

RECEIVED
LEGISLATIVE AUDITOR
2000 JUN 28 AM 9:34

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
PRIMARY GOVERNMENT FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

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 JUL 12 2000

KENNETH D. FOLDEN & CO.
CERTIFIED PUBLIC ACCOUNTANTS

302 EIGHTH STREET, JONESBORO, LA 71251
(318) 259-7316
FAX (318) 259-7315

**JACKSON PARISH POLICE JURY
 JONESBORO, LOUISIANA
 TABLE OF CONTENTS
 FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Statement</u>	<u>Page</u>
INDEPENDENT AUDITORS' REPORT		1-2
PRIMARY GOVERNMENT FINANCIAL STATEMENTS:		
Combined Balance Sheet - All Fund Types and Account Groups	A	3-4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	B	5-6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General Fund and Special Revenue Funds	C	7-10
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Capital Project Funds	D	11
Notes to the Financial Statements		12-21
	<u>Schedule</u>	<u>Page</u>
SUPPLEMENTAL INFORMATION SCHEDULES:		
Special Revenue Funds:		
Combining Balance Sheet	1	24-25
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	2	26-29
Capital Projects Funds:		
Combining Balance Sheet	3	31
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	4	32
Compensation Paid Police Jurors	5	34
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>		35
Schedule of Findings and Questioned Costs		36

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, CPA

Members
Society of Louisiana
Certified Public Accountants

302 Eighth Street
Jonesboro, LA 71251
(318) 259-7316
FAX (318) 259-7315

Members
American Institute of
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

**The Members of the
Jackson Parish Police Jury
Jonesboro, Louisiana**

We have audited the accompanying primary government financial statements of the Jackson Parish Police Jury as of and for the year ended December 31, 1999. These primary government financial statements are the responsibility of the Jackson Parish Police Jury's management. Our responsibility is to express an opinion on these primary government financial statements based on our audit.

We conducted our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 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 opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the Jackson Parish Police Jury, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of the Jackson Parish Police Jury do not purport to, and do not, present fairly the financial position of the Jackson Parish Police Jury, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Jackson Parish Police Jury, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated June 16, 2000, on our consideration of the Jackson Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Jackson Parish Police Jury taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Kenneth D. Folden & Co., CPAs

Kenneth D. Folden & Co., CPAs
Jonesboro, Louisiana

June 16, 2000

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS
COMBINED BALANCE SHEET, DECEMBER 31, 1999**

Governmental Fund Type	
General Fund	Special Revenue Funds

Assets and other debits

Assets:

Cash	\$ 116,911	\$ 121,223
Investments, at cost	911,000	2,562,931
Receivables	418,079	1,059,748
Fixed assets		

Other Debits:

Amount available in landfill closure special revenue fund
Amount to be provided for general long-term obligations

Total assets and other debits	\$ 1,445,990	\$ 3,743,902
--------------------------------------	---------------------	---------------------

Liabilities, equity and other credits

Liabilities:

Accounts payable	\$ 35,368	\$ 203,655
Certificates of indebtedness		
Capital lease payable		
Compensated absences payable		
Estimated liability for landfill closure costs		

Total liabilities	35,368	203,655
--------------------------	---------------	----------------

Fund equity and other credits:

Investment in general fixed assets

Fund balances:

Unreserved - undesignated	1,410,622	3,540,247
---------------------------	-----------	-----------

Total equity and other credits	1,410,622	3,540,247
---------------------------------------	------------------	------------------

Total liabilities, equity and other credits	\$ 1,445,990	\$ 3,743,902
--	---------------------	---------------------

Capital Projects Funds	Account Groups		Total (Memorandum Only)
	General Fixed Assets	General Long-Term Obligations	

\$ 72,228	\$	\$	\$ 310,362
388,000			3,861,931
			1,477,827
	6,830,477		6,830,477
		398,839	398,839
		653,611	653,611
<u>\$ 460,228</u>	<u>\$ 6,830,477</u>	<u>\$ 1,052,450</u>	<u>\$ 13,533,047</u>

\$ 117,518	\$	\$	\$ 356,541
		850,000	850,000
		5,516	5,516
		77,993	77,993
		118,941	118,941
<u>117,518</u>	<u>NONE</u>	<u>1,052,450</u>	<u>1,408,991</u>
	6,830,477		6,830,477
<u>342,710</u>			<u>5,293,579</u>
<u>342,710</u>	<u>6,830,477</u>	<u>NONE</u>	<u>12,124,056</u>
<u>\$ 460,228</u>	<u>\$ 6,830,477</u>	<u>\$ 1,052,450</u>	<u>\$ 13,533,047</u>

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

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
GOVERNMENTAL FUNDS**

Statement B

**COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 1999**

General Fund	Special Revenue Funds	Capital Projects Funds	Total (Memorandum Only)
-----------------	-----------------------------	------------------------------	-------------------------------

Revenues

Taxes:

Ad valorem	\$ 238,844	\$ 924,885		\$ 1,163,729
Sales tax	7,365	1,333,327		1,340,692
Other taxes, penalties and interest, etc.	48,941			48,941
Licenses and permits	2,555			2,555
Intergovernmental revenues:				
State funds:				
Severance tax	645,256			645,256
Parish transportation funds		288,121		288,121
State revenue sharing (net)	23,119	88,967		112,086
State aid grants	148,028	68,019		216,047
Federal grants			220,507	220,507
Fees, charges and commissions	20,947			20,947
Fines and forfeitures		20,318		20,318
Miscellaneous revenues	556	27,577		28,133
Use of money and property	58,435	167,745	28,197	254,377
Total revenues	1,194,046	2,918,959	248,704	4,361,709

Expenditures

General government:

