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MADISON PARISH POLICE JURY
Tallulah, Louisiana

Primary Government Financial Statements,
Supplemental Information,
and Internal Control and Compliance

Year Ended December 31, 1999

with

Independent Auditor's Reports

Under the provisions of the Louisiana Public Access Law, this report is a public document and is being made available to the public. It is submitted to the public in accordance with the provisions of the law. The Baton Rouge office of the Legislative Auditor and, where appropriate, the office of the parish clerk of court.

Release Date 8/30/00

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Primary Government Financial Statements
As of and for the Year Ended December 31, 1999

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**MADISON PARISH POLICE JURY
Tallulah, Louisiana**

**Primary Government Financial Statements
As of and for the Year Ended December 31, 1999**

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WE BRING EXCELLENCE AND INNOVATION TO THE EQUATION

INDEPENDENT AUDITOR'S REPORT

To the Madison Parish Police Jury
Tallulah, Louisiana

We have audited the accompanying primary government financial statements of Madison Parish Police Jury, as of and for the year ended December 31, 1999, as listed in the table of contents. These financial statements are the responsibility of Madison Parish Police Jury's management. Our responsibility is to express an opinion on these 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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 referred to above present fairly, in all material respects, the financial position of the primary government of Madison 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 Madison Parish Police Jury, do not purport to, and do not, present fairly the financial position of the Madison 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 May 23, 2000, on our consideration of Madison Parish Policy Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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To the Madison Parish Policy Jury
Tallulah, Louisiana

Page Two

Our audit was performed for the purpose of forming an opinion on the primary government financial statements of Madison Parish Police Jury, taken as a whole. The accompanying schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the primary government financial statements. 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 also not a required part of the primary government financial statements. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in our opinion, except as described previously, is fairly presented, in all material respects, in relation to the primary government financial statements taken as a whole.

May + Company

Vicksburg, Mississippi
May 23, 2000

MADISON PARISH POLICE JURY
Tallulah, Louisiana
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 1999

	Governmental Funds				Account Groups			Total (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	General Fixed Assets	General Long-term Obligations	Total	
ASSETS AND OTHER DEBITS								
ASSETS:								
Cash and cash equivalents	\$ 98,128	\$ 529,020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 627,148	
Investments	0	152,708	0	0	0	0	152,708	
Receivables (net of allowances for uncollectibles of -0-)	202,642	1,295,835	0	21,216	0	0	1,519,693	
Interfund receivables	23,360	12,534	0	3,953	0	0	39,847	
Land, buildings, and equipment	0	0	0	0	4,803,396	0	4,803,396	
OTHER DEBITS:								
Amount to be provided for retirement of general long-term obligations	0	0	0	0	0	444,692	444,692	
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 324,130</u>	<u>\$1,990,097</u>	<u>\$ 0</u>	<u>\$ 25,169</u>	<u>\$4,803,396</u>	<u>\$ 444,692</u>	<u>\$7,587,484</u>	
LIABILITIES, EQUITY, AND OTHER CREDITS								
LIABILITIES:								
Accounts, salaries, and other payables	146,486	201,166	0	0	0	0	347,652	
Interfund payable	12,534	27,313	0	0	0	0	39,847	
Note payable	0	0	0	0	0	177,837	177,837	
Claims and judgments payable	0	0	0	0	0	177,500	177,500	
Capital lease payable	0	0	0	0	0	89,355	89,355	
Total liabilities	<u>159,020</u>	<u>228,479</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>444,692</u>	<u>832,191</u>	
EQUITY AND OTHER CREDITS:								
Investment in general fixed assets	0	0	0	0	4,803,396	0	4,803,396	
Fund balances:								
Reserved				25,169			25,169	
Unreserved:								
Undesignated	165,110	1,761,618	0	0	0	0	1,926,728	
Total equity and other credits	<u>165,110</u>	<u>1,761,618</u>	<u>0</u>	<u>25,169</u>	<u>4,803,396</u>	<u>0</u>	<u>6,755,293</u>	
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 324,130</u>	<u>\$1,990,097</u>	<u>\$ 0</u>	<u>\$ 25,169</u>	<u>\$4,803,396</u>	<u>\$ 444,692</u>	<u>\$7,587,484</u>	

The accompanying notes are an integral part of this statement.

MADISON PARISH POLICE JURY
Tallulah, Louisiana
GOVERNMENTAL FUNDS

Combined Statement of Revenues, Expenditures,
And Changes in Fund Balances
For the Year Ended December 31, 1999

	Governmental Funds				Total (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	
REVENUES:					
Taxes:					
Ad valorem	\$ 125,432	\$ 1,388,332	\$ 0	\$ 0	\$ 1,513,764
Sales and use	0	14,161	0	0	14,161
Other taxes, penalties, interest, etc.	402,990	50,262	0	0	453,252
Licenses and permits	48,465	0	0	0	48,465
Intergovernmental revenues:					
Federal grants	5,512	350,544	0	21,215	377,271
State funds:					
State revenue sharing (net)	11,211	96,937	0	0	108,148
Other	0	160,940	0	0	160,940
Fees, charges, and commissions					
for services	4,704	452,399	0	0	457,103
Fines and forfeitures	0	212,268	0	0	212,268
Use of money and property	1,875	23,619	0	0	25,494
Other revenues	211,821	18,988	0	0	230,809
Total revenues	<u>812,010</u>	<u>2,768,450</u>	<u>0</u>	<u>21,215</u>	<u>3,601,675</u>
EXPENDITURES:					
Current:					
General government:					
Judicial/legislative	337,090	268,985	0	0	606,075
Elections	1,981	0	0	0	1,981
Finance and administrative	4,398	0	0	0	4,398
Other	14,293	0	0	0	14,293
Public safety	85,156	312,856	0	0	398,012
Public works	32,959	1,400,948	0	26,624	1,460,531
Health and welfare	57,541	36,041	0	0	93,582
Culture and recreation	1,204	162,394	0	0	163,598
Economic development					
and assistance	31,410	0	0	0	31,410
Transportation	131,016	0	0	0	131,016
Debt service	0	0	28,681	0	28,681
Capital outlay	2,864	592,433	0	0	595,297
Other expenditures	0	12,284	0	0	12,284
Total expenditures	<u>699,912</u>	<u>2,785,941</u>	<u>28,681</u>	<u>26,624</u>	<u>3,541,158</u>

