

**BAYOU D'ARBONNE LAKE  
WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

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**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL INFORMATION  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2009**

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 10/13/10

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**TABLE OF CONTENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

	Statements	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>		1
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>		2-5
<b>BASIC FINANCIAL STATEMENTS</b>		
Balance Sheet	A	6
Statement of Revenues, Expenses and Changes in Fund Net Assets	B	7
Statement of Activities	C	8
Statement of Cash Flows	D	9
Notes to the Financial Statements		10-13
<b>OTHER REPORTS</b>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		14-15
Schedule of Findings		16
Summary Schedule of Prior Findings		17
<b>SUPPLEMENTAL INFORMATION</b>		
Schedule of Per Diem Paid to Board Members		18
Schedule of Professional Service Payments Made to Contractors for Surveys, Feasibility Studies, and Special Studies		19
Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP), Annual Fiscal Report		20



# Hulsey, Harwood & Sheridan, LLC

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## Certified Public Accountants

### Independent Auditor's Report

To the Board of Commissioners  
Bayou D'Arbonne Lake Watershed District

We have audited the accompanying financial statements of the business-type activities of Bayou D'Arbonne Lake Watershed District, a component unit of the State of Louisiana, as of and for the year ended December 31, 2009, which collectively comprise the district's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Bayou D'Arbonne Lake Watershed District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our 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. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Bayou D'Arbonne Lake Watershed District, as of December 31, 2009, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2010, on our consideration of Bayou D'Arbonne Lake Watershed District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 2 through 5 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bayou D'Arbonne Lake Watershed District's basic financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

HULSEY, HARWOOD & SHERIDAN, LLC

*Hulsey, Harwood & Sheridan*

June 30, 2010

**BAYOU D'ARBONE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2009**

The Management's Discussion and Analysis of the Bayou D'Arbonne Lake Watershed District's (BTA) financial performance presents a narrative overview and analysis of Bayou D'Arbonne Lake Watershed District's (BTA) financial activities for the year ended December 31, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the financial statements, which begin on page 6.

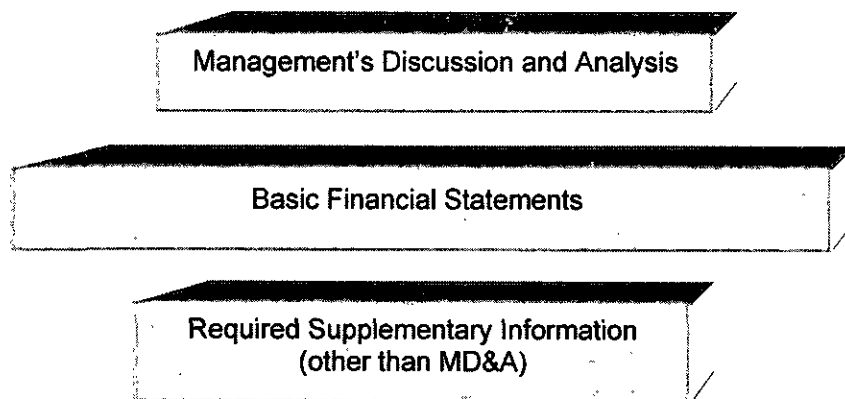
**FINANCIAL HIGHLIGHTS**

The Bayou D'Arbonne Lake Watershed District's (BTA) had net assets of \$168,021 and no liabilities. There was a 28% increase in assets from last fiscal year.

During the year ended December 31, 2008, the District was awarded a \$1.6 million Louisiana Department of Transportation grant for repairs to the spillway. The District expended \$1,134,613 during the year which is included in revenue and expenses.

**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 three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis (Continued)  
As of and for the Year Ended December 31, 2009**

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**Basic Financial Statements**

The basic financial statements present information for the Bayou D'Arbonne Lake Watershed District (BTA) 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 Fund Net Assets; the Statement of Activities, and the Statement of Cash Flows.

The Balance Sheet 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 Bayou D'Arbonne Lake Watershed District (BTA) is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how Bayou D'Arbonne Lake Watershed District's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, 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 Statement of Cash Flows presents information showing how Bayou D'Arbonne Lake Watershed District's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

**FINANCIAL ANALYSIS OF THE ENTITY**

**Statements of Fund Net Assets**

	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 152,788	\$115,953
Capital assets, net	<u>14,970</u>	<u>14,970</u>
Total assets	<u>167,758</u>	<u>130,923</u>
Total liabilities	<u>-</u>	<u>-</u>
Fund net assets:		
Invested in capital assets, net of debt	14,970	14,970
Unrestricted	<u>152,788</u>	<u>115,953</u>
Total fund net assets	<u>\$ 167,758</u>	<u>\$130,923</u>

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. The District has no such assets at December 31, 2009. Unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of Bayou D'Arbonne Lake Watershed District's (BTA) increased by \$37,098, or 28%, from December 31, 2008, to December 31, 2009.

