

**NORTH MONROE SUBDIVISION
SEWERAGE DISTRICT #1**

*Orzechita Parish Police Jury
Monroe, Louisiana*

AUDIT REPORT

As of and For the Year Ended December 31, 2003

Under provisions of state law, this report is a public document. Copies of this report have been submitted to the entity and other appropriate public officials. The report is available for public inspection at the State Receipt office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-28-04

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, LA 71201
Phone (318) 323-4656 • Fax (318) 388-0724

**NORTH MONROE SUBDIVISION
SEWERAGE DISTRICT #1**

*Ouachita Parish Police Jury
Monroe, Louisiana*

**AUDIT REPORT
As of and For the Year Ended December 31, 2003**

Jimmie Sell, CPA
A Professional Accounting Corporation
**2908 Cameron Street, Suite C
Monroe, LA 71201
Phone (318) 323-4686 • Fax (318) 388-0724**

NORTH HAVEN SUBDIVISION SEWERAGE DISTRICT #1
Component Unit Financial Statements As of and For the Year Ended
December 31, 2003
With Supplemental Information Schedules

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
North Monroe Subdivision Sewerage District #1
Monroe, Louisiana
May 31, 2004

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, 2003, 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 auditing standards generally accepted in the United States of America. 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. 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 general-purpose 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, 2003, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 my report dated May 11, 2004 on my consideration of North Missouri Subdivision Sewerage District #1's internal control over financial reporting and a report dated May 11, 2004 on its compliance with certain provisions of laws, regulations, and grants. 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 my audit.



Jimmie Self, CPA
May 11, 2004

**NORTH MOBILE SEWERAGE DISTRICT IS
 QUINCY PARKS POLICE JURY
 Warren, Louisiana
 BALANCE SHEET
 ENTERPRISE FUND
 December 31, 2003**

	<u>2003</u>	
ASSETS		
Current assets		
Cash	\$	\$0
Accounts Receivable		<u>14,883</u>
Total Current Assets		<u>14,883</u>
Restricted Assets		
Cash		<u>15,124</u>
Total Restricted Assets		<u>15,124</u>
Property, Plant and Equipment:		
Property, Plant and Equipment		1,832,336
Less Accumulated Depreciation		<u>(266,863)</u>
Net property, plant, and equipment		<u>1,565,473</u>
TOTAL ASSETS	\$	<u>1,600,000</u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Current Liabilities Payable from Current Assets:		
Account Payable or Possible	\$	\$2,627
Notes Payable - Current		<u>1,000</u>
Total Current Liabilities Payable from Current Assets		<u>3,627</u>
Long Term Liabilities		
Revenue Bonds Payable		<u>154,000</u>
Total Long Term Liabilities		<u>154,000</u>
Total Liabilities		<u>157,627</u>
Fund Equity		
Retained Earnings - Reserve for Bond Payment		15,174
Retained Earnings - Unreserved		<u>14,809</u>
Retained Earnings - Total Fund Equity		<u>149,983</u>
TOTAL LIABILITIES AND FUND EQUITY:	\$	<u>1,600,000</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT

**NORTH HOULDS SEWERAGE DISTRICT #1
 ORLAITHA PARISH POLICE JURY
 HOULDS, LA
 PROPRIETARY FUND - ENTERPRISE FUND
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>2002</u>	
OPERATING REVENUES:		
SERVICE INCOME	\$	75,071
TOTAL OPERATING REVENUES:		<u>75,071</u>
OPERATING EXPENSES:		
BILLING EXPENSE		4,201
DEPRECIATION		25,706
INSURANCE		371
LABORATORY EXPENSE		1,798
LEGAL & PROFESSIONAL		1,065
OFFICE EXPENSE		1,158
INTEREST ON SHORT TERM LOAN		79
REPAIRS/MAINTENANCE		1,312
SUPERVISORY/ACCOUNTING		11,081
UTILITIES		1,679
BOND REG FEES		788
TOTAL OPERATING EXPENSES:		<u>61,448</u>
OPERATING INCOME (LOSS):		<u>13,623</u>
NONOPERATING REVENUES (EXPENSES):		
INTEREST EXPENSE		(25,888)
TOTAL NONOPERATING REVENUES (EXPENSES):		<u>(25,888)</u>
NET INCOME (LOSS):		(12,265)
RETAINED EARNINGS AT BEGINNING OF YEAR:		548,151
RETAINED EARNINGS AT END OF YEAR:	\$	<u><u>535,886</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**NORTH HAVEN POLICE DISTRICT #1
 QUARTERLY FINANCIAL STATEMENT
 FINANCE, 10/01/2014
 STATEMENT OF CASH FLOWS
 PROPERTY AND PUBLIC UTILITIES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2013**

