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ALLEN PARISH POLICE JURY
Oberlin, Louisiana

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

For the Year Ended December 31, 1999
With Supplemental Information Schedules

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

Release Date 08-23-00

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1
PRIMARY GOVERNMENT FINANCIAL STATEMENTS:	
Combined Balance Sheet - All Fund Types and Account Groups	3
Governmental Fund Type:	
Combined Statement of Revenues, Expenditures, and Changes In Fund Balances	4
Combined Statement of Revenues, Expenditures, and Changes In Fund Balances - Budget and Actual - General, Special Revenue, Capital Projects, and Debt Service Funds	6
Notes to the Financial Statements	10
SUPPLEMENTAL INFORMATION SCHEDULES:	
Schedule of Compensation Paid Police Jurors	25
Schedule of Findings	26
Management's Corrective Action Plan for Current Year Audit Findings (Unaudited)	29
Summary Schedule of Prior Audit Findings	31
INDEPENDENT AUDITORS' REPORT SECTION:	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	33

The logo for M & Co. features a large, stylized 'M' with an ampersand and 'Co.' to its right, all enclosed within a rectangular border.

Mires & Company
A Professional Corporation

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Allen Parish Police Jury
Post Office Drawer G
Oberlin, Louisiana 70655

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

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2000 on our consideration of the Allen Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Allen Parish Police Jury

Page 2

Our audit was conducted for the purpose of forming an opinion on the primary government financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the primary government financial statements of the Allen Parish Police Jury. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the primary government financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.

Mires & Company, CPAs, APC

Mires & Company, CPAs, APC

June 14, 2000

M & Co.

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 Oberlin, Louisiana
 Combined Balance Sheet - All Fund Types and Account Groups
 December 31, 1999

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
ASSETS			
Cash	\$ 235,449	\$ 1,785,262	\$ 4,823
Receivables	585,280	1,695,182	-
Restricted assets:			
Cash	-	-	-
Fixed assets	-	-	-
Amount available in debt service funds . .	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-
TOTAL ASSETS	<u>\$ 820,729</u>	<u>\$ 3,480,444</u>	<u>\$ 4,823</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 26,755	\$ 286,024	\$ -
Capital lease payable	-	-	-
Compensated absences payable	-	-	-
General obligation bonds payable	-	-	-
Total Liabilities	<u>26,755</u>	<u>286,024</u>	<u>-</u>
Fund Equity:			
Investment in general fixed assets	-	-	-
Fund Balances:			
Reserved for special purposes	-	-	-
Reserved for debt service	-	-	4,823
Unreserved - undesignated	793,974	3,194,420	-
Total Fund Equity	<u>793,974</u>	<u>3,194,420</u>	<u>4,823</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 820,729</u>	<u>\$ 3,480,444</u>	<u>\$ 4,823</u>

See accompanying notes.

<u>GOVERNMENTAL FUND TYPES</u>		<u>ACCOUNT GROUPS</u>		<u>TOTALS</u>	
<u>Capital Projects</u>	<u>Fiduciary Fund Type Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>(Memorandum Only)</u>	
				<u>1999</u>	<u>1998</u>
\$ 2,445,437	\$ 271,995	\$ -	\$ -	\$ 4,742,966	\$ 2,613,573
48,499	-	-	-	2,328,961	1,969,883
-	-	-	-	-	-
-	-	7,347,181	-	7,347,181	4,594,829
-	-	-	4,823	4,823	29,436
-	-	-	3,687,418	3,687,418	1,063,123
<u>\$ 2,493,936</u>	<u>\$ 271,995</u>	<u>\$ 7,347,181</u>	<u>\$ 3,692,241</u>	<u>\$18,111,349</u>	<u>\$ 10,270,844</u>
\$ 151,210	\$ -	\$ -	\$ -	\$ 463,989	\$ 290,176
-	-	-	78,197	78,197	-
-	-	-	45,044	45,044	30,559
-	-	-	3,569,000	3,569,000	1,062,000
<u>151,210</u>	<u>-</u>	<u>-</u>	<u>3,692,241</u>	<u>4,156,230</u>	<u>1,382,735</u>
-	-	7,347,181	-	7,347,181	4,594,829
-	271,995	-	-	271,995	539,578
-	-	-	-	4,823	29,436
<u>2,342,726</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,331,120</u>	<u>3,724,266</u>
<u>2,342,726</u>	<u>271,995</u>	<u>7,347,181</u>	<u>-</u>	<u>13,955,119</u>	<u>8,888,109</u>
<u>\$ 2,493,936</u>	<u>\$ 271,995</u>	<u>\$ 7,347,181</u>	<u>\$ 3,692,241</u>	<u>\$18,111,349</u>	<u>\$ 10,270,844</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 Governmental Fund Type
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 1999

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Revenues:		
Taxes:		
Ad valorem	\$ 164,911	\$ 1,476,751
Sales and use	-	1,236,179
Other taxes, penalties, and interest	9,857	-
Licenses and permits	40,595	-
Intergovernmental revenues:		
Federal funds - federal grants	-	-
State funds:		
Parish transportation funds	-	369,066
State revenue sharing (net)	17,953	155,324
Severance taxes	931,258	-
Other state funds	56,063	-
Grants	8,023	15,610
Fees, charges, and commissions for services	27,895	-
Fines and forfeitures	6,626	293,751
Gaming revenues	90,280	1,783,351
Joint service agreement	7,560	-
Use of money and property	7,310	63,601
Other revenues	36,674	77,985
TOTAL REVENUES	<u>1,405,005</u>	<u>5,471,618</u>
Expenditures:		
Current:		
General government:		
Legislative	149,254	-
Judicial	166,096	337,522
Executive	51,495	-
Elections	30,265	-
Financial and administrative	45,489	-
Other general government	238,576	172,688
Public safety	145,432	-
Public works	-	4,512,175
Health and welfare	3,595	-
Intergovernmental	11,559	21,377
Culture and recreation	158	-
Economic development and assistance	107,149	-
Debt service	4,704	-
Capital outlay	154,380	646,951
TOTAL EXPENDITURES	<u>1,108,152</u>	<u>5,690,713</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>296,853</u>	<u>(219,095)</u>
Other financing sources (uses):		
Proceeds from bond issues & capital lease	82,901	730,000
Sales of assets	97,199	20,322
Operating transfers in	149,885	298,476
Operating transfers out	(276,231)	(337,987)
Intergovernmental transfer	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>53,754</u>	<u>710,811</u>

See accompanying notes.