Legislative	66,718			66,718
Judicial	76,655			76,655
Elections	25,039			25,039
Financial and administrative	170,894			170,894
Other general government	164,927	90,168		255,095
Public safety	151,727	113,838		265,565
Public works	12,500	3,293,851		3,306,351
Health and welfare	19,220	21,013		40,233
Culture and recreation	26,349	244,518		270,867
Capital outlay	117,185	171,715	916,921	1,205,821
Debt service:				
Principal retirement		21,046		21,046
Interest		1,295		1,295
Total expenditures	831,214	3,957,444	916,921	5,705,579

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1999**

	General Fund	Special Revenue Funds	Capital Projects Funds	Total (Memorandum Only)
Excess (deficiency) of revenues over (under) expenditures	362,832	(1,038,485)	(668,217)	(1,343,870)
Other financing sources (uses):				
Operating transfers in		500,000	77,000	577,000
Operating transfers out	(327,000)	(50,000)	(200,000)	(577,000)
Sale of equipment		44,336		44,336
Transfers out to other governmental units		(120,264)		(120,264)
Proceeds from certificates of indebtedness			850,000	850,000
Total other financing sources (uses)	(327,000)	374,072	727,000	774,072
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	35,832	(664,413)	58,783	(569,798)
Fund balances at beginning of year	1,374,790	4,204,660	283,927	5,863,377
Fund balances at end of year	<u>\$ 1,410,622</u>	<u>\$ 3,540,247</u>	<u>\$ 342,710</u>	<u>\$ 5,293,579</u>

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

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
GOVERNMENTAL FUNDS - GENERAL AND SPECIAL REVENUE FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999**

General Fund		
Budget	Actual	Variance Favorable (Unfavorable)

Revenues

Taxes:

Ad valorem	\$ 230,000	\$ 238,844	\$ 8,844
Sales tax	7,000	7,365	365
Other taxes, penalties and interest, etc.	45,000	48,941	3,941
Licenses and permits	3,000	2,555	(445)
Intergovernmental revenues:			
State funds:			
Severance tax	600,000	645,256	45,256
Parish transportation fund			
State revenue sharing (net)	23,000	23,119	119
State aid grant	158,000	148,028	(9,972)
Federal grants			
Fees, charges and commissions for services	21,000	20,947	(53)
Fines and forfeitures			
Miscellaneous revenues	300	556	256
Use of money and property	30,300	58,435	28,135
Total revenues	1,117,600	1,194,046	76,446

Expenditures

General government:

Legislative	80,000	66,718	13,282
Judicial	97,000	76,655	20,345
Elections	28,400	25,039	3,361
Finance and administrative	198,650	170,894	27,756
Other general government	181,100	164,927	16,173
Public safety	185,100	151,727	33,373
Public works	12,500	12,500	
Health and welfare	19,700	19,220	480
Culture and recreation	35,000	26,349	8,651
Capital outlay	138,550	117,185	21,365
Debt service:			
Principal retirement			
Interest			
Total expenditures	976,000	831,214	144,786

Special Revenue Funds		
Budget	Actual	Variance Favorable (Unfavorable)

\$ 949,000	\$ 924,885	\$ (24,115)
1,250,000	1,333,327	83,327

330,000	288,121	(41,879)
90,100	88,967	(1,133)
69,300	68,019	(1,281)

12,000	20,318	8,318
9,000	27,577	18,577
105,100	167,745	62,645

<u>2,814,500</u>	<u>2,918,959</u>	<u>104,459</u>
------------------	------------------	----------------

79,900	90,168	(10,268)
	113,838	(113,838)
4,004,300	3,293,851	710,449
35,000	21,013	13,987
320,900	244,518	76,382
318,000	171,715	146,285

23,000	21,046	1,954
	1,295	(1,295)

<u>4,781,100</u>	<u>3,957,444</u>	<u>823,656</u>
------------------	------------------	----------------

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

**JACKSON PARISH POLICE JURY
 JONESBORO, LOUISIANA
 GOVERNMENTAL FUNDS - GENERAL AND SPECIAL REVENUE FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 1999**

General Fund		
Budget	Actual	Variance Favorable (Unfavorable)

Excess (deficiency) of revenues over (under) expenditures	<u>141,600</u>	<u>362,832</u>	<u>221,232</u>
Other financing sources (uses):			
Operating transfers in			
Operating transfers out	(330,000)	(327,000)	3,000
Sale of equipment			
Transfers out to other governmental units			
Total other financing sources(uses)	<u>(330,000)</u>	<u>(327,000)</u>	<u>3,000</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(188,400)	35,832	224,232
Fund balances at beginning of year	<u>950,000</u>	<u>1,374,790</u>	<u>424,790</u>
Fund balances at end of year	<u>\$ 761,600</u>	<u>\$ 1,410,622</u>	<u>\$ 649,022</u>

Special Revenue Funds		
Budget	Actual	Variance Favorable (Unfavorable)
(1,966,600)	(1,038,485)	928,115
500,000	500,000	
	(50,000)	(50,000)
	44,336	44,336
(125,400)	(120,264)	5,136
374,600	374,072	(528)
(1,592,000)	(664,413)	927,587
3,264,700	4,204,660	939,960
<u>\$ 1,672,700</u>	<u>\$ 3,540,247</u>	<u>\$ 1,867,547</u>