CASH FLOWS FROM OPERATING ACTIVITIES:

NET INCOME FROM OPERATING ACTIVITIES		\$	(1,885)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
DEPRECIATION	15,794		
CHANGES IN ASSETS AND LIABILITIES:			
INCREASE/DECREASE IN ACCOUNTS RECEIVABLE	623		
INCREASE/DECREASE IN ACCOUNTS PAYABLE	<u>(2,094)</u>		
TOTAL ADJUSTMENTS			15,423
NET CASH PROVIDED BY OPERATING ACTIVITIES			<u>13,538</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

CAPITAL EXPENDITURES	<u>(200)</u>		
NET CASH USED IN INVESTING ACTIVITIES			<u>(200)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

PAIDMENT OF LONG-TERM DEBT	<u>(2,000)</u>		
NET TOTAL CASH PROVIDED FROM FINANCING ACTIVITIES			<u>(2,000)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS			1,338
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR			<u>11,200</u>

CASH AND CASH EQUIVALENTS AT END OF YEAR:

INTEREST PAID	15,894
DEPRECIATION	15,794

DISCLOSURE OF ACCOUNTING POLICY:

FOR PURPOSES OF THE STATEMENT OF CASH FLOWS, THE COMPANY CONSIDERS ALL HIGHLY LIQUID-DEBT INSTRUMENTS PURCHASED WITH A Maturity OF THREE MONTHS OR LESS TO BE CASH EQUIVALENTS.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
OF OUCHITA PARISH**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2015**

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 four 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 criteria includes the following:

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.

**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
OF OUACHITA PARISH**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2003**

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 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 Monroe 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 its 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 continuing 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 are included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at 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 the 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	21,000
Legal and Professional	2,062

**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
OF ORLEANS PARISH**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2003**

Utilities	2,639
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E. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and other money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The district has no investments.

G. ENCUMBRANCES

The district does not use encumbrance accounting.

H. RESTRICTED ASSETS

Certain proceeds of the enterprise fund resources are set aside for specific payments and are classified on the balance sheet as restricted assets because their use is limited by applicable requirements.

Briefly, the funds and provisions relating thereto are as follows:

1. **Bond Redemption Fund:** Restriction for annual payment of principal and interest.

I. FIXED ASSETS

Fixed assets of the district are valued at historical cost and are included on the balance sheet at the fund, net of accumulated depreciation. Construction period interest is immaterial and is not capitalized. Depreciation of all depreciable fixed assets is charged

**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
OF ORACHITA PARISH**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2003**

as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of periods from 5 to 40 years.

J. COMPENSATED ABSENCES

The district does not have a formal leave policy.

K. LONG-TERM LIABILITIES

Long-term liabilities are recognized within the enterprise fund.

L. 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.

2. CASH AND CASH EQUIVALENTS

At December 31, 2003, the district has cash and cash equivalents (bank balances) totaling \$ 13,282 as follows:

Demand Deposits	58
Restricted Cash	13,224
TOTAL	<u>13,282</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 custodial bank that is mutually acceptable to both parties. At December 31, 2003, the district has \$13,282 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 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 has failed to pay deposited funds upon demand.

