

**WATERWORKS DISTRICT NO. 9  
OF WARD 4 OF CALCAHOU  
PARISH, LOUISIANA  
Solpair, Louisiana**

**Annual Financial Report  
December 31, 1963 and 1962**

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 Station House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 7-28-68

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## BROUSSARD & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

Founded in 1918

### INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Waterworks District No. 9 of Ward 4  
of Calcasieu Parish, Louisiana  
Bajoué, Louisiana

We have audited the accompanying balance sheets of Waterworks District 9 of Ward 4 of Calcasieu Parish, Louisiana, component unit of Calcasieu Parish Police Jury, as of December 31, 2000 and 2001, and the related statements of revenues, expenses, and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Waterworks District 9 of Ward 4 of Calcasieu Parish, Louisiana as of December 31, 2000 and 2001, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 14, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments*. This resulted in a change in the format and content of the financial statements as of December 31, 2000.

The Management's Discussion and Analysis on pages 3 through 6 is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express an opinion on it.

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Board of Commissioners  
Waterworks District No. 3 of Ward 4  
of Calcasieu Parish, Louisiana

In accordance with Government Auditing Standards, we have also issued a report dated May 7, 2004 on our consideration of Waterworks District No. 3 of Ward 4 of Calcasieu Parish, Louisiana's internal control structure and compliance with laws and regulations. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

*Bronckard & Company*

Lake Charles, Louisiana  
May 7, 2004

**WATERWORKS DISTRICT NO. 8 OF WARD 4  
OF CALCASTELL PARISH, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF DECEMBER 31, 2003**

The Management's Discussion and Analysis of the Waterworks District No. 8 of Ward 4 of Calcaeste Parish, Louisiana's (the District) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2003. This document focuses on the current year's activities, resulting changes, and correctly bases facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the financial statements.

**FINANCIAL HIGHLIGHTS**

- The District's assets exceeded its liabilities at the close of 2003 by \$5,071,180 which represents a 6% increase from last fiscal year. Of this amount, \$1,529,814 (unrestricted net assets) may be used to meet the District's ongoing obligations to its users.
- The District's revenues increased \$15,356 (or 5%) and the net results from activities increased by \$187,486. A significant portion of this increase in net results from activities is due to a decrease in contract labor and plant supplies.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of two sections - Management's Discussion and Analysis (this section) and the basic financial statements (including the notes to the financial statements).

**WATERWORKS DISTRICT NO. 9 OF SLURB 4  
OF CALCASIEU PARISH, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF DECEMBER 31, 2000**

**Basic Financial Statements**

The basic financial statements present information for the District as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet, the Statement of Revenues, Expenses, and Changes in Net Assets, and the Statement of Cash Flows.

The **Balance Sheet** (page 7 - 8) presents the current and long term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the District is improving or deteriorating.

The **Statement of Revenues, Expenses, and Changes in Net Assets** (page 9) presents information showing how the District's assets changed as a result of current year operations. Regardless of when cash is affixed, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The **Cash Flow Statement** (pages 10 - 11) presents information showing how the District's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliations of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

**FINANCIAL ANALYSIS OF THE ENTITY**

	2001	2000	1999
Current and other assets	\$1,302,797	\$1,420,602	\$1,415,444
Capital assets	4,812,148	7,471,928	7,409,820
Total assets	<u>6,114,945</u>	<u>8,892,530</u>	<u>8,825,264</u>
Other liabilities	972,849	302,982	340,348
Long-term debt outstanding	1,349,851	6,888,826	5,872,517
Total liabilities	<u>2,322,700</u>	<u>7,191,808</u>	<u>6,212,865</u>
Net assets:			
Invested capital assets, net of debt	1,958,880	1,361,025	1,113,314
Residual	614,780	764,651	724,986
Unassigned	2,529,614	2,474,058	2,618,672
Total net assets	<u>5,093,180</u>	<u>4,599,734</u>	<u>4,456,972</u>
Total liabilities and net assets	<u>\$6,114,945</u>	<u>\$8,892,532</u>	<u>\$14,891,016</u>

**WATERWORKS DISTRICT NO. 3 OF WARD 4  
OF CALICANUE PARISH, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF DECEMBER 31, 2003**

Restricted net assets represent those assets that are not available for spending as a result of bond agreements. Conversely, unrestricted net assets are those that do not have any limitations for which these amounts may be used.

