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**East Carroll Parish Police Jury
Lake Providence, Louisiana**
**Basic Financial Statements
And Independent Auditors' Report
As of and for the 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 08-23-00

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Basic Financial Statements
And Independent Auditors' Report
As of and for the Year Ended December 31, 1999**

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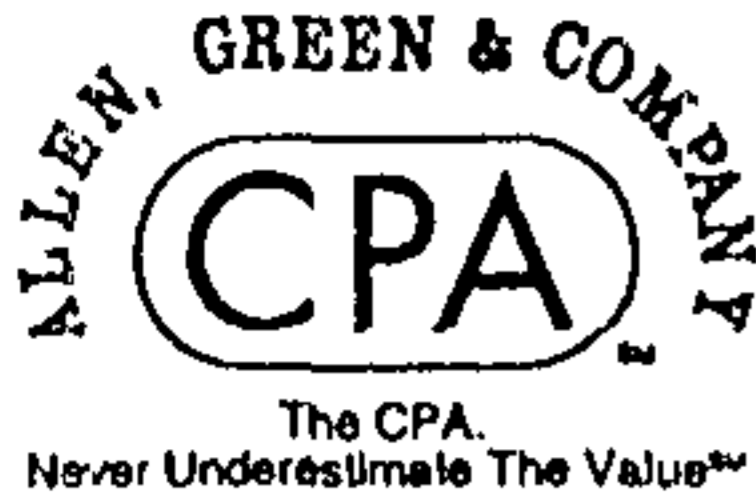
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**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Basic Financial Statements
And Independent Auditors' Report
As of and for the Year Ended December 31, 1999**

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Independent Auditors' Report

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

We have audited the accompanying basic financial statements of the East Carroll Parish Police Jury, Lake Providence, Louisiana, as of and for the year ended December 31, 1999, as listed in the table of contents. These basic financial statements are the responsibility of the East Carroll Parish Police Jury's management. Our responsibility is to express an opinion on these basic 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.

As discussed in note 16 of the notes to the basic financial statements, the Police Jury has expended certain federal grant funds in a manner that may have violated certain of the restrictive provisions of the related grants. The possible outcome of this matter is uncertain at this time. Accordingly, no provision for any liability has been made in the financial statements for possible federal claims for refunds of those grant monies.

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 effect on the financial statements of the uncertainties described in the preceding paragraph, and the omission of certain component units as reflected in Note 1A of the notes to the basic financial statements, the basic financial statements present fairly, in all material respects, the financial position of the East Carroll Parish Police Jury, Lake Providence, Louisiana, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Early Adoption of the GASB New Reporting Model

The Governmental Accounting Standards Board (GASB) issued Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments in June 1999. The Statement, commonly referred to as the new reporting model, retained much of the old reporting under the present reporting model, with modifications, and added new information. The two most significant additions are the Management's Discussion and Analysis (which follows this independent auditors' report) and the Government-wide Financial Statements (GWFS). The GWFS are prepared on an economic resources measurement focus and an accrual basis of accounting as explained further in Note 1 of the Notes to the Basic Financial Statements. The most apparent change to the old reporting model will be the display of major funds in the Fund Financial Statements (FFS), rather than the traditional fund-type display.

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

The timing of the GASB required implementation of the new reporting model depends on the size of the government with the first required implementation for larger governments beginning with the first fiscal year beginning after June 15, 2001. The Police Jury would have been required to implement the new reporting model for the 2004 calendar year. However, the GASB encouraged early implementation, and the Police Jury elected to early implement for the year ended December 31, 1999.

Additional information regarding the new reporting model is included in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements. Also, accounting differences between the GWFS and the FFS are described in the reconciliations schedules located in the FFS section of the basic financial statements included later in this report.

Also adopted for the year ended December 31, 1999, was the GASB Statement No. 33 - Accounting and Financial Reporting for Nonexchange Transactions. The principal issue in this standard is the timing of recognition of nonexchange transactions - that is, when should governments recognize them in the statements. The potential impact of Statement No. 33 to the Police Jury was in regards to the revenue recognition for sales tax, property tax and federal and state grants. There was not a significant effect to the Police Jury in adopting this Statement. This Statement was early implemented because of the stipulation in the GASB Statement No. 34 that required Statement No. 33 to be adopted at the same time Statement No. 34 was implemented.

Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued under separate cover, our reports dated June 15, 2000, on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. These reports are an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Supplemental Information

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Police Jury, taken as a whole. The accompanying information identified in the table of contents as supplemental information 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 basic financial statements taken as a whole.

Other Information

Also, the accompanying other information as 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 not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Allen, Green + Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
June 15, 2000

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**REQUIRED SUPPLEMENTAL INFORMATION
(Part A)**

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

Our discussion and analysis of East Carroll Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 1999.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Considering the financial resources necessary to prepare this information for the prior year, and that the GASB Statement No. 34 permits the omission of the comparative information in the first year of adoption of the new reporting model, the Police Jury has elected to exclude the information in this report. Subsequent reports will include the comparative information.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

Governmental activities reported an increase in net assets of \$173,160 due mainly to receipt of an insurance bond for \$100,000. Unexpected state funding was also received to purchase Ragland Boat Ramp and funds were received for the assessors office and the ball park. These state revenues did not increase net assets because a corresponding expenditure was recorded.

Total spending for all our programs was \$3.8 million for the year. Most of the Police Jury's property and sales taxes were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: judicial \$.1 million, finance and administrative \$.1 million, public works \$1.1 million and culture and recreation \$.2 million.

Our budgeted revenues for the 2000 year includes a 13% decrease in budgeted revenues and a 13% decrease in budgeted expenditures. The decrease in budgeted revenues and budgeted expenditures is due mainly to a decrease in Section 8 budgeted revenues and expenditures and a decrease in other revenue because of the \$100,000 in insurance income.

USING THIS ANNUAL REPORT

The Police Jury's annual report consist of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Assets and the Statement of Activities (on pages 19 and 20) provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements start on page 23. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds – the General Fund, Road Maintenance and Construction, Garbage District No. 1, Library, Health Unit, Head Start, Section 8 Existing and Section 8 Voucher.

East Carroll Parish Police Jury
Lake Providence, Louisiana

Management's Discussion and Analysis (MD&A)
December 31, 1999

Required Supplemental Information (Part A)

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

Government-wide
Financial Statements



Fund
Financial Statements

Notes to the Basic Financial Statements

Required Supplemental Information (Part B)

Budgetary Information for Major Funds

Supplemental Information

Nonmajor Funds Combining Statements
Schedule of Compensation Paid Police Jurors

(Under Separate Cover)

Single Audit Information and Other Information

Other Reports Required By Government Auditing Standards and By
Office of Management and Budget (OMB) Circular No. A-133

Other Information

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information (RSI) and the Supplemental Information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the Police Jury as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the Police Jury as a whole begins on page 17. One of the most important questions asked about the Police Jury is, "Is the Police Jury as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include *all* assets and liabilities, using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's *net assets* – the difference between assets and liabilities, as reported in the Statement of Net Assets – as one way to measure the Police Jury's financial health, or *financial position*. Over time, *increases or decreases* in the Police Jury's net assets – as reported in the Statement of Activities – are one indicator of whether its *financial health* is improving or deteriorating. The relationship between revenues and expenses is the Police Jury's *operating results*. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the *quality of health and welfare services provided to parish citizens and the condition of roads, bridges and drainage systems* to assess the *overall health* of the Police Jury.

The Statement of Net Assets and Statement of Activities report the following activity for the Police Jury:

Governmental activities – All of the Police Jury's services are reported here, including public works and health and welfare services. Property taxes, sales taxes, and state and federal grants finance most of these activities.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements

The Police Jury's fund financial statements, which begin on page 23, provide detailed information about the most significant funds – not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the Child Nutrition fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the Police Jury receives for Head Start). The Police Jury's governmental funds use the following accounting approach:

Governmental funds – All of the Police Jury's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Police Jury's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation on Statements D and F.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

THE POLICE JURY AS A WHOLE

The Police Jury's net assets were \$6 million at December 31, 1999. Of this amount, \$.3 million was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Table 1) and change in net assets (Table 2) of the Police Jury's governmental activities.