**BAYOU D'ARBONE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis (Continued)  
As of and for the Year Ended December 31, 2009**

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**Statements of Revenues, Expenses, and Changes in Fund Net Assets**

	<u>2009</u>	<u>2008</u>
Program revenues:		
Operating grants and contributions	\$ 1,139,563	\$ 366,836
General revenues:		
Other taxes	48,170	49,175
Other	1,337	2,566
Total revenues	<u>1,189,070</u>	<u>418,577</u>
Expenses:		
Water conservation	<u>1,152,235</u>	<u>393,440</u>
Total expenses	<u>1,152,235</u>	<u>393,440</u>
<b>Change in fund net assets</b>	<b>36,835</b>	<b>25,137</b>
Fund net assets at beginning of year	<u>130,923</u>	<u>105,786</u>
Fund net assets at end of year	<u>\$ 167,758</u>	<u>\$ 130,923</u>

As mentioned above, due to a DOTD grant, Bayou D'Arbonne Lake Watershed District's (BTA) total revenues increased \$770,493 or 184% while the total cost of all programs and services increased by \$758,532 or 193%.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

At the end of 2009, the Bayou D'Arbonne Lake Watershed District (BTA) had \$14,970 invested in land. The District does not consider infrastructure such as boat launches to be material and does not capitalize them.

The District has no debt at December 31, 2009.

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

As a budgetary unit of the State of Louisiana, the District is exempt from the requirements of the Louisiana Local Government Budget Act. However, the Board of Commissioners does adopt a budget for funds expended from the District's operating account. This budget, along with the expenditures from the other accounts, is reviewed by the Board. There was one minor amendment to the budget during the year.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The 2010 operating budget adopted by the Board is consistent with previous years' operating results as no significant changes are expected.

**BAYOU D'ARBONE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis (Continued)  
As of and for the Year Ended December 31, 2009**

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**CONTACTING THE DISTRICT'S (BTA) MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Bayou D'Arbonne Lake Watershed District's (BTA) finances and to show the District's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board at P. O. Box 696, Farmerville, Louisiana 71241.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement A**

**BALANCE SHEET  
AS OF DECEMBER 31, 2009**

**ASSETS**

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Current assets:	
Cash and cash equivalents	\$ 152,788
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>14,970</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 167,758</u></u></b>

**LIABILITIES AND FUND NET ASSETS**

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Total liabilities	<u>\$ -</u>
Fund net assets:	
Invested in capital assets, net of related debt	14,970
Unrestricted	<u>152,788</u>
Total fund net assets	<u>167,758</u>
<b>TOTAL LIABILITIES AND FUND NET ASSETS</b>	<b><u><u>\$ 167,758</u></u></b>

*The accompanying notes are an integral part of these financial statements.*



**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement B**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

<hr/>	
Operating revenues:	
Charges for services	\$ -
Total operating revenues	<hr/> -
Operating expenses:	
Cost of services	7,155
Administration	8,234
Depreciation	-
Special projects	1,136,846
Total operating expenses	<hr/> 1,152,235
Operating loss	<hr/> (1,152,235)
Nonoperating revenues:	
Intergovernmental	1,139,563
Interest earnings	837
Franchise taxes	48,170
Other revenues	500
Total nonoperating revenues	<hr/> 1,189,070
Change in fund net assets	36,835
Fund net assets at beginning of year	130,923
Fund net assets at end of year	<hr/> <hr/> \$ 167,758

*The accompanying notes are an integral part of these financial statements.*

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement C**

**STATEMENT OF ACTIVITIES  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>FUNCTIONS/PROGRAMS</b>	<b>EXPENSES</b>	<b>PROGRAM REVENUES</b>			<b>NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS</b>
		<b>CHARGES FOR SERVICES</b>	<b>OPERATING GRANTS AND CONTRIBUTIONS</b>	<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>	
Water conservation	<u>\$1,152,235</u>	<u>\$ -</u>	<u>\$1,139,563</u>	<u>\$ -</u>	<u>\$ (12,672)</u>
General revenues:					
					837
					48,170
					500
					<u>49,507</u>
					<u>36,835</u>
					<u>130,923</u>
					<u>\$ 167,758</u>