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

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
GOVERNMENTAL FUNDS - CAPITAL PROJECT FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Capital Project Funds		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Federal grants	\$ 193,400	\$ 220,507	\$ 27,107
Use of money and property	12,000	28,197	16,197
Total revenues	<u>205,400</u>	<u>248,704</u>	<u>43,304</u>
Expenditures			
General government:			
Capital outlay	1,278,400	916,921	361,479
Total expenditures	<u>1,278,400</u>	<u>916,921</u>	<u>361,479</u>
Excess (deficiency) of revenues over (under) expenditures	(1,073,000)	(668,217)	404,783
Other financing sources (uses):			
Operating transfers in	210,000	77,000	(133,000)
Operating transfers out	(200,000)	(200,000)	
Proceeds from certificates of indebtedness	850,000	850,000	
Total other financing sources (uses)	<u>860,000</u>	<u>727,000</u>	<u>(133,000)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(213,000)	58,783	271,783
Fund balances at beginning of year	<u>286,400</u>	<u>283,927</u>	<u>(2,473)</u>
Fund balances at end of year	<u>\$ 73,400</u>	<u>\$ 342,710</u>	<u>\$ 269,310</u>

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

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE PRIMARY GOVERNMENT FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

INTRODUCTION

The Jackson Parish Police Jury is the governing authority for Jackson Parish and is a political subdivision of the State of Louisiana. The police jury is governed by seven jurors representing the various districts within the parish. The jurors serve four-year terms that expire in January, 2000.

Louisiana Revised Statute 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The most notable of those powers are the authority to regulate its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing and various other state and federal grants.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the governing authority of the parish for reporting purposes, the Jackson Parish Police Jury is the financial reporting entity for Jackson Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Jackson Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

Based on the previous criteria, the police jury has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Jackson Parish Library	December 31, 1999	1a
Jackson Parish Hospital Service District No. 1	September 30, 1999	1a
Jackson Parish Recreation District	December 31, 1999	1a
Ward 2 Fire Protection District	December 31, 1999	1a
Ward 3 Fire Protection District	December 31, 1999	1a
Ward 4 Fire Protection District	December 31, 1999	1a
Quitman Fire Protection District No.1	December 31, 1999	1a
Jonesboro Fire Protection District No. 1	June 30, 1999	1a
Jackson Parish Ambulance Service District	December 31, 1999	1a

The primary government (Jackson Parish Police Jury) financial statements include all funds and account groups, and organizations for which the police jury maintains the accounting records. The organizations for which the police jury maintains the accounting records are considered part of the Jackson Parish Police Jury and include the following Special Revenue Fund - Jackson Parish Public Library.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

Considered in the determination of component units of the reporting entity were the Jackson Parish Sheriff, Clerk of Court, Tax Assessor, School Board, District Attorney and Judges for the Second Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Jackson Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Jackson Parish Police Jury.

B. FUND ACCOUNTING

The Jackson Parish Police Jury 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 financial resources.

Funds of the Jackson Parish Police Jury are classified as one category, governmental. This category is divided into separate fund types. The fund classification and a description of each existing fund type follow:

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUND ACCOUNTING (Continued)

Governmental Funds

Governmental funds account for all or most of the police jury'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 obligations. Governmental funds of the Jackson Parish Police Jury include:

1. **General Fund**--the general operating fund of the police jury accounting for all financial resources, except those required to be accounted for in other funds.
2. **Special revenue funds**--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. **Capital project funds**--account for financial resources received and used for the acquisition, construction or improvement of capital facilities not reported in the other governmental funds.
4. **Debt service funds**--account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group. The Jackson Parish Police Jury has no debt service fund, for the year ended December 31, 1999.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Ad valorem taxes (which are based on assessments of business property and homesteads in the parish) and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January and February of the fiscal year. Based on prior experience, the uncollectible ad valorem tax net of proceeds from the sheriff's sale of property is immaterial, thus no provision has been made for such a loss.

Federal reimbursement grant revenues are recognized in the period that the related expenditures are incurred.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING (Continued)

Revenues from fines, forfeitures, licenses and permits are not susceptible to accrual because they are not generally measurable until received in cash.

Interest income on time deposits is recorded upon maturity, when the income is available.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt which are recognized when due.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sales of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

D. BUDGETARY BASIS OF ACCOUNTING

The Jackson Parish Police Jury uses the following budget practices:

The Jackson Parish Police Jury adopts budgets annually. Public notice of the proposed budgets was published on October 29, 1998, and the proposed budgets were made available for public inspection at that time. A public hearing on the proposed budgets was held November 16, 1998, and they were adopted by the Jackson Parish Police Jury on December 16, 1998. Amended budgets were adopted as necessary.

Budgets were prepared on the GAAP basis of accounting.

Formal budgetary integration is employed as a management control device during the year for all budgeted funds. The Police Jury approves total budget appropriations only. The Secretary-Treasurer of the Police Jury is authorized to transfer budget line item amounts between departments within any fund; however, any revisions that alter the total appropriations of any departments within a fund must be approved by the Police Jury. Therefore, the level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis.

At year end, all appropriations lapse. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

E. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is not utilized by the Jackson Parish Police Jury.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. CASH AND INVESTMENTS

Cash and investments include demand deposits, certificates of deposit and a passbook savings account. Under state law, the Jackson Parish Police Jury 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 their principal offices in Louisiana. The Jackson Parish Police Jury has deposits in three financial institutions as of December 31, 1999.

Under State law, the jury may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents. The Jackson Parish Police Jury has investments of \$3,861,931 at December 31, 1999.

G. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

H. COMPENSATED ABSENCES

The Jackson Parish Police Jury has the following policy relating to vacation and sick leave:

Police Jury

All full-time employees earn from 10 to 20 days of annual leave each year, depending upon length of service. Effective January 1, 1998, employees shall not accrue more than 20 days of annual leave. Employees are paid for annual leave upon retirement or separation of service. All full-time employees earn 5 days of sick leave each year. Sick leave may be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees. Employees that are separated from service prior to retirement are paid a maximum of 20 days of unused sick leave.