**Table 1
Net Assets
December 31, 1999**

	<u>Governmental Activities</u>
Current and other assets	\$2,382,671
Capital assets	<u>4,211,730</u>
Total assets	<u>6,594,401</u>
Current and other liabilities	(286,598)
Long-term liabilities	<u>(321,355)</u>
Total liabilities	<u>(607,953)</u>
Net assets	
Invested in capital assets, net of debt	3,799,503
Restricted	1,876,913
Unrestricted	<u>310,032</u>
Total net assets	<u>\$5,986,448</u>

The \$310,032 in unrestricted net assets of governmental activities represents the *accumulated* results of all past years' operations. It means that if we had to pay off all of our bills *today* including all of our noncapital liabilities (compensated absences for example), we would have \$310,032 left. We will need to closely monitor our expenditures in the future and adhere strictly to the budget to increase this \$310,032.

The results of this year's operations for the Police Jury as a whole are reported in the Statement of Activities on page 19-20. Table 2, on the next page, takes the information from that Statement and rearranges them slightly so you can see our total revenues for the year.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

**Table 2
Changes in Net Assets
Year Ended December 31, 1999**

Revenues:	Primary Government - Governmental Activities	Component Unit	Total
Program revenues			
Charges for services	\$ 316,802	\$ -	\$ 316,802
Federal grants	1,337,662	173,800	1,511,462
State grants & entitlements	375,754		375,754
General Revenues			
Ad valorem taxes	1,054,998		1,054,998
Sales taxes	472,547		472,547
State revenue sharing	70,258		70,258
Other general revenues	<u>337,862</u>	<u>-</u>	<u>337,862</u>
Total revenues	<u>3,965,883</u>	<u>173,800</u>	<u>4,139,683</u>
Functions/Program Expenses:			
Current			
Legislative	80,151		80,151
Judicial	241,956		241,956
Elections	37,597		37,597
Finance and administrative	200,881	105,338	306,219
Other general government	168,390		168,390
Public safety	145,071		145,071
Public works	1,309,438		1,309,438
Health and welfare	1,255,678	66,936	1,322,614
Culture and recreation	232,436		232,436
Economic development and assistance	69,564		69,564
Transportation	16,501		16,501
Interest on long-term debt	<u>35,060</u>		<u>35,060</u>
Total	<u>3,792,723</u>	<u>172,274</u>	<u>3,964,997</u>
Increase (decrease) in net assets	<u>\$ 173,160</u>	<u>\$ 1,526</u>	<u>\$ 174,686</u>

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

THE POLICE JURY AS A WHOLE (CONTINUED)

Governmental Activities

As reported in the Statement of Activities on pages 19 - 20, the cost of all of our *governmental* activities this year was \$3.8 million. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was only \$1.8 million because some of the cost was paid by those who benefitted from the programs (\$.3 million) or by other governments and organizations who subsidized certain programs with grants and contributions (\$1.7 million). We paid for the remaining "public benefit" portion of our governmental activities with \$1.5 million in taxes, \$.07 million in state revenue sharing, and with our other revenues, like interest and general entitlements.

In the table below, we have presented the cost of each of the Police Jury's five largest functions -- judicial, finance and administrative, public works, health and welfare, and culture and recreation, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Year Ended December 31,	
	Governmental Activities	
	(in millions)	
	Total Cost of Services	Net Cost of Services
	1999	1999
Judicial	\$.2	\$(.1)
Finance and administrative	.2	(.1)
Public works	1.3	(1.1)
Health and welfare	1.2	.1
Culture and recreation	.2	(. 2)
All others	<u>.7</u>	<u>(.4)</u>
Totals	<u>\$3.8</u>	<u>\$(1.8)</u>

The Police Jury projected as increase in net assets of approximately \$.2 million. Although total revenues were \$.3 million more than expected, expenditures were \$.4 million more than originally projected.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

THE POLICE JURY'S FUNDS

As we noted earlier, the Police Jury uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Police Jury is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the Police Jury's overall *financial health*.

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$2.2 million, which is an increase of \$.5 million from last year. The primary reasons for these increases are:

Our general fund is our principal operating fund. The fund balance in the general fund increased \$.2 million to \$.3 million. The increase is due mainly to:

collection from bond insurance of \$.1 million

state grants of \$.1 million to purchase Ragland Boat Ramp, assessors office and the ball park

Our special revenue funds increased \$.3 million to \$1.8 million.

The debt service fund showed a decrease of approximately \$4,200 in fund balance, the millage rate was decreased to slowly decrease the fund balance in this fund. This bond will be paid off in 2004 and the present fund balance is in excess of \$100,000.

General Fund Budgetary Highlights

Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received is provided in our annual report on pages 57 through 63).

There were significant revisions made to the 1999 general fund original budget. Budgeted revenues were increased \$285,000 due to receipt of insurance money for a bond and insurance money received for fire damage. The Police Jury also received an unexpected increase in state grants of \$100,000 for Ragland Boat Ramp, the assessors office and the ball park. Budgeted expenditures were increased \$190,000 due to the increase in revenue.

The Section 8 Existing budget was also increased for the increase in housing assistance payments during the year.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 1999, the Police Jury had \$4.2 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net decrease (including additions, deductions and depreciation) of just over \$400,000, or ten percent, from last year. The primary reason for the net decrease is a result of the \$.5 million in depreciation expense.

Capital Assets at Year-end

	<u>Governmental Activities</u>	
	<u>1998</u>	<u>1999</u>
Land	\$ 256,665	\$ 256,665
Buildings	411,932	393,428
Equipment and furniture	312,935	276,655
Vehicles	117,980	123,097
Books, periodicals and law books	55,347	43,724
Infrastructure	<u>3,484,848</u>	<u>3,118,161</u>
Net capital assets	<u>\$4,639,707</u>	<u>\$4,211,730</u>

This year's additions of \$70,077 included a vehicle, equipment and computers. No debt was issued for these additions.

No major capital projects are planned for the 2000 fiscal year. We anticipate capital additions will be comparable to the 1999 fiscal year. We present more detailed information about our capital assets in Note 7 to the financial statements.

The Governmental Accounting Standards Board (GASB) is the nationally recognized standard setter for accounting and financial reporting for State and Local Governments. The GASB issued in June 1999 Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments which requires the capitalization of all infrastructure assets. A comparison of the capital assets reflected in the Police Jury's 1998 annual financial report with this year's report a reader would notice a sizeable difference in the balances of capital assets. This is because GASB No. 34 requires the capitalization of all general infrastructure assets which the Police Jury either owns or has primary responsibility for maintenance. Previously, capitalization of infrastructure assets purchased by governmental funds was optional. East Carroll Parish Police Jury opted, like most governments, not to capitalize general infrastructure assets.

The Police Jury is responsible for the maintenance of 139 routes in East Carroll Parish consisting of 289.23 linear miles of two-lane gravel and asphalt roads. Other roads are located in East Carroll Parish but are maintained by the city of Lake Providence or the state of Louisiana. The majority of the Police Jury maintained roads were asphalt surfaced in the 1960s and 1970s. However, since that time many have been disced and changed back to gravel surface. Accordingly, the surface type of most roads maintained today by the Police Jury is gravel.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets at Year-end (Continued)

Infrastructure road right-of-ways consist of the sixty feet right-of-way for the 289.23 miles of roads maintained by the Police Jury. The acreage was determined by multiplying the sixty feet of right-of-way by the 5,280 linear feet in a mile by the 289.23 linear miles of road and dividing the sum by the 43,560 square feet in an acre. The results of 2,103.49 acres is the number of acres comprising the land associated with the 289.23 linear miles of roads maintained by the Police Jury.

These roads include 32 bridges, 11 of which are concrete structures and 21 are wooden structures. Most bridges are 30 to 50 feet in length with 2 to 3 spans. The longest bridge is the Bayou Macon bridge with 12 spans for a total length of 269 feet. The next longest is Loggy Bayou bridge with 8 spans for a total length of 156 feet. All other bridges are less than 100 feet in total length. The shortest bridge is the drain to Jones Bayou consisting of 2 spans for a total length of 23 feet.