Net assets of the District increased by \$291,447, or 6%, from December 31, 2002 to December 31, 2003.

	2003	2002	2001
Operating revenues	\$1,134,331	\$1,099,063	\$1,123,673
Capital expenses	(871,212)	(967,300)	(887,300)
Depreciation expense	355,254	(35,759)	(118,901)
Non-recurring revenues (deductions)	(15,801)	(7,715)	68,687
Net increase (decrease) to net assets	\$ 291,447	\$ (373,711)	\$ 295,159

#### CAPITAL ASSET AND DEBT ADMINISTRATION

##### Capital Assets

As of December 31, 2003, the District had \$8,022,189, net of accumulated depreciation, invested in a broad range of capital assets, including land, right of ways, plant and distribution systems, and furniture, fixtures, and equipment (see table below). This amount represents a net increase (including additions and deductions) of \$219,268, or 1.9%, over last year.

	2003	2002	2001
Land and Right of Ways	\$ 89,623	\$ 89,623	\$ 89,623
Plant and Distribution System	10,620,798	10,392,332	9,743,036
Furniture, Fixtures, and Equipment	158,610	184,901	224,127
Construction in progress	719,158	311,651	405,129
Less Accumulated Depreciation	(7,338,911)	(7,256,711)	(7,016,891)
Totals	\$ 8,022,189	\$ 7,801,826	\$ 7,469,125

This year's Major Capital addition included items such:

- Taps/Burns Line-systems \$ 24,108
- Vehicle \$ 24,224
- Construction in progress --
  - Walker Road Line Extension \$ 227,679
  - Bonnie Meyer Road System \$ 121,146

**WATERWORKS DISTRICT NO. 9 OF WARD 4  
OF CALCASIEU PARISH, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF DECEMBER 31, 2013**

**Debt**

The District had \$5,000,000 in bonds outstanding at year-end, compared to \$6,000,000 last year, a decrease of 16.7%. A summary of this debt is shown in the table below.

**Outstanding Debt at Year-end**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenue Bonds	\$ 4,215,000	\$ 4,365,000	\$ 4,480,000
General Obligation Bonds	<u>1,565,000</u>	<u>1,685,000</u>	<u>1,760,000</u>
<b>Totals</b>	<u>\$ 5,880,000</u>	<u>\$ 6,050,000</u>	<u>\$ 6,240,000</u>

The District's General Obligation bonds and Revenue bonds are un-rated.

**CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Alan Nowlin, District Supervisor, Waterworks District No. 9 of Ward 4 of Calcasieu Parish.



**Waterworks District No. 8 of Ward 4 of Calcasieu Parish, Louisiana**  
**Sulphur, Louisiana**  
**Balance Sheets**  
**As of December 31,**

	<u>2008</u>	<u>2009</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 84,088	\$ 101,081
Investments	1,710,700	1,628,722
Receivables - net of allowance for uncollectibles of \$20,282 for 2008 and \$20,488 for 2009:		
Water accounts	88,248	104,488
Unbilled	49,038	63,883
Taxes - ad valorem - maintenance	157,952	128,744
Interest	248	388
Inventory	47,880	45,472
Prepaid insurance	12,950	7,094
Total Current Assets	<u>2,114,196</u>	<u>2,989,342</u>
<b>RESTRICTED ASSETS</b>		
Cash and cash equivalents - construction	8,080	9,081
Cash and cash equivalents - revenue bonds	208,507	270,848
Cash - sinking fund - general obligations bonds	204,788	245,207
Certificate of deposit - revenue bonds	438,888	438,448
Investments - construction	8,540	9,498
Taxes receivable - ad valorem - sinking fund	58,800	49,008
Total Restricted Assets	<u>1,218,483</u>	<u>1,121,238</u>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>		
Furniture, fixtures, and equipment	63,880	42,424
Vehicles	105,720	182,507
Plant and distribution system	10,829,758	11,582,582
	<u>11,099,358</u>	<u>11,807,513</u>
Less: accumulated depreciation and amortization	<u>(3,265,550)</u>	<u>(3,258,721)</u>
	7,833,808	7,478,792
Construction in progress	713,818	311,580
Land	80,825	88,825
Net Property, Plant, and Equipment	<u>8,628,451</u>	<u>7,879,120</u>
<b>OTHER ASSETS</b>		
Deferred charges - bond issue costs, net	289,891	237,008
<b>TOTAL ASSETS</b>	<u>\$ 11,434,985</u>	<u>\$ 11,200,352</u>

The accompanying notes are an integral part of the financial statements.

