, 1996, and have issued my report thereon dated May 20, 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. 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 the North Monroe Subdivision Sewerage District #1 is the responsibility of the North Monroe Subdivision Sewerage District #1's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of their 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 North Monroe Subdivision Sewerage District #1's management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of the report, which is a matter of public record.

*Jennie Self, CPA*  
Baton Rouge, Louisiana  
May 20, 1997

**SOUTH INDIAN NEWSPAPER SUBSIDIARY CORPORATION OF  
 RECORDS, LOUISIANA  
 PROPRIETARY FUND - ENTERPRISE FUND  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED DECEMBER 31, 1996**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

NET INCOME FROM OPERATIONS	\$1,917
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED:	\$,074
CHANGES IN ASSETS AND LIABILITIES:	
INCREASE/DECREASE IN ACCOUNTS RECEIVABLE	\$1,799
INCREASE/DECREASE IN ACCOUNTS PAYABLE	3,192
NETAL ADJUSTMENTS	<u>\$4,982</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

CAPITAL EXPENDITURES	<u>\$(1,000)</u>
NET CASH USED IN INVESTING ACTIVITIES	\$(1,000)

**CASH FLOWS FROM FINANCING ACTIVITIES:**

PAYMENT OF LONG-TERM DEBT	<u>\$(2,000)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES:	<u>\$(2,000)</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	

NET INCREASE IN CASH & CASH EQUIVALENTS	<u>\$,487</u>
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CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR:	\$1,516
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CASH AND CASH EQUIVALENTS AT END OF YEAR:	<u>\$2,003</u>
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INTEREST PAID \$7,000.00

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**Cashflow**

NORTH MINNESOTA SEWERAGE & WASTEWATER DISTRICT #1  
 EDUARD & FARBER POLICE & FD  
 Mound, Louisiana

ENTERPRISE FUND

Balance Sheet, December 31, 1994

<b>ASSETS</b>	<u>1994</u>
<b>Current assets:</b>	
Cash (Note 2)	28,709.28
Accounts Receivable	<u>5,425.00</u>
<b>Total Current Assets</b>	<b>34,134.28</b>
<b>Restricted assets:</b>	
Cash	<u>61,214.00</u>
<b>Total Restricted Assets</b>	<b>61,214.00</b>
<b>Property, Plant and Equipment:</b>	
Property, Plant and Equipment	191,211.78
Less: Accumulated Depreciation	<u>(55,140.00)</u>
<b>Net property, plant, and equipment</b>	<b>136,071.78</b>
 <b>TOTAL ASSETS:</b>	 <b><u>231,420.26</u></b>
 <b>LIABILITIES AND FUND EQUITY</b>	
<b>Liabilities:</b>	
<b>Current Liabilities Payable from Current Assets:</b>	
Accrued Interest Payable	<u>(1,000.00)</u>
<b>Total Current Liabilities Payable from Current Assets</b>	<b>(1,000.00)</b>
<b>Current Liabilities Payable from Restricted Assets:</b>	
Revenue Bonds Payable	<u>(15,000.00)</u>
<b>Total Current Liabilities Payable from Restricted Assets:</b>	<b>(15,000.00)</b>
 <b>Long-Term Liabilities:</b>	
Bonds Payable (Note 3)	<u>(40,000.00)</u>
<b>Total Long-Term Liabilities:</b>	<b>(40,000.00)</b>
 <b>Total Liabilities:</b>	 <b><u>(56,000.00)</u></b>
 <b>Fund Equity:</b>	
Retained Earnings - Reserved for Bond Payment	(20,000.00)
Retained Earnings - Unreserved	<u>(150,720.26)</u>
Retained Earnings - Total Fund Equity	<b>(130,720.26)</b>
<b>TOTAL LIABILITIES AND FUND EQUITY:</b>	 <b><u>231,420.26</u></b>

The accompanying notes are an integral part of this statement.

continued

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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 ACCOUNTING STANDARDS**

Board of Commissioners  
North Monroe Subdivision Sewerage District #1

I have audited the accompanying general purpose financial statements of the North Monroe Subdivision Sewerage District #1, a component unit of the Ouachita Parish Police Jury, as of and for the year ended December 31, 1996 and have issued my report thereon dated May 20, 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. Those 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 the North Monroe Subdivision Sewerage District #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 recorded 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 the North Monroe Subdivision Sewerage District #1, a component unit of the Ouachita Parish Police Jury, 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.



