

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY

ANNUAL FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2024

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
DECEMBER 31, 2024

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ACCOUNTANTS' COMPILATION REPORT

To the Board of Commissioners
North Monroe Subdivision Sewerage District #1
Monroe, Louisiana

Management is responsible for the accompanying financial statements of the business-type activities of North Monroe Subdivision Sewerage District #1 as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head and Schedule of Compensation Paid to Board Members are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Boards who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
April 15, 2025

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2024

ASSETS

	<u>2024</u>
<u>CURRENT ASSETS</u>	
Cash and Cash Equivalents	\$ 46,813
Restricted Cash	90,049
Receivables (Net)	<u>17,091</u>
<u>TOTAL CURRENT ASSETS</u>	<u>153,953</u>
<u>NON-CURRENT ASSETS</u>	
Capital Assets	1,323,647
Less: Accumulated Depreciation	<u>(753,755)</u>
<u>TOTAL NON-CURRENT ASSETS</u>	<u>569,892</u>
<u>TOTAL ASSETS</u>	<u>\$ 723,845</u>

LIABILITIES AND NET POSITION

<u>CURRENT LIABILITIES</u>	
Accounts Payable and Accrued Expenses Payable	\$ 22,674
Revenue Bonds Payable-Current Portion	<u>44,000</u>
<u>TOTAL CURRENT LIABILITIES</u>	<u>66,674</u>
<u>NON-CURRENT LIABILITIES</u>	
Bonds Payable	<u>197,000</u>
<u>TOTAL NON-CURRENT LIABILITIES</u>	<u>197,000</u>
<u>TOTAL LIABILITIES</u>	<u>263,674</u>
<u>NET POSITION</u>	
Investment in Capital Assets, Net of Related Debt	328,892
Restricted for Debt Service	90,049
Unrestricted	<u>41,230</u>
<u>TOTAL NET POSITION</u>	<u>460,171</u>
<u>TOTAL LIABILITIES AND NET POSITION</u>	<u>\$ 723,845</u>

See Accountants' Compilation Report and accompanying notes.

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>
<u>OPERATING REVENUE</u>	
Service Income	\$ 159,494
Operating Grant	<u>119,699</u>
<u>TOTAL OPERATING REVENUES</u>	<u>279,193</u>
<u>OPERATING EXPENSES</u>	
Billing Expense	15,820
Depreciation	29,527
Insurance	1,815
Laboratory Fees	2,696
Legal and Professional	3,315
Office Expense	152
Permit Fees	760
Maintenance and Repairs	19,226
Supervisory and Accounting	68,830
Utilities	<u>4,636</u>
<u>TOTAL OPERATING EXPENSES</u>	<u>146,777</u>
<u>OPERATING INCOME (LOSS)</u>	132,416
<u>NON-OPERATING REVENUES (EXPENSES)</u>	
Bond Reg Fee	(5,100)
Bond Interest Expense	(12,039)
Interest Income	<u>3,829</u>
<u>TOTAL NON-OPERATING REVENUES (EXPENSES)</u>	<u>(13,310)</u>
<u>CHANGE IN NET POSITION - INCREASE (DECREASE)</u>	119,106
<u>TOTAL NET POSITION - BEGINNING</u>	<u>341,065</u>
<u>TOTAL NET POSITION - ENDING</u>	<u>\$ 460,171</u>

See Accountants' Compilation Report and accompanying notes.

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Cash Received from Customers	\$ 283,699
Cash Paid to Suppliers for Goods and Services	(46,596)
Cash Paid to Professionals for Services	<u>(72,145)</u>
Net Cash Provided (Used) by Operating Activities	<u>164,958</u>
<u>CASH FLOWS FROM NON-CAPITAL AND FINANCING ACTIVITIES:</u>	
Bond Fee	(5,100)
Purchase of Fixed Assets	(119,699)
Interest Paid	<u>(12,755)</u>
Net Cash Provided (Used) by Non-Capital and Financing Activities	<u>(137,554)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>	
Principal Paid on Bond Debt	<u>(43,000)</u>
Net Cash Provided (Used) by Investing Activities	<u>(43,000)</u>
<u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	(15,596)
<u>CASH AND RESTRICTED CASH – BEGINNING</u>	<u>152,458</u>
<u>CASH AND RESTRICTED CASH – ENDING</u>	<u>\$ 136,862</u>
<u>RECONCILIATION OF CASH AND RESTRICTED CASH:</u>	
Cash	\$ 46,813
Restricted for Bond Funds	<u>90,049</u>
<u>TOTAL CASH AND RESTRICTED CASH</u>	<u>\$ 136,862</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET</u>	
<u>CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	
Operating Income (Loss)	\$ 119,106
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities	
Depreciation	29,527
Accounts Receivable	677
Interest and Bond Fee	17,855
Accounts Payable	(1,491)
Accrued Interest Payable	<u>(716)</u>
Net Cash Flow Provided (Used) by Operating Activities	<u>\$ 164,958</u>

See Accountants' Compilation Report and accompanying notes.