*The accompanying notes are an integral part of these financial statements.*

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement D**

**STATEMENT OF CASH FLOWS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

Cash flows from operating activities:	
Payments to suppliers and contractors	<u>\$ (1,152,235)</u>
<b>Net cash provided (used) by operating activities</b>	<u><b>(1,152,235)</b></u>
Cash flows from noncapital financing activities:	
Taxes	48,170
State grants	1,134,613
Local grants	4,950
Other receipts	500
<b>Net cash provided (used) by noncapital and related financing activities</b>	<u><b>1,188,233</b></u>
Cash flows from capital and related financing activities	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u><b>-</b></u>
Cash flows from investing activities:	
Interest received	837
<b>Net cash provided (used) by investing activities</b>	<u><b>837</b></u>
Net increase (decrease) in cash and cash equivalents	36,835
Cash and cash equivalents, beginning of year (including amounts in restricted accounts)	115,953
<b>Cash and cash equivalents, end of year (including amounts in restricted accounts)</b>	<u><b>\$ 152,788</b></u>
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating loss	\$ (1,152,235)
Adjustments to reconcile operating loss to cash provided (used) by operating activities	-
<b>Net cash provided (used) by operating activities</b>	<u><b>\$ (1,152,235)</b></u>
<b>Noncash investing, capital and financing activities:</b>	
None	

*The accompanying notes are an integral part of these financial statements.*

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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**Introduction**

The Bayou D'Arbonne Lake Watershed District (BTA) (the District) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 38:2551. The Bayou D'Arbonne Lake Watershed District is a component unit of the State of Louisiana.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of accounting**

In April 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Bayou D'Arbonne Lake Watershed District (BTA) present information only as to the transactions of the programs of the Bayou D'Arbonne Lake Watershed District (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses 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.

The accounts of the Bayou D'Arbonne Lake Watershed District (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

**Revenue recognition**

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

**Expense recognition**

Expenses are recognized on the accrual basis; therefore, expenses are recognized in the period incurred, if measurable.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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**B. BUDGETARY ACCOUNTING**

As a budgetary unit of the State of Louisiana, the Bayou D'Arbonne Lake Watershed District is exempt from the requirements of the *Louisiana Local Government Budget Act*. However, the District does adopt a budget for the operating account.

**C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**Deposits with financial institutions**

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law, the Bayou D'Arbonne Lake Watershed District (BTA) may deposit funds with a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the District may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks; and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of presentation in the Statement of Cash Flows and Balance Sheet, all highly liquid investments (including negotiable certificates of deposit and restricted cash and cash equivalents) and deposits (including nonnegotiable certificates of deposit and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts 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 pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement No. 40, which amended GASB Statement No. 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement No. 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

**C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)**

The deposits at December 31, 2009, consisted of the following:

	<u>Cash</u>	<u>Nonnegotiable Certificates of Deposit</u>	<u>Other</u>	<u>Total</u>
Balance per agency books	\$ 152,788	\$ -	\$ -	\$ 152,788
Deposits in bank accounts per bank	\$ 152,788	\$ -	\$ -	\$ 152,788
<b>Bank balances of deposits exposed to custodial credit risk:</b>				
Deposits not insured and uncollateralized	\$ -	\$ -	\$ -	\$ -
Deposits not insured and collateralized with securities held by the pledging institution	\$ -	\$ -	\$ -	\$ -
Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency but not in the entity's name	\$ -	\$ -	\$ -	\$ -

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
Marion State Bank	Water Conservation	\$ 152,788

**Investments**

The Bayou D'Arbonne Lake Watershed District (BTA) does not maintain investment accounts.

**D. CAPITAL ASSETS**

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. The District's capital assets at December 31, 2009, consist only of land; therefore, no depreciation expense is recognized in the accompanying financial statements. The District's infrastructure is considered to be immaterial and is not capitalized and depreciated. Infrastructure consists of flood-alert equipment, channel markings, boat launch ramps, and other improvements.

**E. INVENTORIES**

The District's inventories are considered immaterial and are expensed when purchased.

**F. COMMITMENT**

On August 29, 2008, the District awarded a \$1,205,900 contract for repairs to the spillway to be funded by a Louisiana Department of Transportation and Development grant. As of December 31, 2009, the District had incurred expenses of \$1,115,411 under the contract.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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**G. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 30, 2010, the date on which the financial statements were available to be issued.