Library

Full-time employees of the library earn from 10 to 20 days of annual leave depending upon length of service. Part-time employees working twenty hours or more per week earn one-half of the full-time employee annual leave. Effective January 1, 1998, employees shall not accrue more than 25 days of annual leave. Employees are paid for a maximum of 25 days upon retirement or separation of service. All full-time employees earn 12 days of sick leave each year. Sick leave may be accumulated to a maximum of 60 days. Upon retirement, unused sick leave of up to 25 days is paid to employees. Employees that are separated from service, prior to retirement, forfeit unused sick leave.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. 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.

J. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage -----	Levied Millage -----	Expiration Date -----
Parish-Wide Taxes:			
General Fund	5.21	5.01	-
Road Fund	5.06	5.01	1999
Library Fund	10.00	10.00	2008
Asphalt Fund	4.40	4.36	1999
Forest Protection Tax	8 cents/acre	8 cents/acre	-

A six-tenths of one percent sales and use tax became effective on August 1, 1986. The proceeds of the tax, after collection cost, are used for waste management expenditures and debt reductions. This tax was renewed for 10 years on April 20, 1996.

A four-tenths of one percent sales and use tax became effective on July 1, 1996. The proceeds of the tax, after collection cost, are used for blacktopping and sealing roads.

No tax renewal proposition for the Health Unit has been presented to the Jackson Parish voters.

Two renewal 10 year propositions for the Road Fund (5.06 mill) and Asphalt Fund (4.40 mill) were approved by the Jackson Parish voters on January 15, 2000.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

At December 31, 1999, the jury has cash and investments totaling \$4,172,293, as follows:

Demand deposits including interest-bearing	\$ 310,362	
Investments	<u>3,861,931</u>	
Total	<u><u>\$ 4,172,293</u></u>	

These deposits and investments are stated at cost, which approximates market. Under state law, these deposits and investments (or the resulting bank balances) must be secured by federal deposit insurance (FDIC) 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, 1999, the jury has \$424,997 in deposits and \$3,861,932, in investments (collected bank balances). These deposits are secured from risk by \$328,182 of federal deposit insurance and \$4,798,675 of pledged securities held by the custodial bank in the name of the fiscal bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the jury that the fiscal agent has failed to pay deposited funds upon demand.

4. RECEIVABLES

The receivables as of December 31, 1999, are composed as follows:

	General Fund	Special Revenue Funds	Total
CLASS OF RECEIVABLES			
Taxes:			
Ad valorem	\$ 219,905	\$ 850,215	\$ 1,070,120
Sales and use	554	117,011	117,565
Other	170,808		170,808
Intergovernmental -			
State	25,449	92,469	117,918
Local	1,363		1,363
Fees, charges and commissions		53	53
TOTAL	<u><u>\$ 418,079</u></u>	<u><u>\$ 1,059,748</u></u>	<u><u>\$ 1,477,827</u></u>

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

5. FIXED ASSETS

The changes in general fixed assets follow:

	Balance at January 1, 1999	Additions	Deletions	Balance at December 31, 1999
Land and buildings	\$ 3,308,444	\$	\$	\$ 3,308,444
Machinery and equipment	2,125,485	238,784	251,060	2,113,209
Library circulation materials	629,151	43,070	15,382	656,839
Construction in progress	34,976	717,009		751,985
Total	<u>\$ 6,098,056</u>	<u>\$ 998,863</u>	<u>\$ 266,442</u>	<u>\$ 6,830,477</u>

Current year additions are composed of capital outlay and construction in progress. Current year additions do not include the \$206,958 capital outlay to infrastructures.

6. PENSION PLANS

Plan Description. Substantially all employees of the Jackson Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), 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 benefit provisions. All employees of the district are members of Plan A.

All permanent employees working at least 28 hours per 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 creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable 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 those employees who were members of the supplemental plan only before 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 before January 1, 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 creditable 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 Employees' 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 Jackson Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. 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 Jackson Parish Police Jury 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 for the prior fiscal year. The Jackson Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1999, 1998, and 1997, were \$58,411, \$57,033 and \$62,380, respectively, equal to the required contributions for each year.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

7. COMPENSATED ABSENCES

Employees of the Police Jury had accumulated and vested \$77,993 of employee leave benefits at December 31, 1999, computed in accordance with GASB Codification, Section C60. This amount has been recorded as a general long-term obligation.

8. LEASES

In March, 1995, the police jury entered into a capital lease for a gradall with attachments. This equipment is used by the Road Department and the monthly lease payments are paid out of the Road Fund. The terms of the lease include a \$50,000 down payment and \$1,862 payment each month, for a period of 60 months ending March, 2000.

This leased asset and the related obligations are accounted for in the General Fixed Assets Account Group and the General Long-Term Obligations Account Group, respectively. The leased gradall is valued at \$142,500 in the accompanying financial statements. The following is a schedule of future minimum lease payments under the capital lease and the present value of the net minimum lease payments as of December 31, 1999:

Fiscal Year	
2000	\$ 5,586
Total minimum lease payments	5,586
Less - amount representing interest	70
Present value of minimum lease	\$ 5,516

The Jackson Parish Police Jury had three (3) cancelable operating leases at December 31, 1999, for equipment. Equipment provided by each lease is one Caterpillar motor grader and attachments. This equipment is used by the Road Department and the monthly lease payments are paid out of the Road Fund. The monthly terms of the lease are \$1,450 each, for two graders and \$1,897 for one grader. Leases expire in 2000.

9. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a schedule of changes in the general long-term obligations:

	Balance at January 1, 1999	Additions	Deletions	Balance at December 31, 1999
Compensated absences payable	\$ 100,521	\$	\$ 22,528	\$ 77,993
Capital lease payable	26,562		21,046	5,516
Certificates of indebtedness		850,000		850,000
Estimated liability for landfill closure	99,118	19,823		118,941
Total	\$ 226,201	\$ 869,823	\$ 43,574	\$ 1,052,450

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

10. CAPITAL LEASE

The capital lease payable at December 31, 1999, represents the remaining lease payments for road equipment. These lease payments expire in 2000 (as detailed below) and pay an interest rate of 7.5 per cent per annum. At December 31, 1999, there were outstanding interest requirements of \$70 (as detailed below).

