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**ST. JOHN THE BAPTIST PARISH COUNCIL  
LAPLACE, LOUISIANA**

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
WITH INDEPENDENT AUDITOR'S REPORT THEREON**

**Year Ended December 31, 1999**

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

**ST. JOHN THE BAPTIST PARISH COUNCIL  
LAPLACE, LOUISIANA**

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

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**ST. JOHN THE BAPTIST PARISH COUNCIL  
LAPLACE, LOUISIANA**

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**ST. JOHN THE BAPTIST PARISH COUNCIL  
LAPLACE, LOUISIANA**

**Primary Government Financial Statements  
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## **FINANCIAL SECTION**

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable President  
and Members of the Council  
**ST. JOHN THE BAPTIST PARISH COUNCIL**  
LaPlace, Louisiana

We have audited the accompanying primary government financial statements of the **ST. JOHN THE BAPTIST PARISH COUNCIL** (the Parish), as of and for the year ended December 31, 1999, as listed in the table of contents. These primary government financial statements are the responsibility of the management of the Parish. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraphs, 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 primary government financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall primary government financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Due to the inadequacy of accounting records pertaining to the Parish's General Fixed Asset Account Group, we were unable to form an opinion regarding the amounts at which property and equipment are recorded in the accompanying balance sheet at December 31, 1999 (stated at \$21,614,731).

In addition, due to the inadequacy of accounting records pertaining to the property and equipment of the Parish's enterprise funds as of December 31, 1999, we were also unable to form an opinion regarding the amounts at which property and equipment and accumulated depreciation are recorded in the accompanying balance sheet (stated at \$86,294,516 and \$29,148,106, respectively), or the amount of depreciation expense for the year then ended (stated at \$2,195,097).



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, except for the effects of such adjustments, if any, as might have been determined to be necessary had records concerning property and equipment and related accumulated depreciation been adequate, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the **ST. JOHN THE BAPTIST PARISH COUNCIL** as of December 31, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with general accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of the **ST. JOHN THE BAPTIST PARISH COUNCIL** do not purport to, and do not, present fairly the financial position of the **ST. JOHN THE BAPTIST PARISH COUNCIL** as of December 31, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 5, 2000 on our consideration of the **ST. JOHN THE BAPTIST PARISH COUNCIL'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 primary government financial statements of the **ST. JOHN THE BAPTIST PARISH COUNCIL** 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements, and in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole. Also, the supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the primary government financial statements taken as a whole.

The Wireless Emergency 911 Service supplementary information on page 67 is not a required part of the basic financial statements but is supplementary information required by the Louisiana Legislative Auditor. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

*Reboue & Company*

May 5, 2000

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**St. John the Baptist Parish Council  
LaPlace, Louisiana**

**Combined Balance Sheet  
All Fund Types and Account Groups  
December 31, 1999**

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
<b>Assets and Other Debits</b>				
Assets				
Cash and cash equivalents	\$ 34,898	\$ 1,968,188	\$ 572,078	\$ 1,581,271
Investments	-	8,847,796	1,568,482	2,497,930
Receivables, net	1,190,496	4,443,978	2,254,602	4,186
Due from other funds	93,368	1,386,650	-	25,229
Other receivables	29,899	107,312	-	-
Inventory	-	-	-	-
Due from other governments	41,230	294,755	-	-
Other assets	-	-	-	-
Restricted assets	-	-	-	-
Land, buildings, and equipment (net, where applicable, of accumulated depreciation)	-	-	-	-
Other debits				
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
<b>Total Assets and Other Debits</b>	<b>\$ 1,389,891</b>	<b>\$ 17,048,679</b>	<b>\$ 4,395,162</b>	<b>\$ 4,108,616</b>

(Continued)

Proprietary Fund Types		Fiduciary	Account Groups		Total
Enterprise Funds	Internal Service Funds	Agency Fund	General Fixed Assets	General Long-term Obligations	(Memorandum Only)
\$ 743,727	\$ 134,369	\$ 36,615	\$ -	\$ -	\$ 5,071,146
199,482	297,601	-	-	-	13,411,291
1,369,949	43,875	-	-	-	9,307,086
972,501	48,383	-	-	-	2,526,131
-	-	-	-	-	137,211
101,812	-	-	-	-	101,812
-	-	-	-	-	335,985
181,914	-	-	-	-	181,914
7,261,158	-	-	-	-	7,261,158
57,146,410	-	-	21,614,731	-	78,761,141
-	-	-	-	4,346,162	4,346,162
-	-	-	-	37,945,202	37,945,202
<u>\$ 67,976,953</u>	<u>\$ 524,228</u>	<u>\$ 36,615</u>	<u>\$ 21,614,731</u>	<u>\$ 42,291,364</u>	<u>\$ 159,386,239</u>

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**

**Combined Balance Sheet (Continued)**  
**All Fund Types and Account Groups**  
**December 31, 1999**

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
<b>Liabilities, Equity, and Other Credits</b>				
<b>Liabilities</b>				
Accounts and salaries payable	\$ 298,288	\$ 654,237	\$ -	\$ 414,142
Cash overdraft	18,933	-	-	-
Contracts payable	-	19,962	-	239,399
Estimated claims payable	-	-	-	-
Due to other funds	246,362	1,132,792	49,000	6,625
Due to other governments	55,274	15,528	-	-
Payable from restricted assets	-	-	-	-
Other liabilities	-	312,524	-	-
Capital leases payable	-	-	-	-
Loans payable	275,000	-	-	-
Bonds payable	-	-	-	-
<b>Total liabilities</b>	<b>893,857</b>	<b>2,135,043</b>	<b>49,000</b>	<b>660,166</b>
<b>Fund equity and other credits</b>				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Reserved	-	-	-	-
Unreserved	-	-	-	-
Fund balance:				
Reserved	-	433,623	4,346,162	3,448,450
Unreserved	496,034	14,480,013	-	-
<b>Total fund equity and other credits</b>	<b>496,034</b>	<b>14,913,636</b>	<b>4,346,162</b>	<b>3,448,450</b>
<b>Total Liabilities, Equity, and Other Credits</b>	<b>\$ 1,389,891</b>	<b>\$ 17,048,679</b>	<b>\$ 4,395,162</b>	<b>\$ 4,108,616</b>

The accompanying notes are an integral part of this statement.

Proprietary Fund Types		Fiduciary	Account Groups		Total (Memorandum Only)
Enterprise Funds	Internal Service Funds	Agency Fund	General Fixed Assets	General Long-term Obligations	
\$ 629,172	\$ -	\$ -	\$ -	\$ -	\$ 1,995,839
-	58,558	-	-	-	77,491
-	-	-	-	-	259,361
-	312,721	-	-	-	312,721
1,057,429	103	32,463	-	-	2,524,774
-	-	-	-	-	70,802
1,109,126	-	-	-	-	1,109,126
167,769	-	4,152	-	-	484,445
45,421	-	-	-	841,164	886,585
-	-	-	-	200	275,200
9,212,541	-	-	-	41,450,000	50,662,541
<u>12,221,458</u>	<u>371,382</u>	<u>36,615</u>	<u>-</u>	<u>42,291,364</u>	<u>58,658,885</u>
44,546,766	-	-	-	-	44,546,766
-	-	-	21,614,731	-	21,614,731
1,284,924	-	-	-	-	1,284,924
9,923,805	152,846	-	-	-	10,076,651
-	-	-	-	-	8,228,235
-	-	-	-	-	14,976,047
<u>55,755,495</u>	<u>152,846</u>	<u>-</u>	<u>21,614,731</u>	<u>-</u>	<u>100,727,354</u>
<u>\$ 67,976,953</u>	<u>\$ 524,228</u>	<u>\$ 36,615</u>	<u>\$ 21,614,731</u>	<u>\$ 42,291,364</u>	<u>\$ 159,386,239</u>

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**

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

	Governmental Fund Types				Total (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	
<b>Revenues</b>					
Taxes:					
Ad valorem	\$ 800,379	\$ 1,211,129	\$ 2,296,961	\$ -	\$ 4,308,469
Sales and use	-	9,771,155	-	-	9,771,155
Licenses and permits	827,826	-	-	-	827,826
Intergovernmental revenues:					
Federal grants	104,796	220,203	-	395,822	720,821
State funds:					
Parish transportation	-	487,720	-	-	487,720
State revenue sharing	65,604	45,308	-	-	110,912
Other	440,015	502,855	-	-	942,870
Fees, charges, and commissions	191,478	416,708	-	-	608,186
Fines and forfeitures	25,714	767,858	-	-	793,572
Interest income	11,919	562,833	352,666	265,240	1,192,658
Other revenue	71,364	391,949	3,052	16,733	483,098
<b>Total Revenues</b>	<b>2,539,095</b>	<b>14,377,718</b>	<b>2,652,679</b>	<b>677,795</b>	<b>20,247,287</b>
<b>Expenditures</b>					
General government:					
Legislative	239,513	-	-	-	239,513
Judicial	570,075	890,542	-	-	1,460,617
Executive	421,918	-	-	-	421,918
Elections	39,331	-	-	-	39,331
Finance and administration	-	918	2,780	-	3,698
Civil service	26,794	-	-	-	26,794
Building and plant	1,041,944	-	-	-	1,041,944
Planning and zoning	175,315	-	-	-	175,315
Public safety	341,241	1,579,026	-	-	1,920,267
Public works	-	-	-	5,107,587	5,107,587
Health and welfare	505,597	623,052	-	-	1,128,649
Economic development	-	262,315	-	-	262,315
Transportation	-	4,239,930	-	-	4,239,930
Debt service	358,356	18,300	9,463,867	-	9,840,523
<b>Total Expenditures</b>	<b>\$ 3,720,084</b>	<b>\$ 7,614,083</b>	<b>\$ 9,466,647</b>	<b>\$ 5,107,587</b>	<b>\$ 25,908,401</b>

(Continued)

**St. John the Baptist Parish Council  
LaPlace, Louisiana**

**Governmental Fund Types  
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
For the Year Ended December 31, 1999**

	<i>Governmental Fund Types</i>				Total (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	\$ (1,180,989)	\$ 6,763,635	\$ (6,813,968)	\$ (4,429,792)	\$ (5,661,114)
<b>Other Financing Sources (Uses)</b>					
Proceeds of debt issued	-	-	-	225,000	225,000
Sale of fixed assets	-	1,410,625	-	-	1,410,625
Litigation settlement	95,000	100,000	-	-	195,000
Proceeds of refunding bonds	-	-	15,888,661	-	15,888,661
Payment to refunded bond escrow agent	-	-	(13,856,548)	-	(13,856,548)
Operating transfers in	1,426,587	1,808,540	4,541,903	750,759	8,527,789
Operating transfers out	(83,100)	(6,986,632)	(1,692,116)	-	(8,761,848)
<b>Total Other Financing Sources (Uses)</b>	<u>1,438,487</u>	<u>(3,667,467)</u>	<u>4,881,900</u>	<u>975,759</u>	<u>3,628,679</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	257,498	3,096,168	(1,932,068)	(3,454,033)	(2,032,435)
<b>Fund Balances, Beginning of Year</b>	<u>238,536</u>	<u>11,817,468</u>	<u>6,278,230</u>	<u>6,902,483</u>	<u>25,236,717</u>
<b>Fund Balances, End of Year</b>	<u>\$ 496,034</u>	<u>\$ 14,913,636</u>	<u>\$ 4,346,162</u>	<u>\$ 3,448,450</u>	<u>\$ 23,204,282</u>

The accompanying notes are an integral part of this statement.



**St. John the Baptist Parish Council  
LaPlace, Louisiana**

**Governmental Fund Types  
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		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Taxes:						
Ad valorem	\$ 823,000	\$ 800,379	\$ (22,621)	\$ 1,225,000	\$ 1,211,129	\$ (13,871)
Sales and use	-	-	-	8,611,000	9,771,155	1,160,155
Licenses and permits	809,073	827,826	18,753	-	-	-
Intergovernmental revenues:						
Federal grants	104,796	104,796	-	610,730	220,203	(390,527)
State funds:						
Parish transportation	-	-	-	530,000	487,720	(42,280)
State revenue sharing	63,900	65,604	1,704	43,330	45,308	1,978
Other	389,989	440,015	50,026	326,312	502,855	176,543
Fees, charges, and commissions	187,275	191,478	4,203	406,504	416,708	10,204
Fines and forfeitures	25,000	25,714	714	749,500	767,858	18,358
Interest income	11,900	11,919	19	376,499	562,833	186,334
Other revenue	100,800	71,364	(29,436)	342,957	391,949	48,992
<b>Total Revenues</b>	<b>2,515,733</b>	<b>2,539,095</b>	<b>23,362</b>	<b>13,221,832</b>	<b>14,377,718</b>	<b>1,155,886</b>
<b>Expenditures</b>						
General government:						
Legislative	246,497	239,513	6,984	-	-	-
Judicial	602,187	570,075	32,112	924,225	890,542	33,683
Executive	419,464	421,918	(2,454)	-	-	-
Elections	57,796	39,331	18,465	-	-	-
Finance and administration	-	-	-	1,354	918	436
Civil service	25,330	26,794	(1,464)	-	-	-
Building and plant	842,548	1,041,944	(199,396)	-	-	-
Planning and zoning	187,757	175,315	12,442	-	-	-
Public safety	426,178	341,241	84,937	2,017,530	1,579,026	438,504
Health and welfare	659,112	505,597	153,515	650,990	623,052	27,938
Economic development	-	-	-	278,126	262,315	15,811
Transportation	-	-	-	5,899,062	4,239,930	1,659,132
Debt service	396,738	358,356	38,382	18,300	18,300	-
<b>Total Expenditures</b>	<b>\$ 3,863,607</b>	<b>\$ 3,720,084</b>	<b>\$ 143,523</b>	<b>\$ 9,789,587</b>	<b>\$ 7,614,083</b>	<b>\$ 2,175,504</b>

(Continued)

**St. John the Baptist Parish Council  
LaPlace, Louisiana**

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

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>\$ (1,347,874)</u>	<u>\$ (1,180,989)</u>	<u>\$ 166,885</u>	<u>\$ 3,432,245</u>	<u>\$ 6,763,635</u>	<u>\$ 3,331,390</u>
<b>Other Financing Sources (Uses)</b>						
Proceeds of leases	-	-	-	141,000	-	(141,000)
Sale of fixed assets	-	-	-	130,249	1,410,625	1,280,376
Litigation settlement	-	95,000	95,000	-	100,000	100,000
Operating transfers in	1,421,045	1,426,587	5,542	1,833,541	1,808,540	(25,001)
Operating transfers out	(44,507)	(83,100)	(38,593)	(7,355,588)	(6,986,632)	368,956
<b>Total Other Financing Sources (Uses)</b>	<u>1,376,538</u>	<u>1,438,487</u>	<u>61,949</u>	<u>(5,250,798)</u>	<u>(3,667,467)</u>	<u>1,583,331</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>28,664</u>	<u>257,498</u>	<u>228,834</u>	<u>(1,818,553)</u>	<u>3,096,168</u>	<u>4,914,721</u>
<b>Fund Balances, Beginning of Year</b>	<u>238,536</u>	<u>238,536</u>	<u>-</u>	<u>11,817,468</u>	<u>11,817,468</u>	<u>-</u>
<b>Fund Balances, End of Year</b>	<u>\$ 267,200</u>	<u>\$ 496,034</u>	<u>\$ 228,834</u>	<u>\$ 9,998,915</u>	<u>\$ 14,913,636</u>	<u>\$ 4,914,721</u>

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**

**Proprietary Fund Types**  
**Combined Statement of Revenues, Expenses, and Changes in Retained Earnings**  
**For the Year Ended December 31, 1999**

	Proprietary Funds		Total
	Enterprise Funds	Internal Service Funds	
<b>Revenues</b>			
Sales	\$ 4,067,302	\$ -	\$ 4,067,302
Taxes	71,413	-	71,413
Other fees, charges, and commissions	4,793,642	843,637	5,637,279
Grant revenue	2,219	-	2,219
Other income	244,980	-	244,980
<b>Total Revenues</b>	<b>9,179,556</b>	<b>843,637</b>	<b>10,023,193</b>
<b>Operating Expenses</b>			
Water distribution	4,255,025	-	4,255,025
Sewer collection	4,464,444	-	4,464,444
Solid waste	1,626,533	-	1,626,533
Mosquito abatement	339,925	-	339,925
Insurance	-	1,070,539	1,070,539
<b>Total Operating Expenses</b>	<b>10,685,927</b>	<b>1,070,539</b>	<b>11,756,466</b>
<b>Operating Income (Loss)</b>	<b>(1,506,371)</b>	<b>(226,902)</b>	<b>(1,733,273)</b>
<b>Nonoperating Income (Expense)</b>			
Interest income	219,527	17,733	237,260
Interest expense	(203,906)	-	(203,906)
Operating transfers in	716,000	9,600	725,600
Operating transfers out	(441,541)	(50,000)	(491,541)
Other	-	3,631	3,631
<b>Net Nonoperating Income (Expense)</b>	<b>290,080</b>	<b>(19,036)</b>	<b>271,044</b>
<b>Net Income (Loss)</b>	<b>(1,216,291)</b>	<b>(245,938)</b>	<b>(1,462,229)</b>
<b>Amortization of Contributed Capital</b>	<b>1,648,206</b>	<b>-</b>	<b>1,648,206</b>
<b>Increase (decrease) in retained earnings</b>	<b>431,915</b>	<b>(245,938)</b>	<b>185,977</b>
<b>Retained Earnings, Beginning of Year</b>	<b>10,776,814</b>	<b>398,784</b>	<b>11,175,598</b>
<b>Retained Earnings, End of Year</b>	<b>\$ 11,208,729</b>	<b>\$ 152,846</b>	<b>\$ 11,361,575</b>

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Council  
LaPlace, Louisiana**