# Hulsey, Harwood & Sheridan, LLC

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**Certified Public Accountants**

Report on Internal Control over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards*

Bayou D'Arbonne Lake Watershed District  
State of Louisiana

We have audited the accompanying financial statements of the governmental activities of Bayou D'Arbonne Lake Watershed District, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 30, 2010. We conducted our 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.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered Bayou D'Arbonne Lake Watershed District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bayou D'Arbonne Lake Watershed District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Bayou D'Arbonne Lake Watershed District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings as 2009-1 that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



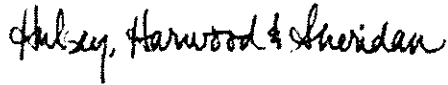
Bayou D'Arbonne Lake Watershed District  
State of Louisiana  
Independent Auditor's Report - GAGAS  
December 31, 2009

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bayou D'Arbonne Lake Watershed District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the members of the board of Bayou D'Arbonne Lake Watershed District, management, pass-through entities and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

HULSEY, HARWOOD & SHERIDAN, LLC



June 30, 2010

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**SCHEDULE OF FINDINGS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Bayou D'Arbonne Lake Watershed District.
2. One significant deficiency is reported in the Independent Auditor's Report on Compliance and Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of Bayou D'Arbonne Lake Watershed District were disclosed during the audit.

**B. FINANCIAL STATEMENT AUDIT - FINDINGS**

**2009-1 Bookkeeping and Financial Records**

**Condition**

The District maintains a financial record in an Excel spreadsheet. The record is a summary of the bank account activity and individual transactions are not listed in the spreadsheet. The District is maintaining records on the cash basis. However, the cutoff is based on when the transactions clear the bank rather than when deposits are made and checks are issued.

**Criteria**

A proper set of books generally consists of at least a general journal, a cash journal, a general ledger, and a trial balance. Such a system provides a trail whereby a user can readily determine which transactions were combined to arrive at each total on the trial balance. The basis of accounting may be cash or accrual.

**Cause**

The District has no employees and board members have limited time to devote to bookkeeping.

**Effect**

The accounting records may not be complete at year-end and the audit trail is more complicated than necessary.

**Recommendation**

We recommend that the District utilize a more detailed spreadsheet system or utilize a simple computer software program such as QuickBooks. We have provided an example spreadsheet for convenience.

We further recommend that all revenues and expenses be recorded and that the ending cash balance be reconciled to the bank statement at the end of each month. We have provided an Excel form for convenience. Alternatively, a computer software program or the form on the back of the bank statement may be used.

**Management's Response**

We will follow the auditor's recommendations.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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<b>Ref. No.</b>	<b>Fiscal Year Finding Initially Occurred</b>	<b>Description of Finding</b>	<b>Corrective Action Taken Yes, No, Partially</b>	<b>Planned Corrective Action/Partial Corrective Action Taken</b>
ML 2008-1	2008	Bookkeeping and Financial Records	No	2009-1

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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Steve Cagle, President	\$ -
Neal Walpole, Vice President	-
Micki Horrell, Secretary-Treasurer	-
Willie Hendricks	-
Noel James	-
John O'Neal, Jr.	-
Jack Rivers	-
Willie Sensley, Jr.	-
Total	<u>\$ -</u>

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**SCHEDULE OF PROFESSIONAL SERVICE PAYMENTS MADE TO CONTRACTORS  
FOR SURVEYS, FEASIBILITY STUDIES, AND SPECIAL STUDIES  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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There were no such payments.

DIVISION OF ADMINISTRATION  
OFFICE OF STATEWIDE REPORTING  
AND ACCOUNTING POLICY  
ANNUAL FISCAL REPORT

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FOR THE YEAR ENDED DECEMBER 31, 2009

Bayou D'Arbonne Lake Watershed District  
STATE OF LOUISIANA  
Annual Financial Statements  
December 31, 2009