	Principal	Interest	Total
2000	\$ 5,516	\$ 70	\$ 5,586

11. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year end be transferred to the parish General Fund. The Second Judicial District Criminal Court Fund is composed of the parishes of Bienville, Claiborne and Jackson. The records of the Second Judicial District Criminal Court Fund are maintained by the Claiborne Parish Police Jury. For the year ended December 31, 1999, no accrual was recognized by the Jackson Parish Police Jury for transfer to the parish General Fund.

12. LITIGATION AND CLAIMS

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government attorney the resolution of these matters will not have a material adverse effect on the financial condition of the government.

14. SOLID WASTE LANDFILL COSTS

State and federal laws and regulations require the Jackson Parish Police Jury to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure.

The Jackson Parish Landfill is a Type III facility that accepts only construction and demolition debris. The Jackson Parish Landfill has an estimated final closing during year 2010.

The estimated liability for landfill closure and post closure care costs has a balance of \$118,941 as of December 31, 1999, which is based on 35.29 per cent usage of the landfill. It is estimated that an additional \$218,059 will be recognized as closure and post closure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2010).

The estimated total cost of the landfill closure and post closure care is \$337,000. This is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 1999. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The Jackson Parish Police Jury has established a special revenue fund to account for the contributions to finance closure costs and post closure care. The Jackson Parish Police Jury is anticipating making annual contributions towards the estimated total cost of closure and post closure care.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose.

Road Fund

The Road Fund accounts for maintenance of parish highways, streets, and bridges. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, parish transportation funds, state aid grants, operating transfers from the General Fund, interest earned on investments, and miscellaneous revenues.

Library Fund

The Library Fund accounts for maintenance and operation of the parish library. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, State Library of Louisiana funds, interest earned on investments and fine and program revenues.

Solid Waste Fund

The Solid Waste Fund accounts for the construction, maintenance and operation of the solid waste system. Funding is provided by a parish-wide sales tax, interest on investments and other miscellaneous revenues.

Asphalt Fund

The Asphalt Fund accounts for asphaltting parish roads. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds and interest earned on investments.

Health Unit Fund

The Health Unit Fund accounts for a portion of the maintenance and operation of the parish health unit. Financing is provided by a parish-wide ad valorem tax, state revenue funds and interest earned on investments.

Ambulance Service Fund

Effective January 1, 1999, the Ambulance Service Fund became a separate entity. All 1999 revenues were transferred to the Jackson Parish Ambulance Service District, operator of the parish ambulance service. As of December 31, 1999, this fund has not been officially closed.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
(Continued)**

Lake Commission Fund

The Lake Commission Fund accounts for the regulation and usage of Caney Lake and the usage of the surrounding land up to one mile from the shore line. Financing is provided by tournament fees, duck blind rentals and interest earned on investments.

Landfill Closure Fund

The Landfill Closure Fund accounts for estimated closure cost and post-closure care expenses of the parish landfill site. Financing is provided by contributions and interest earned on investments.

Road Sales Tax Fund

The Road Sales Tax Fund accounts for the blacktopping and sealing of parish roads. Financing is provided by a parish-wide sales tax and interest earned on investments.

**JACKSON PARISH POLICE JURY
 JONESBORO, LOUISIANA
 SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1999**

	Road	Library	Solid Waste	Asphalt
Assets				
Cash	\$ 16,447	\$ 45,646	\$ 30,076	\$ 12,189
Investments	200,000	268,931	630,000	275,000
Receivables	268,338	466,100	71,687	208,262
Total assets	<u>\$ 484,785</u>	<u>\$ 780,677</u>	<u>\$ 731,763</u>	<u>\$ 495,451</u>
Liabilities and fund equity				
Liabilities:				
Accounts payable	\$ 31,949	\$ 24,668	\$ 18,626	\$ 10,712
Total liabilities	<u>31,949</u>	<u>24,668</u>	<u>18,626</u>	<u>10,712</u>
Fund equity:				
Fund balances:				
Unreserved - undesignated	<u>452,836</u>	<u>756,009</u>	<u>713,137</u>	<u>484,739</u>
Total fund equity	<u>452,836</u>	<u>756,009</u>	<u>713,137</u>	<u>484,739</u>
Total liabilities and fund equity	<u>\$ 484,785</u>	<u>\$ 780,677</u>	<u>\$ 731,763</u>	<u>\$ 495,451</u>

Health Unit	Ambulance	Lake Commission	Landfill Closure	Road Sales Tax	Total
\$ 4,295	\$	\$ 2,601	\$ 3,839	\$ 6,130	\$ 121,223
430,000		157,000	395,000	207,000	2,562,931
				45,361	1,059,748
<u>434,295</u>	<u>NONE</u>	<u>159,601</u>	<u>398,839</u>	<u>258,491</u>	<u>3,743,902</u>
\$ 1,111	\$	\$ 3,892	\$	\$ 112,697	\$ 203,655
1,111	NONE	3,892	NONE	112,697	203,655
<u>433,184</u>		<u>155,709</u>	<u>398,839</u>	<u>145,794</u>	<u>3,540,247</u>
<u>433,184</u>	<u>NONE</u>	<u>155,709</u>	<u>398,839</u>	<u>145,794</u>	<u>3,540,247</u>
<u>\$ 434,295</u>	<u>NONE</u>	<u>\$ 159,601</u>	<u>\$ 398,839</u>	<u>\$ 258,491</u>	<u>\$ 3,743,902</u>