**Proprietary Fund Types  
Combined Statement of Cash Flows  
For the Year Ended December 31, 1999**

	Proprietary Funds		Total
	Enterprise Funds	Internal Service Funds	
<b>Cash Flows From Operating Activities</b>			
Operating income (loss)	\$ (1,506,371)	\$ (226,902)	\$ (1,733,273)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	2,195,097	-	2,195,097
Changes in assets and liabilities:			
Accounts receivable	444,536	(43,875)	400,661
Due from other funds	(188,862)	133,892	(54,970)
Due from other governments	33,625	-	33,625
Other receivables	34,405	-	34,405
Inventory	(3,154)	-	(3,154)
Other assets	(92,923)	-	(92,923)
Accounts and salaries payable	34,173	-	34,173
Cash overdraft	(56,300)	(103,442)	(159,742)
Due to other funds	(210,552)	(156,158)	(366,710)
Contract payable	(40,408)	-	(40,408)
Deposits payable	37,940	-	37,940
Interest payable	42,126	-	42,126
Claims payable	-	312,721	312,721
Other liabilities	(9,250)	-	(9,250)
Net cash provided (used) by operating activities	<u>714,082</u>	<u>(83,764)</u>	<u>630,318</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Operating transfers in	716,000	9,600	725,600
Operating transfers out	(441,541)	(50,000)	(491,541)
Other	-	3,631	3,631
Net cash provided (used) by noncapital financing activities	<u>274,459</u>	<u>(36,769)</u>	<u>237,690</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Proceeds from bond issue	3,500,000	-	3,500,000

(Continued)

**St. John the Baptist Parish Council  
LaPlace, Louisiana**

**Proprietary Fund Types  
Combined Statement of Cash Flows (Continued)  
For the Year Ended December 31, 1999**

	Proprietary Funds		Total
	Enterprise Funds	Internal Service Funds	
<b>Cash Flows From Capital and Related Financing Activities (Continued)</b>			
Acquisition of capital assets	\$ (1,263,762)	\$ -	\$ (1,263,762)
Decrease in contributed capital	(855,708)	-	(855,708)
Amortization of contributed capital	1,648,206	-	1,648,206
Bonds payable			
Principal payments	(217,793)	-	(217,793)
Interest payments	(203,906)	-	(203,906)
Capital leases payable	(15,896)	-	(15,896)
	<hr/>	<hr/>	<hr/>
Net cash provided (used) by capital and related financing activities	2,591,141	-	2,591,141
	<hr/>	<hr/>	<hr/>
<b>Cash Flows From Investing Activities</b>			
Interest income	219,527	17,733	237,260
Sale of investment securities	6,562,727	496,034	7,058,761
Purchase of investment securities	(7,970,852)	(793,635)	(8,764,487)
	<hr/>	<hr/>	<hr/>
Net cash provided (used) by investing activities	(1,188,598)	(279,868)	(1,468,466)
	<hr/>	<hr/>	<hr/>
<b>Net Increase in Cash</b>	2,391,084	(400,401)	1,990,683
	<hr/>	<hr/>	<hr/>
<b>Cash and Cash Equivalents, Beginning of Year</b>	2,212,719	534,770	2,747,489
	<hr/>	<hr/>	<hr/>
<b>Cash and Cash Equivalents, End of Year</b>	\$ 4,603,803	\$ 134,369	\$ 4,738,172
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Reconciliation to Balance Sheet:</b>			
Cash and cash equivalents	\$ 743,727	\$ 134,369	\$ 878,096
Cash and cash equivalents, restricted	3,860,076	-	3,860,076
	<hr/>	<hr/>	<hr/>
Total cash and cash equivalents	\$ 4,603,803	\$ 134,369	\$ 4,738,172
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this statement.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES**

The financial statements of the Parish of St. John the Baptist 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. The more significant of the Parish's accounting policies are described below.

**A. REPORTING ENTITY**

The **ST. JOHN THE BAPTIST PARISH COUNCIL** (the Council) is the governing authority for the Parish of St. John the Baptist, a political subdivision of the State of Louisiana as authorized by the State Constitution. The Council consists of nine members, two of whom are elected from two divisions of the Parish consisting of 50% of the Parish's population and seven members elected to represent each of the seven districts. The Parish President, elected by the voters of the Parish, is the chief executive officer of the Parish and is responsible for carrying out the policies adopted by the Council and for the administration of all Parish departments, offices, agencies and special districts.

Louisiana Revised Statutes, at LSA-R.S. 33:1236, give the Council various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of these are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and its drainage system; 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, sales taxes, beer and alcoholic beverage permits, state revenue sharing, and various state and federal grants.

St. John the Baptist Parish occupies 351 square miles with a population of approximately 42,000. Council offices are located in the Parish office building at 1801 West Airline Highway, LaPlace.

As the governing authority of the Parish, for financial reporting purposes, the **ST. JOHN THE BAPTIST PARISH COUNCIL** is the reporting entity for St. John the Baptist Parish. The financial reporting entity consists of (a) the primary government (Council), (b) organizations for which the primary government is financial 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.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)**

Government Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the **ST. JOHN THE BAPTIST PARISH COUNCIL** 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 the following criteria to be considered in determining financial accountability:

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

Based on the above criteria, the Council 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>
Community Action Agency	June 30	1.a.b.
Library	December 31	1.a.b.
Assessor	December 31	2
Clerk of Court	June 30	2

The Council has elected to issue financial statements of the primary government (Council) only; therefore, none of the previously listed component units are included in the accompanying financial statements. However, these component units are required to submit annual financial statements to the State of Louisiana Legislative Auditor.

The primary government (Council) financial statements include all funds, account groups, and organizations for which the Council maintains the accounting records. The organizations for which the Council maintains the accounting records are considered part of the primary government for financial reporting purposes.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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's (Council) 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 government 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.

**B. FUND ACCOUNTING**

The Council 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. 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 Council 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:

Governmental Funds

*General Fund* - The General Fund is the general operating fund of the Council. It accounts for all financial resources except those required to be accounted for in other funds.

*Special Revenue Funds* - Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes are reported as special revenue funds.

*Debt Service Funds* - Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

*Capital Projects Funds* - Capital projects funds account for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those reported in enterprise funds.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Proprietary Funds

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

*Internal Service Funds* - Internal service funds account for the financing of goods or services provided by one department to other departments or governments on a cost-reimbursement basis.

Fiduciary Funds

*Agency Funds* - Agency funds are used to account for assets held by the Parish Council on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

*General Fixed Assets Account Group* - The general fixed assets account group is used to account for fixed assets not accounted for in proprietary or trust funds.

*General Long-Term Debt Account Group* - The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

The two account groups are not funds. They are concerned only with the measurement of financial position, not with results of operations.

**C. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Governmental Funds

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 (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under this method revenues are recognized when susceptible to accrual (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 the liabilities of the current period. The Parish considers ad valorem taxes revenue in the year for which they are levied. Expenditures are recorded when the related fund liability is incurred, except for sick and vacation leave, which are recorded when paid. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues considered susceptible to accrual are sales and use tax revenues, federal and state grants, and certain franchise fees. Sales taxes are recognized when collected by vendors. Interest on time deposits is recorded when earned. Substantially all other revenues are recorded when received.

Transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses) and are recorded at the time of transfer. Bank loans are recognized when the loan is authorized. Indirect cost reimbursements are the amounts the General Fund charges to several other funds based on the level of services provided to these funds by the General Fund.

The Parish reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Parish before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Parish has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Proprietary Funds

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in net total assets.

The proprietary funds are maintained on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred. Unbilled enterprise fund service receivables are recorded as fund assets at year end.

In accordance with Statement No. 20 of the Governmental Accounting Standards Board (GASB), "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting" it is the policy of the Parish's proprietary funds to apply all applicable GASB pronouncements as well as all Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletin of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**D. BUDGETARY ACCOUNTING**

Parish budgets are prepared and reported on the same basis of accounting as the financial statements. The General Fund, Special Revenue Funds, and Enterprise Funds are the only funds for which budgets are legally adopted by the Council. Budgets for the General and Special Revenue Funds are adopted on the modified accrual basis of accounting. Enterprise Fund budgets are adopted on the accrual basis of accounting. Other funds are administratively budgeted for management use only.

All unexpended budgetary appropriations lapse at year end.

Additional details on the budgetary process may be found at Note 2.

**E. ENCUMBRANCES**

The Council does not use an encumbrance accounting system.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes cash on hand, demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. For purposes of the statement of cash flows, the enterprise funds consider these same items to be cash.

Louisiana Revised Statutes, at LSA-R.S. 33:2955, authorize the Council to invest in (1) direct obligations of the United States Treasury, the principal and interest of which are fully guaranteed by the federal government; (2) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. Government instrumentalities; (3) direct security repurchase agreements of any federal book-entry-only securities; (4) time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana, savings accounts or shares of savings and loan associations; (5) in mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies; or (6) guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Bond Commission.

Cash and cash equivalents are stated at cost, which approximates market. State Law R.S. 39:1225 provides that the amount of the pledged securities shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by any governmental agency insuring bank deposits, which is organized under the laws of the United States.

Investments consist of U.S. Treasury Bills with original maturities of one year or less, and are stated at amortized cost, which approximates market value.

**G. 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.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. ADVANCES TO OTHER FUNDS**

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

**I. INVENTORIES**

The cost of materials and supplies acquired by the governmental funds are recorded as expenditures at the time of consumption. Proprietary fund type inventories are stated at the lower of cost or market, determined by the first-in, first-out method.

**J. PREPAID ITEMS**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**K. RESTRICTED ASSETS**

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by the governing bond covenants. Additionally, customer deposits held by the Utilities System Enterprise Fund are restricted for use in paying outstanding bills when customers discontinue service.

**L. FIXED ASSETS**

General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. Assets in the general fixed assets account group are not depreciated. All purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date donated.

The costs of maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized, but improvements that add to the value of assets are capitalized.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Public domain (infrastructure) general fixed assets consisting of roads, bridges, curbs and gutters, and streets and sidewalks are not capitalized, as these assets are immovable and of value only to the government.

Proprietary Fund Fixed Assets

Fixed assets used in the proprietary fund operations (enterprise funds) are included on the balance sheet of the funds at cost where historical records are available and at estimated historical cost where no historical records exist, net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method over the useful lives of the assets ranging from 5 to 45 years.

Interest expense incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

The costs of maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized. Improvements that add to the value of assets are capitalized and depreciated over the remaining useful lives of the fixed assets.

Fixed assets acquired through capital contributions are capitalized. Depreciation expense applicable to these contributed assets is closed out to the related contributed capital accounts rather than retained earnings. This method is considered preferable under the matching concept wherein acquisition of these fixed assets is recorded as an addition to contributed capital.

**M. COMPENSATED ABSENCES**

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

Employees earn from 5 to 20 days of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year earned and cannot be accumulated. Also, employees earn 6 to 18 days of sick leave per year which can be accumulated and is paid only upon retirement. Upon separation, unclassified employees are paid for one-half (1/2) of the total unused sick days paid at the regular hourly rate. The accumulation of sick leave is nominal at December 31, 1999, therefore, a liability for compensated absences due employees has not been included in the combined financial statements.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The cost of current 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. Leave privileges associated with employees of the proprietary funds are recorded as a fund liability and operating expenses.

**N. 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. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds. Premiums and discounts are deferred and amortized in proprietary funds, as are issuance costs. With the exception of deep-discount debt, general long-term debt is reported at its face value, without premium or discount. Issuance costs related to general long-term debt are reported as expenditures of the period in which incurred.

**O. FUND EQUITY**

Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

**P - BOND ISSUANCE COSTS**

Bond issuance expense and bond discounts incurred as a result of the issuance of revenue bonds are amortized in proportion to the debt service on the revenue bonds. Bond issuance costs are capitalized and amortized over the lives of the underlying bond issues at a rate corresponding to the percentage of current year debt service to total debt service. At December 31, 1999, the Fund had \$181,914 of unamortized bond issuance costs. Amortization expense for the year ended December 31, 1999 was \$6,145.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. 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.

**R. SALES TAXES**

Sales taxes are collected by the St. John the Baptist Parish School Board, a separate entity, for a fee equal to 50% of actual collection expenditures.

**S. UNPAID CLAIMS LIABILITIES**

The Employee Benefit Fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

**T. REINSURANCE**

The Employee Benefit Fund uses a reinsurance carrier to reduce its exposure to large losses on medical and dental insurance programs. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Parish as direct insurer of the risks reinsured. The Parish does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. The amount deducted from claims as of December 31, 1999, for the amount reimbursed by the reinsurance carrier was \$117,310.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**U. 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.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Budget

The procedures used by the Parish in establishing the budgetary data reflected in the financial statements are as follows:

- (1). At least sixty (60) days before the beginning of the fiscal year, the President submits a line item operating budget and a capital budget in accordance with accepted accounting procedure in a format established by the Parish Council. The budget submitted shall be balanced. The President submits with the budget a message containing recommendations concerning the fiscal policy of the Parish, a description of the important features of the budget, and an explanation of all major increases or decreases in budget recommendations as compared with expenditures of the prior year.
- (2). The Parish Council publishes the proposed budget in the official journal two (2) weeks before the meeting at which the budget is to be adopted. The budget as adopted constitutes an appropriation of funds for all purposes contained therein. A budget ordinance becomes effective the first day of the fiscal year, unless otherwise provided therein.
- (3). The Parish Council may amend the budgets before adoption except that no items for debt service may be reduced below the amount certified by the President as necessary. In no event should the Parish Council cause the total expenditures to exceed anticipated revenue. If the Parish Council fails to act on either budget within the time limit provided, it shall be adopted as submitted by the President.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 3 - AD VALOREM TAX**

Ad valorem tax on real property is levied as of November 15<sup>th</sup> of each year. The tax becomes an enforceable lien on the property on the first day of the month following the filing of the tax rolls by the Assessor with the Louisiana Tax Commission (usually December 1<sup>st</sup>). The tax bills are mailed by the Sheriff's Office in early December and are due upon receipt. The taxes become delinquent on January 1<sup>st</sup> in the year after levy. The property taxes are levied on property values determined by the St. John the Baptist Parish Assessor's Office.

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

<u>Parishwide Taxes</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide	4.24	4.24	Permanent
Courthouse and Jail	1.04	1.04	12/31/05
Library	9.99	9.99	12/31/07
Public Health	1.00	1.00	12/31/07
Public Buildings	0.50	0.50	12/31/02
Water Improvement	7.50	7.50	12/31/00
Road Lighting District No.1	4.99	4.99	12/31/07
Parishwide Sewerage	3.50	3.50	12/31/03
Mosquito Abatement District	0.50	0.50	12/31/08
Juvenile Detention Center	1.01	1.01	12/31/09
Public Buildings Training Center	0.50	0.50	12/31/07
Public Buildings ARC Maintenance	0.50	0.50	12/31/02
Senior Citizen Center	1.00	1.00	12/31/03
Drainage Works and Building Improvements	4.00	4.00	12/31/17

**NOTE 4 - SALES AND USE TAX**

The Parish levies a four percent sales and use tax. The Parish and the St. John the Baptist Parish School Board have entered into an agreement under which the School Board collects the Parish's sales and use taxes for a stipulated fee. The School Board remits the proceeds of the sales and use taxes to the Parish on a monthly basis. Sales and use tax revenue recognized in 1999 totaled \$9,771,155.

**NOTE 5 - CASH AND CASH EQUIVALENTS**

At December 31, 1999, the Council has cash and cash equivalents (book balances) totaling \$8,853,731 of which \$4,993,655 is unrestricted and \$3,860,076 is restricted. Restricted cash is included with restricted assets on the combined balance sheet. In the enterprise funds, restricted cash equals \$3,860,076 and unrestricted cash equals \$743,727 for total cash of \$4,603,803, which is presented as total cash in the statement of cash flows.



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**NOTE 5 - CASH AND CASH EQUIVALENTS (CONTINUED)**

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 joint custody in a federal reserve bank.

At December 31, 1999, the Council has \$9,118,967 in deposits (collected bank balances) of which \$38,577 was uncollateralized (GASB Category 3) and \$9,080,390 is secured from risk by \$400,000 of federal deposit insurance and \$8,680,390 of pledged securities held by the federal reserve bank in the name of the fiscal agent bank and the Parish (GASB Category 1).

**NOTE 6 - INVESTMENTS**

Investments consist of obligations of the United States Treasury, all of which were purchased with original maturities of one year or less. These investments are stated at amortized cost, which approximates fair value net of unrealized gain/loss in accordance with Government Accounting Standards Board Statement (GASBS) No 31, "Accounting And Financial Reporting For Certain Investments And For External Investment Pools."

Investments at year end are categorized below to give an indication of the level of risk assumed by the Parish. The categories of credit risk are as follows:

Category 1 - Insured or registered, or securities held by the Parish or its agent in the Parish's name.

Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Parish's name.

Category 3 - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Parish's name.

At year end, the Parish's investment balances were as follows:

	<u>Category</u> <u>1</u>	<u>Amortized</u> <u>Cost</u>	<u>Market</u> <u>Value</u>
United States Treasury Bills	<u>\$16,812,373</u>	<u>\$16,812,373</u>	<u>\$16,812,373</u>

All investments maintained in the proprietary funds are classified as held-to-maturity. These investments consist exclusively of U.S. Treasury Bills with original maturities of one year or less. The amortized cost of investments in the proprietary funds is \$3,600,564. The total amortized cost of the Parish's investments, which approximates market value, is \$16,812,373.