CONTENTS

TRANSMITTAL LETTER  
AFFIDAVIT

	<u>Statements</u>
<hr/>	
MD&A	
Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities	C
Statement of Cash Flows	D
Notes to the Financial Statements	
A. Summary of Significant Accounting Policies	
B. Budgetary Accounting	
C. Deposits with Financial Institutions and Investments	
D. Capital Assets – Including Capital Lease Assets	
E. Inventories	
F. Restricted Assets	
G. Leave	
H. Retirement System	
I. Other Postemployment Benefits	
J. Leases	
K. Long-Term Liabilities	
L. Contingent Liabilities	
M. Related Party Transactions	
N. Accounting Changes	
O. In-Kind Contributions	
P. Defeased Issues	
Q. Revenues – Pledged or Sold (GASB 48)	
R. Government-Mandated Nonexchange Transactions (Grants)	
S. Violations of Finance-Related Legal or Contractual Provisions	
T. Short-Term Debt	
U. Disaggregation of Receivable Balances	
V. Disaggregation of Payable Balances	
W. Subsequent Events	
X. Segment Information	
Y. Due to/Due from and Transfers	
Z. Liabilities Payable from Restricted Assets	
AA. Prior-Year Restatement of Net Assets	
BB. Net Assets Restricted by Enabling Legislation	
CC. Impairment of Capital Assets	
DD. Employee Termination Benefits	
Schedules	
1 Schedule of Per Diem Paid to Board Members	
2 Not Applicable	
3 Schedules of Long-Term Debt (Not Applicable)	
4 Schedules of Long-Term Debt Amortization (Not Applicable)	
15 Schedule of Comparison Figures and Instructions	
16 Schedule of Cooperative Endeavors (Not Applicable)	

BAYOU D'ARBONNE LAKE WATERSHED DISTRICT

P.O. Box 696  
Farmerville, LA 71241

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June 30, 2010

Division of Administration, OSRAP  
Post Office Box 94095  
Baton Rouge, Louisiana 70804-9095

Re: Bayou D'Arbonne Lake Watershed District  
*Annual Report for the Year Ended December 31, 2009*

Please find enclosed the District's annual report as of and for the year ended December 31, 2009.

Please let us know if you have any questions.

Respectfully,

*Noel James*

Noel James, Vice President

Enclosure

Steve Cagle  
9365 Hwy 2  
Farmerville, LA  
President

Noel James  
2601 Cypress Springs  
Ruston, LA  
Vice President

John A. O'Neal, Jr.  
PO Box 536  
Choudrent, LA

Jack Rivers  
638 Woodyard Rd.  
Downsville, LA

Willis T. Sensley, Jr.  
P.O. Box 59  
Farmerville, LA

Terri Towns  
446 Dogwood Lane  
Farmerville, LA  
Secretary-Treasurer



STATE OF LOUISIANA  
Annual Financial Statements  
Fiscal Year Ending December 31, 2009

Bayou D'Arbonne Lake Watershed District  
P.O. Box 1613  
Ruston, Louisiana 71273

Division of Administration  
Office of Statewide Reporting  
and Accounting Policy  
P. O. Box 94095  
Baton Rouge, Louisiana 70804-9095

Legislative Auditor  
P. O. Box 94397  
Baton Rouge, Louisiana 70804-9397

Physical Address:  
1201 N. Third Street  
Claiborne Building, 6<sup>th</sup> Floor, Suite 6-130  
Baton Rouge, Louisiana 70802

Physical Address:  
1600 N. Third Street  
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Noel James, Vice-President  
of Bayou D'Arbonne Lake Watershed District(Agency) who duly sworn, deposes and says, that the financial  
statements herewith given present fairly the financial position of Bayou D'Arbonne Lake Watershed District  
(agency) at December 31, 2009 and the results of operations for the year then ended in accordance with  
policies and practices established by the Division of Administration or in accordance with Generally  
Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn  
and subscribed before me, this 2 day of July, 2010.

Noel James  
Signature of Agency Official

Rosy W. Bromell  
NOTARY PUBLIC

Prepared by: Noel James  
Title: Vice-President  
Telephone No.: 318-548-8900  
Date: 6/1/10

OFFICIAL SEAL  
ROSY W. BROMELL # 015293  
NOTARY PUBLIC  
LINCOLN PARISH  
STATE OF LOUISIANA  
COMMISSION EXPIRES WITH LIFE

**BAYOU D'ARBONE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2009**

The Management's Discussion and Analysis of the Bayou D'Arbonne Lake Watershed District's (BTA) financial performance presents a narrative overview and analysis of Bayou D'Arbonne Lake Watershed District's (BTA) financial activities for the year ended December 31, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the financial statements, which begin on page 8.