Cost of infrastructure assets were determined in various ways. GASB No. 34 requires capital assets to be recorded at historical cost, or at estimated historical cost whenever it is impractical to determine historical cost because of inadequate records. The cost were determined as identified below whenever actual historical cost was not known.

The surface cost of the roads was determined by multiplying the estimated current cost to construct a linear mile of two lanes of gravel or asphalt road and deflating the current cost to the estimated cost at the time of actual construction of the roads. Most roads were considered to have been constructed in the 1950s and 1960s with most asphalt surfacing occurring in the 1960s and 1970s, and with resurfacing occurring periodically since. The surface of the roads currently was considered by management to be approximately 20 years old. Accordingly, 1979 was considered as the date of purchase for all surface materials for depreciation purpose.

The cost of the right-of-way was determined by using a current average value for farm land of \$1,500 an acre deflated to the estimated year of acquisition or prescription.

Eleven bridges have been replaced in recent times with concrete structures with funding provided by the U.S. Government. Cost figures for five of these concrete bridges were obtained from the Louisiana Department of Transportation and Development, the pass-through entity for the federal funding. The estimated cost for the other six concrete bridges were estimated based on the actual cost of the other five concrete bridges, considering the date constructed, the number of spans and the total length of the bridge. The cost of the 21 wood structure bridges was based on management's estimate of today's cost to construct deflated to the actual year of construction.

The deflation factors used were as per the "price trends for federal-aid highway construction" obtained from the United States Department of Transportation web site.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 1999**

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets at Year-end (Continued)

Considering the challenge associated with capitalizing general infrastructure assets, governments were allowed, per GASB No. 34, an additional four years after implementing GASB No. 34 to capitalize these assets. The Police Jury having significant watershed and drainage infrastructure assets has started the process of identifying all of the structures associated with watershed and drainage. It is expected that the cost of these assets will be reflected in the next annual financial report.

Debt

At the end of this year, the Police Jury had \$360,000 in bonds outstanding versus \$420,000 last year – a decrease of fifteen percent. Those bonds consisted of:

Outstanding Debt, at Year-End	<u>Governmental Activities</u>	
	<u>1998</u>	<u>1999</u>
General obligation bonds (backed by the Police Jury)	<u>\$420,000</u>	<u>\$360,000</u>

The Police Jury's general obligation bond rating continues to be Baa. The state limits the amount of general obligation debt that parishes can issue to 10 percent of the assessed value of all taxable property within the parish. The Police Jury's net outstanding general obligation debt of \$256,861 is significantly below this \$3,352,875 statutorily-imposed limit.

Other obligations include accrued vacation pay, sick leave and capital leases. We present more detailed information about our long-term liabilities in Note 11 of Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Our elected and appointed officials and citizens consider many factors when setting the Police Jury's 2000 year budget and tax rates. One of the most important factors affecting the budget is our ad valorem and sales tax collections. We have budgeted very little change in ad valorem and sales tax collections from 1999 to 2000. Approximately 40% of total revenues is from ad valorem and sales taxes. Federal revenues for our Head Start and Section 8 programs account for 34% of our revenues. These revenues are on a cost reimbursement basis except for the small administrative fee received for Section 8. We have projected an increase in net assets of approximately \$180,000 for the 2000 budget year. We project that capital additions will be minimal for the 2000 year.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Elisha Y. Matthews, Secretary-Treasurer, at the East Carroll Parish Police Jury, 400 First Street, Lake Providence, Louisiana 71254, telephone number (318) 559-2256.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

BASIC FINANCIAL STATEMENTS

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

STATEMENT OF NET ASSETS
December 31, 1999

Statement A

	<u>PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES</u>	<u>COMPONENT UNIT</u>
ASSETS		
Cash and cash equivalents	\$ 936,011	\$ 30,732
Investments	365,186	0
Receivables (net)	1,066,223	5,223
Inventories	3,112	0
Prepaid items	12,139	0
Capital assets, net	<u>4,211,730</u>	<u>8,144</u>
TOTAL ASSETS	\$ 6,594,401	\$ 44,099
LIABILITIES		
Accounts, salaries and other payables	\$ 150,261	\$ 13,011
Deferred revenue	42,679	12,579
Long-term liabilities		
Due within one year	90,491	3,167
Due in more than one year	<u>324,522</u>	<u>0</u>
TOTAL LIABILITIES	\$ 607,953	\$ 28,757
NET ASSETS		
Invested in capital assets, net of related debt	\$ 3,799,503	8,144
Restricted for:		
Debt service	103,139	0
Road Maintenance and Construction	368,607	0
Garbage District No. 1	405,351	0
Library	379,661	0
Health Unit	372,540	0
Drainage Maintenance	153,728	0
Rural Fire	93,887	0
Unrestricted	<u>310,032</u>	<u>7,198</u>
TOTAL NET ASSETS	\$ 5,986,448	\$ 15,342

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 1999

	PROGRAM REVENUES			PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES
EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
FUNCTIONS/PROGRAMS				
<i>Primary Government:</i>				
<i>Governmental activities:</i>				
<i>General government:</i>				
Legislative	\$ 80,151	\$	\$	\$ (80,151)
Judicial	241,956	161,356		(80,600)
Elections	37,597			(37,597)
Finance and administrative	200,881	120,958	20,000	(59,923)
Other general government	168,390		6,932	5,253
Public safety	145,071	9,885		(135,186)
Public works	1,309,438		232,121	(1,077,317)
Health and welfare	1,255,678	2,240	1,326,318	72,880
Culture and recreation	232,436	1,141		(231,295)
Economic development and assistance	69,564	17,833	54,903	3,172
Transportation	16,501	3,389		(13,112)
Interest on long-term debt	35,060			(35,060)
Total Governmental Activities	\$ 3,792,723	\$ 316,802	\$ 1,640,274	\$ 5,253
<i>Component units:</i>				
Finance and administrative	105,338		118,436	
Health and welfare	66,936		55,364	
Total Component Units	\$ 172,274	\$	\$ 173,800	\$
 General revenues:				
<i>Taxes:</i>				
Property taxes, levied for general purposes				\$ 967,428
Property taxes, levied for debt services				87,570
Sales taxes, levied for general purposes				472,547
State revenue sharing				70,258
Severance tax				17,352
Beer tax				11,491
<i>Grants and contributions not restricted to specific programs</i>				
Barracks surplus				100,000
Licenses and permits				29,458
Interest and investment earnings				78,044
Miscellaneous				175,658
Special items - Loss on sale of assets				(6,252)
Total general revenues and special items				\$ 2,003,554
Changes in net assets				\$ 173,160
Net assets - beginning				5,813,288
 Net assets - ending				\$ 5,986,448

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

FUND FINANCIAL STATEMENTS (FFS)

**East Carroll Parish Police Jury
Lake Providence, Louisiana**



EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
December 31, 1999

	GENERAL	ROAD MAINTENANCE AND CONSTRUCTION	GARBAGE DISTRICT NO. 1	LIBRARY
ASSETS				
Cash and cash equivalents	\$ 53,962	\$ 174,471	\$ 57,361	\$ 133,631
Investments	103,778	0	179,897	81,511
Receivables	180,317	195,195	168,093	164,519
Interfund receivables	16,588	0	0	0
Inventories	0	0	0	0
Prepaid items	0	0	0	0
TOTAL ASSETS	\$ 354,645	\$ 369,666	\$ 405,351	\$ 379,661
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	\$ 44,098	\$ 1,059	\$ 0	\$ 0
Interfund payables	0	0	0	0
Deferred revenues	0	0	0	0
Total Liabilities	\$ 44,098	\$ 1,059	\$ 0	\$ 0
Fund Balances:				
Reserved for:				
Debt Service	\$ 0	\$ 0	\$ 0	\$ 0
Inventory and prepaid items	0	0	0	0
Unreserved, reported in:				
General Fund	310,547			
Special Revenue Funds		368,607	405,351	379,661
Total Fund Balances	\$ 310,547	\$ 368,607	\$ 405,351	\$ 379,661
TOTAL LIABILITIES AND FUND BALANCES	\$ 354,645	\$ 369,666	\$ 405,351	\$ 379,661