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana
GOVERNMENTAL FUNDS

**Combined Statement of Revenues, Expenditures,
And Changes in Fund Balances
For the Year Ended December 31, 1999**

	Governmental Funds			Total (Memorandum Only)	
	General Fund	Special Revenue Funds	Debt Service Fund		Capital Projects Fund
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	112,098	(17,491)	(28,681)	(5,409)	60,517
OTHER FINANCING SOURCES (USES):					
Loan proceeds	0	177,837	0	0	177,837
Operating transfers in	0	139,861	28,681	26,625	195,167
Operating transfers out	(143,839)	(51,328)	0	0	(195,167)
Total other financing sources (uses)	(143,839)	266,370	28,681	26,625	177,837
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(31,741)	248,879	0	21,216	238,354
FUND BALANCES AT BEGINNING OF YEAR	196,851	1,512,739	0	3,953	1,713,543
FUND BALANCES AT END OF YEAR	\$ 165,110	\$ 1,761,618	\$ 0	\$ 25,169	\$ 1,951,897

The accompanying notes are an integral part of this statement.

MADISON PARISH POLICE JURY
Tallulah, 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		Special Revenue Funds		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
REVENUES:					
Taxes:					
Ad valorem	\$ 144,997	\$ 125,432	\$ 1,233,810	\$ 1,388,332	\$ 154,522
Sales and use	0	0	0	14,161	14,161
Other taxes, penalties, interest, etc.	0	402,990	0	50,262	50,262
Licenses and permits	51,800	48,465	0	0	0
Intergovernmental revenues:					
Federal grants	5,857	5,512	82,814	350,544	267,730
State funds:					
State revenue sharing (net)	136,527	11,211	502,668	96,937	(405,731)
Other	0	0	238,076	160,940	(77,136)
Fees, charges, and commissions for services	3,000	4,704	186,500	452,399	265,899
Use of money and property	800	1,875	13,545	23,619	10,074
Fines and forfeitures	0	0	1,500	212,268	210,768
Other revenues	231,315	211,821	16,288	18,988	2,700
Total revenues	574,296	812,010	2,275,201	2,768,450	493,249
EXPENDITURES:					
General government:					
Judicial/legislative	287,059	337,090	0	268,985	(268,985)
Elections	24,671	1,981	0	0	0
Finance and administrative	129,375	4,398	63,805	0	63,805
Other	300	14,293	325,923	0	325,923
Public safety	55,905	85,156	200,000	312,856	(112,856)
Public works	10,000	32,959	1,654,920	1,400,948	253,972
Health and welfare	57,047	57,541	39,530	36,041	3,489
Culture and recreation	4,000	1,204	148,302	162,394	(14,092)
Economic development and assistance	33,695	31,410	26,000	0	26,000
Transportation	211,971	131,016	0	0	0
Capital outlay	0	2,864	0	592,433	(592,433)
Other expenditures	0	0	0	12,284	(12,284)
Total expenditures	814,021	699,912	2,458,480	2,785,941	(327,461)

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana
GOVERNMENTAL FUNDS
GENERAL AND SPECIAL REVENUE FUNDS

**Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget
(GAAP Basis) and Actual - Continued
For the Year Ended December 31, 1999**

	General Fund		Special Revenue Funds		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(239,725)</u>	<u>112,098</u>	<u>(183,279)</u>	<u>(17,491)</u>	<u>165,788</u>
OTHER FINANCING SOURCES (USES):					
Loan proceeds	0	0	153,020	177,837	24,817
Capital lease proceeds	0	0	0	0	0
Operating transfers in	243,973	0	113,062	139,861	26,799
Operating transfers out	<u>(4,248)</u>	<u>(143,839)</u>	<u>0</u>	<u>(51,328)</u>	<u>(51,328)</u>
Total other financing sources (uses)	<u>239,725</u>	<u>(143,839)</u>	<u>266,082</u>	<u>266,370</u>	<u>288</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	0	(31,741)	82,803	248,879	166,076
FUND BALANCES AT BEGINNING OF YEAR	<u>196,851</u>	<u>196,851</u>	<u>1,512,739</u>	<u>1,512,739</u>	<u>0</u>
FUND BALANCES AT END OF YEAR	<u>\$ 196,851</u>	<u>\$ 165,110</u>	<u>\$ 1,595,542</u>	<u>\$ 1,761,618</u>	<u>\$ 166,076</u>

The accompanying notes are an integral part of this statement.

MADISON PARISH POLICE JURY
 Tallulah, Louisiana
GOVERNMENTAL FUNDS
DEBT SERVICE AND 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**

	Debt Service Fund		Capital Project Fund		
	Budget	Actual	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Intergovernmental revenues:					
Federal grants	\$ 0	\$ 0	\$ 0	\$ 21,215	\$ 21,215
Total revenues	0	0	0	21,215	21,215
EXPENDITURES:					
Public works	0	0	0	26,624	(26,624)
Debt service	70,000	28,681	41,319	0	0
Total expenditures	70,000	28,681	41,319	26,624	(26,624)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(70,000)	(28,681)	41,319	(5,409)	(5,409)
OTHER FINANCING SOURCES (USES):					
Operating transfers in	0	28,681	0	26,625	26,625
Total other financing sources (uses)	0	28,681	0	26,625	26,625
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(70,000)	0	70,000	21,216	21,216
FUND BALANCES AT BEGINNING OF YEAR	0	0	3,953	3,953	0
FUND BALANCES AT END OF YEAR	\$ (70,000)	\$ 0	\$ 70,000	\$ 25,169	\$ 21,216

The accompanying notes are an integral part of this statement.