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: ORGANIZATION:

The North Monroe Subdivision Sewerage District #1, (the District), a component unit of the Ouachita Parish Police Jury, was organized under provisions of Louisiana Revised Statute (LSA-RS) by the Ouachita Parish Police Jury in 1968. The following is a brief description of the operations of North Monroe Subdivision Sewerage District #1 and includes the parish in which the District is located:

The District is governed by a five-member board of commissioners who are appointed by the Ouachita Parish Police Jury and are responsible for providing sewer service to users within the boundaries of the District. The board is not compensated for its services. The District serves approximately 400 residential and 50 commercial customers. The District has no employees.

GASB Statement No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14*, establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Statements, the District is considered a component unit of the Ouachita Parish Police Jury. As a component unit, the accompanying financial statements may be included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. Financial Statements

Governmental Accounting Standards Board Statement No 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local*

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

A. Financial Statements (Continued)

Governments, provides that special-purpose governments engaged only in business-type activities should present only the financial statements required for enterprise funds. For these governments, basic financial statements and required supplemental information (RSI) consist of:

1. Management's discussion and analysis (MD&A)
2. Statement of net position
3. Statement of revenues, expenses, and changes in net position
4. Statement of cash flows
5. Notes to the financial statements
6. RSI other than MD&A, if applicable

The District is a special-purpose government engaged only in business-type activities.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Enterprise fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operation. The operating revenues of the District are service fees. Operating expenses for enterprise funds

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

include the costs of the services, administrative expenses, and depreciation on capital assets. All revenues and expense not meeting this definition are reported as non-operating revenues and expenses.

C. Deposits

Cash includes amounts in a demand deposit account. State law limits the District's credit risk by restricting the District's investments to collateralized certificates of deposits, government-backed securities, commercial paper, the state-sponsored investment pool, and mutual funds consisting solely of government-backed securities.

D. Receivables

Receivables for sewer fees are generally shown net of an allowance for credit loss. These statements contain no provision for uncollectible accounts. The District is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole. Past due accounts are written-off when they are considered uncollectible by management.

E. Capital Assets

Capital assets, which include the sewerage system and improvements and equipment are reported in the enterprise fund financial statements. All of the District's capital assets are capitalized at historical cost. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

E. Capital Assets (Continued)

asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Estimated Lives</u>
Infrastructure - Sewerage System And Improvements	40 Years
Furniture and Equipment	5 - 10 Years

F. 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 certain reported amounts of assets and liabilities, disclosures, and revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

G. Advertising

The District expenses advertising costs as they are incurred. Advertising expenses for the year ended December 31, 2024 were immaterial.

H. Revenue Recognition

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues are charges to customers for service. Customers are billed monthly for services received during the month. The

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

H. Revenue Recognition (Continued)

District also recognizes as operating revenues the fees intended to recover the cost of connecting new customers to the system.

I. 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.

J. Cash Flow Information

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

K. Restricted Cash

Restricted cash consists of amounts deposited in Whitney Bank, with a balance of \$90,049, held in a money market fund. These funds are restricted for debt service payments.

NOTE 3: RELATED PARTY TRANSACTIONS:

There were no related party transactions during the year ended December 31, 2024.

NOTE 4: FINANCIAL INSTRUMENT DISCLOSURE:

The District has checking accounts at a local financial institution. The accounts, in total, are insured by the Federal Deposit Insurance Corporation up to \$250,000.

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 4: FINANCIAL INSTRUMENT DISCLOSURE: (Continued)

Deposits in bank accounts are stated at cost, which approximates market value. 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 pledged securities are required to be held in the name of the pledging fiscal agent or custodial bank in the form of safekeeping receipts.

NOTE 5: 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. Restricted assets include:

Reserve Debt Service	65,008	Reserved for Bond Principal and Interest
LA Debt Service Fund	<u>25,041</u>	To be Held and Kept by the Paying Agent
<u>Total Restricted Assets</u>	<u>90,049</u>	

The District's restricted assets at December 31, 2024 are reflected at \$90,049, and listed in the assets section on the Statement of Net Position as Restricted Cash.

Whitney Bank, as the administrator, has the funds restricted which are required by the bond agreement to maintain a sufficient amount in the Revenue Bond Sinking Fund to pay promptly and fully the principal and interest on the bonds as they come due and payable. These bonds will mature August 1, 2029.