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

HEALTH UNIT	HEADSTART	SECTION 8 EXISTING	SECTION 8 VOUCHER	OTHER GOVERNMENTAL	TOTAL
\$ 295,422	\$ 4,163	\$ 76,528	\$ 20,889	\$ 119,584	\$ 936,011
0	0	0	0	0	365,186
77,118	0	6,000	3,475	271,506	1,066,223
0	12,745	33,059	35,639	0	98,031
0	0	0	0	3,112	3,112
0	12,139	0	0	0	12,139
<u>\$ 372,540</u>	<u>\$ 29,047</u>	<u>\$ 115,587</u>	<u>\$ 60,003</u>	<u>\$ 394,202</u>	<u>\$ 2,480,702</u>
\$ 0	\$ 14,907	\$ 64,171	\$ 15,603	\$ 10,423	\$ 150,261
0	0	30,179	20,059	47,793	98,031
0	0	26,363	16,316	0	42,679
<u>\$ 0</u>	<u>\$ 14,907</u>	<u>\$ 120,713</u>	<u>\$ 51,978</u>	<u>\$ 58,216</u>	<u>\$ 290,971</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 103,139	\$ 103,139
0	12,139	0	0	3,112	15,251
0	0	0	0	0	310,547
<u>372,540</u>	<u>2,001</u>	<u>(5,126)</u>	<u>8,025</u>	<u>229,735</u>	<u>1,760,794</u>
<u>\$ 372,540</u>	<u>\$ 14,140</u>	<u>\$ (5,126)</u>	<u>\$ 8,025</u>	<u>\$ 335,986</u>	<u>\$ 2,189,731</u>
<u>\$ 372,540</u>	<u>\$ 29,047</u>	<u>\$ 115,587</u>	<u>\$ 60,003</u>	<u>\$ 394,202</u>	<u>\$ 2,480,702</u>

**EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana**

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
December 31, 1999**

Statement D

Total fund balances - governmental funds \$ 2,189,731

The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the Police Jury as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 15,127,499	
Depreciation expense to date	<u>(10,915,769)</u>	4,211,730

Elimination of interfund assets and liabilities

Interfund assets	\$ (98,031)	
Interfund liabilities	<u>98,031</u>	0

Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at December 31, 1999 are:

Long-term liabilities

Leases payable	\$ (52,227)	
Compensated absences payable	(2,786)	
Bonds payable	<u>(360,000)</u>	<u>(415,013)</u>

Net Assets \$ 5,986,448

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**



EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 1999

	GENERAL	ROAD MAINTENANCE AND CONSTRUCTION	GARBAGE DISTRICT NO. 1	LIBRARY
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 170,843	\$ 148,503	\$ 187,067	\$ 185,040
Sales and use	43,485	429,062	0	0
Licenses and permits	29,458	0	0	0
Intergovernmental revenues:				
Federal funds - federal grants	0	11,344	0	0
State funds:				
Parish transportation funds	0	173,220	0	0
State revenue sharing (net)	55,671	0	0	14,587
Severance taxes	17,352	0	0	0
Other	160,636	0	0	32,013
Fees, charges, and commissions for services	120,958	0	0	0
Fines and forfeitures	0	0	0	0
Use of money and property	15,850	8,233	10,732	17,565
Intergovernmental	100,000	0	0	0
Other revenues	132,897	2,412	0	1,769
Total Revenues	<u>\$ 847,150</u>	<u>\$ 772,774</u>	<u>\$ 197,799</u>	<u>\$ 250,974</u>
EXPENDITURES				
Current:				
General government:				
Legislative	\$ 80,151	\$ 0	\$ 0	\$ 0
Judicial	70,586	0	0	0
Elections	36,500	0	0	0
Finance and administrative	117,967	0	0	0
Other general government	165,748	0	0	0
Public safety	82,792	0	0	0
Public works	0	590,569	151,105	0
Health and welfare	509	0	0	0
Culture and recreation	30,151	0	0	168,064
Economic development and assistance	69,163	0	0	0
Transportation	0	0	0	0
Debt service:				
Principal retirement	0	51,552	0	0
Interest and bank charges	0	15,689	0	0
Capital outlay	2,197	22,288	0	23,920
Total Expenditures	<u>\$ 655,764</u>	<u>\$ 680,098</u>	<u>\$ 151,105</u>	<u>\$ 191,984</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 191,386</u>	<u>\$ 92,676</u>	<u>\$ 46,694</u>	<u>\$ 58,990</u>

Statement E

HEALTH UNIT	HEADSTART	SECTION 8 EXISTING	SECTION 8 VOUCHER	OTHER GOVERNMENTAL	TOTAL
\$ 86,735	\$ 0	\$ 0	\$ 0	\$ 276,810	\$ 1,054,998
0	0	0	0	0	472,547
0	0	0	0	0	29,458
0	779,029	375,644	99,745	71,900	1,337,662
0	0	0	0	0	173,220
0	0	0	0	0	70,258
0	0	0	0	0	17,352
0	0	0	0	9,885	202,534
0	0	0	0	3,389	124,347
0	0	0	0	161,356	161,356
11,124	1,039	5,712	692	7,097	78,044
0	0	0	0	0	100,000
1,180	0	1,914	0	10,187	150,359
<u>\$ 99,039</u>	<u>\$ 780,068</u>	<u>\$ 383,270</u>	<u>\$ 100,437</u>	<u>\$ 540,624</u>	<u>\$ 3,972,135</u>

\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 80,151
0	0	0	0	169,748	240,334
0	0	0	0	0	36,500
0	79,002	51	0	3,539	200,559
0	0	0	0	0	165,748
0	0	0	0	58,504	141,296
0	0	0	0	144,317	885,991
42,500	637,205	387,051	93,117	71,934	1,232,316
0	0	0	0	0	198,215
0	0	0	0	0	69,163
0	8,281	0	0	7,596	15,877
0	0	0	0	60,000	111,552
0	0	0	0	29,460	45,149
0	21,672	0	0	0	70,077
<u>\$ 42,500</u>	<u>\$ 746,160</u>	<u>\$ 387,102</u>	<u>\$ 93,117</u>	<u>\$ 545,098</u>	<u>\$ 3,492,928</u>

\$ 56,539	\$ 33,908	\$ (3,832)	\$ 7,320	\$ (4,474)	\$ 479,207
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(CONTINUED)

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 1999

	GENERAL	ROAD MAINTENANCE AND CONSTRUCTION	GARBAGE DISTRICT NO. 1	LIBRARY
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	(5,000)	0	0	0
 Total Other Financing Sources (Uses)	 \$ (5,000)	 \$ 0	 \$ 0	 \$ 0
 Net Change in Fund Balances	 \$ 186,386	 \$ 92,676	 \$ 46,694	 \$ 58,990
 FUND BALANCES - BEGINNING	 <u>124,161</u>	 <u>275,931</u>	 <u>358,657</u>	 <u>320,671</u>
 FUND BALANCES - ENDING	 <u>\$ 310,547</u>	 <u>\$ 368,607</u>	 <u>\$ 405,351</u>	 <u>\$ 379,661</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

HEALTH UNIT	HEADSTART	SECTION 8 EXISTING	SECTION 8 VOUCHER	OTHER GOVERNMENTAL	TOTAL
\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000	\$ 5,000
0	0	0	0	0	(5,000)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000	\$ 0
\$ 56,539	\$ 33,908	\$ (3,832)	\$ 7,320	\$ 526	\$ 479,207
316,001	(19,768)	(1,294)	705	335,460	1,710,524
\$ 372,540	\$ 14,140	\$ (5,126)	\$ 8,025	\$ 335,986	\$ 2,189,731

(CONCLUDED)

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 1999

Statement F

Total net change in fund balances - governmental funds	\$	479,207
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:		
Depreciation expense	\$ 491,802	
Capital outlays	(70,077)	(421,725)
Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.		121,641
In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$3,653) exceeded the amounts earned (\$3,364) by \$289.		289
In the Statement of Activities the loss on the sale of capital assets is recognized. This is not recognized in the governmental funds.		<u>(6,252)</u>
Change in net assets of governmental activities.	\$	<u>173,160</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

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**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The East Carroll Parish Police Jury (the Police Jury) is the governing authority for East Carroll Parish and is a political subdivision of the state of Louisiana. The Police Jury is governed by nine jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January 2000.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the powers to make regulations for their own government, to regulate the construction and maintenance of roads and bridges, to regulate the construction and maintenance of 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, and various other state and federal grants.