Debt Service Funds	Capital Projects Funds	TOTALS (Memorandum Only)	
		1999	1998
\$ -	\$ -	\$ 1,641,662	\$ 1,543,928
-	328,852	1,565,031	1,184,611
-	-	9,857	13,682
-	-	40,595	41,815
-	-	-	-
-	-	369,066	412,400
-	-	173,277	171,927
-	-	931,258	588,159
-	606,859	662,922	546,128
-	-	23,633	66,966
-	-	27,895	5,022
-	-	300,377	324,799
-	669,841	2,543,472	1,593,370
-	-	7,560	7,560
2,508	83,508	156,927	103,022
-	-	114,659	39,613
<u>2,508</u>	<u>1,689,060</u>	<u>8,568,191</u>	<u>6,643,002</u>
-	-	149,254	144,064
-	-	503,618	479,296
-	-	51,495	63,057
-	-	30,265	21,919
-	-	45,489	34,317
85,877	-	497,141	416,217
-	-	145,432	152,007
-	-	4,512,175	3,746,911
-	-	3,595	5,303
-	-	32,936	28,010
-	-	158	100
-	-	107,149	36,916
123,000	-	127,704	248,429
-	1,808,630	2,609,961	1,017,587
<u>208,877</u>	<u>1,808,630</u>	<u>8,816,372</u>	<u>6,394,133</u>
<u>(206,369)</u>	<u>(119,570)</u>	<u>(248,181)</u>	<u>248,869</u>
-	1,900,000	2,712,901	-
-	-	117,521	34,433
208,727	5,695	662,783	753,838
(26,971)	(21,594)	(662,783)	(753,838)
-	-	-	(239,524)
<u>181,756</u>	<u>1,884,101</u>	<u>2,830,422</u>	<u>(205,091)</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 Governmental Fund Type
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 1999

	<u>General Fund</u>	<u>Special Revenue Funds</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 350,607	\$ 491,716
FUND BALANCE, BEGINNING	<u>443,367</u>	<u>2,702,704</u>
FUND BALANCE, ENDING	<u>\$ 793,974</u>	<u>\$ 3,194,420</u>

See accompanying notes.

<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>TOTALS</u> <u>(Memorandum Only)</u>	
		<u>1999</u>	<u>1998</u>
\$ (24,613)	\$1,764,531	\$ 2,582,241	\$ 43,778
<u>29,436</u>	<u>578,195</u>	<u>3,753,702</u>	<u>3,709,924</u>
<u>\$ 4,823</u>	<u>\$2,342,726</u>	<u>\$ 6,335,943</u>	<u>\$ 3,753,702</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET AND
 ACTUAL-GENERAL, SPECIAL REVENUE, CAPITAL PROJECTS, AND DEBT SERVICE FUNDS
 Year Ended December 31, 1999

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes:			
Ad valorem	\$ 165,000	\$ 164,911	\$ (89)
Sales and use	-	-	-
Other taxes, penalties, and interest	10,045	9,857	(188)
Licenses and permits	43,000	40,595	(2,405)
Intergovernmental:			
Federal funds - federal grants	-	-	-
State funds:			
Parish transportation funds	-	-	-
State revenue sharing (net)	18,000	17,953	(47)
Severance taxes	692,000	931,258	239,258
Other state funds	59,551	56,063	(3,488)
Grants	63,000	8,023	(54,977)
Fees, charges and commissions for services	8,960	27,895	18,935
Fines and forfeitures	6,300	6,626	326
Gaming revenues	90,280	90,280	-
Joint service agreement	7,560	7,560	-
Use of money and property	6,200	7,310	1,110
Other revenues	35,125	36,674	1,549
TOTAL REVENUES	<u>1,205,021</u>	<u>1,405,005</u>	<u>199,984</u>
Expenditures:			
Current:			
General government:			
Legislative	143,748	149,254	(5,506)
Judicial	235,029	166,096	68,933
Executive	59,345	51,495	7,850
Elections	38,139	30,265	7,874
Financial and administrative	48,523	45,489	3,034
Other general government	294,643	238,576	56,067
Public safety	118,772	145,432	(26,660)
Public works	-	-	-
Health and welfare	3,846	3,595	251
Intergovernmental	58,835	11,559	47,276
Culture and recreation	1,000	158	842
Economic development and assistance	127,998	107,149	20,849
Debt service	12,500	4,704	7,796
Capital outlay	67,510	154,380	(86,870)
TOTAL EXPENDITURES	<u>1,209,888</u>	<u>1,108,152</u>	<u>101,736</u>

See accompanying notes.

SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 1,413,910	\$ 1,476,751	\$ 62,841	\$ -	\$ -	\$ -
1,214,260	1,236,179	21,919	280,353	328,852	48,499
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
362,000	369,066	7,066	-	-	-
154,493	155,324	831	-	-	-
-	-	-	-	-	-
-	-	-	566,719	606,859	40,140
15,610	15,610	-	-	-	-
-	-	-	-	-	-
295,000	293,751	(1,249)	-	-	-
1,783,340	1,783,351	11	674,840	669,841	(4,999)
-	-	-	-	-	-
102,250	63,601	(38,649)	80,681	83,509	2,828
67,984	77,985	10,001	-	-	-
<u>5,408,847</u>	<u>5,471,618</u>	<u>62,771</u>	<u>1,602,593</u>	<u>1,689,061</u>	<u>86,468</u>
-	-	-	-	-	-
367,524	337,522	30,002	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
193,143	172,688	20,455	-	-	-
-	-	-	-	-	-
6,110,553	4,512,175	1,598,378	-	-	-
-	-	-	-	-	-
15,610	21,377	(5,767)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
907,563	646,951	260,612	4,068,573	1,808,630	2,259,943
<u>7,594,393</u>	<u>5,690,713</u>	<u>1,903,680</u>	<u>4,068,573</u>	<u>1,808,630</u>	<u>2,259,943</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET AND
 ACTUAL-GENERAL, SPECIAL REVENUE, CAPITAL PROJECTS, AND DEBT SERVICE FUNDS
 Year Ended December 31, 1999

	<u>GENERAL FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (4,867)	\$ 296,853	\$ 301,720
Other financing sources (uses):			
Proceeds from bond issues & capital lease	-	82,901	82,901
Sales of assets	95,292	97,199	1,907
Operating transfers in	149,885	149,885	-
Operating transfers out	(379,177)	(276,231)	102,946
Intergovernmental transfer	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(134,000)</u>	<u>53,754</u>	<u>187,754</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(138,867)	350,607	489,474
FUND BALANCE, BEGINNING	<u>443,367</u>	<u>443,367</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 304,500</u>	<u>\$ 793,974</u>	<u>\$ 489,474</u>

See accompanying notes.

<u>SPECIAL REVENUE FUNDS</u>			<u>CAPITAL PROJECTS FUNDS</u>		
<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>\$ (2,185,546)</u>	<u>\$ (219,095)</u>	<u>\$ 1,966,451</u>	<u>\$ (2,465,980)</u>	<u>\$ (119,569)</u>	<u>\$ 2,346,411</u>
730,000	730,000	-	1,900,000	1,900,000	-
-	20,322	20,322	-	-	-
401,523	298,476	(103,047)	1,090	5,695	4,605
(272,982)	(337,987)	(65,005)	(21,505)	(21,595)	(90)
-	-	-	-	-	-
<u>858,541</u>	<u>710,811</u>	<u>(147,730)</u>	<u>1,879,585</u>	<u>1,884,100</u>	<u>4,515</u>
(1,327,005)	491,716	1,818,721	(586,395)	1,764,531	2,350,926
<u>2,702,704</u>	<u>2,702,704</u>	<u>-</u>	<u>578,195</u>	<u>578,195</u>	<u>-</u>
<u>\$ 1,375,699</u>	<u>\$ 3,194,420</u>	<u>\$ 1,818,721</u>	<u>\$ (8,200)</u>	<u>\$ 2,342,726</u>	<u>\$ 2,350,926</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET AND
 ACTUAL-GENERAL, SPECIAL REVENUE, CAPITAL PROJECTS, AND DEBT SERVICE FUNDS
 Year Ended December 31, 1999

	<u>DEBT SERVICE FUNDS</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes:			
Ad valorem	\$ -	\$ -	\$ -
Sales and use	-	-	-
Other taxes, penalties, and interest	-	-	-
Licenses and permits	-	-	-
Intergovernmental:			
Federal funds - federal grants	-	-	-
State funds:			
Parish transportation funds	-	-	-
State revenue sharing (net)	-	-	-
Severance taxes	-	-	-
Other state funds	-	-	-
Grants	-	-	-
Fees, charges and commissions for services	-	-	-
Fines and forfeitures	-	-	-
Gaming revenues	-	-	-
Joint service agreement	-	-	-
Use of money and property	131	2,508	2,377
Other revenues	-	-	-
TOTAL REVENUES	<u>131</u>	<u>2,508</u>	<u>2,377</u>
Expenditures:			
Current:			
General government:			
Legislative	-	-	-
Judicial	-	-	-
Executive	-	-	-
Elections	-	-	-
Financial and administrative	-	-	-
Other general government	-	85,877	(85,877)
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Intergovernmental	-	-	-
Culture and recreation	-	-	-
Economic development and assistance	-	-	-
Debt service	208,727	123,000	85,727
Capital outlay	-	-	-
TOTAL EXPENDITURES	<u>208,727</u>	<u>208,877</u>	<u>(150)</u>

See accompanying notes.

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET AND
 ACTUAL-GENERAL, SPECIAL REVENUE, CAPITAL PROJECTS, AND DEBT SERVICE FUNDS
 Year Ended December 31, 1999

	<u>DEBT SERVICE FUNDS</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (208,596)	\$ (206,369)	\$ 2,227
Other financing sources (uses):			
Proceeds from bond issues & capital lease	-	-	-
Sales of assets	-	-	-
Operating transfers in	208,727	208,727	-
Operating transfers out	(26,971)	(26,971)	-
Intergovernmental transfer	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>181,756</u>	<u>181,756</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(26,840)	(24,613)	2,227
FUND BALANCE, BEGINNING	<u>29,436</u>	<u>29,436</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 2,596</u>	<u>\$ 4,823</u>	<u>\$ 2,227</u>

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1999

INTRODUCTION

The Allen Parish Police Jury is the governing authority for Allen Parish and is a political subdivision of the State of Louisiana. The police jury is governed by seven jurors representing the various districts within the parish. The jurors serve four-year terms that expire on January 1, 2000.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Reporting Entity