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements
As of and for the Year Ended December 31, 1999

INTRODUCTION

The Madison Parish Police Jury is the governing authority for Madison Parish and is a political subdivision of the State of Louisiana. The police jury is governed by five jurors representing the various districts within the parish. The jurors serve four-year terms that expire on December 31, 1999.

Louisiana Revised Statute (R.S.) 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for 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 primarily 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. BASIS OF PRESENTATION

The accompanying financial statements of the Madison Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Madison Parish Police Jury is the financial reporting entity for Madison 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 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.

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

B. REPORTING ENTITY - CONTINUED

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Madison 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.

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>
Madison Parish Hospital Service District	December 31	1 and 3
Madison Parish Port Commission	December 31	1 and 3
Madison Parish Recreation District	December 31	1, 2, and 3
Bear Lake Fire Protection District No.1	December 31	1, 2, and 3
Madison Parish Tax Assessor	December 31	2 and 3
Madison Parish Clerk of Court	June 30	2 and 3
Madison Parish Sheriff	June 30	2 and 3

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

B. REPORTING ENTITY - CONTINUED

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (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 Madison Parish School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Madison Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Madison Parish Police Jury.

C. FUND ACCOUNTING

The 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 available financial resources.

Funds of the police jury are classified into three categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

C. FUND ACCOUNTING - CONTINUED

Governmental Fund Types

Governmental funds are used to 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 debt. Governmental funds include:

1. General Fund--the general operating fund of the police jury and accounts 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. 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.
4. Capital projects funds--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Account Groups

Account groups are used to establish accounting control and accountability for the police jury's general fixed assets and general long-term debt obligations. The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the police jury. Capital outlays are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group.

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

C. FUND ACCOUNTING - CONTINUED

General Long-Term Debt Account Group

This account group is established to account for all of the Police Jury's long-term debt that will be financed from general governmental resources.

D. 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

Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Those revenues susceptible to accrual are property taxes, state shared revenue, federal grants, charges for utility services, sales tax and interest. Fines, licenses, and permits are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

E. BUDGETS

The police jury uses the following budget practices:

Annually, the Police Jury adopts budgets on all governmental funds. The budgetary practices include public notice of the proposed budgets, public inspections of the proposed budgets, and public hearings on the budgets. The budget is employed as a management control device during the year. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements include original adopted budget amounts and all subsequent amendments (as adopted by the Police Jury). Appropriations lapse at the end of each fiscal year. Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. INVESTMENTS

Investments are limited by R.S. 33:2955 and the police jury's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

I. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time 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 or estimated cost if historical cost is not available. Interest has not been capitalized on fixed assets in the Governmental Fund Type operations.

J. COMPENSATED ABSENCES

The police jury has the following policy relating to vacation and sick leave:

Police Jury

Employees of the Policy Jury receive 10 to 20 days of annual leave each year, depending on the length of service. A maximum of 5 days annual leave may be carried forward to the next year. Upon voluntary resignation or retirement, employees are compensated for annual leave accumulated to the date of separation. Sick leave is credited to a permanent full-time employee at the rate of 1 day for each month of continuous employment. Sick leave may accumulate to a maximum of 90 days. Upon retirement, all unused accumulated sick leave is used in retirement benefit computations as earned service.

Library

Substantially all employees of the library are granted 10 to 20 days of vacation leave each year, depending upon professional status and length of service with the library. Vacation leave is not cumulative. After 6 months of employment, library employees earn 12 days sick leave each year.

Sick leave may be accumulated by employees in an amount not to exceed 60 days for each employee. Upon resignation, an employee's accumulated sick leave is canceled.

K. 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.

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

L. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

M. 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. FUND DEFICITS

The Criminal Court Fund's deficit fund balance in retained earnings of \$7,925 is the result of revenues inadequate to cover expenditures including repairs and maintenance expense and court attendance expense.

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

3. EXPENDITURES/EXPENSES - ACTUAL AND BUDGET

The following individual funds have actual expenditures/expenses over budgeted expenditures/expenses for the year ended December 31, 1999:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Special revenue:			
Block grant	\$ 262,071	\$ 297,051	\$ (34,980)
Garbage	604,575	699,272	(94,697)
Memorial	525	624	(99)
Courthouse and jail	272,660	288,272	(15,612)
Capital project	<u>0</u>	<u>26,624</u>	<u>(26,624)</u>
 Total	 <u>\$ 1,139,831</u>	 <u>\$ 1,311,843</u>	 <u>\$ (172,012)</u>

4. LEVIED TAXES

Ad valorem taxes which attach as an enforceable lien on property as of January 1 are levied in September or October, become due on November 15 of each year, and become delinquent on January 1 of the following year. The taxes are generally collected in December of the current year and January and February of the following year.

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

	<u>Millage</u>	<u>Expiration Date</u>
Parishwide taxes:		
General fund/in	1.73	Indefinite
General fund/out	3.46	Indefinite
Health Unit	1.18	2002
Library	3.56	2002
Garbage Collection	9.03	2008
Drainage and roads	17.10	2008
Courthouse and jail	2.71	2002

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

5. CASH AND CASH EQUIVALENTS

At December 31, 1999, the police jury has cash and cash equivalents (book balances) totaling \$627,148 as follows:

Demand deposits	\$ 620,954
Interest-bearing demand deposits	6,174
Other	<u>20</u>
 Total	 <u>\$ 627,148</u>

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, 1999, the police jury has \$663,214 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$1,028,652 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 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 police jury that the fiscal agent has failed to pay deposited funds upon demand.

