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ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 2003

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 5.12.04

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA

ANNUAL SWORN FINANCIAL STATEMENTS AND CERTIFICATION OF REVENUES \$50,000 OR LESS (if applicable)

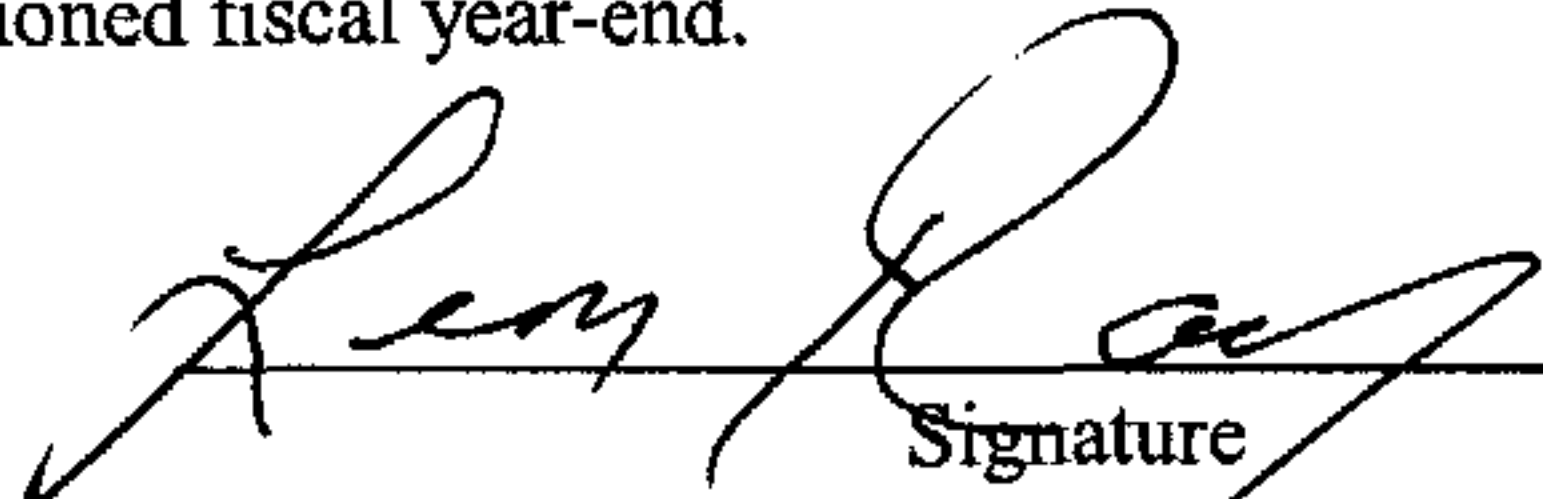
The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513(I)(1)(c)(i).

AFFIDAVIT

Personally came and appeared before the undersigned authority, Leon Ray, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the St. Landry Parish Sewer District No. 1 as of December 31, 2003 and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

(Complete if applicable)

In addition, Leon Ray, who duly sworn, deposes and says that the St. Landry Parish Sewer District No. 1 received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 2003, and, accordingly, is not required to have an audit for the previously mentioned fiscal year-end.