Waterworks District No. 9 of Ward 4 of Calcasieu Parish, Louisiana  
 Sulphur, Louisiana  
 Balance Sheets (Continued)  
 As of December 31,

	2022	2021
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 60,278	\$ 15,291
Payroll taxes and retirement payable	5,664	5,028
Sales tax payable	848	3,251
Wages payable	1,802	1,207
Due to: DDTD	25,152	25,152
Current portion of capital lease	74,472	71,258
Total Current Liabilities	182,211	129,368
<b>CURRENT LIABILITIES (Payable from Restricted Assets)</b>		
Interest payable - bonds	143,754	148,584
Current portion of revenue bonds	140,000	138,000
Current portion of general obligation bonds	120,000	120,000
Total Current Liabilities (Payable From Restricted Assets)	403,754	406,584
<b>LONG-TERM LIABILITIES</b>		
Capital lease (net of current portion)	248,282	238,247
Revenue bonds (net of current portion and deferred loss)	4,095,505	4,208,589
General obligation bonds (net of current portion)	1,445,000	1,565,080
Total Long-Term Liabilities	5,788,867	5,009,916
Total Liabilities	6,323,882	5,912,918
<b>NET ASSETS</b>		
Investment in capital assets, net of related debt	1,828,980	1,987,028
Restricted for debt service	814,785	744,051
Unrestricted	2,328,514	2,474,056
Total Net Assets	4,972,279	5,205,135
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 11,404,581</b>	<b>\$ 11,292,952</b>

The accompanying notes are an integral part of the financial statements.

**Waterworks District No. 9 of Ward 4 of Calcasieu Parish, Louisiana**  
**Bulthur, Louisiana**  
**Statements of Revenues, Expenses, and Changes in Net Assets**  
**For The Years Ended December 31,**

	<u>2003</u>	<u>2002</u>
<b>OPERATING REVENUES</b>		
Water sales and fees	\$ 1,104,531	\$ 1,080,065
<b>OPERATING EXPENSES</b>		
Wages - plant	216,187	206,238
Payroll tax and employee benefits	48,246	45,208
Amortization expense	17,443	17,633
Compressor fees	5,100	4,800
Contract labor	-	42,857
Depreciation expense	211,082	260,344
Insurance	41,150	32,848
Accounting and legal expenses	14,803	14,330
Meter reading	12,124	30,338
Miscellaneous	17,365	27,487
Office supplies	28,740	33,228
Plant supplies	38,838	67,427
Repairs and maintenance	26,401	33,420
Telephone	10,636	15,192
Utilities	32,831	30,850
Vehicle expense	10,898	9,268
Bad debt expense	11,757	3,802
Total Operating Expenses	<u>873,171</u>	<u>992,789</u>
<b>INCOME FROM OPERATIONS</b>	<u>231,360</u>	<u>121,700</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Ad valorem taxes - sinking fund	69,233	49,568
Ad valorem taxes - maintenance	150,008	132,871
Interest income	36,008	42,680
Police Jury Riverboat Funds	80,187	24,305
Miscellaneous	11,843	37,189
Revenue sharing	4,374	8,581
Gain (loss) on disposal of fixed assets	3,458	21,402
Interest expense	<u>(300,844)</u>	<u>(302,657)</u>
Total Non-Operating Revenues	<u>93,857</u>	<u>37,783</u>
<b>NET INCOME</b>	<u>201,647</u>	<u>123,981</u>
<b>NET ASSETS - Beginning of Year</b>	<u>4,778,734</u>	<u>4,655,753</u>
<b>NET ASSETS - End of Year</b>	<u>\$ 5,021,351</u>	<u>\$ 4,778,734</u>

The accompanying notes are an integral part of the financial statements.