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

6. INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the police jury or its agent in the police jury's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the police jury's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the police jury's name

At fiscal year-end, the police jury's investment balances were as follows:

<u>Type of Investment</u>	<u>Category</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Carrying Amount</u>
U.S. government agencies:				
Library	1	60,249	62,128	60,249
E911	1	48,313	51,999	48,313
Garbage	1	44,146	43,691	44,146
Total		<u>\$ 152,708</u>	<u>\$ 157,818</u>	<u>\$ 152,708</u>

7. RECEIVABLES

The following is a summary of receivables at December 31, 1999:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>
Taxes:			
Ad valorem	\$ 107,817	\$ 1,204,532	0
Other	15,709	0	0
Other	79,116	91,303	21,216
Total	<u>\$ 202,642</u>	<u>\$ 1,295,835</u>	<u>\$ 21,216</u>

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

8. FIXED ASSETS

The changes in general fixed assets follow:

	Balance January 1 1999	Additions	Deductions	Balance December 31 1999
Land	\$ 372,750	\$ 0	\$ 0	\$ 372,750
Buildings	2,865,620	0	0	2,865,620
Equipment and furniture	1,366,327	57,440	120,493	1,303,274
Other asset classes	261,752	0	0	261,752
 Total	 <u>\$ 4,866,449</u>	 <u>\$ 57,440</u>	 <u>\$ 120,493</u>	 <u>\$ 4,803,396</u>

9. PENSION PLAN

Plan Description. Substantially all employees of the Madison Parish Police Jury are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan 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 police jury 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% 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 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3% of final-average salary for each year of service credited after the revision date.

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

9. PENSION PLAN - CONTINUED

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 or amended 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% of their annual covered salary and the Madison Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.5% of annual covered payroll. Contributions to the System also include one-fourth of 1% 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 Madison Parish Police Jury are established and may be amended by state statute. As provided by R.S. 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 Madison Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1999, 1998, and 1997, were \$65,499, \$64,202, and \$62,368, respectively, equal to the required contributions for each year.

10. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$347,652 at December 31, 1999, are as follows:

<u>Class of payable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Accounts	\$ 118,024	\$ 201,166
Other	28,462	0
Total	<u>146,486</u>	<u>201,166</u>

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

11. COMPENSATED ABSENCES

At December 31, 1999, no accrual has been made for accumulated and vested employee leave benefits as this amount is deemed immaterial.

12. LEASES

The police jury records items under capital leases as assets and obligations in the accompanying financial statements. The following is an analysis of capital leases at December 31, 1999:

<u>Type</u>	<u>Cost</u>
Equipment	\$ 123,481

The following is a schedule of future minimum lease payments under capital leases and the present value of the net minimum lease payments as of December 31, 1999:

<u>Fiscal year</u>	<u>Equipment</u>
2000	\$ 28,681
2001	28,681
2002	27,354
2003	14,410
2004 and thereafter	<u>0</u>
Total minimum lease payments	99,126
Less - amounts representing interest	<u>9,771</u>
Present value of net minimum lease payments	\$ 89,355

The police jury has operating leases for various office space and office equipment. Total rent expense for 1999 was \$24,000.

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

13. LEASES -- CONTINUED

The minimum annual commitments under noncancelable operating leases are as follows:

<u>Fiscal year</u>	<u>Buildings and office Facilities</u>
2000	\$ 24,000
2001	20,400
2002	9,600
2003	9,600
2004	5,600
Thereafter	<u>0</u>
Total	\$ <u>69,200</u>

14. GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 1999:

	<u>Capital Leases</u>	<u>Notes Payable</u>	<u>Total</u>
Long-term obligations payable at January 1, 1999	\$ 111,193	\$ 0	\$ 111,193
Additions	0	177,837	177,837
Deductions	<u>(21,838)</u>	<u>(0)</u>	<u>(21,838)</u>
Long-term obligations payable at December 31, 1999	<u>\$ 89,355</u>	<u>\$ 177,837</u>	<u>\$ 267,192</u>

Long-term obligations consisted of
the following note payable:

	<u>Note Payable</u>
Unsecured note payable to company subject to interest at the rate of 10% per annum for 60 months beginning January 2000 and ending November 2004.	<u>177,837</u>

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

14. GENERAL LONG-TERM OBLIGATIONS – CONTINUED

Annual maturities of long-term debt for the next five years are as follows:

2000	\$ 29,303
2001	31,926
2002	35,269
2003	38,962
2004	42,377
Thereafter	<u>0</u>
	<u>\$ 177,837</u>

15. CRIMINAL COURT FUND

R.S. 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 following details the amount due at December 31, 1999.

Balance due January 1, 1999	\$ 23,360
Amount due for 1999	<u>0</u>
Total	23,360
Remitted during 1999	<u>0</u>
Balance due December 31, 1999	<u>\$ 23,360</u>

16. INTERFUND ASSETS/LIABILITIES

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Criminal Court	23,360
Criminal Court	General	1,832
Library	General	1,354
Public Works	General	5,854
Public Works	Payroll	3,116
Courthouse and Jail	General	378
Quebec Road	Public Works	<u>3,953</u>
Total		<u>\$ 39,847</u>

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Notes to Financial Statements - Continued
As of and for the Year Ended December 31, 1999

17. LITIGATION AND CLAIMS

At December 31, 1999, the police jury is involved in litigation or is aware of claims totaling \$177,500 that are not covered by insurance. Of this amount, \$177,500 has been recorded as a liability of the general long-term obligations account group, as required by GASB Codification Section C50. The Madison Parish Police Jury is also involved in certain litigation being handled by insurance carriers. Any resultant liabilities are deemed to be within insurance limits and will not have a material impact on the financial statements.