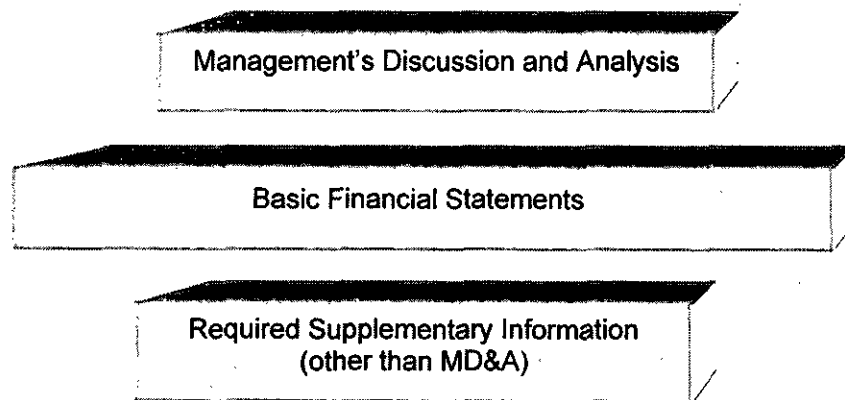
**FINANCIAL HIGHLIGHTS**

The Bayou D'Arbonne Lake Watershed District's (BTA) had net assets of \$168,021 and no liabilities. There was a 28% increase in assets from last fiscal year.

During the year ended December 31, 2008, the District was awarded a \$1.6 million Louisiana Department of Transportation grant for repairs to the spillway. The District expended \$1,134,613 during the year which is included in revenue and expenses.

**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 three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

**BAYOU D'ARBONE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis (Continued)  
As of and for the Year Ended December 31, 2009**

**Basic Financial Statements**

The basic financial statements present information for the Bayou D'Arbonne Lake Watershed District (BTA) 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 Fund Net Assets; the Statement of Activities, and the Statement of Cash Flows.

The Balance Sheet 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 Bayou D'Arbonne Lake Watershed District (BTA) is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how Bayou D'Arbonne Lake Watershed District's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, 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 Statement of Cash Flows presents information showing how Bayou D'Arbonne Lake Watershed District's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

**FINANCIAL ANALYSIS OF THE ENTITY**

	<b>Statements of Fund Net Assets</b>	
	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 152,788	\$ 115,953
Capital assets, net	14,970	14,970
Total assets	<u>167,758</u>	<u>130,923</u>
 Total liabilities	 -	 -
 Fund net assets:		
Invested in capital assets, net of debt	14,970	14,970
Unrestricted	<u>152,788</u>	<u>115,953</u>
Total fund net assets	<u>\$ 167,758</u>	<u>\$ 130,923</u>

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. The District has no such assets at December 31, 2008. Unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of Bayou D'Arbonne Lake Watershed District's (BTA) increased by \$37,098, or 28%, from December 31, 2008, to December 31, 2009.

**BAYOU D'ARBONE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis (Continued)  
As of and for the Year Ended December 31, 2009**

**Statements of Revenues, Expenses, and Changes in Fund Net Assets**

	<u>2009</u>	<u>2008</u>
Program revenues:		
Operating grants and contributions	\$ 1,139,563	\$ 366,836
General revenues:		
Other taxes	48,170	49,175
Other	1,337	2,566
Total revenues	<u>1,189,070</u>	<u>418,577</u>
Expenses:		
Water conservation	<u>1,152,235</u>	<u>393,440</u>
Total expenses	<u>1,152,235</u>	<u>393,440</u>
<b>Change in fund net assets</b>	<b>36,835</b>	<b>25,137</b>
Fund net assets at beginning of year	<u>130,923</u>	<u>105,786</u>
<b>Fund net assets at end of year</b>	<b><u>\$ 167,758</u></b>	<b><u>\$ 130,923</u></b>

As mentioned above, due to a DOTD grant, Bayou D'Arbonne Lake Watershed District's (BTA) total revenues increased \$770,493 or 184% while the total cost of all programs and services increased by \$758,532 or 193%.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

At the end of 2009, the Bayou D'Arbonne Lake Watershed District (BTA) had \$14,970 invested in land. The District does not consider infrastructure such as boat launches to be material and does not capitalize them.

The District has no debt at December 31, 2009.

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

As a budgetary unit of the State of Louisiana, the District is exempt from the requirements of the Louisiana Local Government Budget Act. However, the Board of Commissioners does adopt a budget for funds expended from the District's operating account. This budget, along with the expenditures from the other accounts, is reviewed by the Board. There was one minor amendment to the budget during the year.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The 2010 operating budget adopted by the Board is consistent with previous years' operating results as no significant changes are expected.