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, library facilities, airport facilities, prison facilities, and health care facilities.

A. REPORTING ENTITY

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

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

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

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

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

<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
East Carroll Parish Library	Blended	December 31	1 and 3
Sixth Judicial District Criminal Court (East Carroll Parish)	Blended	December 31	2 and 3
Community Action Agency of East Carroll Parish	Discrete	December 31	1 and 3
Not included within the reporting entity:			
East Carroll Parish:			
Sheriff		June 30	2 and 3
Assessor		December 31	2 and 3
Clerk of Court		June 30	2 and 3
East Carroll Hospital Service District		June 30	1 and 3
East Carroll Parish Housing Authority		June 30	1 and 3
East Carroll Recreation District		December 31	1 and 3
Prison District No. 1		December 31	1 and 3

The Police Jury has chosen not to include the following component units in the basic financial statements: Sheriff, Assessor, Clerk of Court, East Carroll Hospital Service District, East Carroll Parish Housing Authority, East Carroll Recreation District and Prison District No. 1. Separate financial statements for each of these component units can be obtained by contacting the component unit.

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

B. FUNDS

The accounts of the Police Jury are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUNDS (Continued)

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on the recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The Police Jury's current operations require the use of governmental funds. The fund types used by the Police Jury are described as follows:

Governmental funds

General fund – The general fund is the general operating fund of the Police Jury. It accounts for all activities except those required to be accounted for in other funds.

Special revenue funds – are used to account for the proceeds of specific revenue sources such as ad valorem taxes, sales taxes, and federal grants. Those revenues are legally restricted, either by tax proposition or by grant agreement, to expenditures for specified purposes such as road maintenance, solid waste disposal, rental housing for very low income families, public library operation, etc.

Debt Service Fund – is used to account for transactions relating to resources retained and used for the payment of principal and interest on long-term obligations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Police Jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Government-Wide Financial Statements (GWFS) (Continued)

Allocation of indirect expenses

The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions is not allocated to those functions but is reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "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 pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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 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 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.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Fund Financial Statements (FFS) (Continued)

Revenues (Continued)

Sales taxes are susceptible to accrual.

Federal and state grants are recognized when the Police Jury is entitled to the funds.

Fines, forfeitures, and court costs are recognized in the year they are received by the parish tax collector.

Interest income on time deposits is recognized when the time deposits have matured and the interest is available.

Substantially all other revenues are recognized when they become available to the Police Jury.

Based on the above criteria, ad valorem taxes, sales taxes, federal and state grants, and fines, forfeitures, and court costs have been 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)

Sale of fixed assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

D. ENCUMBRANCES

Outstanding encumbrances lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is not employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. 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 and national banks having their principal offices in Louisiana.

F. 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.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Police Jury reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The Police Jury participates in the Louisiana Asset Management Pool, Inc., (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

The investment objective of the LAMP is the preservation of capital and the maintenance of liquidity and, to the extent consistent with such objective, current yield.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. INVESTMENTS (Continued)

The LAMP was established as a cooperative endeavor to enable public entities of the state of Louisiana to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Board of Directors of LAMP provides certain management and administrative services to LAMP and, through a competitive bidding process, selects a custodial bank and an investment advisor. The custodial bank holds the assets of LAMP and the investment decisions are made by the investment advisor. Both the custodial bank and the investment advisor are subject to the review and oversight of LAMP.

An audit of LAMP is conducted annually by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

The LAMP may invest in U. S. Government Securities. The LAMP is designed to comply with restriction on investment by municipalities, parishes, and other types of political subdivisions imposed under Louisiana Revised Statute 33:2955.

The LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective. The LAMP's portfolio securities are valued at market value even though the amortized cost method is permitted by Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs money market mutual funds (although the LAMP is not a money market fund and has no obligation to conform to this rule). The LAMP generally complies with other aspects of that rule, including the requirements that all portfolio securities acquired by the LAMP must have, at the time of purchase, a maximum remaining maturity of 397 days and meet certain additional quality standards and that the LAMP maintain a dollar-weighted average portfolio maturity of not more than 90 days.

The fair value of the position in the pool is the same as the value of the pool shares.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES (FFS)

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

H. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the statement of net assets and the statement of activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. INVENTORY AND PREPAID ITEMS

Inventories of the Child Nutrition (special revenue fund) fund consists of food purchased by the Police Jury and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received (issued); however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at cost using the first-in, first-out (FIFO) method. The value of commodities inventory is the assigned values provided by the United States Department of Agriculture.

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

J. CAPITAL ASSETS

Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. General and infrastructure assets (e.g. roads, bridges, and other assets that are immovable and of value only to the government) are capitalized and valued at historical cost or estimated historical cost. Interest during construction was not capitalized on capital assets prior to January 1, 1999. However, as permitted by GASB Statement No. 34, capitalization of interest cost will be applied prospectively. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of ten percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

<i>Buildings</i>	40 years
Portable buildings	10 to 20 years
Office equipment	6 or 10 years
Furniture and fixtures	6 or 10 years
Construction equipment	4 to 10 years
Vehicles	4 or 9 years
Books, periodicals and law books	10 years
Infrastructure:	
Airport hangars	40 years
Road surface	25 years
Bridges	40 to 50 years

K. COMPENSATED ABSENCES

All full-time employees of the Police Jury earn annual leave at rates varying from ten to 20 days per year, depending on length of service. Employees may accumulate and carry forward no more than five days of annual leave. All full-time permanent employees earn one sick day per month of continuous employment. Sick leave can be accumulated up to 30 days. Employees are not compensated for sick leave at termination or retirement.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. COMPENSATED ABSENCES (Continued)

Full-time employees of the East Carroll Parish Library earn from ten to 15 days of vacation leave, depending on their length of service and position with the library. Part-time employees earn six days of vacation leave each year. Vacation leave cannot be accumulated. All 12-month employees earn ten days of sick leave each year. Sick leave can be accumulated up to 20 days. Part-time employees earn six days of sick leave each year. *Sick leave lapses upon termination of employment.*

Full-time 12-month employees of East Carroll Parish Head Start earn four hours of vacation leave every pay period. Upon termination, an employee is compensated for unused vacation leave, up to 70 hours. Full-time permanent employees earn one-half day of sick leave every pay period.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as a current-year expenditure within the various funds when leave is actually taken or when employees are paid for accrued vacation leave upon retirement.

Employees of the Community Action Agency of East Carroll Parish (component unit) earn from 12 to 18 days of vacation and sick leave each year, depending on length of service. Upon termination, an employee is compensated for unused vacation leave up to 144 hours.

The Police Jury's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as liability as the benefits are earned by the employees if both of the following conditions are met:

The employees' right to receive compensation are attributable to services already rendered.

It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. LIABILITIES

For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. RESTRICTED NET ASSETS

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

It is the Police Jury's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. FUND BALANCES OF FUND FINANCIAL STATEMENTS

Reserves represent those portions of fund balance that are not appropriable for expenditures or that are legally segregated for a specific purpose. Designated fund balances represent tentative management plans for future use of financial resources and are subject to change.

O. 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.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. SALES TAXES

The Police Jury has a one percent sales and use tax, which was passed by the voters on October 16, 1993, for a period of five years. In May 1998, this tax was renewed for five years. The net proceeds of the tax (after necessary costs of collection) are to be used to construct, operate, and maintain parish public roads, drainage canals, and public bridges, with ten percent of the proceeds used exclusively for insurance premiums.