18. JOINT VENTURE

The Madison Parish Police Jury has joint ventured with the City of Tallulah, Louisiana, the City of Vicksburg, Mississippi, and Warren County, Mississippi to build and operate a regional airport (Vicksburg-Tallulah Regional Airport) located in Madison Parish. Under the agreement, each entity is responsible for one-fourth of the operating deficit of the airport and one-fourth of any required local matching funds. Amounts paid to the airport are expenditures of the general fund. Separate financial statements of the airport are available.

19. BAD DEBTS

Uncollectible amounts due for ad valorem taxes are recognized as bad debts through the establishment of any allowance account at the time information becomes available which would indicate the uncollectability of the particular receivable.

MADISON PARISH POLICE JURY
Tallulah, Louisiana
SPECIAL REVENUE FUNDS

Combining Balance Sheet
December 31, 1999

	Public Works Fund	Health Unit Fund	Garbage Fund	Rural Development Fund	Criminal Court Fund	Library Fund	Courthouse and Jail Maintenance Fund	EQ11 Fund	Memorial Fund	LCDBG Block Grant Fund	Total
ASSETS											
Cash and cash equivalents	\$ 183,673	\$ 44,451	\$ 69,715	\$ 0	\$ 11,325	\$ 71,333	\$ 14,146	\$ 131,669	\$ 2,708	\$ 0	\$ 529,020
Investments	0	0	44,146	0	0	60,249	0	48,313	0	0	152,708
Receivables (net of allowances for uncollectibles of --0--)	662,590	43,990	343,047	0	14,102	130,644	97,209	4,253	0	0	1,295,835
Interfund receivable	8,970	0	0	0	1,832	1,354	378	0	0	0	12,534
TOTAL ASSETS	\$ 855,233	\$ 88,441	\$ 456,908	\$ 0	\$ 27,259	\$ 263,580	\$ 111,733	\$ 184,235	\$ 2,708	\$ 0	\$ 1,990,097
LIABILITIES AND FUNDEQUITY											
Liabilities:											
Accounts, salaries, and other payables	48,010	2,853	53,748	0	11,824	11,478	73,235	18	0	0	201,166
Interfund payable	3,953	0	0	0	23,360	0	0	0	0	0	27,313
Total liabilities	51,963	2,853	53,748	0	35,184	11,478	73,235	18	0	0	228,479
Fund equity - fund balances:											
Unreserved - undesignated	803,270	85,588	403,160	0	(7,925)	252,102	38,498	184,217	2,708	0	1,761,618
Total fund equity	803,270	85,588	403,160	0	(7,925)	252,102	38,498	184,217	2,708	0	1,761,618
TOTAL LIABILITIES AND FUNDEQUITY	\$ 855,233	\$ 88,441	\$ 456,908	\$ 0	\$ 27,259	\$ 263,580	\$ 111,733	\$ 184,235	\$ 2,708	\$ 0	\$ 1,990,097

MADISON PARISH POLICE JURY
Tallulah, Louisiana
SPECIAL REVENUE FUNDS

Combining Schedule of Revenue, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 1999

	Public Works Fund	Health Unit Fund	Garbage Fund	Rural Development Fund	Criminal Court Fund	Library Fund	Courthouse and Jail Fund	E911 Fund	Memorial Fund	LCDBG Block Grant Fund	Total
REVENUES:											
Taxes:											
Ad valorem	\$ 708,975	\$ 48,649	\$ 372,289	\$ 0	\$ 0	\$ 146,771	\$ 111,648	\$ 0	\$ 0	\$ 0	\$ 1,388,332
Sales and use	0	0	0	0	0	0	14,161	0	0	0	14,161
Other taxes, penalties, interest, etc.	0	0	0	0	0	0	0	50,262	0	0	50,262
Intergovernmental revenues:											
Federal grants	27,240	1,880	14,385	0	0	5,671	4,317	0	0	297,051	350,544
State funds:											
State revenue sharing (net)	73,743	5,089	9,013	0	0	9,013	79	0	0	0	96,937
Fees, charges, and commissions for services	228,680	0	200,428	0	23,291	0	0	0	0	0	452,399
Other	0	0	0	129,205	0	31,735	0	0	0	0	160,940
Fines and forfeitures	0	0	0	0	211,934	334	0	0	0	0	212,268
Use of money and property	8,188	1,108	7,884	0	588	2,010	403	3,438	0	0	23,619
Other revenues	9,236	3,818	0	0	1,887	3,257	0	0	790	0	18,988
Total revenues	1,056,062	60,544	603,999	129,205	237,700	198,791	130,608	53,700	790	297,051	2,768,450
EXPENDITURES:											
General government:											
Judicial	0	0	0	0	268,985	0	0	0	0	0	268,985
Public safety	0	0	0	0	0	0	288,272	24,584	0	0	312,856
Public works	879,513	0	521,435	0	0	0	0	0	0	0	1,400,948
Health and welfare	0	36,041	0	0	0	0	0	0	0	0	36,041
Culture and recreation	0	0	0	0	0	162,394	0	0	0	0	162,394
Capital outlay	0	0	177,837	129,205	0	0	0	0	0	285,391	592,433
Other expenditures	0	0	0	0	0	0	0	0	624	11,660	12,284
Total expenditures	879,513	36,041	699,272	129,205	268,985	162,394	288,272	24,584	624	297,051	2,785,941
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	176,549	24,503	(95,273)	0	(31,285)	36,397	(157,664)	29,116	166	0	(17,491)
OTHER FINANCING SOURCES (USES):											
Note proceeds	0	0	177,837	0	0	0	0	0	0	0	177,837
Operating transfers in	0	0	0	0	0	0	139,861	0	0	0	139,861
Operating transfers out	(51,328)	0	0	0	0	0	0	0	0	0	(51,328)
Total other financing sources (uses)	(51,328)	0	177,837	0	0	0	139,861	0	0	0	266,370