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**NOTE 7 - RECEIVABLES**

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

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Proprietary Funds	Total
<b>Taxes:</b>						
Ad Valorem	\$ 733,957	\$ 1,187,109	\$ 2,224,111	\$ -	\$ 71,323	\$ 4,216,500
Sales & Use	-	1,934,158	-	-	-	1,934,158
Other	83,376	-	-	-	-	83,376
<b>Intergovernmental:</b>						
Federal	-	177,909	-	-	-	177,909
State	41,230	116,846	-	-	-	158,076
Accounts receivable	373,163	1,322,711	30,491	4,186	1,379,397	3,109,948
Other receivables	<u>29,899</u>	<u>107,312</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,211</u>
Gross receivables	1,261,625	4,846,045	2,254,602	4,186	1,450,720	9,817,178
Less: Allowance for estimated uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(36,896)</u>	<u>(36,896)</u>
Net receivables	<u>\$1,261,625</u>	<u>\$4,846,045</u>	<u>\$2,254,602</u>	<u>\$ 4,186</u>	<u>\$ 1,413,824</u>	<u>\$ 9,780,282</u>

The allowance for estimated uncollectible receivables is based on historical collection experience and other relevant circumstances. The allowance for estimated uncollectibles consists of the following:

<b>Proprietary Funds:</b>	
Sewer District 1B	\$ 16,458
Solid Waste	2,072
Utilities System	<u>18,366</u>
Total allowance for uncollectible accounts	<u>\$ 36,896</u>

**NOTE 8 - FIXED ASSETS**

The following is a summary of changes in the General Fixed Asset Account Group during the year ended December 31, 1999:

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**NOTE 8 - FIXED ASSETS (CONTINUED)**

	<u>Balance</u> <u>1/01/99</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/99</u>
Land & building	\$10,214,767	\$3,071,432	\$2,390,660	\$ 10,895,539
Equipment & furniture	8,374,376	695,835	-	9,070,211
Construction in progress	<u>532,135</u>	<u>1,544,809</u>	<u>427,963</u>	<u>1,648,981</u>
Total	<u>\$19,121,278</u>	<u>\$5,312,076</u>	<u>\$2,818,623</u>	<u>\$ 21,614,731</u>

Construction in progress is comprised of the following:

	<u>Expended to</u> <u>December 31, 1999</u>
Drainage Construction Fund	
Drainage Projects	\$ 566,301
Driver's License Building Construction Fund	
Driver's License Building Improvements	16,296
Building Construction Fund	
Main Building Improvements	<u>1,066,384</u>
Total construction in progress	<u>\$1,648,981</u>

The following is a summary of activity for property, plant, and equipment held in the Parish's Enterprise Funds as of December 31, 1999:

	<u>Balance</u> <u>1/01/99</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/99</u>
Land	\$ 101,883	\$ 18,000	\$ -	\$ 119,883
Buildings	96,307	-	-	96,307
Systems	81,779,048	1,596,797	-	83,375,845
Equipment	2,236,891	247,170	-	2,484,061
Construction in progress	<u>816,625</u>	<u>134,108</u>	<u>732,313</u>	<u>218,420</u>
Subtotal	<u>\$ 85,030,754</u>	<u>\$ 1,996,075</u>	<u>\$ 732,313</u>	<u>\$ 86,294,516</u>
Less: Accumulated Depreciation	<u>(26,953,009)</u>	<u>(2,195,097)</u>	<u>-</u>	<u>(29,148,106)</u>
Total	<u>\$ 58,077,745</u>	<u>\$ (199,022)</u>	<u>\$ 732,313</u>	<u>\$ 57,146,410</u>

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**NOTE 8 - FIXED ASSETS (CONTINUED)**

Construction in progress consists of the following:

	<u>Expended to</u> <u>December 31, 1999</u>
Sewer District:	
Skips Projects and Gravity Line	\$ 48,598
Oxidation Pond	87,322
Chlorine Chamber	19,500
Utilities System Enterprise Fund:	
Lions Plant	<u>63,000</u>
Total construction in progress	<u>\$ 218,420</u>

**NOTE 9 - PENSION PLAN**

*Plan Description.* Substantially all employees of the St. John the Baptist Council are members of the Parochial Employees' Retirement System of Louisiana (the 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 Council 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 prior to January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980, plus 3 per cent of final-average salary for each year of service credited after the revision date. 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 (225) 928-1361.



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**NOTE 9 - PENSION PLAN (CONTINUED)**

*Funding Policy.* Under Plan A, Members are required by statute to contribute 9.5 percent of their annual covered salary and the **ST. JOHN THE BAPTIST PARISH COUNCIL** is required to contribute at an actuarially determined rate. Effective January 1, 1997, the current employer contribution rate is 7.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish (except Orleans and East Baton Rouge Parishes). These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the **ST. JOHN THE BAPTIST PARISH COUNCIL** are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year.

The following provides certain disclosures for the Parish's contributions to the System under Plan A. The Utilities System Enterprise Fund payroll and contributions are not included in the 1997 and 1998 amounts since the Fund had a June 30 year end for both years.

	December 31		
	1997	1998	1999
Employer required contribution rate	7.75%	7.75%	7.75%
Covered payroll	\$ 2,866,916	\$ 2,980,970	\$ 4,543,207
Required employer contributions	\$ 222,186	\$ 231,024	\$ 352,100
Parish contributions	\$ 222,186	\$ 231,024	\$ 352,100

The Utilities System Enterprise Fund's contributions to the System under Plan A for the year ended June 30, 1997 and 1998 and the six months ended December 31, 1998 are as follows:

	Fiscal Year Ended 6/30/97	Fiscal Year Ended 6/30/98	SIX MONTHS ENDED 12/31/98
	Employer required contribution rate	7.25%	7.75%
Covered payroll	\$1,084,727	\$1,132,324	\$562,345
Required employer contributions	\$80,806	\$87,755	\$43,582
Parish contributions	\$80,806	\$87,755	\$43,582



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**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS**

The ST. JOHN THE BAPTIST PARISH COUNCIL provides certain continuing health care and life insurance benefits for its employees. Substantially all of the Council's employees become eligible for these benefits if they reach normal retirement age while working for the Council. Life insurance benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the Council. Health care benefits were provided through an insurance company until May 31, 1999. Beginning June 1, 1999, health care benefits to retirees and active employees are provided through the Parish's self-insured health care program (See Note 22). The Council pays benefits for retirees in full. The Council recognizes the cost of providing these benefits as expenditure when paid during the year. At December 31, 1999, forty-two retirees were eligible and receiving such health care benefits. Total premiums paid by the Parish on behalf of retirees amounted to \$155,366 for the year ended December 31, 1999.

**NOTE 11 - ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The following is a summary of accounts, contracts, salaries, and other payables as of December 31, 1999.

Class of Payable	General Fund	Special Revenue Funds	Capital Projects Funds	Enterprise Funds	Agency Funds	Total
Salaries	\$ 7,648	\$ -	\$ -	\$ 38,393	\$ -	\$ 46,041
Withholding	66,164	43,812	-	112,290	-	222,266
Contracts	-	19,962	239,399	45,421	-	304,782
Accounts	224,476	610,425	414,142	478,489	-	1,727,532
Other	-	312,524	-	167,769	4,152	484,445
<b>Total</b>	<u>\$ 298,288</u>	<u>\$ 986,723</u>	<u>\$ 653,541</u>	<u>\$ 842,362</u>	<u>\$ 4,152</u>	<u>\$2,785,066</u>

**NOTE 12 - COMPENSATED ABSENCES**

Only full time regular employees with a minimum of six months of employment service are eligible for sick pay. At retirement, all accumulated, unused, and unpaid sick leave days are forwarded to the retirement system for conversion upon application for normal retirement. In addition, unclassified employees are paid upon separation for one-half (1/2) of the total unused sick days at the regular hourly rate. At December 31, 1999, the Council employees had no accumulated or vested employee leave benefits that would materially affect the financial statements.

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**NOTE 13 - LEASES**

The Parish is obligated under leases accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Assets Account Group and the General Long-Term Debt Account Group, respectively, except for leases associated with the proprietary funds, which are included on the balance sheet.

The following is a schedule of capital lease obligations at December 31, 1999:

<u>Description</u>	<u>Capitalizable Amount</u>	<u>Interest Rate</u>	<u>Termination Date</u>	<u>Principal Balance</u>	<u>Interest to Maturity</u>
Motorola Radios	\$ 9,771,600	7.12%	06/01/00	\$ 7,492	\$ 133
Bertrand Lease	19,816	5.25	08/11/01	3,800	-
LaPlace Rescue Truck	196,973	5.75	07/31/01	50,743	4,417
Reserve Rescue Truck	179,265	6.00	11/15/04	121,808	20,088
Garyville Pumper	136,668	6.13	02/15/01	53,627	4,980
Ford Sewer Cleaner	159,610	5.25	10/20/01	76,978	3,932
Copier Lease	6,819	17.85	04/24/02	3,182	675
Reserve Pumper Truck	229,448	5.55	02/11/08	199,448	59,317
Garyville Rescue Truck	229,240	5.52	04/14/07	179,240	47,305
Westbank Rescue Truck	<u>190,665</u>	6.00	11/15/06	<u>144,846</u>	<u>33,609</u>
Subtotal	<u>11,120,104</u>			<u>841,164</u>	<u>174,456</u>
Solid Waste Enterprise Fund:					
Ford Chassis Truck	<u>67,998</u>	5.60	07/12/02	<u>45,421</u>	<u>3,471</u>
Total Leases Payable	<u>\$11,188,102</u>			<u>\$ 886,585</u>	<u>\$ 177,927</u>

The Council records items under capital leases as assets and obligations in the accompanying financial statements. The following is an analysis of capital lease activity during the year ended December 31, 1999:

Capital lease obligations at January 1, 1999	\$ 667,035
Add: New lease obligations	465,506
Less: Principal payments	<u>(245,956)</u>
Capital lease obligations at December 31, 1999	<u>\$ 886,585</u>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 13 – LEASES (CONTINUED)**

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>Year Ended</u>	<u>Equipment</u>
2000	\$ 242,564
2001	226,584
2002	122,532
2003	110,942
2004	110,943
2005	82,563
2006	82,562
2007	57,070
2008	<u>28,752</u>
Total Minimum Lease Payments	1,064,512
Less: Amounts Representing Interest	<u>(177,927)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 886,585</u>

**NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

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

	<u>Bonded Debt and Certificates of Indebtedness</u>	<u>Lease Purchase Agreements</u>	<u>Promissory Notes</u>	<u>Total</u>
Long-Term Obligations Payable at January 1, 1999	\$ 43,488,000	\$ 605,718	\$ 5,600	\$ 44,099,318
Additions	15,955,000	465,506	-	16,420,506
Deductions	<u>(17,993,000)</u>	<u>(230,060)</u>	<u>(5,400)</u>	<u>(18,228,460)</u>
Long-Term Obligations Payable at December 31, 1999	<u>\$ 41,450,000</u>	<u>\$ 841,164</u>	<u>\$ 200</u>	<u>\$ 42,291,364</u>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

General Obligation Bonds, Revenue Bonds, Certificates of Indebtedness, and other long-term debt are comprised of the following individual issues:

Bond Type	Date of Issuance	Authorized and Issued	Interest Rate %	Maturity Date	Principal Outstanding	Interest to Maturity
<b>Public Improvement Bonds</b>						
Water Improvements-1976 [1]	08/01/76	\$ 3,339,000	5.5-6.5	08/01/01	\$ 510,000	\$ 42,350
East Bank Office Bldg.-1978 [1]	04/01/78	800,000	4.5-6.5	04/01/03	220,000	20,475
Road & Drainage Sales Tax Bonds-1990	08/01/90	2,420,000	6.7-10.0	08/01/00	355,000	24,495
Public Improvement Bonds, Series ST-1993	04/01/93	1,400,000	7.0-10.0	01/01/13	1,115,000	706,105
Public Improvement Bonds, Series ST-1994	10/01/94	500,000	5.5-10.0	01/01/14	430,000	218,595
Public Improvement Bonds, Series ST-1995	07/01/95	800,000	5.3-10.0	01/01/15	740,000	488,095
Public Improvement Refunding Bonds-1996	12/01/96	6,800,000	3.9-5.6	12/01/14	6,600,000	2,968,665
Public Improvement Bonds ST-1996	10/01/96	2,700,000	5.1-5.5	12/01/14	2,425,000	1,193,000
Public Improvement Refunding Bonds, Series ST-1999	12/01/99	14,925,000	4.375-5.5	01/01/14	14,755,000	6,788,131
Public Improvement Refunding Bonds, Series ST-1999 (Economic Development)	04/01/99	805,000	3.75-4.5	01/01/10	<u>805,000</u>	<u>217,180</u>
<b>Total Public Improvement Bonds</b>					<b>\$ 27,955,000</b>	<b>\$ 12,667,091</b>
<b>General Obligation Bonds</b>						
Parishwide Sewerage-1979 [1]	09/01/79	1,700,000	6.1-6.75	03/01/04	\$ 595,000	100,000
General Obligation Refunding Bonds-1992 [1]	04/01/92	8,725,000	6.1-6.75	03/01/08	4,550,000	849,585
General Obligation Bonds - Series 1993 [1]	08/01/93	500,000	3.95-9.0	08/01/08	355,000	98,328
General Obligation Bonds - Series 1998A [1]	03/01/98	6,000,000	5.0	03/01/18	5,820,000	3,097,554
General Obligation Bonds - Series 1998B [1]	03/01/98	1,200,000	5.0	03/01/18	<u>1,165,000</u>	<u>654,751</u>
<b>Total General Obligation Bonds</b>					<b>\$ 12,485,000</b>	<b>\$ 4,800,218</b>
<b>Certificates of Indebtedness</b>						
Certificate of Indebtedness-1993	12/02/93	350,000	5.5	04/01/03	\$ 165,000	\$ 18,563
Certificate of Indebtedness-1994	02/22/94	350,000	5.5	03/01/04	205,000	28,717
Certificate of Indebtedness-1996	10/08/96	500,000	5.25-6.05	04/01/06	415,000	92,910
Certificate of Indebtedness-1999	09/08/99	225,000	0-5.25	04/01/09	<u>225,000</u>	<u>60,669</u>
<b>Total Certificates of Indebtedness</b>					<b>\$ 1,010,000</b>	<b>\$ 200,859</b>
<b>Total Bonds and Certificates of Indebtedness</b>					<b>\$ 41,450,000</b>	<b>\$ 17,668,168</b>
<b>Promissory Notes</b>						
Bossier Property		25,000	-	-	\$ 200	\$ -
<b>Total Promissory Notes</b>					<b>\$ 200</b>	<b>\$ -</b>
<b>Totals</b>					<b>\$ 41,450,200</b>	<b>\$ 17,668,168</b>

At December 31, 1999, the Council has accumulated \$4,346,162 in Debt Service Funds for future debt requirements. The annual requirements to amortize all bonds and/or certificates outstanding at December 31, 1999, including total interest of \$17,842,624 (bonded debt and promissory notes of \$17,668,168 and capital leases of \$174,456) are as follows:



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**NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

Fiscal Year	Bonded Debt and Certificates of Indebtedness	Capital Lease Obligation	Promissory Notes	Total
2000	\$ 5,487,263	\$ 223,639	\$ 200	\$ 5,711,102
2001	5,147,708	207,658	-	5,355,366
2002	4,852,083	111,492	-	4,963,575
2003	3,972,198	110,942	-	4,083,140
2004	3,771,517	110,943	-	3,882,460
2005-2009	17,836,782	250,946	-	18,087,728
2010-2014	15,768,707	-	-	15,768,707
2015-2018	2,281,910	-	-	2,281,910
Total	<u>\$ 59,118,168</u>	<u>\$ 1,015,620</u>	<u>\$ 200</u>	<u>\$ 60,133,988</u>

General Obligation Bonds, totaling \$12,485,000, and Public Improvement Bonds totaling \$730,000, indicated by a [1] on the schedule of debt issues, are secured by an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 39:562, the Council is legally restricted from incurring long-term bonded debt in excess of 10 percent of the assessed value of property in the Parish. At December 31, 1999, the total assessed value of property in the Parish was \$214,030,288, and the statutory limit was \$21,403,029. The total indebtedness secured by ad valorem taxes totaled \$13,215,000.

The long-term debt account group does not include any of the Pollution Control Revenue Bonds or Industrial Revenue Bonds issued by the industrial districts of St. John the Baptist Parish. Obligations of the industrial districts are payable solely from the income and revenues derived from the industrial districts. Although the name of the Council appears on the face of the bonds, the Council has not guaranteed payment of those bonds in the event of default by the issuing authority.

**Advance Refunding**

On April 1, 1999, the Parish issued \$805,000 in Public Improvement Refunding Bonds, Series ST-1999 with the interest rates of 3.75-4.50% to advance refund \$745,000 of outstanding Economic Development Public Improvement Refunding Bonds, Series ST-1990 with the interest rate of 7.10-7.40%. The net bond proceeds of \$776,887 (after payment of 28,113 in accrued interest, underwriting fees, insurance, and other issuance cost) plus an additional \$21,984 of existing Series ST-1990 reserve and sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series ST-1990 bonds. As a result, the Series ST-1990 bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group. The Parish advance refunded the Series ST-1990 bonds to reduce its total debt service payments over the next eleven years by approximately \$95,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$76,100.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

On December 1, 1999, the Parish issued \$14,925,000 in Public Improvement Refunding Bonds, Series ST-1999 with the interest rates of 4.375-5.50% to advance refund \$14,295,000 of outstanding Public Improvement Refunding Bonds, Series ST-1989 with the interest rate of 7.30-7.80%. The net bond proceeds of \$13,079,661 (after payment of 2,004,000 in accrued interest, arbitrage rebate, underwriting fees, insurance, and other issuance cost) plus an additional \$2,160,081 of existing Series ST-1989 reserve and sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series ST-1989 bonds. As a result, the Series ST-1989 bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group. On December 1, 1999, the defeased bonds were called. The Parish advance refunded the Series ST-1989 bonds to reduce its total debt service payments over the next fifteen years by approximately \$1,204,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$365,000.