**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
OF OUACHITA PARISH**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2003**

3. RECEIVABLES

The following is a summary of receivables at December 31, 2003:

<u>Class of Receivable</u>	<u>Current Assets</u>	<u>Total</u>
Accounts Receivable	14,553	14,553

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

4. FIXED ASSETS

A summary of fixed assets at December 31, 2003, follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Property, Plant & Equipment – December 31, 2002	1,021,648	-174,379	847,269
Additions – December 31, 2003	556		556
		-21,706	-21,706
Total	<u>1,022,204</u>	<u>-300,085</u>	<u>722,119</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 12/31/2003	<u>303,000</u>
Total Liability	
Less current portion	<u>4,000</u>
Long-term liability payable at 12/31/2003	<u>299,000</u>

"Sewer Revenue Bonds, Series 1998 of the North Monroe Sewer District #1 of the Parish of Ouachita, State of Louisiana," \$122,000, dated March 1, 1998; interest rate 5.125%, payable in annual installments of various amounts, including interest, due the first day of March.

The annual requirements to amortize all long-term debt outstanding as of December 31, 1998, are as follows: Note - No principal payment was until 2001.

**NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
OF OUACHITA PARISH**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 2013**

Year	Amount	Rate
2004	10,000	5.125%
2005	10,000	5.125%
2006	11,000	5.125%
2007	11,000	5.125%
2008	12,000	5.125%
2009	12,000	5.125%
2010	13,000	5.125%
2011	14,000	5.125%
2012	14,000	5.125%
2013	160,000	5.125%

7. OTHER POST-EMPLOYMENT BENEFITS

None.

8. RELATED PARTY TRANSACTIONS

None.

9. LITIGATION AND CLAIMS

None.

10. SUBSEQUENT EVENTS

None.

11. OTHER SUPPORT

None.

SUPPLEMENTAL INFORMATION

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
Monroe, Louisiana

Supplemental Information Schedule
As of and for the year then ended December 31, 2005

COMPENSATION PAID TO BOARD MEMBERS

The following schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 34 of the 1979 Session of the Louisiana Legislature.

*Schedule of Compensation Paid Board Members as of and for the Year Ended
December 31, 2005*

Herbert Masley 227 Bunting Drive Monroe, LA 71203	0.00
Michael W. Green 205 Holly Ridge Dr. Monroe, LA 71203	0.00
Scott Holder – Chairman 205 Bunting Dr Monroe, LA 71203	0.00
Anita H. Jones 301 Ray Drive Monroe, LA 71203	0.00

JIMMIE SELF, CPA
A PROFESSIONAL ACCOUNTING CORPORATION
1908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (504) 325-8696 Fax (504) 858-0714

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

Board of Commissioners
North Monroe Subdivision Sewerage District #1
Monroe, Louisiana
May 31, 2004

I have audited the (pro-34) 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, 2003, and have issued my report thereon dated May 31, 2004. I conducted my audit in accordance with auditing standards generally accepted 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 North Monroe Subdivision Sewerage District #1's (pro-34) general purpose financial statements are free of material misstatement, I 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 these provisions was not an objective of my audit and, 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered North Monroe Subdivision Sewerage District #1's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the (pro-34) general purpose financial statements and not to provide assurance on the internal control over financial reporting. My 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 for risk that misstatements in amounts that would be material in relation to the (pre-340) 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 over financial reporting and its operation that I consider to be material weaknesses.

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.



Jamini Soti, CPA
May 31, 2004

Jimmy Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71281
Phone (318) 323-6656 Fax (318) 388-6734

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2002

I have audited the financial statements of North Monroe Subdivision Sewerage District #1 as of and for the year ended December 31, 2002, and have issued my report dated June 4, 2003. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (and the provisions of OMB Circular A-133.) My audit of the financial statements as of December 31, 2002 resulted in an unqualified opinion (qualified, adverse, disclaimer).

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses yes no Reportable Conditions yes no

Compliance

Compliance material to Financial Statements yes no

Schedule of Prior Year Findings for the year ended December 31, 2002.

None.