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Road	Library	Solid Waste	Asphalt
Revenues:				
Taxes:				
Ad valorem	\$ 238,846	\$ 469,680	\$	\$ 211,454
Sales tax			801,468	
Intergovernmental revenues:				
State funds:				
Parish transportation funds	288,121			
State aid grants		43,926		
State revenue sharing (net)	22,888	46,144		19,935
Fines and forfeitures		20,318		
Miscellaneous revenues	10,502	796	16,279	
Use of money and property	8,986	19,848	28,049	16,270
Total revenues	\$ 569,343	\$ 600,712	\$845,796	\$ 247,659
Expenditures:				
General government -				
Other general government	\$ 23,322	\$ 46,550	\$	\$ 20,296
Public works	784,188		598,906	
Public safety				113,838
Health and welfare				
Culture and recreation		244,518		
Capital outlay	14,880	75,388	81,447	
Debt service:				
Principal retirement	21,046			
Interest	1,295			
Total expenditures	\$ 844,731	\$ 366,456	\$680,353	\$ 134,134
Excess (deficiency) of revenues over (under) expenditures	\$(275,388)	\$ 234,256	\$165,443	\$ 113,525
Other financing sources (uses):				
Operating transfers in	300,000			
Operating transfers out		(50,000)		
Transfers out to other governmental units				
Sale of equipment	37,208		7,128	
Total other financing sources (uses)	337,208	(50,000)	7,128	NONE

Health Unit	Ambulance	Lake Commission	Landfill Closure	Road Sales Tax	Total
\$ 1,960	\$ 2,945	\$	\$	\$	\$ 924,885
				531,859	1,333,327
					288,121
	193	23,900			68,019
					88,967
					20,318
					27,577
21,604	18	7,855	19,477	45,638	167,745
<u>\$ 23,564</u>	<u>\$ 3,156</u>	<u>\$ 31,755</u>	<u>\$ 19,477</u>	<u>\$ 577,497</u>	<u>\$ 2,918,959</u>
\$	\$	\$	\$	\$	\$ 90,168
		8,930		1,901,827	3,293,851
					113,838
21,013					21,013
					244,518
					171,715
					21,046
					1,295
<u>\$ 21,013</u>	<u>NONE</u>	<u>\$ 8,930</u>	<u>NONE</u>	<u>\$ 1,901,827</u>	<u>\$ 3,957,444</u>
\$ 2,551	\$ 3,156	\$ 22,825	\$ 19,477	\$ (1,324,330)	\$ (1,038,485)
				200,000	500,000
					(50,000)
	(120,264)				(120,264)
					44,336
<u>NONE</u>	<u>(120,264)</u>	<u>NONE</u>	<u>NONE</u>	<u>200,000</u>	<u>374,072</u>

**JACKSON PARISH POLICE JURY
 JONESBORO, LOUISIANA
 SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED DECEMBER 31, 1999**

	Road	Library	Solid Waste	Asphalt
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	61,820	184,256	172,571	113,525
Fund balances at beginning of year	391,016	571,753	540,566	371,214
Fund balances at end of year	<u>\$ 452,836</u>	<u>\$ 756,009</u>	<u>\$ 713,137</u>	<u>\$ 484,739</u>

Schedule 2
(Continued)

Health Unit	Ambulance	Lake Commission	Landfill Closure	Road Sales Tax	Total
2,551	(117,108)	22,825	19,477	(1,124,330)	(664,413)
430,633	117,108	132,884	379,362	1,270,124	4,204,660
<u>\$ 433,184</u>	<u>NONE</u>	<u>\$ 155,709</u>	<u>\$ 398,839</u>	<u>\$ 145,794</u>	<u>\$ 3,540,247</u>

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account of financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Capital Projects Fund

The Capital Projects Fund accounts for the accumulation of resources for and the expenditures of various capital projects. The current year's activities consist of an operating transfer to the Road Sales Tax Special Revenue Fund. These monies were used in the asphalt project.

Community Development Block Grant

The objectives of the Community Development Block Grant (CDBG) are the development of viable communities, decent housing and a suitable living environment, and expanded economic opportunities, to be achieved through the undertaking of eligible activities that fulfill one or more of three broad national objectives: (1) benefitting low and moderate-income persons; (2) aiding in the prevention or elimination of slums and blight; (3) meeting other communities' development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other resources are not available to meet such needs.

Library Construction Fund

The Library Construction Fund accounts for the accumulation of resources and the expenditures for the addition to the Jackson Parish Library.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1999**

	Library Construction	Capital Projects	Community Development Block Grant	Total
Assets				
Cash	\$ 71,118	\$ 1,110	\$	\$ 72,228
Investments	294,000	94,000		388,000
Total assets	\$ 365,118	\$ 95,110	NONE	\$ 460,228
Liabilities and fund equity				
Liabilities -				
Accounts payable	\$ 117,518	\$	\$	\$ 117,518
Total liabilities	117,518	NONE	NONE	117,518
Fund equity:				
Fund balances -				
Unreserved - undesignated	247,600	95,110		342,710
Total fund equity	247,600	95,110	NONE	342,710
Total liabilities and fund equity	\$ 365,118	\$ 95,110	NONE	\$ 460,228