Details of each bond issuance are summarized as follows:

	<u>Public Improvement Refunding Bonds</u>	
	<u>Series ST-1999</u>	<u>Series ST-1999</u>
Sources:		
Principal Proceeds	\$14,925,000	\$805,000
Original Issue Premium	158,661	-
Accrued Interest on New Debt to Delivery	137,314	1,681
Contribution from Reserve Funds	1,558,082	8,270
Contribution from Sinking Funds	<u>601,999</u>	<u>13,714</u>
Total Sources	<u>\$17,381,056</u>	<u>\$828,665</u>
Uses:		
Deposit to Escrow Agent	\$15,239,742	\$798,871
Original Issue Discount	102,502	-
Underwriter's Discount	149,250	7,245
Credit Enhancement & Surety Bond Premiums	135,815	-
Yield Reduction Payment to IRS	1,511,842	-
Issuance Costs	104,591	20,868
Deposit of Accrued Interest to Sinking Fund	<u>137,314</u>	<u>1,681</u>
Total Uses	<u>\$17,381,056</u>	<u>\$828,665</u>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

Details of cash flow differences and calculation of economic gain for each of the Series ST-1999 Public Improvement Refunding Bonds are summarized as follows:

	Public Improvement Bonds Series			
	\$14,925,000 ST-1999	\$14,295,000 ST-1989	\$805,000 ST-1999	\$745,000 ST-1990
<u>Cash Flow Difference</u>				
Old debt service cash flows		\$25,154,354		\$1,138,570
New debt service cash flows	\$22,020,551		\$1,030,585	
Less:				
Original issue discount	(102,502)		-	
Underwriter's discount	(149,250)		(7,245)	
Accrued interest	(137,314)		(1,681)	
Plus:				
Original issue premiums	158,661		-	
Contribution from reserve funds	1,558,082		8,270	
Contribution from sinking funds	601,999	23,950,227	13,714	1,043,643
Cash Flow Difference		\$ 1,204,127		\$ 94,927
<u>Economic Gain</u>				
Present value of old debt service cash flows		\$17,159,341		\$ 867,805
Present value of new debt service cash flows	\$14,864,632		\$ 778,568	
Less:				
Original issue discount	(102,502)		-	
Underwriter's discount	(149,250)		(7,245)	
Accrued interest	(137,314)		(1,681)	
Plus:				
Original issue premiums	158,661		-	
Contribution from reserve funds	1,558,082		8,270	
Contribution from sinking funds	601,999	16,794,308	13,714	791,626
Economic Gain		\$ 365,033		\$ 76,179

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

**Prior Year Defeasance of Debts**

In 1989, the Council defeased certain 1987 Public Improvement Bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the 1987 bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

In 1992, the Council defeased \$265,000 of Series 1983 Health Unit Bonds, \$5,150,000 of Series 1984 Water Improvement Bonds, and \$2,610,000 of Series 1986 Parishwide Sewerage System Bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

In 1996, the Council defeased \$6,200,000 of Public Improvement Bonds, Series ST 1990, by issuing \$6,800,000 of Public Improvement Refunding Bonds, Series 1996. The Council placed the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

At December 31, 1999, \$24,920,000 of bonds outstanding are considered defeased.

The following is a summary of bonds, certificates, and notes payable of the Utilities System Enterprise Fund:

Bond Type	Date of Issuance	Authorized and Issued	Interest Rate %	Maturity Date	Principal Outstanding	Interest to Maturity
<b>Revenue Bonds</b>						
Water Revenue Refunding Series 1997A Tax-exempt bonds	10/01/97	356,000	5.75	12/01/14	\$ 331,000	\$ 173,305
Water Revenue Refunding Series 1997B Taxable bonds	10/01/97	2,445,000	8.00	12/01/11	2,235,000	1,327,600
Water Revenue Utility Bonds Series 1998	6/1/98	3,500,000	5.125	06/01/28	3,322,807	2,919,990
Water Revenue Utility Bonds Series 1999	11/1/99	3,500,000	4.20-5.75	06/01/28	<u>3,500,000</u>	<u>3,213,395</u>
Total Revenue Bonds					<u>\$ 9,388,807</u>	<u>\$ 7,634,290</u>

The following is a summary of bond and other long-term debt transactions of the Utilities System Enterprise Fund:

Long-term obligations payable at January 1, 1999	\$ 6,106,600
Additions	3,674,200
Principal payments	(391,993)
Defeasance Payments	<u>-</u>
Long-term obligations payable at December 31, 1999	<u>\$ 9,388,807</u>



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

In December 1997, the Council defeased \$875,000 of Water and Gas Series 1971 Serial Bonds, \$70,000 of Water and Gas Series 1973 Serial Bonds, \$12,000 of Water and Gas Series 1978 Serial Bonds, and \$3,980,000 of Water and Gas Series 1993 Serial Bonds by placing the proceeds from the sale of the natural gas system along with a portion of the proceeds from the issuance of St. John Utility Revenue Bonds Series 1997A and 1997B in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Utilities System's financial statements.

In December 1997, the Council defeased \$335,000 Water and Gas Series 1990 Serial Bonds by placing the proceeds from the sale of the natural gas system along with a portion of the proceeds from the issuance of St. John Utility Revenue Bonds Series 1997A and 1997B in an irrevocable trust to provide for all future debt service payments on the defeased bonds, which will be called for redemption on December 1, 2000. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Utilities System's financial statements. At December 31, 1999, \$4,529,000 of bonds outstanding are considered defeased.

According to the terms of the bond indenture agreements, the St. John the Baptist Parish Utilities System Enterprise Fund must provide net revenues in each year at least equal to 130 percent of the principal and interest requirements in that year. For the year ended December 31, 1999, the net revenues before depreciation was greater than 130 percent of the debt service requirements, thus, the bond debt service coverage factor was met.

All of the Fund's outstanding revenue bonds are subject to early redemption provisions.

The annual requirements to amortize Utilities System Enterprise Fund debt outstanding as of December 31, 1999, including interest payments of \$7,637,761 (bonded debt of \$7,634,290 and capital lease of \$3,471), are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2000	\$ 791,419
2001	789,864
2002	780,581
2003	772,053
2004	768,343
2005	768,818
2006 and thereafter	<u>12,400,911</u>
Total	<u>\$ 17,071,989</u>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 15 - CHANGES IN AGENCY FUNDS**

A summary of changes in assets and liabilities follows:

	<u>Balances Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances End of Year</u>
<b>Assets:</b>				
Cash	\$ 28,051	\$ 631,480	\$ 622,916	\$ 36,615
Total assets	<u>\$ 28,051</u>	<u>\$ 631,480</u>	<u>\$ 622,916</u>	<u>\$ 36,615</u>
<b>Liabilities:</b>				
Accrued expenses	\$ 1,052	\$ 4,152	\$ 1,052	\$ 4,152
Due to other funds	<u>26,999</u>	<u>32,463</u>	<u>26,999</u>	<u>32,463</u>
Total liabilities	<u>\$ 28,051</u>	<u>\$ 36,615</u>	<u>\$ 28,051</u>	<u>\$ 36,615</u>

**NOTE 16 - DUE TO/FROM OTHER FUNDS**

The following is summary of amounts due to/due from other funds at December 31, 1999:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 93,368	\$ 246,362
Special Revenue Funds	1,386,650	1,132,792
Debt Service Funds	-	49,000
Capital Projects Funds	25,229	6,625
Enterprise Funds	972,501	1,057,429
Internal Service Funds	48,383	103
Agency Funds	<u>-</u>	<u>32,463</u>
Sub-total	\$2,526,131	\$2,524,774
Difference due to the Library Fund, a component unit, not included in the accompanying primary government financial statements	<u>-</u>	<u>1,357</u>
Total Due To/Due From Other Funds	<u>\$2,526,131</u>	<u>\$2,526,131</u>



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 17 - OPERATING TRANSFERS IN/OUT**

The following is summary of operating transfers made during the year ended December 31, 1999:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,426,587	\$ 83,100
Special Revenue Funds	1,808,540	6,986,632
Debt Service Funds	4,541,903	1,692,116
Capital Project Funds	750,759	-
Enterprise Funds	716,000	441,541
Internal Service Funds	<u>9,600</u>	<u>50,000</u>
Total Operating Transfers In/Out	<u>\$ 9,253,389</u>	<u>\$ 9,253,389</u>

**NOTE 18 - CRIMINAL COURT FUND**

Louisiana Revised Statutes, at LSA-R.S. 15:571.11 requires that one-half of any surplus remaining in the Criminal Court Fund at year-end shall be transmitted to the Parish's General Fund. The Parish transferred \$6,531 to the General Fund at December 31, 1999.

**NOTE 19 - COMMITMENTS AND CONTINGENCIES**

Litigation

The Parish is a named defendant in a number of claims and lawsuits resulting principally from personal injury, property damage, assessments, and construction claims. The Parish Attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Parish and to arrive at an estimate, if any, of the amount or range of potential loss to the Parish. As a result of such review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," and "remote" contingencies as defined in GASB Codification C50. The Parish's "reasonably possible" loss contingencies at December 31, 1999, for which an amount of liability can be estimated, approximate \$161,000. In accordance with the GASB Codification, this amount has not been recorded as a liability of the General Fund, nor has it been recorded as a general long-term liability. Legal counsel's opinion on the ultimate resolution of these matters is that little or no loss to the Parish Council should be incurred.

Capital Lease

On April 29 1999, the Parish issued a lease-purchase agreement in an amount not to exceed \$216,000 to upgrade, test and validate the 911 Police and Fire Emergency Reporting System to become Year 2000 compatible. The upgrade was not completed until February 2000. At that time, the existing Motorola Radios capital lease (as disclosed in Note 13 – Leases) was terminated. The remaining obligation was included with the obligation on this new lease for a total lease obligation of \$202,420.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 19 - COMMITMENTS AND CONTINGENCIES (CONTINUED)**

Federally Assisted Programs

The Parish receives significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The programs are audited in accordance with the Single Audit Act of 1984 and 1996 Amendments and also subject to further examination by the grantor agency. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements.

Debt

In March 1998, the St. John the Baptist Parish Council issued Certificates of Indebtedness, Series 1998 in the amount of \$2,925,000 for the purpose of constructing public libraries in the Parish, as set out in Proposition No. 1 approved by the voters on January 17, 1998. The Certificates are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Parish from the levy and collection of a special ten (10) mills tax authorized to be levied each of the years 1998 through 2007, inclusive, on all the property subject to taxation within the corporate boundaries of the Parish pursuant to an election held on January 17, 1998.

The debt and related ad valorem tax revenues are recorded in the financial statements of St. John the Baptist Parish Library, a component unit of St. John the Baptist Parish Council. The Council has elected to issue financial statements of the primary government (Council) only; therefore the component unit is not included in the accompanying financial statements.

However, the Certificates of Indebtedness, Series 1998 is a direct obligation of the Parish Council, as issuer of the Certificates.

**NOTE 20 - RESERVED FUND BALANCES AND RETAINED EARNINGS**

The nature and purpose of the reserves of fund balances and retained earnings are as follows:

Fund balances - Reserved for debt service	
Fund balance available to pay the principal balances of the Parish's general long-term obligations.	\$4,346,162
Fund balances - Reserved for capital projects	
Unexpended funds remaining in a departmental budget dedicated for capital projects to be performed in future years.	3,448,450

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 20 - RESERVED FUND BALANCES AND RETAINED EARNINGS (CONTINUED)**

Fund balances - Reserved for operations, capital improvements and maintenance of sewer district	
Excess sales tax received by the sales tax district for the one-cent sewer tax.	<u>433,623</u>
Total reserved fund balances	<u><u>\$8,228,235</u></u>
Retained earnings - Reserved for bond retirement and capital additions	
Retained earnings restricted to paying principal and interest in the Sewer Fund and Utilities System Enterprise Fund as well as expenditures for capital projects or emergency repairs performed in future years for these funds.	<u>\$1,284,924</u>
Total reserved retained earnings	<u><u>\$1,284,924</u></u>

**NOTE 21 - SEGMENT INFORMATION – ENTERPRISE FUNDS**

Segment information for the Parish’s Enterprise Funds is as follows (in thousands of dollars):

<u>Fund/Type of Service</u>	<u>Utilities System</u>	<u>Sewerage</u>	<u>Solid Waste</u>	<u>Mosquito Abatement</u>	<u>Total</u>
Operating revenues	\$ 4,633	\$ 2,572	\$ 1,709	\$ 303	\$ 9,217
Depreciation	900	1,282	10	3	2,195
Operating income (loss)	378	(1,893)	83	(37)	(1,469)
Operating transfers in	-	716	-	-	716
Ad valorem tax revenues	-	-	-	71	71
Net income (loss)	9	(1,176)	(12)	(37)	(1,216)
Decrease in capital contributions	(23)	(833)	-	-	(856)
Amortization of contribution capital	528	1,120	-	-	1,648
Property, plant and equipment - additions	946	943	-	107	1,996
Property, plant and equipment - deletions	(107)	(625)	-	-	(732)
Net working capital	611	382	215	280	1,488
Total assets	33,006	34,004	490	477	67,977
Bonds payable	9,389	-	-	-	9,389
Total fund equity	21,320	33,781	270	384	55,755



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**NOTE 22 – RISK MANAGEMENT**

The Parish is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The more significant insurance coverages include water and sewerage commercial general liability, workers' compensation, business auto, and commercial property.

On June 1 1999, the Parish became partially self-insured with respect to its employee medical, dental and script care drug insurance programs. The Parish established an Employee Benefit Fund (an internal service fund) to account for this self-insured health care program. The General Fund, Sewerage, Utilities System, Roads & Bridges and Library funds participate in the program and make contributions to the Employee Benefit Fund for employee medical and dental claims based on an actuarial valuation by the third party administrator. Under the self-insurance program, the Parish is responsible for medical and dental claims up to \$50,000 per individual claim, approximately \$903,900 on the annual aggregate claims (based on the number of insured individuals at \$142.13 each and the number of family coverage at \$355.33 each), and a lifetime maximum benefit of \$1,000,000 per individual. The Parish uses a reinsurance carrier to reduce its exposure to large losses on claims over these amounts up to statutory limits. The Parish is required by its excess carrier to contribute minimum monthly aggregate premiums of \$75,330. The Parish paid \$535,283, net of reinsurance reimbursement of \$117,310, in medical and dental claims for the period June 1, 1999 to December 31, 1999. Settled claims did not exceed insurance coverage for year ended December 31, 1999.

The total claims of \$848,003 (which includes claims incurred but not reported of \$312,721) reported in the Fund at December 31, 1999 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred but not yet reported at the date of the financial statements and the amount of the loss can be reasonably estimated. Government Accounting Standards Board Statement No. 30, "Risk Financing Omnibus – An Amendment of GASB Statement No. 10," requires that specific, incremental claim adjustment expenses and estimated recoveries be considered in calculating the claims liability. Changes in the balances of claims liabilities during the year are as follows:

	<b>Beginning of Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>		<b>Claims Payments</b>	<b>Balance at Year End</b>
1999	\$ -	\$ 965,313	\$(652,592)		\$ 312,721

The Employee Benefit Fund had a deficit fund balance of \$312,721 at December 31, 1999 resulting from the self-insurance activities.

## **SUPPLEMENTAL INFORMATION**



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**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Special Revenue Funds**  
**Combining Balance Sheet**  
**December 31, 1999**

	Roads and Bridges	Criminal Court	Civil Defense	Street Lighting	Health Unit Tax	Juvenile Detention Center	Airport Authority	Economic Development	LaPlace Volunteer Fire Department
<b>Assets</b>									
Cash and cash equivalents	\$ 338,467	\$ 36,508	\$ 23,477	\$ 37,520	\$ 51,859	\$ 20,088	\$ 108,108	\$ 595,973	\$ 19,745
Investments	709,321	-	84,386	698,822	348,849	24,816	-	848,249	427,889
Receivables	388,589	17,184	5,459	686,646	148,522	144,188	5,906	1,563,301	126,666
Due from other funds	1,089,667	-	5,237	-	-	-	-	8,000	3,891
Other Receivables	107,312	-	-	-	-	-	-	-	-
Due from other governments	66,357	-	-	16,768	10,824	-	179,385	-	-
<b>Total assets</b>	<b>2,699,713</b>	<b>53,692</b>	<b>118,559</b>	<b>1,439,756</b>	<b>560,054</b>	<b>189,092</b>	<b>293,399</b>	<b>3,015,523</b>	<b>578,191</b>
<b>Liabilities and fund balance</b>									
<b>Liabilities</b>									
Accounts and salaries payable	582,313	-	10,806	-	-	-	-	-	25,384
Contract payable	-	-	-	-	-	-	-	19,962	-
Due to other funds	12,319	6,531	14,812	37,800	23,338	-	9,386	1,024,677	-
Due to other governments	-	3,795	11,733	-	-	-	-	-	-
Other liabilities	-	-	-	36,507	1,260	11,877	223,124	22,673	-
<b>Total liabilities</b>	<b>594,632</b>	<b>10,326</b>	<b>37,351</b>	<b>74,307</b>	<b>24,598</b>	<b>11,877</b>	<b>232,510</b>	<b>1,067,312</b>	<b>25,384</b>
<b>Fund balance</b>									
Reserved	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	2,105,081	43,366	81,208	1,365,449	535,456	177,215	60,889	1,948,211	552,807
<b>Total fund balance</b>	<b>2,105,081</b>	<b>43,366</b>	<b>81,208</b>	<b>1,365,449</b>	<b>535,456</b>	<b>177,215</b>	<b>60,889</b>	<b>1,948,211</b>	<b>552,807</b>
<b>Total liabilities and fund balance</b>	<b>\$ 2,699,713</b>	<b>\$ 53,692</b>	<b>\$ 118,559</b>	<b>\$ 1,439,756</b>	<b>\$ 560,054</b>	<b>\$ 189,092</b>	<b>\$ 293,399</b>	<b>\$ 3,015,523</b>	<b>\$ 578,191</b>

See Independent Auditor's Report

Reserve Volunteer Fire Department	Westbank Volunteer Fire Department	Garyville Volunteer Fire Department	Communi- cation District	Sales Tax District	Ambulance Fund	ARC Maintenance Fund	Senior Citizens Tax	Convention Center Fund	Reserve Drainage Fund	Total
\$ 49,445	\$ 15,205	\$ 44,923	\$ 45,334	\$ 445,885	\$ 46,162	\$ 924	\$ 3,554	\$ 76,348	\$ 8,663	\$ 1,968,188
74,458	84,386	99,278	399,098	4,598,430	-	-	-	449,814	-	8,847,796
54,213	36,226	36,227	17,020	982,522	8,540	71,324	142,647	8,798	-	4,443,978
1,666	1,113	1,113	-	230,000	45,963	-	-	-	-	1,386,650
-	-	-	-	-	-	-	-	-	-	107,312
-	-	-	-	-	-	-	-	21,421	-	294,755
179,782	136,930	181,541	461,452	6,256,837	100,665	72,248	146,201	556,381	8,663	17,048,679
13,055	4,680	5,246	12,753	-	-	-	-	-	-	654,237
-	-	-	-	-	-	-	-	-	-	19,962
-	-	-	3,929	-	-	-	-	-	-	1,132,792
-	-	-	-	-	-	-	-	-	-	15,528
-	-	-	-	-	17,083	-	-	-	-	312,524
13,055	4,680	5,246	16,682	-	17,083	-	-	-	-	2,135,043
-	-	-	-	433,623	-	-	-	-	-	433,623
166,727	132,250	176,295	444,770	5,823,214	83,582	72,248	146,201	556,381	8,663	14,480,013
166,727	132,250	176,295	444,770	6,256,837	83,582	72,248	146,201	556,381	8,663	14,913,636
\$ 179,782	\$ 136,930	\$ 181,541	\$ 461,452	\$ 6,256,837	\$ 100,665	\$ 72,248	\$ 146,201	\$ 556,381	\$ 8,663	\$ 17,048,679