**Waterworks District No. 8 of Ward 4 of Calcasieu Parish, Louisiana**  
**Sulphur, Louisiana**  
**Statements of Cash Flows**  
**For The Years Ended December 31,**

	<u>2003</u>	<u>2002</u>
<b>Cash Flows From Operating Activities:</b>		
Receipts from customers and users	\$ 1,173,181	\$ 1,000,400
Payments to suppliers	(278,440)	(444,654)
Payments to employees	(260,181)	(270,981)
Other	(18,784)	35,470
Net Cash Provided (Used) by Operating Activities	<u>615,776</u>	<u>319,635</u>
<b>Cash Flows From Investing Activities:</b>		
Interest income	28,090	42,800
Cash paid for certificate of deposit	(200)	(1,110)
Investment in LAMP, net	(107,251)	714,118
Net Cash Provided (Used) by Investing Activities	<u>(86,361)</u>	<u>755,608</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Capital expenditures for plant and equipment	(284,150)	(428,284)
Cash received from sale of equipment	-	18,400
Principal payments on bonds	(290,000)	(98,000)
Principal payments on capital lease	(70,270)	-
Cash received for ad valorem taxes	173,715	180,440
Intergovernmental - revenue sharing and investment funds	84,801	38,580
Interest expense	(344,768)	(218,012)
Miscellaneous	(5,021)	39,128
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(689,253)</u>	<u>(471,411)</u>
Net Increase (Decrease) in Cash	(149,838)	57,832
Cash and Cash Equivalents - Beginning of Year	<u>734,330</u>	<u>676,500</u>
Cash and Cash Equivalents - End of Year	<u>584,492</u>	<u>734,332</u>
<b>Cash and Cash Equivalents:</b>		
Cash - unrestricted	64,008	121,081
Cash - restricted	520,484	613,251
	<u>\$ 584,492</u>	<u>\$ 734,332</u>

The accompanying notes are an integral part of the financial statements.

**Waterworks District No. 9 of Ward 4 of Calcasieu Parish, Louisiana**  
**Bayliff, Louisiana**  
**Statements of Cash Flows (Continued)**  
**For The Years Ended December 31,**

	<u>2023</u>	<u>2022</u>
<b>Reconciliation of Operating Income to Net Cash</b>		
<b>Provided (Used) by Operating Activities:</b>		
Operating income	\$ 260,014	\$ 131,755
Adjustments to reconcile net operating income		
to net cash provided by operating activities:		
Depreciation	311,052	289,344
Provisions for bad debts	11,787	3,831
Amortization	17,443	17,533
(Increase)-decrease in receivables	19,808	25,794
(Increase)-decrease in prepaid insurance	(5,898)	(1,330)
(Increase)-decrease in inventory	(2,214)	(9,455)
Increase (decrease) in accounts payable		
and other accrued expenses	<u>(70,812)</u>	<u>(58,194)</u>
<b>Total Adjustments</b>	<u>540,152</u>	<u>371,653</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 800,178</u>	<u>\$ 403,488</u>
<b>Supplemental Disclosures:</b>		
Cash paid for interest (net of amount capitalized)	<u>\$ 344,795</u>	<u>\$ 219,013</u>
<b>Noncash Investing and Financing Activities:</b>		
Equipment acquired under capital lease obligation	<u>\$ 93,794</u>	<u>\$ 307,308</u>
Acquisition of equipment through trade	<u>\$ 14,000</u>	<u>\$ 10,000</u>

The accompanying notes are an integral part of the financial statements.

**WATERWORKS DISTRICT NO. 9 OF WARD 4  
OF CALCAISSI PARISH, LOUISIANA**  
Bossier, Louisiana  
Notes to Financial Statements  
December 31, 2003 and 2002

***Note 1 - Summary of Significant Accounting Policies***

The accounting policies of Waterworks District No. 9 of Ward 4 of Calcaissi Parish, Louisiana conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, *Audits of State and Local Governmental Units*.

GASB No. 39 requires that governments' proprietary activities apply all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board ("FASB") Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins. Governments are given the option whether or not to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. The district has elected not to implement FASB Statements and Interpretations issued after November 30, 1989. The following is a summary of the more significant policies:

***Financial Reporting Entity***

This report includes all funds and account groups which are controlled by or dependent on the Commissioners. Control by or dependence on the District was determined on the basis of budget adoption, voting authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Based on the foregoing criteria, the Waterworks District No. 9 has no other fiscal or significant managerial responsibility over any other governmental unit that is not included in the financial statements of the Waterworks District No. 9 of Ward 4 of Calcaissi Parish, Louisiana. The district is a component unit of the Calcaissi Parish Police Jury.

