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WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1998

(A COMPONENT UNIT OF THE
WEST BATON ROUGE PARISH POLICE JURY)

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 MAR 10 1999

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LOUISIANA SOCIETY CPAs

INDEPENDENT AUDITOR'S REPORT

February 10, 1999

To the Board of Control
West Baton Rouge Museum
Port Allen, Louisiana

I have audited the accompanying general purpose financial statements of the West Baton Rouge Museum, a component-unit of the West Baton Rouge Parish Police Jury, as of December 31, 1998, and for the year then ended. These general purpose financial statements are the responsibility of the Museum's management. My responsibility is to express an opinion of these general purpose financial statements based on my audit.

Except as discussed in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards and the standards for financial audits contained in the Government Auditing Standards issued by the United States General Accounting Office. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provided a reasonable basis for my opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue. The West Baton Rouge Parish Museum has included such disclosures in Note 14. Because of the unprecedented nature of the year 2000 issue, its effect and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the West Baton Rouge Parish Museum's disclosure with respect to the year 2000 issue made in Note 14. Further, I do not provide assurance that the West Baton Rouge Parish Museum is or will be year 2000 ready, that the West Baton Rouge Parish Museum's year 2000 remediation efforts will be successful in whole or in part, or that parties with whom the West Baton Rouge Parish Museum does business will be 2000 ready.

In my opinion, except for the effects of such adjustments, if any might have been determined to be necessary had I been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements above present fairly, in all material respects, the financial position of the West Baton Rouge Museum as of December 31, 1998, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated February 18, 1998, on our consideration of West Baton Rouge Museum's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.

Respectfully submitted

A handwritten signature in cursive script, appearing to read "Dall C. DeF..." with a long horizontal flourish extending to the right.

Certified Public Accountant

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1998

(With Comparative Balances for 1997)

	<u>GOVERNMENTAL</u> <u>FUND TYPE</u> <u>GENERAL</u> <u>FUND</u>	<u>ACCOUNT</u> <u>GENERAL</u> <u>FIXED</u> <u>ASSETS</u>	<u>GROUPS</u> <u>GENERAL</u> <u>LONG-TERM</u> <u>DEBT</u>	<u>TOTALS</u> <u>(MEMORANDUM ONLY)</u> <u>1998</u> <u>1997</u>	
<u>ASSETS</u>					
CASH AND CASH EQUIVALENTS	\$342,801	-0-	-0-	\$342,801	\$223,188
RECEIVABLES:					
AD VALOREM TAX	298,468	-0-	-0-	298,468	283,353
REVENUE SHARING	2,864	-0-	-0-	2,864	2,879
INVENTORY	1,490	-0-	-0-	1,490	3,245
FIXED ASSETS	-0-	\$210,499	-0-	210,499	183,560
AMOUNT TO PROVIDED FOR RETIREMENT OF COMPENSATED ABSENCES	-0-	-0-	\$612	612	482
TOTAL ASSETS	<u>645,623</u>	<u>210,499</u>	<u>612</u>	<u>856,734</u>	<u>696,707</u>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>LIABILITIES:</u>					
ACCOUNTS PAYABLE	\$1,676	-0-	-0-	\$1,676	\$1,341
DUE TO OTHER GOVERNMENTS	10,567	-0-	-0-	10,567	-0-
ACCRUED WAGES	4,436	-0-	-0-	4,436	-0-
COMPENSATED ABSENCES	-0-	-0-	\$612	612	482
DEFERRED REVENUE	309,998	-0-	-0-	309,998	301,964
TOTAL LIABILITIES	<u>326,677</u>	<u>-0-</u>	<u>612</u>	<u>327,289</u>	<u>304,787</u>
<u>FUND EQUITY:</u>					
INVESTMENT IN GENERAL FIXED ASSETS	-0-	\$210,499	-0-	210,499	183,560
FUND BALANCE UNRESERVED UNDESIGNATED	318,946	-0-	-0-	318,946	209,360
TOTAL FUND EQUITY	<u>318,946</u>	<u>210,499</u>	<u>-0-</u>	<u>529,445</u>	<u>392,920</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>645,623</u>	<u>210,499</u>	<u>612</u>	<u>856,734</u>	<u>696,707</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUND TYPE - GENERAL FUND
YEAR ENDED DECEMBER 31, 1998