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 1999**

	Roads and Bridges	Criminal Court	Civil Defense	Street Lighting	Health Unit Tax	Juvenile Detention Center	Airport Authority	Economic Development	LaPlace Volunteer Fire Department
<b>Revenues</b>									
<i>Taxes</i>									
Ad valorem	\$ -	\$ -	\$ -	\$ 709,826	\$ 142,825	\$ 144,247	\$ -	\$ -	\$ -
Sales and use	1,926,998	-	-	-	-	-	-	1,926,998	641,198
<i>Intergovernmental revenues</i>									
Federal grants	21,157	-	13,170	-	-	-	185,876	-	-
<i>State funds</i>									
Parish transportation	487,720	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	28,045	17,263	-	-	-	-
Other	254,512	-	-	-	-	-	20,653	-	43,083
Fees, charges, and commissions	91,425	7,375	37,403	-	-	-	52,361	-	-
Fines and forfeitures	-	767,858	-	-	-	-	-	-	-
Interest income	48,973	6,965	6,522	46,658	20,467	5,125	5,433	144,254	18,318
Other revenues	6,187	-	120,220	-	-	-	1,128	48,631	-
<b>Total revenues</b>	<b>2,836,972</b>	<b>782,198</b>	<b>177,315</b>	<b>784,529</b>	<b>180,555</b>	<b>149,372</b>	<b>265,451</b>	<b>2,119,883</b>	<b>702,599</b>
<b>Expenditures</b>									
<i>General government</i>									
Judicial	-	769,135	-	-	-	121,407	-	-	-
Financial and administrative	-	-	-	-	-	-	-	-	-
Public safety	-	-	261,679	-	-	-	-	-	540,793
Health and welfare	-	-	-	-	183,377	-	-	-	-
Economic development	-	-	-	-	-	-	-	262,315	-
Transportation	3,240,106	-	-	625,984	-	-	360,308	-	-
Debt service	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>3,240,106</b>	<b>769,135</b>	<b>261,679</b>	<b>625,984</b>	<b>183,377</b>	<b>121,407</b>	<b>360,308</b>	<b>262,315</b>	<b>540,793</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>(403,134)</b>	<b>13,063</b>	<b>(84,364)</b>	<b>158,545</b>	<b>(2,822)</b>	<b>27,965</b>	<b>(94,857)</b>	<b>1,857,568</b>	<b>161,806</b>
<i>Other financing sources (uses)</i>									
Sale of fixed assets	-	-	-	-	-	-	-	1,410,625	-
Litigation settlements	100,000	-	-	-	-	-	-	-	-
Operating transfers in	1,605,541	-	69,999	-	-	-	115,000	8,000	-
Operating transfers out	(510,244)	(6,531)	-	(70,000)	-	-	-	(2,723,402)	-
<b>Total other financing sources (uses)</b>	<b>1,195,297</b>	<b>(6,531)</b>	<b>69,999</b>	<b>(70,000)</b>	<b>-</b>	<b>-</b>	<b>115,000</b>	<b>(1,304,777)</b>	<b>-</b>
<b>Excess (Deficiency) of revenues and other sources over expenditures and other uses</b>	<b>792,163</b>	<b>6,532</b>	<b>(14,365)</b>	<b>88,545</b>	<b>(2,822)</b>	<b>27,965</b>	<b>20,143</b>	<b>552,791</b>	<b>161,806</b>
<b>Fund balances, beginning of year</b>	<b>1,312,918</b>	<b>36,834</b>	<b>95,573</b>	<b>1,276,904</b>	<b>538,278</b>	<b>149,250</b>	<b>40,746</b>	<b>1,395,420</b>	<b>391,001</b>
<b>Fund balances, end of year</b>	<b>\$ 2,105,081</b>	<b>\$ 43,366</b>	<b>\$ 81,208</b>	<b>\$ 1,365,449</b>	<b>\$ 535,456</b>	<b>\$ 177,215</b>	<b>\$ 60,889</b>	<b>\$ 1,948,211</b>	<b>\$ 552,807</b>

See Independent Auditor's Report



Reserve Volunteer Fire Department	Westbank Volunteer Fire Department	Garyville Volunteer Fire Department	Communi- cation District	Sales Tax District	Ambulance Fund	ARC Maintenance Fund	Senior Citizens Tax	Convention Center Fund	Reserve Drainage Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,425	\$ 142,806	\$ -	\$ -	\$ 1,211,129
274,433	183,383	183,383	-	4,634,762	-	-	-	-	-	9,771,155
-	-	-	-	-	-	-	-	-	-	220,203
-	-	-	-	-	-	-	-	-	-	487,720
-	-	-	-	-	-	-	-	-	-	45,308
16,546	9,274	47,756	-	-	-	-	-	111,031	-	502,855
-	-	-	-	-	228,144	-	-	-	-	416,708
-	-	-	-	-	-	-	-	-	-	767,858
5,556	4,716	6,105	17,615	201,329	2,422	1,634	367	20,147	227	562,833
10,000	-	-	201,521	-	657	-	-	-	3,605	391,949
306,535	197,373	237,244	219,136	4,836,091	231,223	73,059	143,173	131,178	3,832	14,377,718
-	-	-	-	-	-	-	-	-	-	890,542
-	-	-	-	786	-	-	-	132	-	918
259,400	160,216	248,879	108,059	-	-	-	-	-	-	1,579,026
-	-	-	-	-	229,712	66,853	143,110	-	-	623,052
-	-	-	-	-	-	-	-	-	-	262,315
-	-	-	-	-	-	-	-	-	13,532	4,239,930
-	-	-	18,300	-	-	-	-	-	-	18,300
259,400	160,216	248,879	126,359	786	229,712	66,853	143,110	132	13,532	7,614,083
47,135	37,157	(11,635)	92,777	4,835,305	1,511	6,206	63	131,046	(9,700)	6,763,635
-	-	-	-	-	-	-	-	-	-	1,410,625
-	-	-	-	-	-	-	-	-	-	100,000
-	-	-	-	-	-	-	-	-	10,000	1,808,540
(45,233)	-	-	(42,107)	(3,584,115)	(5,000)	-	-	-	-	(6,986,632)
(45,233)	-	-	(42,107)	(3,584,115)	(5,000)	-	-	-	10,000	(3,667,467)
1,902	37,157	(11,635)	50,670	1,251,190	(3,489)	6,206	63	131,046	300	3,096,168
164,825	95,093	187,930	394,100	5,005,647	87,071	66,042	146,138	425,335	8,363	11,817,468
\$ 166,727	\$ 132,250	\$ 176,295	\$ 444,770	\$ 6,256,837	\$ 83,582	\$ 72,248	\$ 146,201	\$ 556,381	\$ 8,663	\$ 14,913,636

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Debt Service Funds**  
**Combining Balance Sheet**  
**December 31, 1999**

	Fire Protection District 2 Sinking	Parishwide Sewerage Sales Tax Reserve	Parishwide Sewerage Sales Tax Sinking	Economic Development Sales Tax Reserve	Economic Development Sales Tax Sinking
<b>Assets</b>					
Cash and cash equivalents	\$ 27,957	\$ 91,666	\$ 64,917	\$ 2,986	\$ 43,954
Investments	-	934,831	-	384,297	-
Receivables	-	18,173	-	7,471	-
<b>Total assets</b>	<b>27,957</b>	<b>1,044,670</b>	<b>64,917</b>	<b>394,754</b>	<b>43,954</b>
<b>Liabilities and fund balance</b>					
<b>Liabilities</b>					
Due to other funds	-	31,000	-	8,000	-
<b>Total liabilities</b>	<b>-</b>	<b>31,000</b>	<b>-</b>	<b>8,000</b>	<b>-</b>
<b>Fund balance</b>					
Reserved for debt service	27,957	1,013,670	64,917	386,754	43,954
<b>Total fund balance</b>	<b>27,957</b>	<b>1,013,670</b>	<b>64,917</b>	<b>386,754</b>	<b>43,954</b>
<b>Total liabilities and fund balance</b>	<b>\$ 27,957</b>	<b>\$ 1,044,670</b>	<b>\$ 64,917</b>	<b>\$ 394,754</b>	<b>\$ 43,954</b>

See Independent Auditor's Report

Road and Drainage Sales Tax Reserve	Road and Drainage Sales Tax Sinking	1992 General Obligation Sinking	1989 Certificates of Indebtedness	Parishwide Sewerage Land Purchases	Total
\$ 8,448	\$ 183,049	\$ 110,022	\$ 39,079	\$ -	\$ 572,078
249,354	-	-	-	-	1,568,482
4,847	-	2,224,111	-	-	2,254,602
262,649	183,049	2,334,133	39,079	-	4,395,162
10,000	-	-	-	-	49,000
10,000	-	-	-	-	49,000
252,649	183,049	2,334,133	39,079	-	4,346,162
252,649	183,049	2,334,133	39,079	-	4,346,162
\$ 262,649	\$ 183,049	\$ 2,334,133	\$ 39,079	\$ -	\$ 4,395,162

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Debt Service Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 1999**

	Fire Protection District 2 Sinking	Parishwide Sewerage Sales Tax Reserve	Parishwide Sewerage Sales Tax Sinking	Economic Development Sales Tax Reserve	Economic Development Sales Tax Sinking
<b>Revenues</b>					
Taxes					
Ad valorem	\$ 249	\$ -	\$ -	\$ -	\$ -
Interest income	1,809	91,671	177,194	17,064	8,893
Other income	-	-	-	-	261
<b>Total revenues</b>	<b>2,058</b>	<b>91,671</b>	<b>177,194</b>	<b>17,064</b>	<b>9,154</b>
<b>Expenditures</b>					
General government					
Financial and administrative	73	91	1,049	82	268
Debt service					
Principal	-	-	615,001	-	130,000
Interest	-	-	1,373,716	-	175,555
Refunding bond issuance cost	-	-	492,158	-	28,113
Advance refunding escrow	-	-	2,160,081	8,270	13,714
Arbitrage rebate	-	-	1,511,842	-	-
Other bond expense	-	-	6,048	-	2,799
<b>Total expenditures</b>	<b>73</b>	<b>91</b>	<b>6,159,895</b>	<b>8,352</b>	<b>350,449</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>1,985</b>	<b>91,580</b>	<b>(5,982,701)</b>	<b>8,712</b>	<b>(341,295)</b>
<b>Other financing sources (uses)</b>					
Operating transfers in	-	-	3,739,697	-	341,862
Operating transfers out	-	(1,649,082)	(25,000)	(8,000)	-
Proceeds of refunding bonds	-	-	15,083,661	-	805,000
Payment to refunded bond escrow agent	-	-	(13,079,661)	-	(776,887)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(1,649,082)</b>	<b>5,718,697</b>	<b>(8,000)</b>	<b>369,975</b>
<b>Excess (Deficiency) of revenues and other sources over expenditures and other uses</b>	<b>1,985</b>	<b>(1,557,502)</b>	<b>(264,004)</b>	<b>712</b>	<b>28,680</b>
<b>Fund balances, beginning of year</b>	<b>25,972</b>	<b>2,571,172</b>	<b>328,921</b>	<b>386,042</b>	<b>15,274</b>
<b>Fund balances, end of year</b>	<b>\$ 27,957</b>	<b>\$ 1,013,670</b>	<b>\$ 64,917</b>	<b>\$ 386,754</b>	<b>\$ 43,954</b>

See Independent Auditor's Report



Road and Drainage Sales Tax Reserve	Road and Drainage Sales Tax Sinking	1992 General Obligation Sinking	1989 Certificates of Indebtedness	Parishwide Sewerage Land Purchases	Total
\$ -	\$ -	\$ 2,296,712	\$ -	\$ -	\$ 2,296,961
10,733	9,225	31,427	4,571	79	352,666
-	-	2,791	-	-	3,052
10,733	9,225	2,330,930	4,571	79	2,652,679
135	738	81	180	83	2,780
-	330,000	1,588,000	180,000	5,400	2,848,401
-	47,265	784,304	6,840	-	2,387,680
-	-	-	-	-	520,271
-	-	-	-	-	2,182,065
-	-	-	-	-	1,511,842
-	606	3,980	175	-	13,608
135	378,609	2,376,365	187,195	5,483	9,466,647
10,598	(369,384)	(45,435)	(182,624)	(5,404)	(6,813,968)
-	377,844	-	80,700	1,800	4,541,903
(10,000)	-	-	-	(34)	(1,692,116)
-	-	-	-	-	15,888,661
-	-	-	-	-	(13,856,548)
(10,000)	377,844	-	80,700	1,766	4,881,900
598	8,460	(45,435)	(101,924)	(3,638)	(1,932,068)
252,051	174,589	2,379,568	141,003	3,638	6,278,230
\$ 252,649	\$ 183,049	\$ 2,334,133	\$ 39,079	\$ -	\$ 4,346,162

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**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Capital Projects Funds**  
**Combining Balance Sheet**  
**December 31, 1999**

	Bond Series 1990					
	Driver's License Building Construction	Parishwide Sewerage Construction Phase II	Building Construction	Drainage Construction	LCDBG Utilities Water Tower	Total
<b>Assets</b>						
Cash and cash equivalents	\$ 107,552	\$ 128,508	\$ 286,558	\$ 1,058,653	\$ -	\$ 1,581,271
Investments	99,594	-	-	2,398,336	-	2,497,930
Receivables	114	-	-	4,072	-	4,186
Due from other funds	-	-	-	-	25,229	25,229
<b>Total assets</b>	<b>207,260</b>	<b>128,508</b>	<b>286,558</b>	<b>3,461,061</b>	<b>25,229</b>	<b>4,108,616</b>
<b>Liabilities and fund balance</b>						
<b>Liabilities</b>						
Accounts payable	-	13,704	57,322	343,116	-	414,142
Contracts payable	-	-	44,305	169,865	25,229	239,399
Due to other funds	-	6,625	-	-	-	6,625
<b>Total liabilities</b>	<b>-</b>	<b>20,329</b>	<b>101,627</b>	<b>512,981</b>	<b>25,229</b>	<b>660,166</b>
<b>Fund balance</b>						
Reserved for capital projects	207,260	108,179	184,931	2,948,080	-	3,448,450
<b>Total fund balance</b>	<b>207,260</b>	<b>108,179</b>	<b>184,931</b>	<b>2,948,080</b>	<b>-</b>	<b>3,448,450</b>
<b>Total liabilities and fund balance</b>	<b>\$ 207,260</b>	<b>\$ 128,508</b>	<b>\$ 286,558</b>	<b>\$ 3,461,061</b>	<b>\$ 25,229</b>	<b>\$ 4,108,616</b>

See Independent Auditor's Report

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Capital Projects Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 1999**

	Bond Series 1990					
	Driver's License Building Construction	Parishwide Sewerage Construction Phase II	Building Construction	Drainage Construction	LCDBG Utilities Water Tower	Total
<b>Revenues</b>						
Grant revenue	\$ -	\$ -	\$ -	\$ -	\$ 395,822	\$ 395,822
Interest income	3,064	6,339	39,876	215,961	-	265,240
Other revenues	-	16,013	720	-	-	16,733
<b>Total revenues</b>	<b>3,064</b>	<b>22,352</b>	<b>40,596</b>	<b>215,961</b>	<b>395,822</b>	<b>677,795</b>
<b>Expenditures</b>						
Public works	20,804	669,785	1,026,585	2,938,866	451,547	5,107,587
<b>Total expenditures</b>	<b>20,804</b>	<b>669,785</b>	<b>1,026,585</b>	<b>2,938,866</b>	<b>451,547</b>	<b>5,107,587</b>
Excess (Deficiency) of revenues over expenditures	(17,740)	(647,433)	(985,989)	(2,722,905)	(55,725)	(4,429,792)
<b>Other financing sources (uses)</b>						
Bond Proceeds	225,000	-	-	-	-	225,000
Operating transfers in	-	695,034	-	-	55,725	750,759
Operating transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>225,000</b>	<b>695,034</b>	<b>-</b>	<b>-</b>	<b>55,725</b>	<b>975,759</b>
Excess (Deficiency) of revenues and other sources over expenditures and other uses	207,260	47,601	(985,989)	(2,722,905)	-	(3,454,033)
Fund balances, beginning of year	-	60,578	1,170,920	5,670,985	-	6,902,483
<b>Fund balances, end of year</b>	<b>\$ 207,260</b>	<b>\$ 108,179</b>	<b>\$ 184,931</b>	<b>\$ 2,948,080</b>	<b>\$ -</b>	<b>\$ 3,448,450</b>

See Independent Auditor's Report



**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Enterprise Funds**  
**Combining Balance Sheet**  
**December 31, 1999**

	Utilities System	Sewerage	Solid Waste	Mosquito Abatement	Total
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 656,409	\$ 27,519	\$ 25,364	\$ 34,435	\$ 743,727
Investments	-	-	-	199,482	199,482
Receivables, net	1,165,241	61,462	57,592	85,654	1,369,949
Due from other funds	50,612	515,318	352,899	53,672	972,501
Inventory	101,812	-	-	-	101,812
<b>Total current assets</b>	<b>1,974,074</b>	<b>604,299</b>	<b>435,855</b>	<b>373,243</b>	<b>3,387,471</b>
<b>Restricted assets</b>					
Cash and cash equivalents	3,760,239	99,837	-	-	3,860,076
Investments	3,226,959	174,123	-	-	3,401,082
<b>Total restricted assets</b>	<b>6,987,198</b>	<b>273,960</b>	<b>-</b>	<b>-</b>	<b>7,261,158</b>
<b>Property, plant &amp; equipment</b>					
Property, plant & equipment	37,843,247	48,258,440	85,845	106,984	86,294,516
Accumulated depreciation	(13,980,717)	(15,132,972)	(31,609)	(2,808)	(29,148,106)
<b>Net property, plant &amp; equipment</b>	<b>23,862,530</b>	<b>33,125,468</b>	<b>54,236</b>	<b>104,176</b>	<b>57,146,410</b>
<b>Other assets</b>					
Other assets	181,914	-	-	-	181,914
<b>Net other assets</b>	<b>181,914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,914</b>
<b>Total assets</b>	<b>\$ 33,005,716</b>	<b>\$ 34,003,727</b>	<b>\$ 490,091</b>	<b>\$ 477,419</b>	<b>\$ 67,976,953</b>