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana
SPECIAL REVENUE FUNDS

Combining Schedule of Revenue, Expenditures,
and Changes in Fund Balances - Continued
For the Year Ended December 31, 1999

	Public Works Fund	Health Unit Fund	Garbage Fund	Rural Development Fund	Criminal Court Fund	Library Fund	Courthouse and Jail Maintenance Fund	E911 Fund	Memorial Fund	LCDBG Block Grant Fund	Total
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	125,221	24,503	82,564	0	(31,285)	36,397	(17,803)	29,116	166	0	248,879
FUND BALANCES AT BEGINNING OF YEAR	678,049	61,085	320,596	0	23,360	215,705	56,301	155,101	2,542	0	1,512,739
FUND BALANCES AT END OF YEAR	\$ 803,270	\$ 85,588	\$ 403,160	\$ 0	\$ (7,925)	\$ 252,102	\$ 38,498	\$ 184,217	\$ 2,708	\$ 0	\$ 1,761,618

**MADISON PARISH POLICE JURY
Tallulah, Louisiana
DEBT SERVICE FUNDS**

**Combining Schedule of Revenue, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 1999**

	<u>Debt Service Fund</u>
EXPENDITURES:	
Debt service:	
Principal retirement	\$ 21,838
Interest and bank charges	<u>6,843</u>
Total expenditures	<u>28,681</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(28,681)</u>
OTHER FINANCING SOURCES (USES):	
Operating transfers in	<u>28,681</u>
Total other financing sources (uses)	<u>28,681</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	0
FUND BALANCES AT BEGINNING OF YEAR	<u>0</u>
FUND BALANCES AT END OF YEAR	<u>\$ 0</u>

**MADISON PARISH POLICE JURY
Tallulah, Louisiana
CAPITAL PROJECTS FUNDS**

**Combining Balance Sheet
December 31, 1999**

	<u>Quebec Road</u>
ASSETS	
Interfund receivable	\$ 3,953
Receivables (net of allowances for uncollectibles of --0--)	<u>21,216</u>
TOTAL ASSETS	<u>\$ 25,169</u>
 LIABILITIES AND FUND EQUITY	
Fund equity -- fund balances:	
Reserved	<u>\$ 25,169</u>
Total fund equity	<u>25,169</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 25,169</u>

**MADISON PARISH POLICE JURY
Tallulah, Louisiana
CAPITAL PROJECTS FUNDS**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 1999**

	<u>Quebec Road Project</u>
REVENUES:	
Federal grants	\$ <u>21,215</u>
Total revenues	<u>21,215</u>
EXPENDITURES:	
Public works	<u>26,624</u>
Total expenditures	<u>26,624</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(5,409)
OTHER FINANCING SOURCES (USES)	
Operating transfer in	<u>26,625</u>
Total other financing sources (uses)	<u>26,625</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	21,216
FUND BALANCES AT BEGINNING OF YEAR	<u>3,953</u>
FUND BALANCES AT END OF YEAR	<u>\$ 25,169</u>

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 1999

The schedule of compensation paid to police jurors (and other board members) is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$900 per month, and the other jurors receive \$800 per month. There were no changes of jurors during the year.

<u>POLICE JUROR</u>	<u>Amount</u>
Sidney Williams	\$ 9,600
Fred Morgan	9,600
Thomas Williams	10,800
Moses Williams, Sr.	9,600
Danny Guice	<u>9,600</u>
Total	<u>\$ 49,200</u>

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Schedule Of Expenditures Of Federal Awards
For The Year Ended December 31, 1999

Federal Grantor/Pass-through Grantor or Cluster Title	Federal CFDA Number	Agency or Pass-through Entity Identifying Number	Federal Expenditures
United States Department of Housing and Urban Development: Passed through Division of Administration: Community Development Block Grant (States Program)	14.228	101-3050	297,051
United States Department of the Interior – Fish and Wildlife Service: Direct Programs:			
Federal Revenue Sharing	15		59,005
Quebec Road	15.FFL		<u>21,215</u>
Total expenditures of federal awards			<u>377,271</u>

Note: See accompanying notes to schedule of expenditures of federal awards.

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Schedule Of Expenditures Of Federal Awards
For The Year Ended December 31, 1999

NOTE A -- Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Madison Parish Police Jury and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**MADISON PARISH POLICE JURY
Tallulah, Louisiana**

**Schedule of Prior Audit Findings
For the Year Ended December 31, 1999**

FINDINGS -- FINANCIAL STATEMENT AUDIT

<u>Finding Number</u>	<u>Description</u>	<u>Status</u>
98-01	Accounting for Manual Checks	Cleared
98-02	Purchase Orders System	Cleared
98-03	Garbage Fee Collections	Not cleared (Sec current year finding 99-01).
98-04	General Fixed Asset Schedule	Not cleared (Sec current year finding 99-02).
98-05	General Ledger Account Reconciliation	Not cleared (Sec current year finding 99-03).
98-06	Budget Variances Exceed 5%	Cleared

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE



WE BRING EXCELLENCE AND INNOVATION TO THE EQUATION

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 Madison Parish Police Jury
Tallulah, Louisiana

We have audited the primary government financial statements of Madison Parish Police Jury as of and for the year ended December 31, 1999, and have issued our report thereon dated May 23, 2000. 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.