(With Comparative Balances for 1997)

	<u>1998</u>	<u>1997</u>
<u>REVENUES:</u>		
AD VALOREM TAXES	\$304,150	\$288,141
INTERGOVERNMENTAL		
STATE REVENUE SHARING	4,319	4,179
GRANTS - STATE & LOCAL	-0-	10,609
FEEES & CHARGES	17,904	11,522
CULTURE & RECREATION	2,654	2,014
INTEREST	17,299	15,079
MISCELLANEOUS	5,582	6,659
TRANSPORTATION	-0-	2,250
	<hr/>	<hr/>
TOTAL REVENUES	351,908	340,453
	<hr/>	<hr/>
<u>EXPENDITURES</u>		
CULTURE AND RECREATION		
CURRENT		
SALARIES	119,625	111,517
BENEFITS	13,294	14,472
ADVERTISING	2,915	3,381
PRINTING	272	366
UTILITIES	6,224	7,638
COMMUNICATION	2,747	4,180
RENTALS	1,093	269
MAINTENANCE	4,498	7,172
PROFESSIONAL	25,353	12,558
INSURANCE	467	467
SUPPLIES	14,356	16,863
MATERIALS	642	1,200
TRAVEL	3,722	1,767
INTERGOVERNMENTAL	11,867	11,587
GRANTS	-0-	10,075
CAPITAL OUTLAY	35,247	36,693
	<hr/>	<hr/>
TOTAL EXPENDITURES	242,322	240,205
	<hr/>	<hr/>
EXCESS OF REVENUES OVER EXPENDITURES	109,586	100,248
FUND BALANCE, JANUARY 1	209,360	109,112
	<hr/>	<hr/>
FUND BALANCE, DECEMBER 31	<u>318,946</u>	<u>209,360</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPE - GENERAL FUND
YEAR ENDED DECEMBER 31, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES:</u>			
AD VALOREM TAXES	\$298,000	\$304,150	\$6,150
BALANCE FORWARD	32,000	-0-	(32,000)
STATE REVENUE SHARING	2,880	4,319	1,439
FEES & CHARGES	17,500	17,904	404
CULTURE & RECREATION	2,500	2,654	154
INTEREST	15,000	17,299	2,299
MISCELLANEOUS	4,135	5,582	1,447
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	372,015	351,908	(20,107)
	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>			
CULTURE AND RECREATION			
CURRENT			
SALARIES	112,000	119,625	(7,625)
BENEFITS	13,500	13,294	206
ADVERTISING	2,900	2,915	(15)
PRINTING	400	272	128
UTILITIES	7,000	6,224	776
COMMUNICATION	4,800	2,747	2,053
RENTALS	1,000	1,093	(93)
MAINTENANCE	4,300	4,498	(198)
PROFESSIONAL	20,000	25,353	(5,353)
INSURANCE	475	467	8
SUPPLIES	12,150	14,356	(2,206)
MATERIALS	1,700	642	1,058
TRAVEL	2,400	3,722	(1,322)
INTERGOVERNMENTAL	1,500	11,867	(10,367)
CAPITAL OUTLAY	42,300	35,247	7,053
BUILDING & CONTINGENCY	135,000	-0-	135,000
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	361,425	242,322	119,103
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	10,590	109,586	98,996
	<hr/>	<hr/>	<hr/>
FUND BALANCE, JANUARY 1		209,360	
		<hr/>	
FUND BALANCE, DECEMBER 31		318,946	
		<hr/>	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

The West Baton Rouge Museum (Museum) is a general museum (history and art) which largely deals with the past and present activities of West Baton Rouge Parish. Permanent and temporary exhibits are housed at the Museum, illustrating the area's history and art, both from this area and further afield. Two historic buildings are also on site and are part of our interpretive program. Numerous educational programs and workshops are held throughout the year.