Q. DEFERRED REVENUES

The Police Jury reports deferred revenues on its statement of net assets. Deferred revenues arise when resources are received by the Police Jury 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 the Police Jury has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

R. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balances

The following funds have a deficit in the fund balance at December 31, 1999:

<u>Fund</u>	<u>Deficit Amount</u>
Section 8 Existing	\$ 5,126
Criminal Court	16,284
Section 8 Mod Rehab	13,050

The deficit in the Criminal Court Fund will be eliminated by transfers from the general fund. Administrative cost will be reduced in the Section 8 Programs to eliminate the deficit.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 3 - LEVIED TAXES

The Police Jury levies taxes on real and business personal property located within East Carroll Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the East Carroll Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The East Carroll Parish sheriff's office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Millage rates adopted	September 5, 1999
Levy date	September 25, 1999
Tax bills mailed	November 7, 1999
Due date	December 31, 1999
Lien date	January 1, 2000
Tax sale - 1999 delinquent property	On or about May 1, 2000

Assessed values are established by the East Carroll Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$33,528,753 in calendar year 1999. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$5,685,901 of the assessed value in calendar year 1999.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, road maintenance and construction special revenue fund, drainage maintenance special revenue fund, garbage district No. 1 special revenue fund, rural fire special revenue fund, library special revenue fund, health unit special revenue fund, and the debt service fund. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 3 - LEVIED TAXES (Continued)

The tax roll is prepared by the parish tax assessor in November of each year, therefore, the amount of 1999 property taxes to be collected occurs in December and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 1999:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
General fund	4.00	4.20	Indefinite
Courthouse maintenance	2.11	2.11	2004
Road maintenance	5.00	5.48	2002
Drainage maintenance	5.00	5.48	2002
Library maintenance	6.83	6.83	2004
Health unit	3.00	3.20	2002
District taxes:			
Rural fire protection	2.00	2.00	2008
Rural fire protection debt service	Variable	4.30	2004
Waste collection and disposal	8.60	9.02	2000

The difference between authorized and levied millages is the result of reassessments of taxable property in the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

NOTE 4 - CASH AND CASH EQUIVALENTS

At December 31, 1999, the Police Jury had cash and cash equivalents (book balances), totaling \$936,011 as follows:

Demand deposits	\$ 935,951
Petty cash	60
Time deposits	<u>283,675</u>
Total deposits	1,219,686
Less: time deposits classified as investments	<u>283,675</u>
 Total cash and cash equivalents per Statement A	 <u>\$ 936,011</u>

At December 31, 1999, the Community Action Agency of East Carroll Parish (component unit) has cash demand deposits (book balances) totaling \$30,732.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 4 - 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 the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the Police Jury's carrying amount of deposits was \$1,219,686 (including \$283,675 classified as investments) and the bank balance was \$1,372,413. Of the bank balance, \$250,344 was covered by federal depository insurance or by collateral held by the Police Jury's agent in the Police Jury's name (GASB Category 1). The remaining balance, \$1,122,069 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Police Jury's name (GASB Category 3).

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

At December 31, 1999, deposit balances of the Community Action Agency of East Carroll Parish (a discretely presented component unit) were fully secured by federal deposit insurance.

NOTE 5 - INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Police Jury or its agent in the Police Jury's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the Police Jury's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the Police Jury's name.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 5 - INVESTMENTS (Continued)

At year end, the Police Jury investment balances were as follows:

<u>Type of investment</u>	<u>Category</u>			<u>Carrying Amount</u>		<u>Total Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Fair Value</u>	<u>Amortized Cost</u>	
Certificate of deposit	\$ -	\$283,675	\$ -	\$ -	\$283,675	\$283,675
Total	\$ -	\$283,675	\$ -			
Investments not subject to categorization:						
External investment pool (LAMP)				81,511	-	81,511
Total investments				\$81,511	\$283,675	\$365,186

NOTE 6 - RECEIVABLES

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

	<u>General</u>	<u>Road Maintenance and Construction</u>	<u>Garbage District No. 1</u>	<u>Library</u>	<u>Health Unit</u>	<u>Section 8 Existing</u>	<u>Section 8 Voucher</u>	<u>Other Governmental</u>	<u>Total</u>
Taxes:									
Ad valorem	\$151,899	\$132,036	\$168,093	\$164,519	\$77,118	\$ -	\$ -	\$247,018	\$ 940,683
Sales tax	-	43,062	-	-	-	-	-	-	43,062
Grants:									
Federal	-	-	-	-	-	6,000	3,475	24,184	33,659
State	20,008	20,097	-	-	-	-	-	-	40,105
Other	8,410	-	-	-	-	-	-	304	8,714
Total	\$180,317	\$195,195	\$168,093	\$164,519	\$77,118	\$6,000	\$3,475	\$271,506	\$1,066,223

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, no allowance for doubtful accounts has been established for ad valorem taxes. The balance of accounts receivable is expected to be collected in full so no allowance for doubtful accounts has been established.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 7 - CAPITAL ASSETS

The following schedule presents changes in capital assets for the Police Jury:

	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, Ending</u>
Governmental activities				
Land	\$ 256,665	\$ -	\$ -	\$ 256,665
Buildings	1,590,343	-	-	1,590,343
Office equipment	267,936	28,595	28,457	268,074
Furniture and fixtures	97,900	2,317	1,429	98,788
Construction equipment	1,221,838	-	203,209	1,018,629
Vehicles	998,104	22,270	62,525	957,849
Books, periodicals and law books	295,508	16,895	1,115	311,288
Infrastructure				
Airport land	101,000	-	-	101,000
Airport hangars	25,000	-	-	25,000
Road right-of-way	558,234	-	-	558,234
Road surface	8,250,981	-	-	8,250,981
Bridges	<u>1,690,648</u>	<u>-</u>	<u>-</u>	<u>1,690,648</u>
Total	<u>15,354,157</u>	<u>70,077</u>	<u>296,735</u>	<u>15,127,499</u>
Less accumulated depreciation:				
Buildings	1,178,411	18,504	-	1,196,915
Office equipment	221,780	16,528	28,457	209,851
Furniture and fixtures	56,074	8,846	1,429	63,491
Construction equipment	996,885	41,818	203,209	835,494
Vehicles	880,124	10,901	56,273	834,752
Books, periodicals and law books	240,161	28,518	1,115	267,564
Infrastructure				
Airport hangars	14,688	625	-	15,313
Road surface	6,435,765	330,039	-	6,765,804
Bridges	<u>690,562</u>	<u>36,023</u>	<u>-</u>	<u>726,585</u>
Total	<u>10,714,450</u>	<u>491,802</u>	<u>290,483</u>	<u>10,915,769</u>
Governmental activities capital assets, net	<u>\$ 4,639,707</u>	<u>\$(421,725)</u>	<u>\$(6,252)</u>	<u>\$ 4,211,730</u>

Considering the challenge associated with capitalizing general infrastructure assets, governments were allowed, per GASB No. 34, an additional four years after implementing GASB No. 34 to capitalize these assets. The Police Jury having significant watershed and drainage infrastructure assets has started the process of identifying all of the structures associated with watershed and drainage. It is expected that the cost of these assets will be reflected in the next annual financial report.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 7 - CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental activities for the Police Jury as follows:

Judicial	\$ 1,622
Elections	1,097
Finance and administrative	322
Other general government	2,642
Public safety	3,775
Public works	423,736
Health and welfare	23,362
Culture and recreation	34,221
Economic development and assistance	401
Transportation	<u>624</u>
 Total	 <u><u>\$491,802</u></u>

The following schedule presents changes in capital assets for the Community Action Agency (the discretely presented component unit):

	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, Ending</u>
Governmental activities				
Office equipment	\$ 8,261	\$4,510	\$ -	\$12,771
Furniture and fixtures	<u>5,954</u>	<u>-</u>	<u>-</u>	<u>5,954</u>
Total	<u>14,215</u>	<u>4,510</u>	<u>-</u>	<u>18,725</u>
Less accumulated depreciation:				
Office equipment	\$ 5,295	\$ 889	\$ -	\$ 6,184
Furniture and fixtures	<u>4,029</u>	<u>368</u>	<u>-</u>	<u>4,397</u>
Total	<u>9,324</u>	<u>1,257</u>	<u>-</u>	<u>10,581</u>
Governmental activities capital assets, net	<u><u>\$ 4,891</u></u>	<u><u>\$3,253</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,144</u></u>

Depreciation expense was charged to governmental activities for the Community Action Agency as follows:

Culture and recreation	<u><u>\$ 1,257</u></u>
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**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 8 - RETIREMENT SYSTEMS

Substantially all employees of the Police Jury and the Community Action Agency of East Carroll Parish 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 district plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Police Jury and the Community Action Agency of East Carroll Parish (component unit) are members of Plan A.