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

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

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Allen Action Agency, Inc.	June 30	1
Ambulance Service Dist. No. 1	December 31	1 and 3
Bayou Blue Gravity Drainage District No. 1	December 31	1 and 3
Fire District No. 2 of Allen Parish	December 31	1 and 3
Fire District No. 1 of Allen Parish	December 31	1 and 3
Fire District No. 3 of Allen Parish	December 31	1 and 3
Fire District No. 4 of Allen Parish	December 31	1 and 3
Recreation District No. 4 of Allen Parish	December 31	1 and 3
Recreation District No. 5 of Allen Parish	December 31	1 and 3
Allen Parish Library	December 31	1 and 3
Fire Protection District No. 5 of Allen Parish	December 31	1 and 3
Gravity Drainage District No. 1	December 31	1 and 3
Kinder Drainage District No. 2	December 31	1 and 3
Gravity Drainage District No. 2	December 31	1 and 3
Hospital Service District No. 3	December 31	1 and 3
Oakdale Recreation District No. 1	December 31	1 and 3
Recreation District No. 2 of Allen Parish	December 31	1 and 3
Elizabeth Recreation District No. 3	December 31	1 and 3
Waterworks District No. 1	December 31	1 and 3
East Allen Parish Waterworks District	December 31	1 and 3
Southwest Allen Parish Waterworks District	December 31	1 and 3
West Allen Parish Waterworks District	December 31	1 and 3
Thirty-Third Judicial District Criminal Court	December 31	2 and 3
Allen Parish Tax Assessor	December 31	2 and 3
Allen Parish Clerk of Court	June 30	2 and 3
Allen Parish Sheriff	June 30	2 and 3
Fire Protection Dist. No. 6 of Allen Parish	December 31	1 and 3
Allen Parish Tourism Commission	December 31	1 and 3

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

These primary government (police jury) financial statements include all funds, account groups, and organizations for which the police jury maintains

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

the accounting records. The police jury maintained the accounting records of the Criminal Court Fund for the year ended December 31, 1999.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

Considered in the determination of component units of the reporting entity were the Allen Parish School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Allen Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Allen Parish Police Jury.

C. Fund Accounting

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

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

Funds of the police jury are classified into two categories: governmental 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

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

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

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2. Special revenue funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt service funds - account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

FIDUCIARY FUNDS

Fiduciary fund are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the police jury. Fiduciary funds include:

1. Agency funds - account for assets that the police jury holds 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.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad Valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Sales taxes are recognized in the month received by the police jury's collection agency, the Allen Parish School Board.

Federal and state grants are recorded when the police jury is entitled to the funds.

Interest income on interest bearing demand deposits is recorded at the end of the month when credited to the account.

Substantially all other revenues are recorded when they become available to the police jury.

Based on the above criteria, ad valorem taxes, state revenue sharing, sales taxes, and federal and state grants are treated as susceptible to accrual.

Expenditures

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

Other Financing Sources (Uses)

Proceeds from bonds and bank loans and transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses).

E. Budget Practices

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer beginning in October. The finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. Prior to its regular December meeting, the jury holds a public hearing on the proposed budgets in order to receive comments from citizens. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the regular December meeting, and notice is published in the official journal.

The secretary-treasurer presents necessary budget amendments to the jury when actual operations are differing materially from those anticipated in the original budget. The jury in regular session reviews the proposed

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

amendments, makes necessary changes, and formally adopts the amendments. The adoption of amendments is included in jury minutes published in the official journal. The police jury exercises budgetary control at the functional level. Within functional levels, the secretary-treasurer has the authority to make amendments as necessary. The police jury does not utilize encumbrance accounting, however, the original budgets and any subsequent amendments are incorporated in the accounting system. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. For the year ended December 31, 1999, the police jury adopted budgets for the General Fund, all special revenues funds, all capital projects funds, and all debt service funds.

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments.

F. Cash and Cash Equivalents

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

G. Investments

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

H. Fixed Assets

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not capitalized. Construction period interest is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Approximately 43 percent of general fixed assets are valued at actual cost, while the remaining 57 percent of general fixed assets are valued at estimated historical cost based on the actual cost of like items.

I. Compensated Absences

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

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
NOTE TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Employees of the Allen Parish Police Jury receive from 5 to 20 days of vacation leave each year, depending on their length of service. Vacation leave may be accumulated without limitation. In addition, police jury employees earn up to 13 days of sick leave each year. Sick leave can be accumulated without limitation; however, accumulated sick leave is forfeited upon termination of employment.

Employees of the Thirty-third Judicial District Criminal Court earn a maximum of 10 days of vacation leave and 5 days of sick leave each year, depending on their length of service. Vacation and sick leave do not accumulate and employees cannot be paid for unused leave upon termination of employment.

Permanent employees of the Allen Parish Police Jury earn compensatory time at the rate of 1.5 per hour for overtime hours worked. Unused compensatory time at the time of termination will be paid to the employee at that time. This liability has been recorded in the general long-term debt account group.

At December 31, 1999, employee leave benefits other than compensatory time, requiring recognition in accordance with GASB Statement No. 16 were determined to be immaterial and are not included within the general long-term obligations account group. The cost of leave privileges, computed in accordance with GASB Statement No. 16, is recognized as a current-year expenditure within the various funds when leave is actually taken.

J. 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.

K. Sales Tax

On September 29, 1984, voters of the parish approved a seven-tenths of one per cent sales tax, which is dedicated to the collection and disposal of solid waste. The tax is for a fifteen year period and expires on November 30, 1999. Effective January 1, 1985, the jury entered into an agreement with the Allen Parish School Board whereby the school board will provide collection services for a fee of two percent of total collections. On November 20, 1999, voters of the parish renewed this tax for a fifteen year period and the tax expires on November 30, 2014.