(Continued)

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Enterprise Funds**  
**Combining Balance Sheet (Continued)**  
**December 31, 1999**

	Utilities System	Sewerage	Solid Waste	Mosquito Abatement	Total
<b>Liabilities and fund balance</b>					
<b>Liabilities</b>					
Current liabilities payable from current assets					
Accounts and salaries payable	\$ 227,930	\$ 183,884	\$ 135,056	\$ 82,302	\$ 629,172
Capital leases payable	-	-	45,421	-	45,421
Due to other funds	967,959	38,923	40,000	10,547	1,057,429
Other liabilities	167,769	-	-	-	167,769
<b>Total current liabilities payable     from current assets</b>	<b>1,363,658</b>	<b>222,807</b>	<b>220,477</b>	<b>92,849</b>	<b>1,899,791</b>
Current liabilities payable from restricted assets					
Customer deposits	779,517	-	-	-	779,517
Bonds payable, current portion	176,266	-	-	-	176,266
Accrued interest payable	153,343	-	-	-	153,343
<b>Total current liabilities payable     from restricted assets</b>	<b>1,109,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,109,126</b>
Long-term liabilities					
Bonds payable	9,212,541	-	-	-	9,212,541
<b>Total long-term liabilities</b>	<b>9,212,541</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,212,541</b>
<b>Total liabilities</b>	<b>11,685,325</b>	<b>222,807</b>	<b>220,477</b>	<b>92,849</b>	<b>12,221,458</b>
<b>Fund equity</b>					
Contributed capital	13,212,521	31,334,245	-	-	44,546,766
Retained earnings					
Reserved	1,020,201	264,723	-	-	1,284,924
Unreserved	7,087,669	2,181,952	269,614	384,570	9,923,805
<b>Total fund balance</b>	<b>21,320,391</b>	<b>33,780,920</b>	<b>269,614</b>	<b>384,570</b>	<b>55,755,495</b>
<b>Total liabilities and fund balance</b>	<b>\$ 33,005,716</b>	<b>\$ 34,003,727</b>	<b>\$ 490,091</b>	<b>\$ 477,419</b>	<b>\$ 67,976,953</b>

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**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Enterprise Funds**  
**Combining Statement of Revenues, Expenses, and Changes in Retained Earnings**  
**For the Year Ended December 31, 1999**

	Utilities System	Sewerage	Solid Waste	Mosquito Abatement	Total
<b>Revenues</b>					
Water sales	\$ 4,067,302	\$ -	\$ -	\$ -	\$ 4,067,302
Sewer charges	-	2,439,860	-	-	2,439,860
Mosquito abatement	-	-	-	231,125	231,125
Ad valorem tax	-	-	-	71,413	71,413
Fees, charges, and commissions	283,098	131,839	1,707,720	-	2,122,657
Grant revenue	2,219	-	-	-	2,219
Reimbursed indirect costs	196,813	-	-	-	196,813
Other income	46,542	-	1,625	-	48,167
<b>Total revenues</b>	<b>4,595,974</b>	<b>2,571,699</b>	<b>1,709,345</b>	<b>302,538</b>	<b>9,179,556</b>
<b>Operating expenses</b>					
General administration	1,138,574	1,016,571	-	-	2,155,145
Purification	1,319,628	-	-	-	1,319,628
Distribution	896,623	-	-	-	896,623
Salaries, operations	-	790,536	-	27,244	817,780
Plant	-	1,233,944	-	-	1,233,944
Vehicles	-	37,179	-	-	37,179
Indirect costs	-	103,839	80,829	26,825	211,493
Contract services	-	-	1,533,252	282,936	1,816,188
Miscellaneous	-	-	2,738	112	2,850
Depreciation	900,200	1,282,375	9,714	2,808	2,195,097
<b>Total operating expenses</b>	<b>4,255,025</b>	<b>4,464,444</b>	<b>1,626,533</b>	<b>339,925</b>	<b>10,685,927</b>
<b>Operating income (loss)</b>	<b>340,949</b>	<b>(1,892,745)</b>	<b>82,812</b>	<b>(37,387)</b>	<b>(1,506,371)</b>
<b>Nonoperating income (expense)</b>					
Interest income	197,676	2,960	3,204	15,687	219,527
Interest expense	(200,876)	-	(3,030)	-	(203,906)
<b>Net nonoperating income (expense)</b>	<b>\$ (3,200)</b>	<b>\$ 2,960</b>	<b>\$ 174</b>	<b>\$ 15,687</b>	<b>\$ 15,621</b>

(Continued)

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Enterprise Funds**  
**Combining Statement of Revenues, Expenses, and Changes in Retained Earnings (Continued)**  
**For the Year Ended December 31, 1999**

	Utilities System	Sewerage	Solid Waste	Mosquito Abatement	Total
Operating transfers in (out)					
Operating transfers in	\$ -	\$ 716,000	\$ -	\$ -	\$ 716,000
Operating transfers out	(329,141)	(2,400)	(95,000)	(15,000)	(441,541)
Net operating transfers	(329,141)	713,600	(95,000)	(15,000)	274,459
Net income (loss)	8,608	(1,176,185)	(12,014)	(36,700)	(1,216,291)
Amortization of contributed capital	528,510	1,119,696	-	-	1,648,206
Increase (decrease) in retained earnings	537,118	(56,489)	(12,014)	(36,700)	431,915
Retained earnings, beginning of year	7,570,752	2,503,164	281,628	421,270	10,776,814
Retained earnings, end of year	\$ 8,107,870	\$ 2,446,675	\$ 269,614	\$ 384,570	\$ 11,208,729

See Independent Auditor's Report



**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Enterprise Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 1999**

	Utilities System	Sewerage	Solid Waste	Mosquito Abatement	Total
<b>Cash flows from operating activities</b>					
Operating income (loss)	\$ 340,949	\$ (1,892,745)	\$ 82,812	\$ (37,387)	\$ (1,506,371)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	900,200	1,282,375	9,714	2,808	2,195,097
Changes in assets and liabilities:					
Accounts receivable	(37,320)	476,774	10,739	(5,657)	444,536
Due from other funds	121,773	(299,603)	(13,343)	2,311	(188,862)
Due from other governments	16,061	17,564	-	-	33,625
Other receivables	-	34,405	-	-	34,405
Inventory	(3,154)	-	-	-	(3,154)
Other assets	(92,923)	-	-	-	(92,923)
Accounts and salaries payable	(44,344)	18,352	5,529	54,636	34,173
Cash overdraft	-	(56,300)	-	-	(56,300)
Due to other funds	(140,665)	(112,026)	39,941	2,198	(210,552)
Due to other governments	-	-	-	-	-
Deposits payable	37,940	-	-	-	37,940
Interest payable	42,126	-	-	-	42,126
Other accrued expense	-	(40,408)	-	-	(40,408)
Other liabilities	(9,250)	-	-	-	(9,250)
 Net cash provided (used) by operating activities	 <u>1,131,393</u>	 <u>(571,612)</u>	 <u>135,392</u>	 <u>18,909</u>	 <u>714,082</u>
<b>Cash flows from noncapital financing activities</b>					
Operating transfers in	-	716,000	-	-	716,000
Operating transfers out	(329,141)	(2,400)	(95,000)	(15,000)	(441,541)
 Net cash provided (used) by noncapital financing activities	 <u>\$ (329,141)</u>	 <u>\$ 713,600</u>	 <u>\$ (95,000)</u>	 <u>\$ (15,000)</u>	 <u>\$ 274,459</u>

(Continued)

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Enterprise Funds**  
**Combining Statement of Cash Flows (Continued)**  
**For the Year Ended December 31, 1999**

	Utilities System	Sewerage	Solid Waste	Mosquito Abatement	Total
<b>Cash flows from capital and related financing activities</b>					
Proceeds from bond issue	\$ 3,500,000	\$ -	\$ -	\$ -	\$ 3,500,000
Acquisition of capital assets	(839,314)	(317,464)	-	(106,984)	(1,263,762)
Decrease in contributed capital	(22,734)	(832,974)	-	-	(855,708)
Amortization of contributed capital	528,510	1,119,696	-	-	1,648,206
Bonds payable					
Principal payments	(217,793)	-	-	-	(217,793)
Interest payments	(200,876)	-	(3,030)	-	(203,906)
Capital leases payable	-	-	(15,896)	-	(15,896)
Net cash provided (used) by capital and related financing activities	2,747,793	(30,742)	(18,926)	(106,984)	2,591,141
<b>Cash flows from investing activities</b>					
Interest income	197,676	2,960	3,204	15,687	219,527
Sale of investment securities	5,963,955	-	-	598,772	6,562,727
Purchase of investment securities	(6,998,475)	(174,123)	-	(798,254)	(7,970,852)
Net cash provided (used) by investing activities	(836,844)	(171,163)	3,204	(183,795)	(1,188,598)
<b>Net increase (decrease) in cash</b>	<b>2,713,201</b>	<b>(59,917)</b>	<b>24,670</b>	<b>(286,870)</b>	<b>2,391,084</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,703,447</b>	<b>187,273</b>	<b>694</b>	<b>321,305</b>	<b>2,212,719</b>
<b>Cash and cash equivalents, end of year</b>	<b>4,416,648</b>	<b>127,356</b>	<b>25,364</b>	<b>34,435</b>	<b>4,603,803</b>
<b>Reconciliation to Balance Sheet</b>					
Unrestricted cash and cash equivalents	656,409	27,519	25,364	34,435	743,727
Restricted cash and cash equivalents	3,760,239	99,837	-	-	3,860,076
Total cash and cash equivalents	\$ 4,416,648	\$ 127,356	\$ 25,364	\$ 34,435	\$ 4,603,803

See Independent Auditor's Report

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Internal Service Funds**  
**Combining Balance Sheet**  
**December 31, 1999**

	Group Insurance Fund	Workers Compensation Fund	Unemployment Fund	Employee Benefit Fund	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 47,676	\$ 7,432	\$ 79,261	\$ -	\$ 134,369
Investment	143,359	154,242	-	-	297,601
Accounts receivable	-	-	-	43,875	43,875
Due from other funds	-	103	33,597	14,683	48,383
<b>Total assets</b>	<b>191,035</b>	<b>161,777</b>	<b>112,858</b>	<b>58,558</b>	<b>524,228</b>
<b>Liabilities and fund equity</b>					
<b>Liabilities</b>					
Cash overdraft	-	-	-	58,558	58,558
Estimated claims payable	-	-	-	312,721	312,721
Due to other funds	-	-	103	-	103
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>103</b>	<b>371,279</b>	<b>371,382</b>
<b>Fund equity</b>					
Retained earnings					
Unreserved	191,035	161,777	112,755	(312,721)	152,846
<b>Total fund equity</b>	<b>191,035</b>	<b>161,777</b>	<b>112,755</b>	<b>(312,721)</b>	<b>152,846</b>
<b>Total liabilities and fund equity</b>	<b>\$ 191,035</b>	<b>\$ 161,777</b>	<b>\$ 112,858</b>	<b>\$ 58,558</b>	<b>\$ 524,228</b>

See Independent Auditor's Report

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses,**  
**and Changes in Retained Earnings**  
**For the Year Ended December 31, 1999**

	Group Insurance Fund	Workers Compensation Fund	Unemployment Fund	Employee Benefit Fund	Total
Operating revenues					
Charges for services	\$ -	\$ -	\$ 121,861	\$ 721,776	\$ 843,637
Total operating revenues	-	-	121,861	721,776	843,637
Operating expenses					
Insurance claims	-	-	18,133	848,003	866,136
Professional services	-	-	10,884	193,519	204,403
Total operating expenses	-	-	29,017	1,041,522	1,070,539
Operating income (loss)	-	-	92,844	(319,746)	(226,902)
Nonoperating revenues (expenses)					
Interest income	8,638	3,448	2,253	3,394	17,733
Other	-	-	-	3,631	3,631
Net nonoperating revenue (expenses)	8,638	3,448	2,253	7,025	21,364
Operating transfers in (out)					
Operating transfers in	-	9,600	-	-	9,600
Operating transfers out	(50,000)	-	-	-	(50,000)
Net operating transfers in (out)	(50,000)	9,600	-	-	(40,400)
Net income (loss)	(41,362)	13,048	95,097	(312,721)	(245,938)
Retained earnings, beginning of year	232,397	148,729	17,658	-	398,784
Retained earnings, end of year	\$ 191,035	\$ 161,777	\$ 112,755	\$ (312,721)	\$ 152,846

See Independent Auditor's Report

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 1999**

	Group Insurance Fund	Workers Compensation Fund	Unemployment Fund	Employee Benefit Fund	Total
<b>Cash flows from operating activities</b>					
Operating income (loss)	\$ -	\$ -	\$ 92,844	\$ (319,746)	\$ (226,902)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Changes in Assets and Liabilities:					
Accounts receivable	-	-	-	(43,875)	(43,875)
Due from other funds	9,140	147,018	(7,583)	(14,683)	133,892
Cash overdraft	(162,000)	-	-	58,558	(103,442)
Claims payable	-	-	-	312,721	312,721
Due to other funds	(147,121)	-	(9,037)	-	(156,158)
Net cash provided (used) by operating activities	(299,981)	147,018	76,224	(7,025)	(83,764)
<b>Cash flows from noncapital financing activities</b>					
Operating transfers in	-	9,600	-	-	9,600
Operating transfers out	(50,000)	-	-	-	(50,000)
Other	-	-	-	3,631	3,631
Net cash provided (used) by noncapital financing activities	(50,000)	9,600	-	3,631	(36,769)
<b>Cash flows from investing activities</b>					
Interest income	8,638	3,448	2,253	3,394	17,733
Sale of investment securities	351,189	144,845	-	-	496,034
Purchase of investment securities	(494,548)	(299,087)	-	-	(793,635)
Net cash provided (used) by investing activities	(134,721)	(150,794)	2,253	3,394	(279,868)
<b>Net increase (decrease) in cash</b>	(484,702)	5,824	78,477	-	(400,401)
<b>Cash and cash equivalents, beginning of year</b>	532,378	1,608	784	-	534,770
<b>Cash and cash equivalents, end of year</b>	\$ 47,676	\$ 7,432	\$ 79,261	\$ -	\$ 134,369

See Independent Auditor's Report



**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Agency Fund**  
**Combining Balance Sheet**  
**December 31, 1999**

	<u>Permit Clearing Fund</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 36,615
<b>Total assets</b>	<u>36,615</u>
<b>Liabilities</b>	
<b>Liabilities</b>	
Due to other funds	32,463
Accrued expenses	4,152
<b>Total liabilities</b>	<u>\$ 36,615</u>

See Independent Auditor's Report

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULE**  
**For the Year Ended December 31, 1999**

**COMPENSATION PAID TO BOARD MEMBERS**

The schedule of compensation paid to the Parish President and Parish Councilmen is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Parish Council is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statutes, at LSA-R.S. 33:1233, the Parish Council has elected the monthly payment method of compensation. Under this method, the Councilmen receive approximately \$686 per month.

<u>PARISH PRESIDENT</u>	<u>AMOUNT</u>
Arnold J. Labat, Parish President	<u>\$ 55,000</u>
 <u>PARISH COUNCIL</u>	
Richard D. Wolfe, Division A	\$ 8,230
Duaine Duffy, Council Chairman, Division B	8,230
Perry Bailey, Sr., District I	8,230
Kevin Duhon, District II	8,230
Clinton Perrilloux, District III	8,230
Ranney Wilson, District IV	8,230
Niekie Monica, District V	8,230
Joel McTopy, District VI	8,230
Steven Thornton, District VII	<u>8,230</u>
Parish Council Total	<u>\$ 74,070</u>

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlacc, Louisiana**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended December 31, 1999**

**WIRELESS EMERGENCY 911 SERVICE (UNAUDITED)**

Act 1029 of 1999 amends and reenacts Louisiana Revised Statutes (R.S.) 33:9101 through 9131 relative to communication districts. The act authorizes the governing authority of a communication district to levy an emergency telephone service charge on certain wireless communication systems to pay the costs of implementing FCC ordered enhancements to Emergency 911 systems. As of December 31, 1999, no action has been taken by the Parish as to the implementation of the wireless Emergency 911 service.

## **SINGLE AUDIT SECTION**



# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

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

To the Honorable President  
and Members of the Council  
**ST. JOHN THE BAPTIST PARISH COUNCIL**  
LaPlace, Louisiana

We have audited the primary government financial statements of the **ST. JOHN THE BAPTIST PARISH COUNCIL** as of and for the year ended December 31, 1999, and have issued our report thereon dated May 5, 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 the **ST. JOHN THE BAPTIST PARISH COUNCIL'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 one instance of noncompliance that is required to be reported under *Government Auditing Standards*, and is reported in the accompanying Schedule of Findings and Questioned Costs as item 99-1. We also noted an immaterial instance of noncompliance that we have reported to management in a separate letter dated May 5, 2000.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the **ST. JOHN THE BAPTIST PARISH COUNCIL'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. 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 the Parish's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 99-1 through 99-6.

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. 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 items 99-1, 99-2, 99-5 and 99-6 to be material weaknesses. We also noted other matters involving the internal control over financial reporting that we have reported to management in a separate letter dated May 5, 2000.

This report is intended solely for the information and use of the Council, management of the Parish, the Louisiana Legislative Auditor, 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.

*Reboue & Company*

May 5, 2000

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

To the Honorable President  
and Members of the Council  
**ST. JOHN THE BAPTIST PARISH COUNCIL**  
LaPlace, Louisiana

### Compliance

We have audited the compliance of the **ST. JOHN THE BAPTIST PARISH COUNCIL** 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 its major federal program for the year ended December 31, 1999. **ST. JOHN THE BAPTIST PARISH COUNCIL'S** major federal program is 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 its major federal program is the responsibility of the **ST. JOHN THE BAPTIST PARISH COUNCIL'S** management. Our responsibility is to express an opinion on the **ST. JOHN THE BAPTIST PARISH COUNCIL'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 the **ST. JOHN THE BAPTIST PARISH COUNCIL'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 on the **ST. JOHN THE BAPTIST PARISH COUNCIL'S** compliance with those requirements.