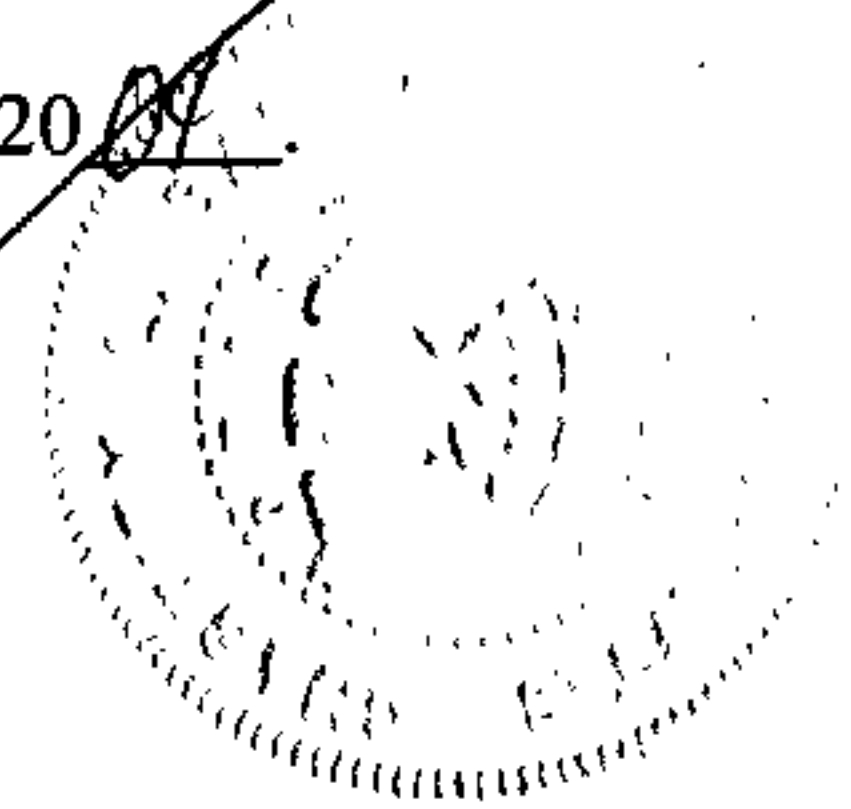


Signature

Sworn to and subscribed before me, this 7th day of May, 2004.



NOTARY PUBLIC



Officer Leon Ray
Address 169 Country Ridge Road
Opelousas, LA 70570
Telephone No. (337) 948-1678

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2003

ACCOUNTANT'S COMPILATION REPORT

To the Board of Commissioners
St. Landry Parish Sewer District No. 1
Opelousas, Louisiana

We have compiled the accompanying financial statements of the St. Landry Parish Sewer District No. 1, a component unit of the St. Landry Parish Police Jury, and the individual funds' financial statements of the District as of and for the year ended December 31, 2003, 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 information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

John S. Dowling + Co.

Opelousas, Louisiana
May 6, 2004

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
BALANCE SHEET - ALL FUND TYPES
DECEMBER 31, 2003

	<u>GOVERNMENTAL</u> <u>FUND TYPE</u> <u>DEBT SERVICE</u>	<u>PROPRIETARY</u> <u>FUND TYPE</u> <u>ENTERPRISE</u>	<u>TOTALS</u> <u>(Memorandum)</u> <u>Only)</u>
<u>ASSETS</u>			
Cash	\$18,587	\$7,112	\$25,699
Investments		20,015	20,015
Receivables			
Accounts		2,592	2,592
Land		16,950	16,950
Buildings		1,267	1,267
Sewerage system		314,919	314,919
Accumulated depreciation		(199,442)	(199,442)
<u>Total assets</u>	<u>18,587</u>	<u>163,413</u>	<u>182,000</u>
<u>LIABILITIES AND FUND EQUITY</u>			
<u>LIABILITIES</u>			
Accounts payable		\$1,874	\$1,874
<u>Total liabilities</u>	<u>-0-</u>	<u>1,874</u>	<u>1,874</u>
<u>FUND EQUITY</u>			
Contributed capital		329,796	329,796
Retained earnings			
Unreserved		(168,257)	(168,257)
Fund balance			
Unreserved	\$18,587		18,587
<u>Total fund equity</u>	<u>18,587</u>	<u>161,539</u>	<u>180,126</u>
<u>Total liabilities and</u> <u>fund equity</u>	<u>18,587</u>	<u>163,413</u>	<u>182,000</u>

See accountant's compilation report and accompanying notes.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>DEBT SERVICE</u>
<u>REVENUES</u>	
Interest income	\$182
<u>Total revenues</u>	<u>182</u>
<u>EXPENDITURES</u>	
<u>Total expenditures</u>	<u>-0-</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	182
<u>FUND BALANCE, beginning of year</u>	<u>18,405</u>
<u>FUND BALANCE, end of year</u>	<u>18,587</u>

See accountant's compilation report and accompanying notes.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>ENTERPRISE</u>
<u>OPERATING REVENUES</u>	
Charges for services	\$22,513
<u>Total operating revenues</u>	<u>22,513</u>
<u>OPERATING EXPENSES</u>	
Contractual services	3,708
Other expenses	20,302
Depreciation	8,079
<u>Total operating expenses</u>	<u>32,089</u>
<u>OPERATING LOSS</u>	(9,576)
<u>NONOPERATING REVENUES</u>	
Interest income	<u>284</u>
<u>NET LOSS</u>	(9,292)
<u>RETAINED EARNINGS (DEFICIT), beginning of year</u>	<u>(158,965)</u>
<u>RETAINED EARNINGS (DEFICIT), end of year</u>	<u>(168,257)</u>