L. 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

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

M. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - LEVIED TAXES

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish wide taxes:			
General	3.50	3.50	-
Special revenue funds:			
Courthouse and Jail Maintenance	3.07	3.07	2004
District Maintenance taxes:			
No. 1	9.12	9.12	2001
No. 1	21.37	21.37	2005
No. 1A	8.10	8.10	2005
No. 2	7.18	7.18	2000
No. 2	15.39	15.39	2001
No. 3	8.95	8.95	2001
No. 3	10.53	10.53	1999
No. 3	32.84	32.84	2005
No. 4	30.30	30.30	2005
No. 4	21.21	21.21	2005
No. 5	5.08	5.08	2002
No. 5-A	3.04	3.04	2005

The following are the principal taxpayers for the parish and related ad valorem tax revenue for the police jury:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for Police Jury</u>
Cleco Corporation	Utility	\$3,469,260	6.20%	\$ 83,779
Transcontinental Gas	Utility	3,152,700	5.70%	132,106
Texas Eastern	Utility	<u>2,987,550</u>	<u>5.40%</u>	<u>128,230</u>
Total		<u>\$9,609,510</u>	<u>17.30%</u>	<u>\$ 344,115</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 3 - CASH AND CASH EQUIVALENTS

At December 31, 1999, the police jury has cash and cash equivalents (book balances) totaling \$4,742,966 as follows:

Demand deposits	\$ 41,981
Interest-bearing demand deposits	4,700,985
Time deposits	-
Other	-
	<hr/>
Total	<u>\$ 4,742,966</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 1999, the police jury has \$4,918,282 in deposits (collected bank balances). These deposits are secured from risk by \$306,163 of federal deposit insurance and \$4,612,119 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No.3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES

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

<u>Class Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>
Taxes:			
Ad valorem	\$ 156,971	\$1,444,687	\$ -
Sales and use	-	104,109	-
Other	-	-	-
Grants:			
State	426,190	146,386	48,499
Other	2,119	-	-
Total	<u>\$ 585,280</u>	<u>\$1,695,182</u>	<u>\$ 48,499</u>

Uncollectible amounts due for property taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate that

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 4 - RECEIVABLES

the particular receivable is not collectable. This method does not result in a charge to bad debts that is materially different from the amount that would be charged if the reserve method were used.

NOTE 5 - FIXED ASSETS

The changes in general fixed assets follow:

	Balance			Balance
	<u>Jan. 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Dec. 31, 1999</u>
Land	\$ 798,551	\$ -	\$ -	\$ 798,551
Buildings	1,158,021	597,718	-	1,755,739
Equipment	2,425,860	739,786	74,366	3,091,280
Furniture and fixtures	49,882	26,729	-	76,611
Construction in progress	<u>162,515</u>	<u>1,462,485</u>	<u>-</u>	<u>1,625,000</u>
TOTAL	<u>\$ 4,594,829</u>	<u>\$2,826,718</u>	<u>\$ 74,366</u>	<u>\$ 7,347,181</u>

NOTE 6 - PENSION PLAN

Plan Description. Substantially all employees of the Allen Parish Police Jury are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3% of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 6 - PENSION PLAN

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.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Allen Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Allen Parish Police Jury are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Allen Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1999, 1998, and 1997 were \$69,018, \$63,774, and \$62,811, respectively, equal to the required contributions for each year.

NOTE 7 - POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The police jury provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the police jury's employees become eligible for these benefits if they reach normal retirement age while working for the police jury. Benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the police jury. The police jury recognizes the cost of providing these benefits (police jury's portion of premiums) as an expenditure when paid during the year, which was \$36,806 for 1999 and \$27,473 for 1998. The cost of retiree benefits was \$8,969 for 1999 and \$9,428 for 1998.

NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$463,989 at December 31, 1999, are as follows:

<u>Class of Payable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>
Salaries	\$ 4,232	\$ 30,938	\$ -
Accounts	17,482	208,833	151,210
Other	5,041	46,253	-
Total	<u>\$ 26,755</u>	<u>\$ 286,024</u>	<u>\$151,210</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 9 - LEASES

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

<u>Type</u>	<u>Recorded Amount</u>
Equipment	<u>\$ 82,901</u>

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:

2000	\$ 19,572
2001	19,572
2002	19,572
2003	19,572
2004	<u>13,048</u>
 Total minimum lease payments	 91,336
Less-amount representing interest	<u>13,139</u>
Present value of net minimum lease payments	<u>\$ 78,197</u>

The police jury has operating leases of the following nature:

- Tractor-Road Districts #1 & #5
- Tractor-Road District #4

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

<u>Fiscal Year</u>	<u>Equipment</u>
2000	\$ 17,484
2001	<u>15,299</u>
Total	<u>\$ 32,783</u>

NOTE 10- CHANGES IN LONG-TERM DEBT

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

	<u>Bonded Debt</u>	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term debt at January 1, 1999	\$1,062,000	\$ -	\$ 30,559	\$1,092,559
Additions	2,630,000	82,901	14,485	2,727,386
Deductions	<u>(123,000)</u>	<u>(4,704)</u>	<u>-</u>	<u>(127,704)</u>
Long-term debt at December 31, 1999	<u>\$3,569,000</u>	<u>\$ 78,197</u>	<u>\$ 45,044</u>	<u>\$3,692,241</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 10- CHANGES IN LONG-TERM DEBT

Certificates of indebtedness are comprised of the following individual issues:

Court House Square Improvement - \$450,000 issue of January 1, 1995 due in annual installments of \$35,000 to \$60,000 through January 1, 2005, with interest at 6.00%. Debt retirement payments are made from the Court House Square Improvement Debt Service Fund	\$ 305,000
Road District No. 3 - \$800,000 issue of April 1, 1996 due in annual installments of \$45,000 to \$105,000 through March 1, 2006, with interest at 5.25%. Debt retirement payments are made from the Road District No. 3 Debt Service Fund	620,000
Road District No. 4 - \$50,000 issue of April 1, 1996 due in annual installments of \$10,000 to \$14,000 through March 1, 2000, with interest at 5.00%. Debt retirement payments are made from the Road District No. 4 Debt Service Fund	14,000
Road District No. 4 - \$250,000 issue of April 1, 1999 due in annual installments of \$40,000 to \$60,000 through March 1, 2004, with interest at 4.50%. Debt retirement payments are made from the Road District No. 4 Debt Service Fund	250,000
Court House Improvement - \$1,700,000 issue of May 1, 1999 due in annual installment of \$135,000 to \$210,000 through February 1, 2009, with interest at 5.06%. Debt retirement payments are made from the Court House Improvement 1999 Debt Service Fund	1,700,000
Tourist Commission - \$200,000 issue of February 1, 1999 due in annual installments of \$15,000 to \$25,000 through February 1, 2009, with interest at 4.63%. Debt retirement payments are made from the Tourist Commission Debt Service Fund	200,000
Road District No. 2 - \$480,000 issue of October 1, 1999 due in annual installments of \$115,000 to \$185,000 through March 1, 2002, with interest at 4.55%. Debt retirement payments are made from the Road District No. 2 1999 Debt Service Fund	<u>480,000</u>
Total certificates of indebtedness	<u>\$3,569,000</u>