In our opinion, the **ST. JOHN THE BAPTIST PARISH COUNCIL** complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

#### Internal Control Over Compliance

The management of the **ST. JOHN THE BAPTIST PARISH COUNCIL** 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 the **ST. JOHN THE BAPTIST PARISH COUNCIL'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.

We noted certain matters involving the internal control over compliance 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 compliance that, in our judgment, could adversely affect **ST. JOHN THE BAPTIST PARISH COUNCIL'S** ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as item 99-7.

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. Our consideration of the internal control over compliance 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, the reportable condition described above as item 99-7 is considered to be a material weakness.

This report is intended solely for the information and use of the Council, management of the Parish, the Louisiana Legislative Auditor, 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.

*Rebowe & Company*

May 5, 2000

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 1999**

Federal Grantor/ Pass-Through Grantors/ Program Title	Federal CFDA Number	Grant Number	Program or Award Amount	Cash or Accrued (Deferred) Revenue 1/1/99	Revenue Recognized	Expenditures/ Disbursements	Cash or Accrued (Deferred) Revenue 12/31/99
<b>U.S. Federal Emergency Management Agency</b>							
Passed through the Louisiana Department of Military Affairs	83.534	EMT-99-PA-0002	\$13,170	-	\$13,170	\$13,170	-
Hazard Mitigation Grant Program (Section 404)	83.548	Project NO. 1049-095-0001	\$195,157	-	\$19,177	\$19,177	-
Disaster Relief	83.505	P.A. ID NO. 095-91040 DECL. NO. 1246-DR-LA	\$231,389	-	\$2,219	\$2,219	-
Total U.S. Federal Emergency Management Agency				-	\$34,566	\$34,566	-
<b>U.S. Department of Agriculture</b>							
Passed through the Louisiana Department of Health and Human Resources:							
Summer Food Service Program	10.558	-	\$104,796	-	\$104,796	\$104,796	-
Total U.S. Department of Agriculture				-	\$104,796	\$104,796	-
<b>U.S. Department of Transportation</b>							
Federal Aviation Administration							
Airport Improvement Program	20.106	AIP NO. 3-22-0064-06 DOT FA99 SW-8146	\$426,250	-	\$185,876	\$185,876	-
Total U.S. Department of Transportation				-	\$185,876	\$185,876	-
<b>U.S. Department of Interior</b>							
Passed through Louisiana Department of Wildlife and Fisheries:							
Reserve Boat Launch	15.605	16-01-0086-61 (Part 57)	\$133,749	-	\$1,980	\$1,980	-
Total U.S. Department of Health and Human Services				-	\$1,980	\$1,980	-
<b>U.S. Department of Housing and Urban Development</b>							
Passed through Division of Administration Office of Community Development							
LCDBG Utility Water Towers*	14.219	107-800304	\$518,562	\$62,156	\$395,822	\$395,822	-
Total U.S. Department of Housing and Urban Development				\$62,156	\$395,822	\$395,822	-
Total Federal Awards				\$62,156	\$723,040	\$723,040	-



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**Year Ended December 31, 1999**

\* Major program

**NOTE A - BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards has been prepared using the modified accrual basis of accounting, in accordance with generally accepted accounting principles. The modified accrual basis of accounting has also been used in presenting the financial statements, as disclosed in Note 1 of the financial statements.

**NOTE B - PASS-THROUGH AWARDS**

The **ST. JOHN THE BAPTIST PARISH COUNCIL** did not pass-through any of its federal awards to a subrecipient during the year ended December 31, 1999.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 1999**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses a qualified opinion on the primary government financial statements of the **ST. JOHN THE BAPTIST PARISH COUNCIL** due to the inadequacy of accounting records pertaining to property and equipment.
2. Six reportable conditions disclosed during the audit of the financial statements 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*. These items are described in Sections B.(1) and B.(2) of which items 99-1, 99-2, 99-5, 99-6 are reported as material weaknesses.
3. One instance of noncompliance material to the financial statements of the **ST. JOHN THE BAPTIST PARISH COUNCIL** was disclosed during the audit and is 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*. This item is described in Section B.(1) below as item 99-1.
4. One reportable condition in internal control relating to the audit of the major federal award program is 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*. This condition is reported as a material weakness. This item is described in Section C. below as item 99-7.
5. The auditor's report on compliance for the major federal award program administered by the **ST. JOHN THE BAPTIST PARISH COUNCIL** expresses an unqualified opinion.
6. No audit findings relative to the major federal award program is reported. However, one reportable condition is reported in Part C of this schedule.
7. The program tested as a major program includes:

	<u>CFDA Number</u>
LCDBG Utility Water Towers	14.219
8. The threshold for distinguishing Type A and Type B programs was \$300,000.
9. The **ST. JOHN THE BAPTIST PARISH COUNCIL** was determined to be a high-risk auditee.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 1999**

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

**1. COMPLIANCE FINDING/MATERIAL WEAKNESS**

**FINDING 99-1 - PROPERTY AND EQUIPMENT RECORDS**

Condition:

As in the prior years, we noted that the Parish does not maintain adequate, detailed accounting records of fixed assets or fixed asset additions for assets included in its enterprise funds or its General Fixed Assets Account Group. In addition, we noted that the Parish did not remove assets sold during the year from the fixed assets listing for its General Fixed Assets Account Group or its enterprise funds.

Criteria:

Generally accepted accounting principles and Louisiana law, at LSA-R.S. 24:545(B)(1), require government agencies to maintain accurate, detailed accounting records of fixed assets.

Effect:

Failure to maintain current and accurate records of fixed assets limits the Parish's ability to safeguard those assets against loss.

Recommendation:

We recommend that the Parish adjust their fixed assets records to the comprehensive inventory report of all property owned by the Parish, including assets held by the General Fixed Assets Account Group and various Enterprise Funds, which was performed by an appraisal firm in 1999. Also, the Parish should develop a system whereby all fixed asset additions and disposals are properly accounted for in a timely manner.

Response:

See management's corrective action plan for their response.

**2. REPORTABLE CONDITIONS**

**FINDING 99-2 -- PAYROLL**

Condition:

Internal controls related to the proper recording of payroll for the Parish were bypassed resulting in a manipulation of payroll records by a former Payroll Clerk. The manipulation was detected internally by the Parish within a reasonable period of time. As a result of this manipulation, excess federal withholding taxes were reported on the Payroll Clerk's W-2 Form in the amounts of \$1,729.61 in 1998 and \$1,800.13 in 1999. Also, for the quarter ended December 31, 1998, the Parish overpaid \$501.11 in federal withholding taxes related to that quarter's adjustment made to the federal withholding for the former Payroll Clerk. We are in the process of concluding our further investigation into this matter.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 1999**

**FINDING 99-2 – PAYROLL (CONTINUED)**

Criteria:

Internal controls should be in place that provide reasonable assurance that all payroll transactions are accurate and properly recorded.

Effect:

Because of the failure to establish sufficient payroll procedures, misappropriation of assets and/or manipulation of records may occur and not be identified timely.

Recommendation:

Additional measures should be taken to strengthen the existing internal controls over the proper recording of all payroll transactions.

Response:

See management's corrective action plan for their response.

**FINDING 99-3 - SEGREGATION OF DUTIES**

Condition:

As in the prior year, we noted a lack of segregation of duties in the Finance Department. We identified several instances in which the accountant who maintains accounting records also performs the bank reconciliations and supervises cash disbursements.

Criteria:

An appropriately designed system of internal controls attempts, within financial and personnel constraints, to separate incompatible accounting duties. The system should insure that no one employee has access to both physical assets and the related accounting records, and that one employee does not control all phases of a transaction.

Effect:

Unintentional or intentional errors may occur and be undetected by management.

Recommendation:

We recommend that management review its current internal control and consider separating incompatible duties.

Response:

See management's corrective action plan for their response.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 1999**

**FINDING 99-4 -- REVIEW AND APPROVAL**

Condition:

As in the prior year, the Parish does not have a system in place indicating that an appropriate review and approval of accounting records was performed by supervisory personnel.

Criteria:

Procedures should be in place that provide reasonable assurance that bank reconciliations, subsidiary ledgers, journal entries and other accounting records are reviewed and approved timely by the appropriate supervisory personnel.

Effect:

Undetected errors are occurring in the accounting records.

Recommendation:

We recommend that the Parish implement a policy whereas all accounting records are initialed by the appropriate supervisory personnel indicating that a proper review and approval was performed. Furthermore, a checklist should be developed to track and monitor the preparation, review, and approval of all accounting records.

Response:

See management's corrective action plan for their response.

**FINDING 99-5 - BANK RECONCILIATIONS**

Condition:

As in the prior year, the Parish maintains an excessive number of bank accounts (over 50 in 1999) for various funds with numerous employees responsible for monthly bank reconciliations. In addition, several bank reconciliations were not performed on a timely basis.

Criteria:

Internal controls should be in place that provide reasonable assurance that all bank accounts are reconciled on a monthly basis. Also, no legal requirement exists for the establishment of most of these accounts.

Effect:

Because of the failure to perform bank reconciliations on a monthly basis, unrecorded deposits and/or disbursements may not be identified timely. As a result of the large number of accounts, accounting personnel expend an inordinate amount of time preparing bank reconciliations. Additionally, the Parish loses interest earnings on excess cash by maintaining small balances in many accounts.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 1999**

**FINDING 99-5 - BANK RECONCILIATIONS (CONTINUED)**

Recommendation:

The requirement for performing timely monthly bank reconciliations on all bank accounts should be enforced. Any unreconciled differences should be identified and adjusted accordingly. Also, management should attempt to minimize the number of bank accounts utilized by the Parish.

Response:

See management's corrective action plan for their response.

**FINDING 99-6 - CASH DISBURSEMENTS**

Condition:

As in the prior year, we noted that the check writing machine used by the Parish as part of the Payroll and Accounts Payable function has several deficiencies including a lack of adequate controls to limit access to the machine, a lack of adequate supervision and review over the check writing function, a lack of adequate controls over blank checks, and a lack of adequate controls to prevent duplicate or out-of-sequence check numbers from being used.

Criteria:

Internal controls should be in place that provide reasonable assurance that all cash disbursements are authorized and accurately recorded in the general ledger.

Effect:

Because of the lack of controls over the cash disbursements function, unintentional or intentional errors may occur and be undetected by management.

Recommendation:

Procedures should be implemented to insure adequate internal controls are in place over the cash disbursements function.

Response:

See management's corrective action plan for their response.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 1999**

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

**U.S. Department of Housing and Urban Development**  
**Passed through Division of Administration Office of Community Development**

**Finding 99-7** – LCDBG Program – CFDA Number 14.219;  
Grant Number 107-800304; Utility Water Towers

Reportable Condition

Questioned Costs

As discussed in 99-6, internal controls over cash disbursements, including those for expenditures of federal awards, have several deficiencies including a lack of adequate controls to limit access to the check writing machine, a lack of adequate supervision and review over the check writing function, a lack of adequate controls over blank checks, and a lack of adequate controls to prevent duplicate check numbers from being used. Procedures should be implemented to insure adequate internal controls are in place over the cash disbursement function.

None

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Year Ended December 31, 1999**

**A. FINDINGS – FINANCIAL STATEMENT AUDIT**

**1a. COMPLIANCE FINDING**

**FINDING 98-1 - SALARY ADVANCES**

Condition:

For the year ending December 31, 1998, we noted two instances in which the **ST. JOHN THE BAPTIST PARISH COUNCIL** advanced wages to a Parish employee. LSA-R.S. 14:138 prohibits the payment of advanced wages or salaries to employees. This is a violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-R.S. 14:138, and AG Opinion 79-729.

Current Status

For the year ended December 31, 1999, we noted no instances of noncompliance related to salary advances.

**b. COMPLIANCE FINDING/MATERIAL WEAKNESS**

**FINDING 98-2 - PROPERTY AND EQUIPMENT RECORDS**

Condition:

The Parish does not maintain adequate, detailed accounting records of fixed assets or fixed asset additions for assets included in its enterprise funds or its General Fixed Assets Account Group. In addition, we noted that the Parish did not remove assets sold during the year from the fixed assets listing for its General Fixed Assets Account Group or its enterprise funds.

Current Status:

An appraisal firm was hired by the Parish Council in 1999 to conduct a fixed asset inventory for the Parish as well as its enterprise funds. The inventory of fixed assets was completed but has not yet been reconciled to the Parish's fixed asset records. Also, no significant improvements have been made in developing a system whereby all fixed asset additions and disposals are properly accounted for in a timely manner. This finding is included in the Schedule of Findings and Questioned Costs (99-1) at December 31, 1999.

**2. REPORTABLE CONDITIONS**

**FINDING 98-3 - SEGREGATION OF DUTIES**

Condition:

We noted a lack of segregation of duties in the Finance Department. We identified several instances in which the accountant who maintains accounting records also performs the bank reconciliations and supervises cash disbursements.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)**  
**Year Ended December 31, 1999**

**FINDING 98-3 - SEGREGATION OF DUTIES (CONTINUED)**

Current Status

No significant improvements have been made with respect to segregation of duties in the Finance Department. This finding is included in the Schedule of Findings and Questioned Costs (99-3) at December 31, 1999.

**FINDING 98-4 -- REVIEW AND APPROVAL**

Condition:

The Parish does not have a system in place indicating that an appropriate review and approval of accounting records was performed by supervisory personnel.

Current Status

No significant improvements have been made in the review and approval procedures over accounting records. This finding is included in the Schedule of Findings and Questioned Costs (99-4) at December 31, 1999.

**FINDING 98-5 - BANK RECONCILIATIONS**

Condition:

The Parish maintains over 90 bank accounts for various funds with numerous employees responsible for monthly bank reconciliations. In addition, several bank reconciliations were not performed on a timely basis, of which four bank reconciliations were not reconciled to the general ledger.

Current Status:

The Parish reduced the number of bank accounts to 56 during 1999. However, several bank reconciliations were not performed timely and were not reconciled to the general ledger on a monthly basis. This finding is included in the Schedule of Findings and Questioned Costs (99-5) at December 31, 1999.

**FINDING 98-6 - CASH DISBURSEMENTS**

Condition:

We noted that the check writing machine used by the Parish as part of the Accounts Payable function has several deficiencies including a lack of adequate controls to limit access to the machine, a lack of adequate supervision and review over the check writing function, a lack of adequate controls over blank checks, and a lack of adequate controls to prevent duplicate check numbers from being used.

Current Status:

No significant action was taken on this finding. This finding is included in the Schedule of Findings and Questioned Costs (99-6) at December 31, 1999.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)**  
**Year Ended December 31, 1999**

**FINDING 98-7 - PAYROLL**

Condition:

During the course of our audit, we noted improper usage of Parish time clocks. In particular, we noted two instances in which a time card was submitted to the Payroll Department with a date stamp that was 10 days later than the current date. Due to this inaccuracy, the time cards were returned to the appropriate department. Instead of the Supervisor correcting the erroneous time cards manually, the time clock was manipulated to produce two new "pre-dated" time cards with the correct hours worked. In two other instances, we noted that the time clock was manipulated which was evidenced by two time cards indicating that hours worked were from 7:30 p.m. to 3:30 a.m., rather than the regular work hours of 7:30 a.m. to 3:30 p.m.

In addition, we also noted that the Parish has at least 12 time clocks located throughout the Parish, of which there are several models in use by the Parish.

Current Status:

Parish Administration is in the process of reviewing the payroll time clock system. For the year ended December 31, 1999, we noted no instances of improper usage of Parish time clocks.

**B. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**U.S. Federal Emergency Management Agency**  
**U.S. Department of the Interior**

**Finding 98-8 - Disaster Relief - CFDA Number 83.505; Grant Number P.A. ID NO. 095-91040; DECL. NO. 1246-DR-LA**  
**Reserve Boat Launch - CFDA Number 15.605; Grant Number 16-01-0086**  
**(Part 57)**

Reportable Condition

As discussed in 98-6, internal controls over cash disbursements, including those for expenditures of federal awards, have several deficiencies including a lack of adequate controls to limit access to the check writing machine, a lack of adequate supervision and review over the check writing function, a lack of adequate controls over blank checks, and a lack of adequate controls to prevent duplicate check numbers from being used. Procedures should be implemented to insure adequate internal controls are in place over the cash disbursement function.

Current Status

No significant action was taken on this finding. This finding is included in the Schedule of Findings and Questioned Costs (99-7) at December 31, 1999.



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)**  
**Year Ended December 31, 1999**

**U.S. Federal Emergency Management Agency**

**FINDING 98-9 - Disaster Relief - CFDA Number 83.505; Grant Number P.A. ID NO. 095-91040; DECL. NO. 1246-DR-LA**

Reportable Condition

As discussed in 98-7, internal controls over the payroll function, including those for expenditures of federal awards, have several inadequacies including improper usage of Parish time clocks. Internal controls should be in place that provide reasonable assurance that hours worked by Parish employees are reflected in an accurate manner on time cards as recorded by the Parish time clocks.