Compliance

As part of obtaining reasonable assurance about whether Madison Parish Police Jury's primary government 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as item 99-02, 99-04, and 99-05.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Madison 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 primary government financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Madison Parish Police Jury's ability to record, process, summarize and report financial data consistent with the assertions of management in the primary government financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 99-01 and 99-03.

To the Madison Parish Police Jury
Tallulah, Louisiana

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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 primary government 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider all to be material weaknesses.

This report is intended solely for the information and use of Madison Parish Police Jury's management, others within the organization, and federal and state awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

No management letter was issued as a result of our audit.

May + Company

Vicksburg, Mississippi
May 23, 2000



A Limited Liability Partnership

WE BRING EXCELLENCE AND INNOVATION TO THE EQUATION

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Madison Parish Police Jury
Tallulah, Louisiana

Compliance

We have audited the compliance of Madison Parish Police Jury, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1999. Madison Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Madison Parish Police Jury's management. Our responsibility is to express an opinion on Madison Parish Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Madison Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Madison Parish Police Jury's compliance with those requirements.

In our opinion, Madison Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.

Internal Control Over Compliance

The management of Madison Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Madison Parish Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

110 MONUMENT PLACE • POST OFFICE BOX 821568 • VICKSBURG, MISSISSIPPI 39182-1568 • TELEPHONE (601) 636-4762 • FAX (601) 636-9476

email: infoline@maycpa.com • website: www.maycpa.com

Madison Parish Police Jury
Tallulah, Louisiana

Page Two

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Madison Parish Police Jury and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

May + Company

Vicksburg, Mississippi
May 23, 2000

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 1999

We have audited the financial statements of Madison Parish Police Jury as of and for the year ended December 31, 1999, and have issued our report thereon dated May 23, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 1999 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

- a. The auditor's report expressed an unqualified opinion on the primary government financial statements of the Madison Parish Police Jury.
- b. The report on internal control and compliance contained internal control findings that were considered reportable conditions that are material weaknesses. The report also contained compliance findings that are material to the financial statements.
- c. The Madison Parish Police Jury had one federal award that was a major program.
- d. No reportable condition relating to the audit of the major federal award programs was reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133. Therefore, there are no material weaknesses.
- e. The auditor's report on compliance for the major federal award programs for Madison Parish Police Jury expresses an unqualified opinion on all major federal programs.
- f. No audit findings relative to the major federal award programs for Madison Parish Police Jury are reported in this Schedule.
- g. The programs tested as major programs included CFDA 14.228.
- h. The threshold for distinguishing Types A and B programs was \$300,000.
- i. The Madison Parish Police Jury was not determined to be a low-risk auditee.
- j. No management letter was issued as a result of our audit.

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Schedule of Findings and Questioned Costs - Continued
For the Year Ended December 31, 1999

Section II Financial Statement Findings

Finding
Number

Description

99-01

Garbage Fee Collections

Criteria	Certain water distribution organizations are contracted to collect garbage fees and remit these fees to the Police Jury.
Condition	It was represented to us that certain customers have not paid garbage fees for a significant period of time and that certain water distribution organizations are not remitting the fees collected in a timely manner.
Cause	There is no apparent motivation for water organizations to pursue delinquent accounts.
Effect	The Police Jury is losing garbage fee revenues.
Recommendation	The Police Jury should frequently obtain an accounting of the delinquent fees and proceed with collection efforts.

99-02

General Fixed Asset Schedule

Criteria	Louisiana statutes require governmental entities to maintain appropriate and updated records of general fixed assets.
Condition	The general fixed asset records maintained by the Police Jury do not agree to the recorded amounts in the general ledger.
Cause	Apparent differences from past years continue to cause differences.
Effect	Management is not able to have reasonable assurance that the general fixed assets being recorded in the general ledger are being appropriately tracked in the fixed assets listing.
Recommendation	Management should determine the appropriate balances that should be tracked and make adjustments where needed.

Continued

MADISON PARISH POLICE JURY
Tallulah, Louisiana

Schedule of Findings and Questioned Costs - Continued
For the Year Ended December 31, 1999

<u>Finding Number</u>	<u>Description</u>
99-03	General Ledger Account Reconciliations
Criteria	Accounting records should be maintained in a manner that facilitates accurate and timely financial reporting as well as provide reasonable assurance that fraud, errors or misappropriation of assets is prevented or detected in a timely manner.
Condition	Various accounts and records are not being reconciled and reconciling items are not being disposed of in a timely manner.
Cause	Appropriate period-end procedures have not been designed and implemented.
Effect	Substantial misstatements of account balances were noted in the ending account balances prior to audit adjustments.
Recommendation	Appropriate period-end procedures should be designed, documented and implemented.
99-04	Budget Variances Exceed 5%
Criteria	The Police Jury should adopt budgets, then monitor and amend budgets as appropriate.
Condition	The actual expenditures of several funds exceeded budgeted amounts (as amended) by over 5%.
Cause	Significant audit adjustments caused actual amounts to change significantly.
Effect	Significant budget to actual variances.

Continued

**MADISON PARISH POLICE JURY
Tallulah, Louisiana**

**Schedule of Findings and Questioned Costs - Continued
For the Year Ended December 31, 1999**

<u>Finding Number</u>	<u>Description</u>
99-04	Budget Variances Exceed 5% - Continued
	Recommendation Implementation of policies and procedures as noted in other findings should help alleviate this problem. However, the Police Jury should monitor and amend budgets as appropriate.
99-05	Failure to Obtain Bond Commission Approval for Debt
	Criteria The Police Jury is required to obtain approval from the Louisiana State Bond Commission for any new obligations incurred.
	Condition The Police Jury did not obtain approval for the note to Otto Industries.
	Cause The Police Jury overlooked the requirement to request approval.
	Effect The obligation to Otto Industries was not approved before debt was incurred.
	Recommendation Appropriate procedures should be designed to ensure that all debt is approved by the State Bond Commission.