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 1999

NOTE 10- CHANGES IN LONG-TERM DEBT

At December 31, 1999 the police jury has accumulated \$4,823 in the debt service funds for future debt requirements. The annual requirements to amortize all certificates outstanding at December 31, 1999, including interest of \$753,872, are as follows:

Year	Road Districts				No. 4	Court House	Court House	Tourist	Total
	No. 2	No. 3	No. 4 '99	Improvement		Square	Commission		
2000	\$195,925	\$105,581	\$ 50,343	\$14,350	\$ 217,605	\$ 61,950	\$ 23,903	\$ 669,657	
2001	194,441	106,513	53,432	-	215,647	59,250	23,209	652,492	
2002	117,616	107,181	56,296	-	218,310	61,400	22,516	583,319	
2003	-	102,719	58,935	-	215,594	58,400	26,706	462,354	
2004	-	103,125	61,349	-	217,498	60,250	25,781	468,003	
Thereafter	-	215,894	-	-	1,080,362	61,800	128,991	1,487,047	
Total	<u>\$507,982</u>	<u>\$741,013</u>	<u>\$ 280,355</u>	<u>\$14,350</u>	<u>\$ 2,165,016</u>	<u>\$ 363,050</u>	<u>\$ 251,106</u>	<u>\$4,322,872</u>	

Certificates of indebtedness are secured by an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 39:562, the police jury is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property in the parish. At December 31, 1999, the statutory limit is \$5,569,714.

NOTE 11- CRIMINAL COURT FUND

R.S. 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year end be transferred to the parish General Fund. The following details the amount due at December 31, 1999:

Balance due at January 1, 1999	\$ 15,542
Amount due for 1999	<u>4,408</u>
Balance due at December 31, 1999	<u>\$ 19,950</u>

The police jury does not intend to transfer the \$19,950 due to the General Fund because the police jury appropriated \$44,345 in prior years to eliminate the deficit in the Criminal Court Fund.

NOTE 12- LITIGATION

At December 31, 1999, the police jury is involved in eight lawsuits. In the opinion of legal counsel for the police jury, no estimate of loss can be made.

NOTE 13- JOINT SERVICE AGREEMENT

The police jury entered into a joint service agreement with the District Attorney for the Thirty-Third Judicial District whereby the District Attorney will pay monthly a portion of the cost of the building which houses their offices. For 1999 the amount received was \$7,560.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1999

NOTE 14- GAMING REVENUE

The police jury receives funds from the Governor's Office of Indian Affairs for the conduct of Class III Gaming in Allen Parish. The police jury is charged with the responsibility of disbursing these funds to certain political subdivisions within Allen Parish. The police jury's share of this revenue is 25%.

NOTE 15- COOPERATIVE ENDEAVORS

On May 14, 1997 the police jury and the State of Louisiana entered into a cooperative endeavor agreement to serve the public in the matter of the Carpenter's Bridge Recreation Area, Planning, Acquisition, and Construction project in the amount of a cash line of credit in the amount of \$250,000. Funds for construction will be provided by the State of Louisiana and the parish will administer the project. As of December 31, 1999 the project was in the planning stage.

On February 5, 1997 the police jury and the State of Louisiana entered into a cooperative endeavor agreement to serve the public in the matter of the Allen Parish Health Units, Planning, Acquisition, and Construction projects in the amount of a cash line of credit in the amount of \$400,000 and a non-cash line of credit in the amount of \$800,000. Funds for construction of two health units in Allen Parish will be provided by the State of Louisiana and the parish will administer the project. As of December 31, 1999 the Oberlin Health Unit was completed and the Oakdale Health Unit was under construction.

NOTE 16- CONDUIT DEBT

On December 7, 1998 the police jury passed a resolution authorizing the issuance and sale of revenue bonds to finance the construction of a sewage and solid waste disposal facility for International Paper Company. Such bonds shall not exceed \$3,300,000. According to the police jury's bond counsel, the bonds shall not constitute an indebtedness or pledge of the general credit of the police jury, within the meaning of any constitutional or statutory limitation of indebtedness.

NOTE 17- RISK MANAGEMENT

The police jury 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. The police jury maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the policy jury. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

SUPPLEMENTAL INFORMATION SCHEDULES

ALLEN PARISH POLICE JURY
 PRIMARY GOVERNMENT
 SUPPLEMENTAL INFORMATION SCHEDULE
 For the Year Ended December 31, 1999

COMPENSATION PAID POLICE JURORS

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, jurors receive \$1,200 per month.

Schedule of compensation paid to police jurors for the year ended December 31, 1999 is as follows:

	<u>1999</u>
R.E. Weatherford	\$ 14,400
John I. Fawcett, Jr.	10,272
Andrew Hayes	14,400
John W. Strother, Jr.	14,400
A.M. Farris, Jr.	14,400
Matthew R. Hollins	14,400
Kenneth Hebert	<u>14,400</u>
Total	<u>\$ 96,672</u>

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
For the Year Ended December 31, 1999

We have audited the primary government financial statements of the Allen Parish Police Jury as of and for the year ended December 31, 1999, and have issued our report dated June 14, 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. Our audit of the financial statements as of December 31, 1999 resulted in an unqualified opinion.