***Fund Accounting***

The accounts of the district are organized on the basis of a proprietary fund, which is considered a separate accounting entity or enterprise fund. Enterprise funds are used to account for operations (a) 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 or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

***Basis of Accounting***

The District has implemented GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments".

**WATERWORKS DISTRICT NO. 9 OF WARD 4  
OF CALCASIEU PARISH, LOUISIANA**  
Slidport, Louisiana  
**Notes to Financial Statements (Continued)**  
**December 31, 2003 and 2002**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The District uses the accrual basis of accounting. The revenues are recognized when they are earned, and expenses are recognized when incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales and services. The District also recognizes as operating revenue the portion of tag fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Estimates**

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

**Property, Plant, and Equipment and Long-Term Liabilities**

The proprietary fund is accounted for on a cost of services or capital maintenance measurement basis, and all assets and liabilities (whether current or non-current) associated with its activity are included in the balance sheet.

Depreciation of all depreciable fixed assets is charged as an expense against the operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Furniture, fixtures, and equipment	3 - 40 years
Vehicles	3 years
Plant and distribution system	15 - 40 years

All fixed assets are stated at historical cost. Depreciation amounted to \$311,062 for the year ended December 31, 2003 and \$298,144 for the year ended December 31, 2002.

**WATERWORKS DISTRICT NO. 1 OF WARD 4  
OF CALCASIEU PARISH, LOUISIANA**  
Bogalusa, Louisiana  
Notes to Financial Statements (Continued)  
December 31, 2003 and 2002

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Deferred Charges**

The various fees incurred in connection with obtaining and issuing the general obligation and revenue bonds have been capitalized and are being amortized over a period of fifteen to twenty-five years using the interest method. Amortization expense amounted to \$17,443 for the year ended December 31, 2003 and \$17,510 for the year ended December 31, 2002.

**Cash and Cash Equivalents**

The District considers all short-term investments with an original maturity of three months or less to be cash equivalents.

**Inventory**

Inventory is valued at the lower of cost (first-in, first-out) or market.

**Note 2 - Ad Valorem Taxes**

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Parish in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year.

For the year ended December 31, 2003, taxes of 3.64 mills were levied on property with assessed valuations, net of homestead exemption. Total taxes levied were \$238,473. Taxes receivable at December 31, 2003 were \$208,492, all of which were considered collectible. The 3.64 mills were allocated as follows:

Maintenance fund	2.68 mills
Sinking fund	0.96 mills

**Note 3 - Changes in Long-Term Debt**

The following is a summary of bond payable transactions of the District for the year ended December 31, 2003:

	General Obligation	Revenue	Total
Outstanding at December 31, 2002	\$1,565,000	\$4,300,000	\$5,865,000
Bonds retired	( 100,000 )	( 100,000 )	( 200,000 )
Interest loss	-	( 26,411 )	( 26,411 )
Interest loss amortization	-	918	918
Outstanding at December 31, 2003	\$1,465,000	\$4,203,507	\$5,668,507

Long-term debt at December 31, 2003 consists of the following:



**WATERWORKS DISTRICT NO. 9 OF WARD 4  
OF CALCASIEU PARISH, LOUISIANA**  
Slidport, Louisiana  
**Notes to Financial Statements (Continued)**  
**December 31, 2003 and 2002**

**Note 7 - Changes in Long-Term Debt (Continued)**

General obligation bonds:

\$1,860,000 General Obligation Waterworks Improvement Bonds of Waterworks District No. 9 of Ward 4 of Calcasieu Parish, Louisiana due in annual installments of \$75,000 to \$175,000 through March 1, 2013; interest at 4.17% to 6.0%

\$1,565,000

Revenue bonds:

\$1,615,000 Waterworks Revenue Refunding Bonds, Series 1996, due in annual installments of \$85,000 to \$175,000 through January 1, 2021; interest at 4.5% to 6%

\$4,205,000

\$3,774,000

The District issued the above bonds to refund the revenue bonds that were due to Farmer's Home Administration. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$31,546. This amount is being netted against the new debt and amortized over the new debt's life, which is shorter than the life of the refunded debt.

