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**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD**

**Primary Government Financial Statements
For the Years Ended December 31, 2001 and 2000**

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 4/10/02



Luffey
Huffman
& Monroe

(A Professional Accounting Corporation)
CERTIFIED PUBLIC ACCOUNTANTS

**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD**

DECEMBER 31, 2001 and 2000

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**Board of Supervisors
Bayou DeSiard - Bayou Bartholomew Cut-Off
Loop Water Conservation Board**

We have compiled the accompanying balance sheet of **Bayou DeSiard - Bayou Bartholomew Cut-Off Loop Water Conservation Board** (the Board - a political agency of the state of Louisiana), as of December 31, 2001 and 2000, and the related statements of income and changes in retained earnings, and cash flows for the years then ended, in accordance with the Statements for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, we do not express an opinion or any other form of assurance on them.

(A Professional Accounting Corporation)

February 19, 2002

**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
BALANCE SHEETS**

	December 31,	
	2001	2000
ASSETS		
Current Assets		
Cash in Checking	\$ 36	\$ 11
Cash in Savings	<u>48,671</u>	<u>48,107</u>
TOTAL ASSETS	<u><u>\$ 48,707</u></u>	<u><u>\$ 48,118</u></u>
LIABILITIES AND RETAINED EARNINGS		
Current Liabilities	<u>\$ -</u>	<u>\$ -</u>
Retained Earnings		
Reserved for Capital Improvements	4,350	4,350
Reserved for Pumping Power	23,001	23,001
Designated for Repairs	<u>21,356</u>	<u>20,767</u>
Total Retained Earnings	<u>48,707</u>	<u>48,118</u>
TOTAL LIABILITIES AND RETAINED EARNINGS	<u><u>\$ 48,707</u></u>	<u><u>\$ 48,118</u></u>

See accompanying notes and accountants' report

**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
 LOOP WATER CONSERVATION BOARD
 STATEMENT OF INCOME AND CHANGES IN RETAINED EARNINGS
 FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000**

	Year Ended December 31,	
	2001	2000
Operating Revenues	\$ -	\$ -
Operating Expenses		
Office and Administrative Expenses	975	1,067
Total Operating Expenses	975	1,067
Operating Loss	(975)	(1,067)
Non-operating Income	1,564	2,590
Net Income	589	1,523
Retained Earnings Beginning of Year	48,118	46,595
Retained Earnings End of Year	\$ <u>48,707</u>	\$ <u>48,118</u>

See accompanying notes and accountants' report

**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
 LOOP WATER CONSERVATION BOARD
 STATEMENT OF CASH FLOWS
 FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000**

	Year Ended December 31,	
	2001	2000
Cash Flow From Operating Activities:		
Operating Loss	\$ (975)	\$ (1,067)
Adjustments to Reconcile Loss from Operations to Net Cash Provided (Used) by Operating Activities	-	-
Total Adjustments	-	-
Net Cash Used by Operating Activities	(975)	(1,067)
Cash Flow From Investing Activities:		
Interest Income	1,564	2,590
Net Cash Provided by Investing Activities	1,564	2,590
Net Increase in Cash and Cash Equivalents	589	1,523
Cash and Cash Equivalents at Beginning of Year	48,118	46,595
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 48,707	\$ 48,118
SHOWN ON ACCOMPANYING BALANCE SHEET AS:		
Current Assets:		
Cash in Checking	\$ 36	\$ 11
Cash in Savings	48,671	48,107
TOTAL CASH AND CASH EQUIVALENTS	\$ 48,707	\$ 48,118

See accompanying notes and accountants' report.

**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 and 2000**

NOTE 1 - GENERAL

Bayou DeSiard-Bayou Bartholomew Loop Cut-Off Water Conservation Board (the Board) was created by the Louisiana Legislature as a political agency of the State of Louisiana pursuant to R.S. 38:2751-2757, as amended. A board of six members governs it. The Ouachita Parish Police Jury appoints three members: one member is appointed directly by the Jury, one member is appointed from a list of three candidates submitted by the Monroe Utilities Commission, and one member is appointed from a list of three candidates submitted by the town council of the Town of Sterlington. The Morehouse Parish Police Jury appoints three members: one member is appointed directly by the Jury, one member is appointed from a list of three candidates submitted by the City of Bastrop, and one member is appointed from a list of three candidates submitted by the Bastrop Association of Commerce and Industry.

The Board was created to establish, maintain, and protect a favorable level of fresh water in the Bayou DeSiard - Bayou Bartholomew Cut-Off Loop water system for all beneficial uses and purposes. Subject to certain limitations, the Board is empowered to construct, operate, and maintain any facilities necessary to accomplish the above responsibilities. The oversight body for the Board is the Louisiana Department of Agriculture, as that state department administers water conservation rules.

The Board's activity is accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on its balance sheet. As of December 31, 2001 and 2000 the Board did not have any Property, plant and equipment. The Board's reported equity (net total assets) is segregated into retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets. With regard to its proprietary activities, the Board has elected not to apply Financial Accounting Standards Board statements and interpretations issued since November 30, 1989 unless they are adopted by the GASB.

These funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 and 2000**

NOTE 2 - CASH AND CASH IN SAVINGS

Statutes require that the Board invest surplus cash balances in obligations of the United States Treasury, time certificates of deposit, or any other federally insured investments. The Board considers all checking and money market accounts as cash equivalents.

The Board's deposits totaling \$48,707 and \$48,118 at December 31, 2001 and 2000 respectively, were fully insured by the coverage of the Federal Deposit Insurance Corporation.

NOTE 3 - RETAINED EARNINGS


Prior to 1986, the City of Monroe contributed \$35,000 to be used in making capital improvements to the Aquifer System of which \$30,650 has been used, as of December 31, 2001, leaving a balance of \$4,350. Retained earnings have been reserved for these improvements. The City of Monroe provides funds to be used to cover the operating expenses of the water pumps, as the City of Monroe owns them. In fiscal year 1996, the City of Monroe contributed \$25,000 for pumping reserves. This amount, combined with the previous balance of \$8,783 totaled \$33,783 of which \$10,782 has been paid to the City of Monroe for pumping services, leaving a balance in the reserve of \$23,001 at December 31, 2001. In addition to the previously described reserved funds, the Board has designated the remaining retained earnings, \$21,356 for repairs to the pumping equipment as of December 31, 2001.

**BAYOU DESIARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
OUACHITA PARISH
MONROE, LOUISIANA**

AFFIDAVIT

Personally came and appeared before the undersigned authority, David Stokes, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Bayou DeSiard - Bayou Bartholomew Cut-Off Loop Water Conservation Board as of December 31, 2001, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, David Stokes, who, duly sworn, deposes and says that the Bayou DeSiard - Bayou Bartholomew Cut-Off Loop Water Conservation Board received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 2001, and, accordingly, is not required to have an audit for the previously mentioned fiscal year end.



Signature

Sworn to and subscribed before me, this 28th Day of March, 2002.



NOTARY PUBLIC

Officer	<u>David Stokes</u>
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	<u>Sterlington, LA 71280</u>
Telephone No.	<u>(318) 342-5155</u>