Section I Summary of Auditors' Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weaknesses	<u> X </u> Yes	_____ No
Reportable Conditions	<u> X </u> Yes	_____ No

Compliance:

Compliance Material to Financial Statements	<u> X </u> Yes	_____ No
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Section II Financial Statement Findings

99-1 I/C (Material weakness)

Segregation of duties: Because of the lack of a large staff, more specifically accounting personnel, there is a problem with segregation of duties necessary for proper controls. One person is currently performing the function of preparing disbursements, and reconciling the bank statements. We do note that this situation is inherent to most entities of this type and is difficult to solve due to the funding limitations of the Police Jury. We recommend that the police jurors take an active interest in the review of all of the financial information. This was also a prior year finding.

99-2 I/C (Material weakness)

99-1 C Records of general fixed assets:

Criteria: La. Rev. Stat. § 24:515 (B)(1).

Records shall be maintained of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable. The records shall include information as to date of purchase, initial cost, disposition, if any, and recipient of property or equipment disposed of. Each item should have a unique identification number attached to it. (First reported at December 31, 1998).

Condition: The Police Jury does not have an inventory list of all fixed assets purchased.

Effect: The Police Jury was not in compliance with La. Rev. Stat. § 24:515 (B)(1).

Cause: Administrative oversight.

Recommendation: The Police Jury should inventory all general fixed assets owned by the Police Jury, attach a unique identification number to each item, and update this list on a monthly basis.

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
For the Year Ended December 31, 1999

99-3 I/C (Material weakness) Written agreements:

Criteria: All agreements that obligate the Police Jury to expend funds for the benefit of another entity should be in written form. All agreements whereby the Police Jury is to receive payments over a period of time from another entity should be in written form.

Condition: The Allen Parish Police Jury issued certificates of indebtedness in the amount of \$200,000 during 1999 for the purpose of constructing public buildings to be occupied by the Allen Parish Tourist Commission, and for acquiring the necessary land, equipment and furnishings for these buildings. The Allen Parish Tourist Commission is to reimburse the Allen Parish Police Jury for the debt payments. We could not find any written agreement between the two parties.

Effect: Without written agreements between the two parties, there could possibly be legal problems if either of the two parties does not honor its agreement.

Cause: Administrative oversight.

Recommendation: The Allen Parish Police Jury should have its legal advisor prepare whatever legal documents are necessary for the relationship between itself and the Allen Parish Tourist Commission.

99-2 C Parish Transportation Act:

Criteria: LSA R.S. 48:755 (A), (B) and (C).

A parish must adopt a system of road administration which requires police jury/parish governing authority approval for any expenditures from this fund. A police jury/parish governing authority member is prohibited from spending any money in his ward or district without approval of the police jury/parish governing authority. The system of administration also must include the development of a capital improvement program on a selective basis, centralized purchasing of equipment and supplies, centralized accounting and selective maintenance and construction based on engineering plans and specifications. (R.S. 48:755(A))

The capital improvement program must list projects to be constructed during the fiscal year by priority and it must include overlay projects. The program must also list projects for the following two years. All projects listed for the three year program must be approved by the police jury/parish governing authority. (R.S. 48:755(B)).

The parishwide selective maintenance program shall provide for a schedule of the work to be performed by category, on a weekly basis. This program shall be administered by the parish road manager. The parish road manager may authorize maintenance work not contained in the weekly schedule upon receipt of constructive notice of a defect in the parish road system and when, in the opinion of the parish road manager, the defect constitutes a hazard to public safety. The parish road manager shall maintain a record of the work so authorized and shall report the total amount of such expenditures on a monthly basis to the parish governing authority. (R.S. 48:755(c))

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
For the Year Ended December 31, 1999

Condition: For the year ended December 31, 1999, the Police Jury was not in compliance with the Parish Transportation Act. The parishwide capital improvement program for 1999 did not include all projects that were constructed during the year. Overlay projects did not include a large overlay project (over \$400,000) done in Road District #2. Also, the capital improvement program for 1999 did not specify which roads would be resealed in Road Districts #2 or #4. The capital improvement program for 1999 did not specify which roads would be overlaid in Road Districts #1, #4 or #5.

A record of maintenance work not authorized in the weekly schedule was not maintained during 1999 and the Police Jury was not presented with a monthly report of the total amount of expenditures on these projects.

Effect: The Police Jury was not in compliance with LSA R.S. 48:755 (A), (B), or (C). Transportation funds could be withheld due to this violation.

Recommendation: The Police Jury should immediately begin steps to comply with the Parish Transportation Act. The parishwide capital improvement program should be revised to include all construction projects and other major projects such as resealing of roads. The program should include which roads are to be constructed or improved and the priority ranking of each one. If this program must be changed during the year, the program should be amended to reflect the changes.

All work performed on parish roads and right of ways that were not included on the weekly schedule for maintenance should be documented by a work order. The parish road superintendent should give a report to the Police Jury monthly on the total cost of the additional work.

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR
CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
For the Year Ended December 31, 1999

Section I Internal Control and Compliance Material to the Financial Statements:

99-1 I/C Segregation of duties:

This is an ongoing finding that cannot be corrected due to lack of financial resources.

Contact person- Andrew Hayes, President.

99-2 I/C Records of general fixed assets; incomplete inventory of general fixed assets:
99-1 C

Recommendation: The Police Jury should inventory all general fixed assets owned by the Police Jury, attach a unique identification number to each item, and update this list on a monthly basis.

Planned action: The Police Jury will institute this recommendation, beginning July 15, 2000.

Contact person: Andrew Hayes, President

99-3 I/C No written agreement with the Allen Parish Tourist Commission:

Recommendation: The Police Jury should have its legal advisor prepare whatever legal documents are necessary for the relationship between itself and the Allen Parish Tourist Commission.

Planned action: The Police Jury will consult with its legal advisor on this matter by July 31, 2000.