NOTE 6: CAPITAL ASSETS:

A summary of Capital Assets at December 31, 2024, follows:

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 6: CAPITAL ASSETS: (Continued)

	12/31/2023		12/31/2024	
	<u>Balance</u>	<u>Additions</u>	<u>Balance</u>	
Sewerage System	1,181,083	119,699	1,300,782	
Furniture & Equipment	<u>22,865</u>	<u>-</u>	<u>22,865</u>	
Total	<u>1,203,948</u>	<u>119,699</u>	<u>1,323,647</u>	

	12/31/2023		12/31/2024	
	<u>Accumulated Depreciation</u>	<u>Current Depreciation</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Accumulated Depreciation	<u>724,228</u>	<u>29,527</u>	<u>753,755</u>	<u>569,892</u>

NOTE 7: LONG-TERM LIABILITIES:

The following is a summary of long-term debt transactions of the District for the year ended December 31, 2024:

	12/31/2023		12/31/2024	<u>Due Within</u>
<u>Bonds Payable</u>	<u>Balance</u>	<u>Principal</u>	<u>Balance</u>	
	284,000	43,000	241,000	10 Years

"Sewer Revenue and Refunding Bonds, Series 2013 of North Monroe Sewer District #1 of the Parish of Ouachita, State of Louisiana" (herein called the "Bonds") in the aggregate principal amount of \$648,000 issued under and in full compliance with the Constitution and Statutes of the State of Louisiana and, more particularly, Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Refunding Act"), and R.S. 39:1430 (R.S. 39:1430" and together with the Refunding Act, the "Act"), and under and pursuant to a resolution adopted on July 25, 2013, (the Bond Resolution) were issued for the purpose of refunding the remaining outstanding principal balance of the Issuer's \$522,000 Sewer Revenue Bonds Series 1999, (ii), the construction and acquisition of improvements, extensions, relocations and/or replacements to the system, (iii) funding a debt service reserve fund, and (iv) paying the cost of issuance in connection with the issuance of the Bonds (collectively referred to as the "Transaction").

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 7: LONG-TERM LIABILITIES: (Continued)

The Bonds are special and limited obligations of the Issuer payable from and secured as to payment of the principal and redemption price thereof; and interest thereon at 5.252%, in accordance with their terms and the provisions of the Bond Resolution the Net revenues to be derived from the operation of the System.

The Bonds maturing on and after August 1, 2029 may be callable for redemption at the option of the Issuer in full or in part at any time on or after August 1, 2023 at a redemption price equal to 102% of the principal amount of the Bonds to be redeemed plus accrued interest on the Bonds, if any, to the redemption date.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2024, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Paid</u>	<u>Balance</u>
Beginning Balance 12/31/2024				241,000
2025	44,000	11,503	55,503	197,000
2026	46,000	9,633	55,633	151,000
2027	48,000	7,563	55,563	103,000
2028	50,000	5,283	55,283	53,000
2029	<u>53,000</u>	<u>2,782</u>	<u>55,782</u>	-0-
	<u>241,000</u>	<u>36,764</u>	<u>277,764</u>	

The fair value of the bond payable is estimated based on the current rates offered to the District for debt of the same remaining maturities. At December 31, 2024, the fair value of the bond payable approximates the amounts recorded in the financial statements.

NOTE 8: RISK MANAGEMENT:

The District is exposed to various risk of loss related to torts, theft of, damage to, and destruction of assets. The Ouachita Parish Police Jury is responsible for these liabilities.

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 9: SUBSEQUENT EVENTS:

The District evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through April 15, 2025, the date which the financial statements were available to be issued, and no additional subsequent events were noted.

SUPPLEMENTAL SCHEDULES

SCHEDULE I

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2024

AGENCY HEAD NAME/TITLE: JEFF MCNEW

<u>Purpose</u>	<u>Amount</u>
Salary	-0-
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-other (describe) Cell Phone	-0-
Benefits-other (describe)	-0-
Benefits-other (describe)	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference travel	-0-
Housing	-0-
Unvouchered expenses (example: travel advances, etc.)	-0-
Special meals	-0-
Other	-0-

No compensation of any kind is paid to any agency head, chief executive, board member, or anyone else in this entity.

NORTH MONROE SUBDIVISION SEWERAGE DISTRICT #1
A COMPONENT UNIT OF THE OUACHITA PARISH POLICE JURY
SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS
FOR THE YEAR ENDED DECEMBER 31, 2024

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.

Glen A. Yacher -0-
108 Ray Drive
Monroe, LA 71203

Herbert Manley - Commissioner -0-
100 Bastrop Drive
Monroe, LA 71203

Anita H. Jones - Commissioner -0-
301 Ray Drive
Monroe, LA 71203

Wade Jackson -0-
207 Ray Dr.
Monroe, LA 71203