**BAYOU D'ARBONE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Management's Discussion and Analysis (Continued)  
As of and for the Year Ended December 31, 2009**

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**CONTACTING THE DISTRICT'S (BTA) MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Bayou D'Arbonne Lake Watershed District's (BTA) finances and to show the District's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board at P. O. Box 696, Farmerville, Louisiana 71241.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement A**

**BALANCE SHEET  
AS OF DECEMBER 31, 2009**

**ASSETS**

---

Current assets:	
Cash and cash equivalents	\$ 152,788
Noncurrent assets:	
Capital assets, net of accumulated depreciation	14,970
<b>TOTAL ASSETS</b>	<b><u>\$ 167,758</u></b>

**LIABILITIES AND FUND NET ASSETS**

---

Total liabilities	\$ -
Fund net assets:	
Invested in capital assets, net of related debt	14,970
Unrestricted	152,788
Total fund net assets	<u>167,758</u>
<b>TOTAL LIABILITIES AND FUND NET ASSETS</b>	<b><u>\$ 167,758</u></b>

*See accompanying notes.*

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement B**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

<hr/>	
Operating revenues:	
Charges for services	\$ -
Total operating revenues	<hr/> -
Operating expenses:	
Cost of services	7,155
Administration	8,234
Depreciation	-
Special projects	1,136,846
Total operating expenses	<hr/> 1,152,235
Operating loss	<hr/> <b>(1,152,235)</b>
Nonoperating revenues:	
Intergovernmental	1,139,563
Interest earnings	837
Franchise taxes	48,170
Other revenues	500
Total nonoperating revenues	<hr/> 1,189,070
<b>Change in fund net assets</b>	<b>36,835</b>
Fund net assets at beginning of year	130,923
<b>Fund net assets at end of year</b>	<b><hr/>\$ 167,758</b>

*See accompanying notes.*

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement C**

**STATEMENT OF ACTIVITIES  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Water conservation	<u>\$1,152,235</u>	<u>\$ -</u>	<u>\$1,139,563</u>	<u>\$ -</u>	<u>\$ (12,672)</u>
General revenues:					
					837
					48,170
					<u>500</u>
					<u>49,507</u>
					<u>36,835</u>
					<u>130,923</u>
					<u>\$ 167,758</u>

*See accompanying notes.*



**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**Statement D**

**STATEMENT OF CASH FLOWS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

Cash flows from operating activities:	
Payments to suppliers and contractors	<u>\$ (1,152,235)</u>
<b>Net cash provided (used) by operating activities</b>	<u><b>(1,152,235)</b></u>
Cash flows from noncapital financing activities:	
Taxes	48,170
State grants	1,134,613
Local grants	4,950
Other receipts	500
<b>Net cash provided (used) by noncapital and related financing activities</b>	<u><b>1,188,233</b></u>
Cash flows from capital and related financing activities	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u><b>-</b></u>
Cash flows from investing activities:	
Interest received	837
<b>Net cash provided (used) by investing activities</b>	<u><b>837</b></u>
Net increase (decrease) in cash and cash equivalents	36,835
Cash and cash equivalents, beginning of year (including amounts in restricted accounts)	115,953
<b>Cash and cash equivalents, end of year (including amounts in restricted accounts)</b>	<u><b>\$ 152,788</b></u>
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating loss	\$ (1,152,235)
Adjustments to reconcile operating loss to cash provided (used) by operating activities	-
<b>Net cash provided (used) by operating activities</b>	<u><b>\$ (1,152,235)</b></u>
<b>Noncash investing, capital and financing activities:</b>	
None	

*See accompanying notes.*

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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**INTRODUCTION**

The Bayou D'Arbonne Lake Watershed District (the District) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 38:2551. The Bayou D'Arbonne Lake Watershed District is a component unit of the State of Louisiana.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of accounting**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Bayou D'Arbonne Lake Watershed District (BTA) present information only as to the transactions of the programs of the Bayou D'Arbonne Lake Watershed District (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses 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.

The accounts of the Bayou D'Arbonne Lake Watershed District (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

**Revenue recognition**

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

**Expense recognition**

Expenses are recognized on the accrual basis; therefore, expenses are recognized in the period incurred, if measurable.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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**B. BUDGETARY ACCOUNTING**

As a budgetary unit of the State of Louisiana, the Bayou D'Arbonne Lake Watershed District is exempt from the requirements of the *Louisiana Local Government Budget Act*. However, the District does adopt a budget for the operating account.

