

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

**Primary Government Financial Statements
For the Years Ended December 31, 2002 and 2001**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the public and other appropriate state officials. The report is available for public inspection at the Office Rouge office of the Legislature, Austin and, where appropriate, at the office of the parish clerk of court.

Release Date 3/10/03



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

DECEMBER 31, 2002 and 2001

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**Luffey
Huffman
& Monroe**

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

**Fredrick Huffman, CPA,
L. Todd Monroe, CPA,
Dana Webster, CPA**

2001, Luffey, MBA, CPA (1983-2002)

**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, 2002 and 2001, 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 10, 2003

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

	December 31,	
	2002	2001
ASSETS		
Current Assets		
Cash in Checking	\$ 12	\$ 38
Cash in Savings	43,298	48,671
TOTAL ASSETS	\$ 43,310	\$ 48,709
LIABILITIES AND RETAINED EARNINGS		
Current Liabilities	\$ -	\$ -
Retained Earnings		
Reserved for Capital Improvements	4,390	4,390
Reserved for Pumping Power	23,001	21,081
Designated for Repairs	15,919	21,398
Total Retained Earnings	43,310	46,769
TOTAL LIABILITIES AND RETAINED EARNINGS	\$ 43,310	\$ 46,769

See accompanying notes and accountants' report.

**BAYOU DESLARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
STATEMENT OF INCOME AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001**

	Year Ended December 31,	
	2002	2001
Operating Revenues	\$ <u> -</u>	\$ <u> -</u>
Operating Expenses		
Pump Repairs	5,531	-
Office and Administrative Expenses	<u> 594</u>	<u> 973</u>
Total Operating Expenses	<u>5,925</u>	<u> 973</u>
Operating Loss	(5,925)	(973)
Non-operating Income	<u> 528</u>	<u> 1,564</u>
Net Income	(5,397)	589
Retained Earnings Beginning of Year	<u> 48,707</u>	<u> 48,118</u>
Retained Earnings End of Year	\$ <u> 43,310</u>	\$ <u> 48,707</u>

See accompanying notes and accountants' report.

**RAYOU DESLARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001**

	Year Ended December 31,	
	2002	2001
Cash Flow From Operating Activities:		
Operating Loss	\$ (5,912)	\$ (975)
Adjustments to Reconcile Loss from Operations to Net Cash Provided (Used) by Operating Activities		
Total Adjustments	-	-
Net Cash Used by Operating Activities	(5,912)	(975)
Cash Flow From Investing Activities:		
Interest Income	528	1,564
Net Cash Provided by Investing Activities	528	1,564
Net Increase (Decrease) in Cash and Cash Equivalents	(5,384)	589
Cash and Cash Equivalents at Beginning of Year	48,707	48,118
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 43,310	\$ 48,707

SHOWN ON ACCOMPANYING BALANCE SHEET AS:

Current Assets		
Cash in Checking	\$ 12	\$ 26
Cash in Savings	43,298	48,671
TOTAL CASH AND CASH EQUIVALENTS	\$ 43,310	\$ 48,707

See accompanying notes and accountants' report.

**BAYOU DESARD - BAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 and 2001**

NOTE 1 - GENERAL

Bayou Desard-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 Stallington. 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 Baytop, and one member is appointed from a list of three candidates submitted by the Baytop Association of Commerce and Industry.

The Board was created to establish, maintain, and protect a favorable level of fresh water in the Bayou Desard - 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 as 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, 2002 and 2001 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.

**RAYOU DESIARD - RAYOU BARTHOLOMEW CUT-OFF
LOOP WATER CONSERVATION BOARD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 and 2001**

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 \$43,310 and \$48,707 at December 31, 2002 and 2001 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 \$25,000 to be used in making capital improvements to the Aquifer System of which \$20,690 has been used, as of December 31, 2002, leaving a balance of \$4,310. 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 1986, 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 \$18,783 has been paid to the City of Monroe for pumping services, leaving a balance in the reserve of \$25,000 at December 31, 2002. In addition to the previously described reserved funds, the Board has designated the remaining retained earnings, \$15,959 for repairs to the pumping equipment as of December 31, 2002.

**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, 2002, 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, 2002, and, accordingly, is not required to have an audit for the previously mentioned fiscal year end.



Signature

Sworn to and subscribed before me, this 14th Day of February, 2003.



NOTARY PUBLIC

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*David Stokes, Notary Public
Ouachita Parish, Louisiana
Commission Expires 12/31/03*