Section III – Federal Award Findings and Questioned Costs

NONE

CERTIFICATE
OF
MADISON PARISH POLICE JURY
(Governing Authority)
TO THE
LEGISLATIVE AUDITOR

Required by Louisiana Revised Statute 48:758

I, Paxton J. Branch, Sr., President of Madison Parish Police Jury do hereby certify in behalf of the parish governing body that funds made available during the year January 1, 1999 to December 31, 1999 pursuant to Louisiana Revised Statutes 48:71-762, have been expended in accordance with provisions contained in those statutes and other standards established by law.


PRESIDENT

Sworn to and subscribed before me this 27th day of June, 2000.


NOTARY PUBLIC

My commission expires _____.

STATE OF LOUISIANA

MADISON PARISH POLICE JURY
(Name of Parish Governing Authority)

REPORT OF

MARGARETT M. SMITH
TREASURER

TO

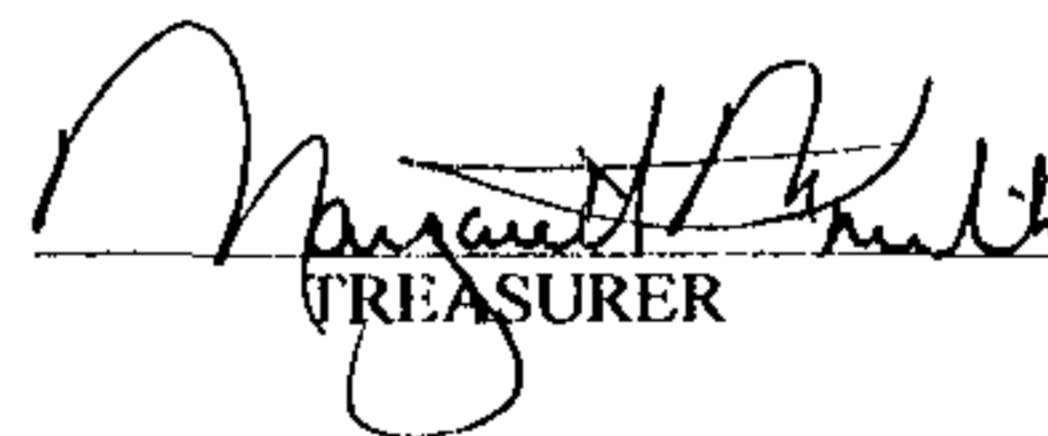
LEGISLATIVE AUDITOR

As of and for the Year Ended December 31, 1999

In accordance with Louisiana Revised Statute 24:514

AFFIDAVIT

Personally came and appeared before the undersigned authority, Margaret Smith, Treasurer of Madison Parish, who, duly sworn, deposes and says that the primary government financial statements herewith given are a fair presentation of financial position of the Madison Parish Police Jury as of December 31, 1999 and the results of the operations for the year then ended in accordance with generally accepted accounting principles.


TREASURER

Sworn to and subscribed before me, this 27th day of June, 2000.


NOTARY PUBLIC

(318) 574-3451
FAX (318) 574-3122

MADISON PARISH POLICE JURY

COURTHOUSE BUILDING
TALLULAH, LOUISIANA 71282



RICHARD THAMES
DISTRICT 1
FRED C MORGAN
DISTRICT 2
PAXTON J. BRANCH SR.
DISTRICT 3
SHULLUNDIA BELL
DISTRICT 4
DANNY SOL GUICE
DISTRICT 5

June 26, 2000

Legislative Audit Advisory Council
State of Louisiana
P. O. Box 94397
Baton rouge, LA 70804-9397

Attn.: D. G. Kyle

Dear Dr. Kyle:

In accordance with LSA-R.S. 24:519, the Madison Parish Police Jury (MPPJ) is responding to Schedule of Findings and Questioned Costs included in the 1999 audit report of May & Company. Our response is as follows:

Finding Number 99-1

- The Police Jury should frequently obtain an accounting of the delinquent fees and proceed with collection efforts.

The water distribution agencies contracted to collect the garbage fees, in accordance with the agreement, does not maintain any bookkeeping records for the Parish; however, upon request they have provided the Parish with required information.

Management will reiterate to the agencies the need to enforce the collection procedure (the shut-off of water service to any of its customers who fail to pay Garbage service charges due Parish) outlined in the agreement.

Finding Number 99-2

- Management should determine the appropriate balances that should be tracked and make adjustments where needed.

Management will review the list and make the necessary adjustments, whether it's an addition or deletion of an item(s) to the general fixed asset records.

Finding Number 99-3

- Appropriate period-end procedures should be designed, documented and implemented.

Procedures will be developed which will incorporate the assigning of the account numbers at requisition, review for accuracy and reasonableness and the reconciliation of an account at period end, including interfund balances and payroll deduction accounts.

Finding Number 99-4

- Implementation of policies and procedures as noted in other findings should help alleviate this problem. However, the Police Jury should monitor and amend the budgets as appropriate.

Although the budget was amended, and variances were after the amended budget, Management will monitor the budgets more closely so that required amendments are done in a timelier manner.


Finding Number 99-5

- Appropriate procedures should be designed to ensure that all dept is approved by the State Bond Commission

Failure to obtain State Bond Approval for the purchase was an oversight, which has been noted.

We hope this is a satisfactory corrective action plan to the concerns addressed in the 1999 audit report.

Sincerely,



Margarett Smith
Secretary/Treasurer