**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1**  
**Monroe, Louisiana**

**Supplemental Information Schedule**  
**As of and for the year then ended December 31, 1996**

**COMPENSATION PAID TO BOARD MEMBERS**

The following schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

*Schedule of Compensation Paid Board Members as of and for the Year Ended  
December 31, 1996*

Clifford Silbarks 213 Bantrop Drive Monroe, La. 71203	\$ 0.00
Holly Nelson 225 Bantrop Drive Monroe, La. 71203	0.00
Alan Houston 224 Woodlawn Drive Monroe, La. 71203	0.00
George Dent 207 Fay Drive Monroe, La. 71203	0.00
Herbert Mandy, -Chairman 227 Bantrop Drive Monroe, La. 71203	0.00
	<u>\$ 0.00</u>

SUPPLEMENTARY INFORMATION

**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1  
OF DIACHERTA PARISH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

None.

**9. LITIGATION AND CLAIMS**

None.

**10. SUBSEQUENT EVENTS**

None.

**11. OTHER SUPPORT**

None.

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1  
 OF ORACHTE PARISH  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. FIXED ASSETS

A summary of fixed assets at December 31, 1986, follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Property, Plant & Land			
Equipment	381,322	55,248	326,074
TOTAL	<u>381,322</u>	<u>55,248</u>	<u>326,074</u>

5. PENSION PLAN

The district has no pension plan and no salaries.

6. LONG-TERM LIABILITIES

The following is a summary of long-term transactions during the year:

Long-term liability, payable at 12-31-89	70,000
Deductions	<u>15,000</u>
Long-term liability	55,000
Less current portion	<u>15,000</u>
Long-term liability payable at 12-31-86	<u>40,000</u>

Certificate of Indebtedness, dated February 01, 1989, interest rate .08, original amount of loan \$140,000 payable in annual installments of various amounts, including interest; due the first day of February.

The annual requirements to amortize all long-term debt outstanding as of December 31, 1985, are as follows:

	<u>Principal</u>	<u>Interest</u>
1987	15,000	1,800
1988	20,000	2,400
1989	<u>30,000</u>	<u>800</u>
TOTAL	<u>65,000</u>	<u>5,000</u>

7. OTHER POST-EMPLOYMENT BENEFITS

None.

8. RELATED PARTY TRANSACTIONS

NORTH MISSISSIPPI SUPERVISION SEWERAGE DISTRICT OF  
OF QUACHITA PARISH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**A. 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.

**Reserves**

Reserves represent those portions of fund equity legally segregated for a specific future use.

**1. CASH AND CASH EQUIVALENTS**

At December 31, 1996, the district has cash and cash equivalents (bank balances) totaling \$20,453 as follows:

Demand Deposits	<u>20,453</u>
TOTAL	<u>20,453</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits 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 collateral bank that is mutually acceptable to both parties. At December 31, 1996, the district has \$22,116 in deposits (collateral bank balances). These deposits are secured from risk by \$180,000 of federal deposit insurance.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 38:1229 imposes a statutory requirement on the collateral 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 deposits of funds upon demand.

**2. RECEIVABLES**

The following is a summary of receivables at December 31, 1996:

<u>Class of Receivable</u>	<u>Current Assets</u>	<u>Total</u>
Accounts Receivable	7,688	7,688

Management has determined that the amounts of the receivables that are uncollectible are immaterial; therefore, no provision for uncollectible receivables has been included in these financial statements.

## NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1

Notes To The Financial Statements  
As of and For the Year Ended December 31, 1986

### INTRODUCTION

The North Monroe Subdivision Sewerage District #1 was organized under provisions of Louisiana revised Statute (LSA-RS) by the Ouachita Parish Police Jury in 1968 to provide a sewerage system for approximately 800 people. The District is operated by a board of five commissioners, appointed by the Ouachita Parish Police Jury.

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the North Monroe Subdivision Sewerage District of Ouachita 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.

#### B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Ouachita Parish Police Jury is the financial reporting entity for Ouachita 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 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 Ouachita 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 criterion 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 financially dependent on the police jury.

**NORTH MISSISSIPPI SUBDIVISION SEWERAGE DISTRICT #1  
OF OUCHITHA PARISH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

3. Organizations for which the reporting entity financial statements would be restating if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury has the authority to perform the above three steps, the district was determined to be a component unit of the Ouachita 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 North Mississippi Subdivision Sewerage District #1 of Ouachita Parish is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises it 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 cost-recovery 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 as the time liabilities are incurred. The Enterprise Fund uses the following practices in recording certain revenues and expenses:

**Revenues**

Revenues consist of income from users of the sewer line in the district. Billing is done monthly, and if payments are collected and deposited, interest income is a result of bank accounts bearing interest.

**Expenses**

Expenses are reported when the liability occurs. Major expenses are:

Supervisory	31,347
Legal and Professional	1,380
Utilities	3,000