The annual requirements to amortize all debt outstanding as of December 31, 2003, are as follows:

**General Obligation Bonds**

Year Ending December 31,	Principal	Interest	Total
2004	\$ 120,000	\$ 83,076	\$ 183,076
2005	130,000	58,920	188,920
2006	115,000	64,188	189,188
2007	145,000	48,471	193,471
2008	150,000	42,165	192,165
2009-2013	855,000	301,098	556,098
Total	<u>\$1,565,000</u>	<u>\$ 275,112</u>	<u>\$1,840,112</u>

**WATERWORKS DISTRICT NO. 9 OF WARD 4  
OF CALCAISSU PARISH, LOUISIANA**  
Slidell, Louisiana  
Notes to Financial Statements (Continued)  
December 31, 2003 and 2002

**Note 3 - Changes in Long-Term Debt (Continued)**

**Revenue Bonds**

Year Ending December 31,	Principal	Interest	Total
2004	\$ 145,000	\$ 211,834	\$ 356,834
2005	145,000	245,294	390,294
2006	150,000	236,436	386,436
2007	160,000	230,129	390,129
2008	170,000	231,239	401,239
2008-2013	1,025,000	990,826	1,915,826
2014-2018	1,330,000	614,820	1,944,820
2019-2021	1,050,000	170,280	1,220,280
Total	<u>\$4,425,000</u>	<u>\$3,184,884</u>	<u>\$7,609,884</u>

The revenue bonds are to be retired from the income and revenues derived from the operation of the System of the Waterworks District No. 9 of Ward 4 of Calcaissu Parish, Louisiana.

**Note 4 - Accumulated Unpaid Vacation and Sick Pay**

There was no liability for accumulated unpaid vacation and sick pay at December 31, 2003 and 2002.

**Note 5 - Board of Commissioners' Fees**

Members of the Board of Commissioners are paid a per diem allowance for attending board meetings. The total expenses for meetings attended during the year are as follows:

Mary Wheeler	\$ 600
Larry Minton	1,040
Sybil Chamberlin	1,040
Yolby Trueman	1,040
Carson Cannon	1,030
Total	<u>\$ 5,350</u>

**Note 6 - Cash, Cash Equivalents, and Investments**

At December 31, 2003, the District has cash and certificates of deposit (bank balances) as follows:

Demand deposits	\$ 598,189
Certificates of deposit	446,668
Total	<u>\$ 1,044,857</u>

**WATERWORKS DISTRICT NO. 1 OF WARD 4  
OF CALCAHOUÉ PARISH, LOUISIANA**  
Bajoué, Louisiana  
Notes to Financial Statements (Continued)  
December 31, 2003 and 2002

**Note 4 - Cash, Cash Equivalents, and Investments (Continued)**

A reconciliation of cash and certificates of deposit follows:

Cash on hand	\$ 600
Carrying amount of deposits	<u>1,845,558</u>
	<u>\$ 1,845,158</u>
Cash and cash equivalents	\$ 600,158
Certificates of deposit (non-cash equivalents)	<u>416,968</u>
	<u>\$ 1,017,126</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 December 31, 2003, the District had \$1,071,125 in deposits (collected bank balances). These deposits are secured from risk by \$246,968 of Federal deposit insurance and \$90,702 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 3, Louisiana Revised Statute 29:1229 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 bank has failed to pay deposited funds upon demand.

Under state law, the municipality may invest in United States bonds, treasury notes, or certificates. These are classified as investments. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMAP). The carrying amount of the District's investment in LAMAP was \$1,721,276 as of December 31, 2003 and \$1,831,190 as of December 31, 2002.

In accordance with GASB Codification Section 108.126, the investment in LAMAP at December 31, 2003 is not categorized in the three risk categories provided by GASB Codification Section 108.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMAP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2655. Accordingly, LAMP

**WATERWORKS DISTRICT NO. 4 OF WARD 4  
OF CALCASIEU PARISH, LOUISIANA  
Bogalou, Louisiana  
Notes to Financial Statements (Continued)  
December 31, 2003 and 2002**

**Note 6 - Cash, Cash Equivalents, and Investments (Continued)**

Investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as securities agreements collateralized by these securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2004 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 700) enacted L.S.A.R.S. 11:2003(A)(1)(b) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 297 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool share.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

**Note 7 - Other Information**

The District had 1,024 active watered customers as December 31, 2003.