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Library Construction	Capital Projects	Community Development Block Grant	Total
Revenues:				
Intergovernmental revenues -				
Federal grants	\$	\$	\$ 220,507	\$ 220,507
Use of money and property	17,014	11,183		28,197
Total revenues	<u>17,014</u>	<u>11,183</u>	<u>220,507</u>	<u>248,704</u>
Expenditures:				
Capital outlay	<u>669,414</u>		<u>247,507</u>	<u>916,921</u>
Total expenditures	<u>669,414</u>	NONE	<u>247,507</u>	<u>916,921</u>
Excess (deficiency) of revenues over (under) expenditures	(652,400)	11,183	(27,000)	(668,217)
Other financing sources (uses):				
Operating transfer in	50,000		27,000	77,000
Operating transfers out		(200,000)		(200,000)
Proceeds from certificates of indebtedness	<u>850,000</u>			<u>850,000</u>
Total other financing sources (uses)	<u>900,000</u>	<u>(200,000)</u>	<u>27,000</u>	<u>727,000</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	247,600	(188,817)	NONE	58,783
Fund balances at beginning of year	<u>NONE</u>	<u>283,927</u>	<u>NONE</u>	<u>283,927</u>
Fund balances at end of year	<u>\$ 247,600</u>	<u>\$ 95,110</u>	<u>NONE</u>	<u>\$ 342,710</u>

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 1999**

GENERAL

Compensation Paid Police Jurors

The schedule of compensation paid to the Jackson Parish Police Jury members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Jackson Parish Police Jury members is included in the general administrative expenditures of the General Fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 33:1233.

**JACKSON PARISH POLICE JURY
JONESBORO, LOUISIANA
SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED
DECEMBER 31, 1999**

Police Jurors:	Amount:
Ernest Conn	\$ 8,400
Dr. Charles Garrett, President	8,400
David McManus	8,400
Charles Pyles	8,400
Troy Smith	8,400
Leslie Thompson	8,400
Nathaniel Zeno, Jr.	8,400
Total	<u>\$ 58,800</u>

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, CPA

Members
Society of Louisiana
Certified Public Accountants

302 Eighth Street
Jonesboro, LA 71251
(318) 259-7316
FAX (318) 259-7315

Members
American Institute of
Certified Public Accountants

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

To the Members of the
Jackson Parish Police Jury
Jonesboro, LA

We have audited the general purpose financial statements of the Jackson Parish Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 16, 2000. We conducted our audit in accordance with generally accepted auditing 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 the Jackson Parish Police Jury's financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs. However, we noted certain immaterial instances of noncompliance, which we reported to management of the Jackson Parish Police Jury in a separate letter dated June 16, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Jackson Parish Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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. We 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 management. However, this report is a matter of public record and its distribution is not limited.


KENNETH D. FOLDEN & CO., CPAs

Jonesboro, Louisiana
June 16, 2000

**JACKSON PARISH POLICE JURY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 1999**

A. SUMMARY OF AUDIT RESULTS

- 1. The auditors' report expresses an unqualified opinion on the (primary government) financial statements of the Jackson Parish Police Jury.**
- 2. No reportable conditions relating to the audit of the financial statement are reported in the REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.**
- 3. No instance of noncompliance material to the financial statements of the Jackson Parish Police Jury was disclosed during the audit.**
- 4. The Jackson Parish Police Jury had no major federal award programs.**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

The Jackson Parish Police Jury had no major federal programs.

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, CPA

Members
Society of Louisiana
Certified Public Accountants

302 Eighth Street
Jonesboro, LA 71251
(318) 259-7316
FAX (318) 259-7315

Members
American Institute of
Certified Public Accountants

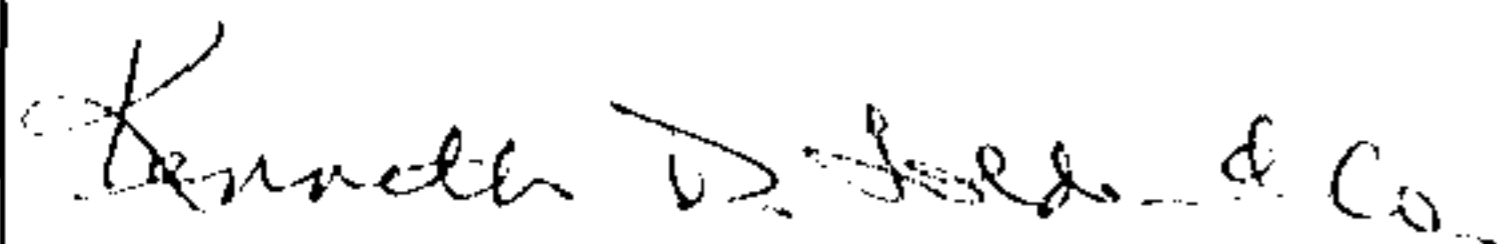
The Members of the
Jackson Parish Police Jury
Jonesboro, LA

In planning and performing our audit of the general purpose financial statements of the Jackson Parish Police Jury, as of and for the year ended December 31, 1999, and to obtain reasonable assurance about whether the financial statements are free of material misstatement, we considered the following:

- (1) The internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure; and,
- (2) As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Jackson Parish Police Jury's compliance with certain provisions of laws, regulations, and contracts. The objective of our audit was not to provide an opinion on overall compliance with such provisions. Accordingly, we did not express such an opinion.

During our audit, we became aware of certain matters involving immaterial noncompliance with laws and matters disclosed in the audit report, as of and for the year ended December 31, 1999, involving the internal control structure that were opportunities for strengthening internal controls and compliance requirements. The memorandum that accompanies this letter summarizes our comments regarding those matters. (We previously reported on the Jackson Parish Police Jury's internal control structure in our report dated June 16, 2000.) This letter does not affect our report dated June 16, 2000, on the general purpose financial statements of the Jackson Parish Police Jury.

Sincerely,



Kenneth D. Folden & Co, CPAs
June 16, 2000

Current Year:

(1) **Budget** - For the year ended December 31, 1999, the Jackson Parish Police Jury failed to adequately amend the budgeted expenditures of its Capital Projects Fund and two Special Revenue Funds: Health Unit Fund and Ambulance Fund. Also, the Jackson Parish Police Jury failed to adequately amend the budgeted expenditures of its Community Development Block Grant Fund. Failure to adequately amend the budgeted revenues and expenditures exceeding the budgeted expenditures by more than five percent. Louisiana Revised Statute 39:1310 requires that amendments shall be made whenever actual revenues are failing to meet budgeted revenues by five percent or more and when actual expenditures are exceeding budgeted expenditures by five percent or more.