All permanent employees working at least twenty-eight 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 ten 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 three percent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus three percent of final-average salary for each 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 benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Under Plan A, members are required by state statute to contribute 9.50 percent of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the system also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Police Jury and Community Action Agency of East Carroll Parish (component unit) are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Police Jury's contributions to the System under Plan A for the years ending December 31, 1999, 1998, and 1997, were \$73,238, \$73,575, and \$87,107, respectively, equal to the required contribution for each year. The Community Action Agency of East Carroll Parish (component unit) contributions to the system under Plan A for the years ended December 31, 1999, 1998 and 1997, were \$4,675, \$4,550, and \$3,502, respectively, equal to the required contribution for each year.

The System issues an annual publicly available 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 of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 9 - OTHER POSTEMPLOYMENT 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. These 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 by the Police Jury. The Police Jury recognizes the cost of providing these benefits to retirees as an expenditure when paid during the year. The Police Jury had expenditures of \$10,646 for ten retirees.

NOTE 10 - ACCOUNTS, SALARIES AND OTHER PAYABLES

	<u>General</u>	Road Maintenance and <u>Construction</u>	<u>Headstart</u>	Section 8 <u>Existing</u>	Section 8 <u>Voucher</u>	Other Govern- <u>Mental</u>	<u>Total</u>
Salaries	\$ 952	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 952
Accounts	<u>43,146</u>	<u>1,059</u>	<u>14,907</u>	<u>64,171</u>	<u>15,603</u>	<u>10,423</u>	<u>149,309</u>
Total	<u>\$44,098</u>	<u>\$1,059</u>	<u>\$14,907</u>	<u>\$64,171</u>	<u>\$15,603</u>	<u>\$10,423</u>	<u>\$150,261</u>

NOTE 11 - LONG-TERM LIABILITIES

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds payable:					
General obligation debt	\$ 420,000	\$ -	\$ 60,000	\$360,000	\$60,000
Other Liabilities:					
Compensated absences	3,075	3,364	3,653	2,786	2,786
Capital leases	<u>113,868</u>	<u>-</u>	<u>61,641</u>	<u>52,227</u>	<u>27,705</u>
Governmental Activities					
Long-term liabilities	<u>\$536,943</u>	<u>\$3,364</u>	<u>\$125,294</u>	<u>\$415,013</u>	<u>\$90,491</u>

Payments on the general obligation bonds payable that pertain to the Police Jury's governmental activities are made by the debt service fund. The compensated absences liability attributable to the governmental activities will be liquidated by the general fund (19%) and the road maintenance and construction fund (81%). The capital lease liability will be paid by the road maintenance and construction fund.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 11 - LONG-TERM LIABILITIES (Continued)

The general obligation bonds payable at December 31, 1999 is the following issue:

	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
1989 Issue	\$750,000	7.3 to 7.6	3-1-04	\$73,295	\$360,000

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At December 31, 1999, the Police Jury had accumulated \$103,139 in the debt service fund for future debt requirements. The bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2000	\$ 60,000	\$25,035	\$ 85,035
2001	65,000	20,330	85,330
2002	70,000	15,200	85,200
2003	80,000	9,500	89,500
2004	<u>85,000</u>	<u>3,230</u>	<u>88,230</u>
Total	<u>\$360,000</u>	<u>\$73,295</u>	<u>\$433,295</u>

In accordance with Louisiana Revised Statute 39:562, the Police Jury and its components are legally restricted from incurring long-term bonded debt in excess of ten percent of the assessed value of taxable property in the parish or district. At December 31, 1999, the statutory limit is \$3,352,875 and net outstanding bonded debt totals \$256,861.

The Police Jury records items under capital leases as an asset and an obligation in the accompanying financial statements. At December 31, 1999, the Police Jury had five capital leases in effect for equipment. The leases had an original recorded amount of \$297,620. Obligations are retired from the road maintenance and construction fund. The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of December 31, 1999:

Fiscal year:	
2000	\$30,298
2001	25,509
Less amounts representing executory costs	<u>-</u>
Net minimum lease payments	55,807
Less amounts representing interest	<u>3,580</u>
Present value of net minimum lease payments	<u>\$52,227</u>

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 12 - CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish general fund. However, for the year ended December 31, 1999, the Criminal Court Fund does not have a year-end fund balance for transfer to the parish general fund.

NOTE 13 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

Due from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Criminal Court	\$16,588
Head Start	Child Nutrition	12,745
Section 8 Existing	Section 8 Mod Rehabilitation	13,000
	Section 8 Voucher	20,059
Section 8 Voucher	Section 8 Mod Rehabilitation	5,460
	Section 8 Existing	<u>30,179</u>
Total		<u>\$98,031</u>

NOTE 14 - INTERFUND TRANSFERS (FFS LEVEL ONLY)

Operating transfers for the year ended December 31, 1999, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund		\$5,000
Special revenue funds:		
Airport	<u>\$5,000</u>	_____
Totals	<u>\$5,000</u>	<u>\$5,000</u>

NOTE 15 - LITIGATION AND CLAIMS

Grant Disallowances

The Police Jury participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

NOTE 15 - LITIGATION AND CLAIMS (Continued)

Commodities

During the year ended December 31, 1999, the Community Action Agency of East Carroll Parish (component unit) received from the United States Department of Agriculture through the Louisiana State Department of Agriculture, commodities in the amount of \$43,280, which were received and distributed to eligible participants in the parish.

NOTE 16 - CONTINGENCIES

Several problems were noted in compliance testing of landlord/tenant files for the Section 8 program. Considering the pervasiveness of the problems identified the total amount of all federal awards received under the two Section 8 federal award programs totaling \$475,389 is questioned. No provision has been made in the financial statements for this contingency.

NOTE 17 - SUBSEQUENT EVENTS

An election was held in 1999 to elect Police Jury members. Two of the present jurors were re-elected and seven new jurors took office on January 1, 2000.

NOTE 18 - RISK MANAGEMENT

The Police Jury is at risk for property damage, liability and theft which are covered by insurance policies.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**REQUIRED SUPPLEMENTAL INFORMATION
(PART B)**

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

Budgetary Comparison Schedule

General Fund And Major Special Revenue Funds With Legally Adopted Annual Budgets

GENERAL FUND

The general fund accounts for all activities of the Police Jury except those that are accounted for in other funds.

ROAD MAINTENANCE AND CONSTRUCTION

The road maintenance fund accounts for the maintenance of the parish highways, streets, and bridges. Major means of financing is provided by a one percent sales tax.

GARBAGE DISTRICT NO. 1

The solid waste fund accounts for the operations of the parish-wide landfill project and is funded by a district ad valorem tax.

LIBRARY

The library fund accounts for the operations of the parish library. Financing is provided by a specific parish-wide ad valorem tax.

HEALTH UNIT

The health unit fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a specific parish-wide ad valorem taxes.

SECTION 8 EXISTING

Provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low-income families in private market rental units at rents they can afford. This is primarily a tenant-based rental assistance program through which participants are assisted in rental units of their choice; however, a public housing agency may also attach up to 15 percent of its certificate funding to rehabilitated or newly constructed units under a project-based component of the program. All assisted units must meet program guidelines. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the family's required contribution towards rent. Assisted families must pay the highest of 30 percent of the monthly adjusted family income, ten percent of gross monthly family income, or the portion of welfare assistance designated for the monthly housing cost of the family.

SECTION 8 VOUCHER

Provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for very low-income families at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30 percent of the family's adjusted income. The family has to pay at least ten percent of gross monthly income for rent.