See accountant's compilation report and accompanying notes.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers	\$22,630
Cash payments to suppliers for goods and services	(22,477)
Cash payments to employees for services	(3,708)
<u>Net cash used by operating activities</u>	<u>(3,555)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Purchase of investments	(216)
Interest earned	284
<u>Net cash provided by investing activities</u>	<u>68</u>
<u>NET DECREASE IN CASH</u>	<u>(3,487)</u>
<u>CASH, January 1, 2003</u>	<u>10,599</u>
<u>CASH, December 31, 2003</u>	<u>7,112</u>
<u>RECONCILIATION OF OPERATING LOSS TO NET CASH</u>	
<u>PROVIDED (USED) BY OPERATING ACTIVITIES</u>	
Operating loss	\$(9,576)
Adjustments to reconcile operating loss	
to net cash provided (used) by operating activities:	
Depreciation	8,079
(Increase) decrease in accounts receivable	117
Increase (decrease) in accounts payable	(2,175)
<u>Total adjustments</u>	<u>6,021</u>
<u>Net cash used by operating activities</u>	<u>(3,555)</u>

See accountant's compilation report and accompanying notes.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the St. Landry Parish Sewer District No. 1 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 St. Landry Parish Police Jury is the financial reporting entity for St. Landry Parish. The financial reporting entity consists of (a) 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 St. Landry 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 criteria 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 fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints a voting majority of the District's governing board and has the ability to impose its will on them, the District was determined to be a component unit of the St. Landry 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.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. FUND ACCOUNTING

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Enterprise Fund

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

D. FIXED ASSETS

Property, plant, and equipment which constitute assets of the Enterprise Fund are recorded at cost and depreciation is computed thereon under the straight-line method of depreciation based on estimated useful lives of the individual assets.

E. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is for principal and interest on general long-term debt which is recognized when due.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. BASIS OF ACCOUNTING (CONTINUED)

All proprietary fund types are accounted for on a flow of economic resources measurement focus. The proprietary fund type is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses are recognized when they are incurred. Revenues earned and expenses incurred are recognized in a government's proprietary funds in essentially the same manner as in commercial accounting. However, where the GASB has issued pronouncements applicable to entities and activities recognized in a government's proprietary funds, those entities and activities should be guided by the GASB pronouncements. Only minor adaptations are involved in applying the revenue realization and expense recognition principles in the governmental environment.

F. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Louisiana statutes authorize the District to invest in United States Treasury obligations, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and backed by the United States; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States government instrumentalities which are federally sponsored; and certificates of deposit.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank.

Investments are stated at cost or amortized cost, which approximates market. Cash and these investments which are time deposits and cash are fully secured through the pledge of federal depository insurance.

For purposes of the statement of cash flows, the District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

At December 31, 2003, the District had cash and cash equivalents (book balances) totaling \$25,699 as follows:

Cash	<u>\$25,699</u>
<u>Total cash and cash equivalents</u>	

At year-end, the carrying amount of the District's investments was \$20,015. The bank balance of cash was \$25,699 and of investments was \$20,015. The entire bank balance is covered by federal depository insurance.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. ENCUMBRANCES

The District does not employ the encumbrance system of accounting.

I. INVENTORY

The District practices the policy of recording materials and supplies as expenditures or expenses when acquired. The District does not record any of these items of inventory because the amount of the items in stock is insignificant.

J. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

K. RETIREMENT

The District has no employees but instead has contract laborers which are not covered by any retirement plan.

L. PROPERTY, PLANT, AND EQUIPMENT - ENTERPRISE FUND

A summary of property, plant, and equipment of the Enterprise Fund at December 31, 2003 is as follows:

<u>Description</u>	<u>Life in Years</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>	<u>Depreciation This Year</u>
Land		\$16,950		\$16,950	
Buildings	20	1,267	\$964	303	\$44
Sewerage system	5-40	<u>314,919</u>	<u>198,478</u>	<u>116,441</u>	<u>8,035</u>
<u>Total</u>		<u>333,136</u>	<u>199,442</u>	<u>133,694</u>	<u>8,079</u>
 <u>Changes During the Year</u>					
Balance, beginning of year		\$333,136	\$191,363		
Depreciation		_____	<u>8,079</u>		
Balance, end of year		<u>333,136</u>	<u>199,442</u>		

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

M. BAD DEBTS

There was no bad debt expense for 2003.