Current Status

For the year ended December 31, 1999, we noted no instances of improper usage of Parish time clocks.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**CORRECTIVE ACTION PLAN**  
**Year Ended December 31, 1999**

<u>Recommendation</u>	<u>Corrective Action</u>	<u>Implementation Date</u>	<u>Contact</u>
<p><b>99-1 - Property and Equipment Records</b>            Conduct a comprehensive inventory of all property owned by the Parish, including assets held by the Parish, Fixed Assets Account Group and various Enterprise Funds. Also a system should be developed whereby all fixed assets additions and disposals are properly accounted for in a timely matter.</p>	<p>An appraisal firm was hired by the Parish Council to conduct a fixed asset inventory for the Parish as well as its enterprise funds. We are in the process of reconciling the Parish's fixed asset records to this inventory report. Procedures will also be implemented to insure that all fixed asset additions and disposals are properly accounted for in a timely manner.</p>	<p>August 31, 2000</p>	<p>Jeffrey Clement, CPA            Director of Finance            (504) 652-9569</p>
<p><b>99-2 - Payroll</b>            Additional measures should be taken to strengthen the existing internal controls over the proper recording of all payroll transactions.</p>	<p>The Payroll Clerk admitted the manipulation and resigned from employment. The Payroll Clerk's 1998 Form W-2 was amended to reflect the actual federal income taxes withheld and the Parish filed for a refund for the overpaid federal withholding taxes from the IRS for the quarter ending December 31, 1998. We have taken additional measures to strengthen the existing internal controls.</p>	<p>March 1, 2000</p>	<p>Jeffrey Clement, CPA            Director of Finance            (504) 652-9569</p>
<p><b>99-3 - Segregation of Duties</b>            Management should review its current internal control and consider separating incompatible duties.</p>	<p>The Parish will review its internal control and minimize occurrences of employees performing incompatible duties.</p>	<p>July 1, 2000</p>	<p>Jeffrey Clement, CPA            Director of Finance            (504) 652-9569</p>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**  
**CORRECTIVE ACTION PLAN**  
**Year Ended December 31, 1999**

<u>Recommendation</u>	<u>Corrective Action</u>	<u>Implementation Date</u>	<u>Contact</u>
<b>99-4 - Review and Approval</b> Implement a policy whereas all accounting records are initiated by the appropriate supervisory personnel indicating that a proper review and approval was performed. Furthermore, a checklist should be developed to track and monitor the preparation, review, and approval of all accounting records.	A checklist will be developed to track and monitor the preparation, review, and approval of all accounting records.	July 1, 2000	Jeffrey Clement, CPA Director of Finance (504) 652-9569
<b>99-5 - Bank Reconciliations</b> The requirement for performing timely monthly bank reconciliations on all bank accounts should be enforced. Any unreconciled differences should be identified and adjusted accordingly. Also, management should attempt to minimize the number of bank accounts utilized by the Parish.	Procedures will be implemented to insure bank reconciliations are performed timely and reconciled to the general ledger on a monthly basis. We will continue to minimize the number of bank accounts utilized by the Parish.	December 31, 2000	Jeffrey Clement, CPA Director of Finance (504) 652-9569
<b>99-6 - Cash Disbursements</b> Procedures should be implemented to insure adequate internal controls are in place over the cash disbursements function.	We will implement procedures to insure that adequate internal controls over cash disbursements are maintained.	July 1, 2000	Jeffrey Clement, CPA Director of Finance (504) 652-9569
<b>99-7 - LCDBG Program – Utility Water Towers</b> Procedures should be implemented to insure adequate internal controls are in place over the cash disbursements function.	See 99-6 corrective action.	July 1, 2000	Jeffrey Clement, CPA Director of Finance (504) 652-9569

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**ST. JOHN THE BAPTIST PARISH COUNCIL**

**MEMORANDUM OF ADVISORY COMMENTS**

**FOR THE YEAR ENDING DECEMBER 31, 1999**

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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 \_\_\_\_\_

**REBOWE & COMPANY**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**CONSULTANTS**  
**A PROFESSIONAL CORPORATION**

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# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

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May 5, 2000

To the Honorable President  
and Members of the Council  
**St. John the Baptist Parish, State of Louisiana**  
LaPlace, Louisiana

We have audited the primary government financial statements of the **ST. JOHN THE BAPTIST PARISH COUNCIL**, State of Louisiana for the year ended December 31, 1999 and have issued our report thereon dated May 5, 2000. As part of our audit, we considered the Parish's internal control over financial reporting in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control.

Our consideration of the internal control has been reported on in a separately issued report entitled *Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* dated May 5, 2000.

This memorandum summarizes various other matters, which have come to our attention. While not involving reportable conditions, these matters do present opportunities for strengthening the internal control over financial reporting and improving the operating efficiency of the Parish.

We have discussed our recommendations with Parish personnel and have included their responses. We will be pleased to discuss these comments with you in further detail at your convenience, perform any additional analysis of these matters, or assist you in implementing our recommendations.

Sincerely,

*Rebowe & Company*

## 1. PRIOR YEAR REPEAT FINDINGS

The findings listed below were observations noted in prior years and were also present as of December 31, 1999. The previous Administration did not make any significant progress with respect to resolving such findings. A brief summary of these prior year findings is discussed below.

### Observations:

- **Subsidiary Ledgers** - Subsidiary ledgers maintained by the Administration for investments and accounts payable were not reconciled to the general ledger in a timely manner.
- **Allocation of Indirect Costs** - The Administration allocates indirect costs amongst various funds related to utility billings and administrative costs. This indirect cost allocation plan has been in effect since 1989. However, the Administration does not maintain documentation to support their indirect cost allocation plan.
- **Overtime pay** - During our testing of Sewer Department salaries, we noted that overtime wages represented approximately 22% and 26% of total wages in 1999 and 1998, respectively. Approximately 50% of these overtime wages in this department were attributable to 9 of the 31 employees in 1999 and 7 of the 35 employees in 1998.
- **Related Party Transactions** - The Administration does not maintain a policy for its adherence to Louisiana Revised Statute 42:1112 "Participation in certain transactions involving the governmental entity." This statute prohibits public servants from participating in any transaction involving the governmental entity in which they have a personal financial interest, or in which a member of their immediate family has a personal financial interest. During our audit, we noted no violation of this statute.
- **Service Center** - The Service Center has access to the mainframe billing module; however, has restricted ability to input customer utility payments into the computerized billing system upon receipt. The input of utility payments is performed at the Parish billing department.
- **Interfund Transactions** - We noted numerous instances in which interfund transfers and interfund receivables and payables did not reconcile. It appears that these differences are the result of a lack of communication and review between department personnel.
- **Accounting Policies and Procedures Manual** - The Administration does not have an accounting policies and procedures manual defining the duties and responsibilities for each finance department employee.

## 1. PRIOR YEAR REPEAT FINDINGS (CONTINUED)

- **Completeness of Accounts Payable** - The proper procedures for recording accounts payable at year end are not being followed. We noted approximately \$57,600 and \$216,000 of payables during our search for unrecorded liabilities, which were not included in the accounts payable listing as of December 31, 1999 and 1998, respectively. This error occurred due to a lack of training and supervision regarding the proper recording of accounts payable at year-end.
- **Excess One-Cent Sales Tax Collections** - The Administration has not abided by Council Resolution 98-28, which states that any revenues collected from the one-cent sewer sales tax in excess of \$4 million should be escrowed for future use. An excess amount of approximately \$634,700 and \$794,000 were reserved by the audit adjustments for the year ending December 31, 1999 and 1998, respectively. Furthermore, it states that any capital improvement expenditures made to the sewer system should be funded by amounts of restricted fund balance that was escrowed in accordance with this Resolution. During 1999, capital improvements were made to the sewer system at a cost of approximately \$995,000. The Administration did not reduce restricted fund balance as a result of these capital improvement expenditures. An audit adjustment was posted to properly record the use of restricted fund balance for sewer capital improvement expenditures.
- **Interfund Borrowings** - The Parish's General Fund borrowed funds from the Sales Tax District as initially approved by Council Resolution 95-38. The initial borrowing of \$200,000, which occurred in December 1995, was to be repaid in 1996 from tax collections. During 1996, the General Fund repaid \$50,000 to the Sales Tax District. In 1997 and 1998, administrative costs of \$25,000 per year due to the General Fund from the Sales Tax District were applied against the outstanding balance. During 1998, the General Fund borrowed an additional \$450,000 from the Sales Tax District. During 1999, the General Fund repaid \$320,000 to the Sales Tax District. The amount due to the Sales Tax District was \$230,000 and \$550,000 in 1999 and 1998, respectively.
- **Cash Management** - The Parish's investment portfolio consists exclusively of U.S. Treasury Bills with original maturities of one year or less. The Administration should seek investments with higher investment yields or consider investing in U.S. Treasury Securities with longer-term maturities.

**1. PRIOR YEAR REPEAT FINDINGS (CONTINUED)**

- **Certificate of Indebtedness** - In March 1998, the St. John the Baptist Parish Council issued Certificates of Indebtedness, Series 1998 in the amount of \$2,925,000 for the purpose of constructing public libraries in the Parish, as set out in Proposition No. 1 approved by the voters on January 17, 1998. These Certificates are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Parish from the levy and collection of a special ten (10) mills tax authorized to be levied each of the years 1998 through 2007, inclusive, on all the property subject to taxation within the corporate boundaries of the Parish pursuant to an election held January 17, 1998. The debt and related ad valorem tax revenues are recorded in the financial statements of St. John the Baptist Parish Library, a component unit of St. John the Baptist Parish Council. This debt is a direct obligation of the Parish Council, as issuer of the Certificates. However, there is no formal agreement between the Parish Council and the Library which states that the Library will collect the ten (10) mill tax revenues and pay the related debt.

Recommendation:

We recommend that the current Administration implement policies and procedures to correct the above findings.

Management Response:

The new Parish Administration took office in January 2000. We will immediately take the appropriate steps necessary to begin resolving these prior year audit findings.

**2. STALE CHECKS**

Observation:

We noted that the Parish has numerous stale checks in several cash accounts.

Recommendation:

We recommend that the Administration investigate the status of these stale checks and consider voiding and/or reissuing such checks if deemed necessary.

Management Response:

We will review those stale checks and make any adjustments that the Parish Administration deems necessary.



### **3. PAYROLL**

#### Observation:

We noted that the Parish's General Fund payroll for November 1999 was incorrectly processed and cleared through the Utility Fund payroll bank account. The bank notified the Administration of this error and the Administration made the appropriate transfer of funds between the two bank accounts.

#### Recommendation:

Procedures should be implemented to insure adequate internal controls are in place over the payroll function.

#### Management Response:

This error was an isolated incident and was corrected timely by a transfer between the general fund and utility fund bank accounts.

### **4. UNINSURED DEPOSITS**

#### Observation:

The Parish has one account in a financial institution whereby the bank balance exceeded FDIC insurance by approximately \$38,600. This is a violation of LSA-R.S. 39:1225 and 1226; however, this was considered to be an immaterial instance of noncompliance. All other bank account balances of the Parish were adequately insured and/or collateralized at December 31, 1999.

#### Recommendation:

Management should monitor the bank balances in all financial institutions and ensure that such balances are adequately insured and/or collateralized in accordance with state statute.

#### Management Response:

All bank account balances will be monitored in the future.



## 5. COMPENSATED ABSENCES

### Observation:

During our audit, we became aware of a sick leave policy referenced in the employee manual which states that upon separation, unclassified employees (i.e. directors) will be paid for one-half (1/2) of the total unused sick days at the regular hourly rate. The compensated absence liability related to this policy for unpaid sick leave was approximately \$51,000 at December 31, 1999 and was not recorded in the General Long Term Debt Account Group (GLTDAG) and the Utilities System Enterprise Fund.

### Recommendation:

We recommend that personnel should be adequately trained as to the proper procedures for recording compensated absence liability at year-end.

### Management Response:

In January 2000, such liability was paid to former directors. In the future, we will implement procedures for recording a liability for compensated absences.

## 6. ALLOWANCE FOR DOUBTFUL ACCOUNTS

### Observation:

The allowances for doubtful accounts in the Parish's enterprise funds were not restored to an adequate level. At December 31, 1999, the allowance for doubtful accounts was \$36,896.

### Recommendation:

We recommend that personnel be adequately trained as to the proper procedures for recording allowance for doubtful accounts.

### Management Response:

In the future, we will implement procedures to ensure that the allowances for doubtful accounts in the Parish's enterprise funds are adequately maintained.

**7. UNDERFUNDED SINKING FUND**

Observation:

Bond covenants require certain funding levels to be maintained. Upon our testing of both the sinking and reserve fund requirements, we noted that the sinking fund of various Public Improvement Bonds was underfunded by approximately \$127,700.

Recommendation:

We recommend that the Administration review funding levels on a monthly basis to minimize the occurrence of underfundings of sinking and reserve funds.

Response:

Administration will review funding levels on a monthly basis.

**8. SELF-INSURANCE**

Observation:

During 1999, the Parish became self-insured for health and dental coverage. The Administration currently has a third party administrator handling the processing of claims for the self-insurance program. The administrator provides various reports to the Parish for claims paid which are recorded on the Parish's general ledger. According to Governmental Accounting Standards Board Statement No. 10, a liability for claims is reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred but not yet reported at the date of the financial statements and the amount of the loss can be reasonably estimated. A claims liability of approximately \$312,700 was recorded in the Fund by an audit adjustment for the year ending December 31, 1999. This amount represented claims that have been incurred but not reported and claims that have been reported but not paid.

Recommendation:

We recommend that personnel be adequately trained as to the proper procedures for recording self-insurance claims and claims liability in a timely matter.

Management Response:

The Parish's self-insurance claims and claims liability are recorded on a cash basis during the year and are converted to accrual basis at year-end in connection with the audit. We will train and supervise personnel as to the proper procedures for recording self-insurance claims and claims liability at year-end.

## 9. PAYROLL INTERNAL CONTROL

### Observation:

During our testing of payroll, we selected a sample of time cards and any related supporting payroll documentation. We noted two insignificant instances (1/4 hour for each instance) whereby the amount of overtime paid did not agree to supporting documentation. We also noted 2 instances where overtime was not approved by the supervisor.

### Recommendation:

We recommend that Administration implement procedures to ensure that payroll records and supporting documentation are maintained in the files and reviewed and approved by supervisory personnel in a timely manner.

### Management Response:

We will evaluate the internal control currently in place over the payroll function and strengthen controls to ensure that payroll records are reviewed in a timely manner.

## 10. WIRELESS E911 SERVICE

### Observation:

Act 1029 of 1999 amends and reenacts Louisiana Revised Statutes (R.S.) 33:9101 through 9131 relative to communication districts. The act authorizes the governing authority of a communication district to levy an emergency telephone service charge on certain wireless communication systems to pay the costs of implementing FCC ordered enhancements to Emergency 911 systems. However, as of December 31, 1999, the Administration has taken no action to levy an emergency telephone service charge on certain wireless communication systems.

### Recommendation:

We recommend that Administration consult the Parish Attorney and determine what steps must be taken in order to levy an emergency telephone service charge on certain wireless communication systems in accordance with Act 1029 of 1999.

### Management Response:

We will consult our Parish Attorney regarding this matter.

## 11. ANDOUILLE FESTIVAL

### Observation:

During our testing of revenues and expenses incurred in connection with the Andouille Festival, we noted a deficiency of \$150 in cash receipts for pageant revenues as compared to the accounting records. We also noted that internal controls related to cash receipts derived from admissions and rides could be strengthened in the areas of documentation and verification.

### Recommendation:

We recommend that Administration review its current controls and consider strengthening such controls as deemed necessary.

### Management Response:

We will review our current internal controls and make any necessary improvements.

## 12. GASB NO. 33 "ACCOUNTING AND FINANCIAL REPORTING FOR NONEXCHANGE TRANSACTIONS"

### Observation:

In February 1999, The Governmental Accounting Standards Board ("GASB") issued GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions" effective for the Parish in the fiscal year ended December 31, 2001.

GASB Statement No. 33 establishes accounting and financial reporting standards for nonexchange transactions involving financial or capital resources. This statement details when to recognize assets, liabilities, revenues, and expenses or expenditures for derived tax revenues, imposed nonexchange revenues, government-mandated and voluntary nonexchange transactions.

Derived tax revenues result from assessments made by governments on underlying exchange transactions. Examples include income taxes, sales taxes and similar taxes on earnings. Assets are recognized upon the earlier of the underlying transaction occurring or the resources being received. Revenues are recognized when the underlying exchange transaction occurs, with earlier receipts reported as deferred revenues.

Imposed nonexchange revenues result from assessments made by either governmental entities or nongovernmental entities that are not assessments on exchange transactions. Examples include property taxes, fines, penalties, and property forfeitures. Assets are recognized upon the earlier of an enforceable legal claim to the resources or when the resources are received. Revenues are recognized when the use of the resources are required or first permitted by time requirements (for example, property tax revenues are recognized in



**12. GASB No. 33 “ACCOUNTING AND FINANCIAL REPORTING FOR NONEXCHANGE TRANSACTIONS” (CONTINUED)**

the period for which the taxes are levied, even if the property tax due date or the enforceable legal claim arises in a different period).

Recommendation:

We recommend that the Administration follow the revenue recognition procedures (especially the recognition of property tax revenues) conveyed under GASB Statement No. 33. The Administration should become familiar with GASB Statement No. 33 so that it can plan to properly implement it by its effective date.

Management Response:

Administration will review the Statement and will insure that it is properly implemented by its effective date.

**13. GASB No. 34 “BASIC FINANCIAL STATEMENTS”**

Observation:

In June 1999, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 34 “Basic Financial Statements” effective for the Parish in the fiscal year ended December 31, 2002. GASB Statement No. 34 establishes new financial reporting requirements for both state and local governments. When implemented, it will create new information and will restructure much of the financial information that governments have presented in the past. GASB Statement No. 34 was developed to make annual reports more comprehensive and easier to understand by the reader.

As stated, GASB Statement No. 34 requires that the Parish significantly change that way it reports its financial data. The most significant changes will be that the Parish will report financial information for all governmental fund type accounting utilizing the full accrual method of accounting as opposed to the modified accrual method currently used. The Parish will be required to record and depreciate all capital assets, including infrastructure, and to eliminate both the General Fixed Asset Accounting Group and the General Long-Term Debt Accounting Group. The Parish also will present dual financial statements with presentation of both “Government-wide Financial Statements” and the traditional “Fund Financial Statements”. The Parish will also eliminate all interfund transactions for reporting purposes, including interfund loans, interfund services provided and used, and interfund transfers.

Although the full effect of GASB Statement No. 34 will not be known until its implementation, the effects of these changes could cause certain funds to report deficit fund balances. In addition, GASB Statement No. 34 will require additional man-hours to implement.



**13. GASB No. 34 "BASIC FINANCIAL STATEMENTS" (CONTINUED)**

Recommendation:

Administration should become familiar with the new reporting model so that it can plan to properly implement GASB Statement No. 34 by its effective date.

Management Response:

Administration will review the Statement and will insure that it is properly implemented by December 31, 2002.