The West Baton Rouge Museum Board was established by Act No. 120 of the Louisiana Legislature in 1991, under the provisions of Louisiana Revised Statutes 25:1201 through 1213.

The population of West Baton Rouge Parish is 19,419. The Museum has about ten thousand visitors annually.

The Museum employs approximately 10 full/part time people.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the West Baton Rouge Parish Museum have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. PRINCIPLES DETERMINING SCOPE OF REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established Criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the police jury is determined on the basis of the following criteria:

1. Appointment of governing board
2. Designation of management
3. Ability to significantly influence operations
4. Accountability for fiscal matters
5. Scope of public service

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

B. PRINCIPLES DETERMINING SCOPE OF REPORTING ENTITY (Continued)

Because the Police Jury appoints a member of the board, the Museum was determined to be a general purpose of the parish and the governing body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the Museum and do not present information on the Jury, the general governmental services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

C. FUND ACCOUNTING

The Museum uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the Museum are classified as governmental funds. Governmental funds are used to account for all or most of the Museum's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets and the servicing of general long-term debt. Governmental funds include:

General Fund - the general operating fund of the Museum accounts for all financial resources, except those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheets.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

D. BASIS OF ACCOUNTING (Continued)

Operating statements of these funds represent increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized when they become measurable and available as net current assets.

Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when received by the collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenues when they are measurable and their validity seems certain.

Property tax revenue is recognized when it becomes available. Available means when due, or past due and the receivables are collected, generally within 60 days after year end.

Under the modified accrual basis of accounting, some revenues are susceptible to accrual while others are not. Major revenues treated as susceptible to accrual are property taxes and certain state shared revenues.

Expenditures

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. BUDGETS

The Museum uses the following budget practices:

1. Annually, in the fall of each year, the museum submits a proposed operating budget for the general fund, prepared on the GAAP basis, to the Board of Control for adoption.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

E. BUDGETS (Continued):

2. The Police Jury conducts public hearings on the budget, which must be adopted by December 15. For the year ended December 1993, public notices affording the public the opportunity to participate in the budget process, appeared in the November issue of the West Side Journal, the official journal of the parish.
3. Budget amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the respective Board of Control.
4. All unencumbered budget appropriations, lapse at the end of each fiscal year.

F. ENCUMBRANCES

The Museum does not follow the encumbrance method of accounting.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts. Under state law, the Museum may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

H. INVENTORIES

Inventories are recorded at cost and consist of museum gifts for sale.

I. PREPAID ITEMS

Insurance and similar services which extend over more than one accounting period have been recognized as expenditures when paid.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

J. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructure is not capitalized. Construction period interest is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. The costs of the building was estimated to be \$300,385. All other cost were available.

K. COMPENSATED ABSENCES

Employees earn vacation (annual leave) in varying amounts according to years of service as follows:

After 1 year of continual service - 2 weeks
After 5 years of continual service - 3 weeks
After 15 years of continual service - 4 weeks
After 20 years of continual service - 5 weeks

Sick leave shall accrue at the rate of one working day of leave for each full month of the employee's service. No maximum on accumulated leave.

An employee resigning shall be compensated for vacation leave (only) accumulated to the date of separation, not to exceed three hundred hours.

L. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

M. TOTAL COLUMN ON COMBINED STATEMENTS

Total Column on the Combined Statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

NOTE 2 - LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 1998 follows:

<u>FUND</u>	<u>MILLS</u>	<u>EXPIRATION DATE</u>	<u>PROPERTY ASSESSED VALUATIONS</u>	<u>TAXES ASSESSED FOR GENERAL PURPOSES</u>
General Fund Museum Tax	2.00	2003	\$179,341,830	\$305,701

The following are the principal taxpayers for the parish:

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>1998 ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Dow Chemical Company	Chemicals	\$28,961,110	16.15%
Exxon Corporation	Oil Storage	13,651,940	7.61%
Borden Chemical	Chemicals	13,326,260	7.43%
Placid Refining Company	Oil Refinery	7,497,280	4.18%
Cargill	Grain Exporter	7,138,730	3.98%
DSM Copolymer Inc	Rubber	3,724,670	2.07%
Entergy	Electricity	3,302,290	1.84%
National Marine	Barge Service	3,052,210	1.70%
Trinity Marine	Barge Service	2,164,470	1.20%
Bell South	Telephone	1,851,410	1.03%
Totals		84,670,370	47.19%

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CASH AND CASH EQUIVALENTS

At year end the Museum has cash and cash equivalent (book balances) as follows:

Gift Shop Register	\$100
Demand Deposit	5,069
Certificate of Deposits	337,632
	<hr/>
Total Cash & Cash Equivalents	342,801
	<hr/> <hr/>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1998, the Museum had \$345,570 in deposits (collected bank balances). These deposits are insured from risk by \$105,068 of federal deposit insurance and \$1,035,600 of pledged securities (market value) held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

NOTE 4 - RECEIVABLES AND PAYABLES

A. A Summary of Receivables as of December 31, 1998, Follows:

	<u>CLASS OF RECEIVABLES</u>		
	<u>TAXES:</u> <u>AD</u> <u>VALOREM</u>	<u>INTER-</u> <u>GOVERNMENTAL</u> <u>STATE</u>	<u>TOTAL</u>
General Fund	\$298,468	\$2,864	\$301,332
	<hr/>	<hr/>	<hr/>

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - CHANGES IN FIXED ASSETS

A. A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>1/1/98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/98</u>
Aillet House	\$112,500	\$-0-	\$-0-	\$112,500
Equipment	71,060	26,939	-0-	97,999
	<u>183,560</u>	<u>26,939</u>	<u>-0-</u>	<u>210,499</u>
Total	<u>183,560</u>	<u>26,939</u>	<u>-0-</u>	<u>210,499</u>

NOTE 6 - DEFERRED REVENUE

Deferred Revenue comprises of the following as of year end:

Deferred Ad Valorem Taxes	\$305,701
Deferred State Revenue Sharing	4,297
Total	<u>309,998</u>

NOTE 7 - PENSION PLAN AND RETIREMENT COMMITMENTS

Plan Description.

Substantially all Museum's employees are members of the Parochial Employees' Retirement System of Louisiana ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. All employees of the Museum are members of Plan A. All permanent Museum employees working at least 28 hours a week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for most employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental plan only service earned prior to January 1,

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - PENSION PLAN AND RETIREMENT COMMITMENTS (Continued)

1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Funding Policy

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Museum is required to contribute at an actuarially determined rate. The current rate is 8.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B, based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Museum are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Museum's contributions to the System under Plan A for the years ended **December 31, 1998, 1997, and 1996**, were \$7,458, \$6,881, and \$6,268, respectively, equal to the required contributions for each year.

NOTE 8 - POST-RETIREMENT BENEFITS

The Museum does not have any retired employees or Post-Retirement Benefits.

NOTE 9 - COMPENSATED ABSENCES

As of December 31, 1998, employees of the Museum have accumulated and vested \$612 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. This amount is recorded within the general long-term obligations account group.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligations transactions for the year is as follows:

Long-term obligations, Beginning of Year	\$482
Deletions	130
Long-term obligations, End of Year	<u>612</u>

NOTE 11 - LITIGATION AND CLAIMS

As of December 31, 1998, there was no litigation pending against the West Baton Rouge Museum, nor was the Museum aware of any unasserted claims.

NOTE 12 - RELATED PARTY AGREEMENT

The West Baton Rouge Museum paid the West Baton Rouge Police Jury \$50 per pay period (\$1,300 annually) to prepare its payroll. The Police Jury also provides the Museum with its building.

NOTE 13 - COMPENSATION PAID TO BOARD MEMBERS

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

No compensation was paid to any member of the Board of Control.

WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE 14 - YEAR 2000 ISSUE

The year 2000 is the result of shortcomings in many processing systems and other electronic equipment that may adversely affect the West Baton Rouge Parish Museum's operations as early as fiscal year 1999. The West Baton Rouge Parish Museum is in the process of inventorying computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting the operations of the West Baton Rouge Parish Museum's operations. It is unknown as of October 31, 1998, what effects, if any, failing to remediate any such systems will have upon West Baton Rouge Parish Museum's operations and financial reporting. Because of the unprecedented nature of the year 2000 issue, its effect and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management of the West Baton Rouge Parish Museum cannot assure that the West Baton Rouge Parish Museum is or will be successful in whole or in part, or that parties with whom the West Baton Rouge Parish Museum does business will be 2000 ready.

Donald C. DeVille

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

February 10, 1999

West Baton Rouge Museum.
Port Allen, Louisiana

I have audited the financial statements of the West Baton Rouge Museum as of and for the year ended December 31, 1998, and have issued my report thereon dated February 10, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

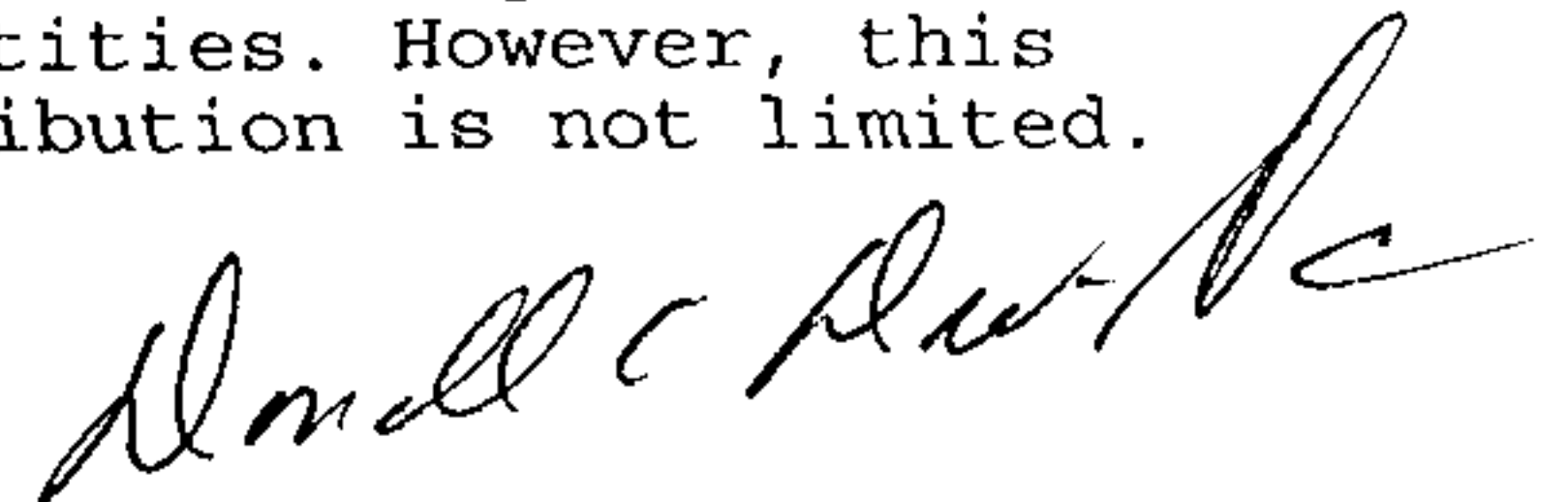
COMPLIANCE

As part of obtaining reasonable assurance about whether West Baton Rouge Museum's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing my audit, I considered name's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and distribution is not limited.



WEST BATON ROUGE MUSEUM
WEST BATON ROUGE PARISH POLICE JURY
PORT ALLEN, LOUISIANA
PRIOR YEARS FINDINGS
YEAR ENDED DECEMBER 31, 1998

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Reportable Condition: The Museum accounting system uses an older version of Quicken which does track balance sheet items. explanation.

Status: The Museum has upgraded its software but now needs to be assure that it is year 2000 compliant.

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