**C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**1. Deposits with financial institutions**

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law, the Bayou D'Arbonne Lake Watershed District (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable certificates of deposit and restricted cash and cash equivalents) and deposits (including nonnegotiable certificates of deposit and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts 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 pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

**C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)**

**1. Deposits with financial institutions (Continued)**

The deposits at December 31, 2009, consisted of the following:

	<u>Cash</u>	<u>Nonnegotiable Certificates of Deposit</u>	<u>Other</u>	<u>Total</u>
Balance per agency books	\$ 152,788	\$ -	\$ -	\$ 152,788
Deposits in bank accounts per bank	\$ 152,788	\$ -	\$ -	\$ 152,788
<b>Bank balances of deposits exposed to custodial credit risk:</b>				
Deposits not insured and uncollateralized	\$ -	\$ -	\$ -	\$ -
Deposits not insured and collateralized with securities held by the pledging institution	\$ -	\$ -	\$ -	\$ -
Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency but not in the entity's name	\$ -	\$ -	\$ -	\$ -

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
Marion State Bank	Water Conservation	\$ 152,788

**2. Investments**

The Bayou D'Arbonne Lake Watershed District (BTA) does not maintain investment accounts.

**D. CAPITAL ASSETS**

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. The District's capital assets at December 31, 2009, consist only of land; therefore, no depreciation expense is recognized in the accompanying financial statements. The District's infrastructure is considered to be immaterial and is not capitalized and depreciated. Infrastructure consists of flood-alert equipment, channel markings, boat launch ramps, and other improvements.

**E. INVENTORIES**

The District's inventories are considered immaterial and are expensed when purchased.

**F. RESTRICTED ASSETS**

The District has no restricted assets.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

---

**G. LEAVE**

The District does not have any employees.

**H. RETIREMENT SYSTEM**

The District does not have any employees.

**I. OTHER POSTEMPLOYMENT BENEFITS**

The District does not have any employees.

**J. LEASES**

The District does not have any leases.

**K. LONG-TERM LEASES**

The District does not have any leases.

**L. CONTINGENT LIABILITIES**

The District is not a defendant in any litigation and is not aware of any contingent liabilities.

**M. RELATED PARTY TRANSACTIONS**

Management is not aware of any related party transactions.

**N. ACCOUNTING CHANGES**

There were no changes during the year ended December 31, 2009.

**O. IN-KIND CONTRIBUTIONS**

The District did not receive any in-kind contributions.

**P. DEFEASED ISSUES**

The District does not have any such issues.

**Q. REVENUES – PLEDGED OR SOLD**

The District does not have any such revenues.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

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**R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)**

The District does not have any such transactions.

**S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS**

Management is not aware of any such violations.

**T. SHORT-TERM DEBT**

The District does not have any debt.

**U. DISAGGREGATION OF RECEIVABLE BALANCES**

The District does not have any such balances.

**V. DISAGGREGATION OF PAYABLE BALANCES**

The District does not have any such balances.

**W. SUBSEQUENT EVENTS**

Management is not aware of any significant subsequent events.

**X. SEGMENT INFORMATION**

The District does not have segments.

**Y. DUE TO/DUE FROM AND TRANSFERS**

The District has only one fund.

**Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS**

The District does not have any such payables.

**AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS**

There were no such adjustments.

**BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46)**

The District does not have any such balances.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT  
STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

---

**CC. IMPAIRMENT OF CAPITAL ASSETS**

Management is not aware of any such impairment.

**DD. EMPLOYEE TERMINATION BENEFITS**

The District does not have any employees.

**EE. COMMITMENT**

On August 29, 2008, the District awarded a \$1,205,900 contract for repairs to the spillway to be funded by a Louisiana Department of Transportation and Development grant. As of December 31, 2009, the District had incurred expenses of \$1,115,411 under the contract.

**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

---

Steve Cagle, President	\$ -
Neal Walpole, Vice President	-
Micki Horrell, Secretary-Treasurer	-
Willie Hendricks	-
Noel James	-
John O'Neal, Jr.	-
Jack Rivers	-
Willie Sensley, Jr.	-
Total	<u>\$ -</u>

This schedule is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.



**BAYOU D'ARBONNE LAKE WATERSHED DISTRICT (BTA)  
STATE OF LOUISIANA**

**COMPARISON FIGURES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<b>2009</b>	<b>2008</b>	<b>Difference</b>	<b>Percentage Change</b>
Revenues	\$ 1,189,070	\$ 418,577	\$ 770,493	184%
Expenses	\$ 1,152,235	\$ 393,440	\$ 758,795	193%
Capital assets	\$ 14,970	\$ 14,970	\$ -	0%
Long-term debt	\$ -	\$ -	\$ -	0%
Fund net assets	\$ 167,758	\$ 130,923	\$ 36,835	28%

Explanation for change: Not required