We recommend that the Jackson Parish Police Jury comply with Louisiana Revised Statute 39:1310.

In a letter dated June 22, 2000, the Jackson Parish Police Jury responded by stating that this was an oversight due to three persons having served as secretary-treasurer during their fiscal year ending December 31, 1999. The last secretary-treasurer began his employment in December, 1999, after this position was vacant for nearly one month. These funds will be monitored closer in the future.

(2) **Parish Transportation Act** - Louisiana Revised Statute (LRS) 48:754 contains seven (7) provisions that composed the Parish Transportation Act. Two of these provisions relate to approval of the governing authority of all expenditures and the establishment of a selective maintenance program. LRS 48:754 requires approval of the governing authority for any expenditures made from the road funds and also states that work should be performed in accordance with the weekly work schedule prepared by the parish road manager, except in emergency situations. Based on observations during our audit, interviews with agency personnel, and review of agency records, it is our opinion that the Jackson Parish Police Jury has violated both cited provisions of LRS 48:754; as illustrated by the following instances:

- a) We compared the daily work orders to the weekly work schedules for the three weeks of November 1, 1999, through November 19, 1999, and noted numerous instances where unscheduled routine work was performed. Comparing the daily work orders to the weekly work schedule for the week of January 8, 2000, through January 14, 2000, during our fieldwork, indicated that unscheduled routine work was still being performed.
- b) The road department of the Jackson Parish Police Jury has been leasing a piece of heavy equipment, front-end loader, since October 25, 1999. The only documentation provided indicates that the lease is on a month-to-month basis for \$2,950 per month. Our review of the Jackson Parish Police Jury's Minutes and conversations with various agency personnel disclosed that this lease had not been approved by the jury, as a whole.

We recommend that the Jackson Parish Police Jury comply with all seven (7) provisions of Louisiana Revised Statute 48:754.

In a letter dated June 22, 2000, the Jackson Parish Police Jury responded to the two (2) cited areas as follows:

- a) On June 28, 1999, the Police Jury adopted a resolution of assurance stating that no unscheduled work will be performed by the Public Works Department of the Jackson Parish Police Jury unless it is a bona fide emergency. Until the completion of this audit, the Police Jury, as a whole, was under the impression that this policy was being followed. Meetings are being held currently with our auditors and employees to determine the reasons for our non-compliance. Upon determination of the reasons of non-compliance, corrective action will be planned to ensure that our policy is adhered to in the future.
- b) It is the Police Jury's policy that all expenditures, including leases, must have the approval of the Police Jury as a whole. A department head entered into the cited agreement without the approval of the Police Jury. The Police Jury has terminated the unauthorized agreement effective June 30, 2000.

(3) Policy Manual - One of the provisions of the Jackson Parish Police Jury's written policy manual that we addressed in our audit for the year ended December 31, 1998, was that consistent treatment had not been applied in two areas. The two areas were leave practices and established procedures to follow after an employee is involved in an accident. Conversations with numerous personnel during our fieldwork for the year ended December 31, 1998, revealed that employees did not have a clear understanding of the policies because the policies had been repeatedly changed. In a letter dated June 28, 1999, the Jackson Parish Police Jury responded by stating that they had a revised policy manual ready for distribution to their employees. Their letter stated that this matter was on their July 7, 1999, agenda for final approval before copies were distributed to the employees. The July 7, 1999, Minutes indicates that the further review was needed before the revised manual would be adopted. Interviewing various agency personnel for the year ended December 31, 1999, resulted in determining that the revised manual has not been adopted yet and that the employees still do not have a clear understanding of the policy manual.

Again, we recommend that the Jackson Parish Police Jury comply with its policy manual by establishing and maintaining clear policies concerning leave practices and procedures to follow after an employee is involved in an accident. We also recommend that any changes to the policy manual should be distributed to the employees and clearly explained to them.

In a letter dated June 22, 2000, the Jackson Parish Police Jury stated that on February 4, 2000, the Personnel Committee met with the Police Jury's employees. The purpose of this meeting was to discuss any and all policy issues. Subsequent to this meeting, the policy manual has been under revision. It is anticipated that it will be completed and adopted by the Police Jury within the current fiscal year. Upon its adoption, each employee will be furnished a copy of the manual. At that time, another meeting will be held with the employees to explain the policies and procedures.

Prior Year's Findings

The current status of the findings in the prior year audit report are as follows:

(1) Budget - The Jackson Parish Police Jury failed to adequately amend the budgeted expenditures of its Lake Commission Special Revenue Fund. Correction action has been taken on this fund; however, as shown above, a repeat comment has been made concerning other funds of both the Special Revenue Funds and the Capital Projects Fund.

(2) Code of Ethics - Correction action has been taken; this finding is considered cleared.

(3) Parish Transportation Act:

- a) Unscheduled work was being performed. As shown above, a repeat comment has been made.**
- b) Unauthorized work by private contractor. No further occurrence found; this finding is considered cleared. However, a current year comment was made concerning lease of a piece of heavy equipment.**
- c) Juror working with road employees. No further occurrence found; this finding is considered cleared.**

(4) Policy Manual:

- a) The employment procedures for both the road department and the solid waste department. Corrective action has been taken; this finding is considered cleared.**
- b) Preparation of work schedules. Corrective action has been taken; this finding is considered cleared.**
- c) Understanding of leave policies. As shown above, a repeat comment has been made.**