N. DEFICITS - IN INDIVIDUAL FUNDS

The Enterprise Fund has a deficit retained earnings at December 31, 2003 of \$168,257.

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
DEBT SERVICE FUND
BALANCE SHEET
DECEMBER 31, 2003

<u>ASSETS</u>	
Cash	<u>\$18,587</u>
<u>Total assets</u>	<u>18,587</u>
<u>LIABILITIES AND FUND EQUITY</u>	
<u>LIABILITIES</u>	
<u>Total liabilities</u>	<u>-0-</u>
<u>FUND EQUITY</u>	
Fund Balance Unreserved	<u>\$18,587</u>
<u>Total liabilities and fund equity</u>	<u>18,587</u>

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>REVENUES</u>	
Interest income	<u>\$182</u>
<u>Total revenues</u>	<u>182</u>
<u>EXPENDITURES</u>	
<u>Total expenditures</u>	<u>-0-</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	182
<u>FUND BALANCE</u> , beginning of year	<u>18,405</u>
<u>FUND BALANCE</u> , end of year	<u>18,587</u>

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
ENTERPRISE FUND
BALANCE SHEET
DECEMBER 31, 2003

ASSETS

CURRENT ASSETS

Cash	\$7,112
Investments	20,015
Accounts receivable	<u>2,592</u>
<u>Total current assets</u>	<u>29,719</u>

FIXED ASSETS

Land	16,950
Buildings	1,267
Sewerage system	314,919
Less: Accumulated depreciation	<u>(199,442)</u>
<u>Total fixed assets</u>	<u>133,694</u>
 <u>Total assets</u>	 <u>163,413</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	<u>\$1,874</u>
<u>Total liabilities</u>	<u>1,874</u>

FUND EQUITY

Contributed capital	
Contribution from special assessments	329,796
Retained earnings	
Unreserved	<u>(168,257)</u>
<u>Total fund equity</u>	<u>161,539</u>
 <u>Total liabilities and fund equity</u>	 <u>163,413</u>

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>OPERATING REVENUES</u>	
Charges for services	<u>\$22,513</u>
<u>Total operating revenues</u>	<u>22,513</u>
<u>OPERATING EXPENSES</u>	
Contractual services	
Clerical fees	1,500
Maintenance fees	2,208
Other	
Accounting, legal, and professional fees	2,115
Analysis	1,275
Directors' fees	756
Insurance	200
Licenses and permits	770
Office expenses	169
Repairs	11,620
Utilities	2,962
Taxes	398
Miscellaneous	37
Depreciation	<u>8,079</u>
<u>Total operating expenses</u>	<u>32,089</u>
<u>OPERATING LOSS</u>	(9,576)
<u>NONOPERATING REVENUES</u>	
Interest income	<u>284</u>
<u>NET LOSS</u>	(9,292)
<u>RETAINED EARNINGS (DEFICIT), beginning of year</u>	<u>(158,965)</u>
<u>RETAINED EARNINGS (DEFICIT), end of year</u>	<u>(168,257)</u>

ST. LANDRY PARISH SEWER DISTRICT NO. 1
OPELOUSAS, LOUISIANA
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers	\$22,630
Cash payments to suppliers for goods and services	(22,477)
Cash payments to employees for services	<u>(3,708)</u>
<u>Net cash used by operating activities</u>	<u>(3,555)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Purchase of investments	(216)
Interest earned	<u>284</u>
<u>Net cash provided by investing activities</u>	<u>68</u>
<u>NET DECREASE IN CASH</u>	(3,487)
<u>CASH, January 1, 2003</u>	<u>10,599</u>
<u>CASH, December 31, 2003</u>	<u><u>7,112</u></u>
<u>RECONCILIATION OF OPERATING LOSS TO NET CASH</u>	
<u>PROVIDED (USED) BY OPERATING ACTIVITIES</u>	
Operating loss	\$(9,576)
Adjustments to reconcile operating loss	
to net cash provided (used) by operating activities:	
Depreciation	8,079
(Increase) decrease in accounts receivable	117
Increase (decrease) in accounts payable	<u>(2,175)</u>
<u>Total adjustments</u>	<u>6,021</u>
<u>Net cash used by operating activities</u>	<u>(3,555)</u>