**Note 8 - Construction in Progress**

The District had two significant construction projects in progress as December 31, 2003. The following is a schedule of these projects:

	Estimated Total Costs	Costs Incurred To Date	Estimated Completion Date
Walker Road Line Extension	\$ 202,875	\$ 281,872	April, 2004
Remain Meter Read System	\$ 438,646	\$ 438,646	December

The Remain Meter Read System, as of the present is not functioning properly. The District has filed suits against the manufacturer and installer of the system. The outcome of this action has yet to be determined.

**WATERWORKS DISTRICT NO. 9 OF WARD 4  
OF CALCAISSU PARISH, LOUISIANA**  
Sulphur, Louisiana

Notes to Financial Statements (Continued)  
December 31, 2003 and 2002

**Note # - Capital Lease**

The District has entered into a lease agreement as lessee for financing the construction of a remote meter reading system. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the lesser of the present value of the future minimum lease payments or the fair value of the asset. The asset will be depreciated over the lesser of its lease term or its estimated productive life. The capitalized cost on this lease is \$428,648 as of December 31, 2003.

The following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments at December 31, 2003:

<u>Year Ending December 31,</u>	
2004	\$ 87,923
2005	87,923
2006	87,923
2007	<u>87,923</u>
Total Minimum Lease Payments	351,692
Less: Amount Representing Interest	<u>30,905</u>
Present Value of Future Minimum Lease Payments	<u>\$ 320,787</u>

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2003, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Land	\$ 88,623	\$ -	\$ -	\$ 88,623
Construction in Progress	111,583	399,813	-	511,396
Capital Assets Being Depreciated:				
Plant and Distribution System	36,942,582	34,187	-	36,976,769
Furniture, Fixtures, & Equipment	144,251	35,658	31,981	147,928
Total Capital Assets being Depreciated	37,329,113	70,002	31,981	37,367,134
Less Accumulated Depreciation	3,236,721	311,982	9,628	3,557,731
Total Capital Assets being Depreciated, Net of Depreciation	34,092,392	388,020	(41,609)	34,438,803
Total Capital Assets, Net	\$ 2,212,599	\$ 422,433	\$ (41,609)	\$ 2,593,423

**WATERWORKS DISTRICT NO. 1 OF WARD 4  
OF CALCASIEU PARISH, LOUISIANA  
Bogalusa, Louisiana  
Notes to Financial Statements (Continued)  
December 31, 2003 and 2002**

**Note 11 - Deferred Compensation Plan**

The District provides a deferred compensation plan to all of its employees created in accordance with Internal Revenue Code Section 407. The District must contribute an amount equal to 5% of the employee's compensation. Pension expense for 2003 and 2002 was \$10,526 and \$11,339, respectively.

**Note 12: Prior Year Balances**

Certain prior year amounts may have been reclassified to conform with current year presentation.



Founded in 1953

## BROUSSARD & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
Waterworks District No. 9 of Ward 4  
of Calcasieu Parish, Louisiana  
Sulphur, Louisiana

We have audited the financial statements of Waterworks District No. 9 of Ward 4 of Calcasieu Parish, Louisiana, as of and for the year ended December 31, 2011, and have issued our report thereon dated May 7, 2012. We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether financial statements of Waterworks District No. 9 of Ward 4 of Calcasieu Parish are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

#### Internal Control Over Financial Reporting

In planning and performing our audit we considered Waterworks District No. 9 of Ward 4 of Calcasieu Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in accounts 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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Board of Commissioners  
Watershed District No. 9 of Ward 4  
of Calcasieu Parish, Louisiana

This report is intended solely for the information and use of the managers of Watershed District No. 9 of Ward 4 of Calcasieu Parish, Louisiana and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Brown and Calhoun*

Lake Charles, Louisiana  
May 7, 2004



**WATERWORKS DISTRICT NO. 9 OF WARD 4  
OF CALCASIEU PARISH, LOUISIANA**  
Slidport, Louisiana  
**Schedule of Findings and Quantified Costs**  
**December 31, 2003**

**A. Summary of Independent Auditor's Results:**

1. Unqualified opinion on general-purpose financial statements.
2. Reportable conditions in internal control - Refer to B-1.
3. No instances of noncompliance noted.

**B. GASPAR Findings:**

1. None.

**C. Prior Year Findings:**

1. None.