Contact person: Andrew Hayes, President

99-2 C Parish Transportation Act; noncompliance:

Recommendation: The Police Jury should revise its capital improvement program to include all construction projects and other major projects such as resealing of roads. The program should include which roads are to be constructed or improved and the priority ranking of each one. The program should be amended for any changes necessary. All work performed on parish roads and right of ways that was not included on the weekly schedule for maintenance should be documented by a work order. The parish road superintendent should give a report to the Police Jury monthly on the total cost of the additional work.

Planned action: The Police Jury is reviewing the necessary steps required to comply with this act and will implement them by August 31, 2000.

Contact person: Andrew Hayes, President.

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR
CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
For the Year Ended December 31, 1999

99-1 Mgmt. Formal travel policy:

Recommendation: The Police Jury should adopt a written policy on travel that would include the following:

- a) Maximum dollar limit on meals
- b) Mileage reimbursements
- c) How to address issue when jurors drive to destination instead of flying
- d) Use of administration van:
 - 1) Who is allowed to use
 - 2) When is usage allowed
 - 3) Transportation of police jurors and employees family members.

Planned action: The Police Jury will formulate a written travel policy that will address the recommendations above. This will be done by July 31, 2000.

Contact person: Andrew Hayes, President.

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 1999

Section 1 - Internal Control and Compliance Material to the Financial Statements

98-1 I/C (Ongoing finding) Segregation of duties:

Corrective action taken - Due to lack of sufficient financial resources, this finding cannot be resolved. See 99-1 I/C.

98-1 I/C (12/31/98) Public bid law:

Fuel purchases exceeded \$50,000. This type of purchase was not competitively bid.

Corrective action taken - Yes.

98-2 C (12/31/98) Records of general fixed assets:

The Police Jury does not have an inventory list of all fixed assets purchased.

Corrective action taken - No.

Planned corrective action - The Police Jury will compile a list of fixed assets under their control. See 99-2 I/C.

98-3 C (12/31/98) Parish Transportation Act:

The Police Jury was not in compliance with the Parish Transportation Act.

Corrective action taken - Yes.

98-4 C (12/31/98) Donation of Public Property:

Limestone purchased by the Police Jury was placed on private property and Police Jury equipment and manpower were utilized to construct a pond on private property.

Corrective action taken - This matter is still under investigation by the Attorney General for the State of Louisiana.

1994 condition #1, #2, #3 (12/31/94) Donation of public funds:

Corrective action taken - No.

Section III - Management Letter

98-1 Mgmt. (12/31/98) Administration of minutes:

Recording of minutes not being done accurately.

Corrective action taken - Yes.

See accompanying notes.

ALLEN PARISH POLICE JURY
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 1999

98-2 Mgmt. (12/31/98) Review of disbursements:

Medical bills should be reviewed closely and include an itemized listing of all charges before payment.

Corrective action taken - Yes.

98-3 Mgmt. (12/31/98) Telephone charges:

Use of phone card for police juror for Road District #4.

Corrective action taken - Yes.

98-4 Mgmt. (12/31/98) Professional services:

Use of tree cutting service to remove trees in Road District #4.

Corrective action taken - Yes.

Other matter (12/31/98) Legislative Audit Advisory Council:

At the August 26, 1999 meeting of the Legislative Audit Advisory Council, the Council passed a motion requiring the Police Jury to consult with the Police Jury attorney regarding the possibility of civil recovery in the matter of Police Jury funds and manpower used to benefit private property owners.

Corrective action taken - At the October 4, 1999 meeting of the Police Jury, the Police Jury decided to defer civil proceedings until the Attorney General's office had completed its investigation of this matter.

See accompanying notes.



Mires & Company
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Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants
Private Company Practice Section AICPA

MANAGEMENT LETTER

We have audited the financial statements of the Allen Parish Police Jury as of and for the year ended December 31, 1999 and have issued our report thereon dated June 14, 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.

As a part of our examination, we have issued our report on the financial statements, dated June 14, 2000, and our report on internal control and compliance with laws, regulations, and contracts, dated June 14, 2000.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

Suggestion 99-1 Mgmt. Formal travel policy.

Condition: From inquiries performed during our audit, we observed that the Police Jury does not have a written travel policy.

Criteria: For proper internal control over expenditures and use of Police Jury property, a written policy on travel is necessary.

Recommendation: We suggest that the Police Jury adopt a written policy on travel that would include the following:

- a) Maximum dollar limit on meals
- b) Mileage reimbursements
- c) How to address issue of when jurors drive to destination instead of flying
- d) Use of administration van:
 - 1) Who is allowed to use
 - 2) When is usage allowed
 - 3) Transportation of police jurors and employees family members

We recommend management address the foregoing issue as an improvement to operations and the administration of public programs. We are available to further explain the suggestion or help implement the recommendation.

Mires & Company, CPAs, APC

Mires and Company, CPAs, APC
June 14, 2000

INDEPENDENT AUDITORS' REPORT SECTION



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Members:
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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

Allen Parish Police Jury
P. O. Drawer G
Oberlin, Louisiana 70655

We have audited the primary government financial statements of the Allen Parish Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 14, 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 Allen Parish Police Jury's primary government financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 99-1C, and 99-2C.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Allen Parish Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Allen Parish Police Jury's ability to record, process, summarize and report financial data consistent with the assertions of management in the primary government financial statements. Reportable conditions are described in the accompanying schedule of findings as items 99-1 I/C, 99-2 I/C, and 99-3 I/C.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the

primary government financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 99-1 I/C, 99-2 I/C, and 99-3 I/C to be material weaknesses. We also noted other matters involving the internal control over financial reporting that we have reported to management of the Allen Parish Police Jury, in a separate letter dated June 14, 2000.

This report is intended solely for the information and use of management, the Allen Parish Police Jury, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Mires & Company, CPAs, APC

Mires and Company, CPAs, APC
June 14, 2000