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 1999

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 125,446	\$ 125,446
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	153,000	174,031	170,843	(3,188)
Sales and use	42,000	43,000	43,485	485
Licenses and permits	20,000	27,558	28,030	472
Intergovernmental revenues:				
Federal funds	0	51,459	66,229	14,770
State funds:				
State revenue sharing (net)	58,000	58,000	55,671	(2,329)
Severance taxes	12,000	7,945	10,370	2,425
Other	14,000	94,326	109,306	14,980
Fees, charges, and commissions for services	120,958	120,958	120,958	0
Use of money and property	1,100	11,281	12,072	791
Intergovernmental	100,000	100,000	100,000	0
Other revenues	21,350	139,048	140,767	1,719
Amounts available for appropriations	<u>\$ 542,408</u>	<u>\$ 827,606</u>	<u>\$ 983,177</u>	<u>\$ 155,571</u>
Charges to appropriations (outflows)				
General government:				
Legislative	\$ 76,650	\$ 82,443	\$ 80,151	2,292
Judicial	75,000	99,073	86,041	13,032
Elections	24,000	36,430	36,500	(70)
Finance and administrative	94,400	98,277	105,304	(7,027)
Other general government	156,400	169,397	163,376	6,021
Public safety	73,700	97,013	82,792	14,221
Health and welfare	500	500	509	(9)
Culture and recreation	6,000	13,654	15,154	(1,500)
Economic development and assistance	18,748	121,174	139,184	(18,010)
Capital outlay	0	0	0	0
Transfers to other funds	7,000	5,000	5,000	0
Total charges to appropriations	<u>\$ 532,398</u>	<u>\$ 722,961</u>	<u>\$ 714,011</u>	<u>\$ 8,950</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 10,010</u>	<u>\$ 104,645</u>	<u>\$ 269,166</u>	<u>\$ 164,521</u>

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

ROAD MAINTENANCE AND CONSTRUCTION
Budgetary Comparison Schedule
For the Year Ended December 31, 1999

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 41,000	\$ 41,000	\$ 275,931	\$ 234,931
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	133,000	152,700	148,503	(4,197)
Sales and use	420,000	430,000	425,050	(4,950)
Intergovernmental revenues:				
State funds:				
Parish transportation funds	192,000	152,000	173,220	21,220
Use of money and property	3,000	7,152	8,233	1,081
Other revenues	50,000	63,344	63,344	0
Amounts available for appropriations	<u>\$ 839,000</u>	<u>\$ 846,196</u>	<u>\$ 1,094,281</u>	<u>\$ 248,085</u>
Charges to appropriations (outflows)				
Public works	\$ 715,258	\$ 670,894	\$ 640,569	\$ 30,325
Debt service:				
Principal retirement	76,683	54,779	55,352	(573)
Interest and bank charges	11,889	11,889	11,889	0
Capital outlay	20,000	22,288	22,288	0
Transfers to other funds	0	43,000	46,438	(3,438)
Total charges to appropriations	<u>\$ 823,830</u>	<u>\$ 802,850</u>	<u>\$ 776,536</u>	<u>\$ 26,314</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 15,170</u>	<u>\$ 43,346</u>	<u>\$ 317,745</u>	<u>\$ 274,399</u>

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

GARBAGE DISTRICT NO. 1
Budgetary Comparison Schedule
For the Year Ended December 31, 1999

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 204,000	\$ 204,000	\$ 358,657	\$ 154,657
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	172,000	195,000	187,067	(7,933)
Use of money and property	8,000	5,300	5,835	535
Amounts available for appropriations	\$ 384,000	\$ 404,300	\$ 551,559	\$ 147,259
Charges to appropriations (outflows)				
Public works	\$ 141,500	\$ 154,300	\$ 151,105	\$ 3,195
Total charges to appropriations	\$ 141,500	\$ 154,300	\$ 151,105	\$ 3,195
BUDGETARY FUND BALANCES, ENDING	\$ 242,500	\$ 250,000	\$ 400,454	\$ 150,454

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

LIBRARY
Budgetary Comparison Schedule
For the Year Ended December 31, 1999

Exhibit 1-4

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 90,000	\$ 90,000	\$ 320,671	\$ 230,671
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	175,000	175,000	185,040	10,040
Intergovernmental revenues:				
State funds:				
State revenue sharing (net)	15,000	15,000	14,587	(413)
Other	5,025	5,025	29,851	24,826
Use of money and property	3,225	9,225	15,345	6,120
Other revenues	7,300	1,300	1,769	469
Amounts available for appropriations	\$ 295,550	\$ 295,550	\$ 567,263	\$ 271,713
Charges to appropriations (outflows)				
Culture and recreation	\$ 207,550	\$ 192,550	\$ 188,323	\$ 4,227
Capital outlay	8,000	8,000	1,499	6,501
Total charges to appropriations	\$ 215,550	\$ 200,550	\$ 189,822	\$ 10,728
BUDGETARY FUND BALANCES, ENDING	\$ 80,000	\$ 95,000	\$ 377,441	\$ 282,441

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

HEALTH UNIT
Budgetary Comparison Schedule
For the Year Ended December 31, 1999

Exhibit 1-5

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 200,000	\$ 200,000	\$ 316,001	\$ 116,001
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	80,000	88,000	86,735	(1,265)
Use of money and property	8,500	9,150	11,124	1,974
Other revenues	0	0	1,180	1,180
Amounts available for appropriations	\$ 288,500	\$ 297,150	\$ 415,040	\$ 117,890
Charges to appropriations (outflows)				
Health and welfare	\$ 46,976	\$ 46,746	\$ 42,500	\$ 4,246
Total charges to appropriations	\$ 46,976	\$ 46,746	\$ 42,500	\$ 4,246
BUDGETARY FUND BALANCES, ENDING	\$ 241,524	\$ 250,404	\$ 372,540	\$ 122,136

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

SECTION 8 EXISTING
Budgetary Comparison Schedule
For the Year Ended December 31, 1999

Exhibit 1-6

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	(1,294)	\$ (1,294)
Resources (inflows)				
Intergovernmental revenues:				
Federal funds	340,000	394,578	375,644	(18,934)
Use of money and property	0	0	5,712	5,712
Other revenues	0	0	1,914	1,914
Amounts available for appropriations	\$ 340,000	\$ 394,578	\$ 381,976	\$ (12,602)
Charges to appropriations (outflows)				
General government:				
Finance and administrative	\$ 0	\$ 0	51	\$ (51)
Health and welfare	299,500	394,578	387,051	7,527
Total charges to appropriations	\$ 299,500	\$ 394,578	\$ 387,102	\$ 7,476
BUDGETARY FUND BALANCES, ENDING	\$ 40,500	\$ 0	(5,126)	\$ (5,126)

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

SECTION 8 VOUCHER
Budgetary Comparison Schedule
For the Year Ended December 31, 1999

Exhibit 1-7

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 705	\$ 705
Resources (inflows)				
Intergovernmental revenues:				
Federal funds	96,270	96,270	99,745	3,475
Use of money and property	0	0	692	692
Amounts available for appropriations	\$ 96,270	\$ 96,270	\$ 101,142	\$ 4,872
Charges to appropriations (outflows)				
Health and welfare	\$ 96,270	\$ 96,270	\$ 93,117	\$ 3,153
Total charges to appropriations	\$ 96,270	\$ 96,270	\$ 93,117	\$ 3,153
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 8,025	\$ 8,025

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 1999**

A. BUDGETS

General Budget Policies

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. 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 Police Jury's regular December meeting, and a notice of the adoption is then published in the official journal.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. The Police Jury does not use encumbrance accounting in its accounting system.

For the year ended December 31, 1999, cash basis budgets were adopted for the general fund and all special revenue funds, except the criminal court special revenue fund, which is exempt from the requirements Louisiana Revised Statutes 30:1301-1314 (Local Government Budget Act) and the Head Start and Child Nutrition funds. The Head Start and Child Nutrition budgets were approved by the Policy Council for Head Start, but were not approved by the Police Jury.

Community Action Agency of East Carroll Parish (Component Unit)

Preliminary budgets of the Community Action Agency of East Carroll Parish for the ensuing year are prepared by the executive director in November and made available to the public. The budgets are then adopted by the Board of Directors of the Community Action Agency of East Carroll Parish during the regular December meeting. The proposed budgets are prepared on the modified accrual basis of accounting. The budgets are established and controlled by the Board of Directors at the function level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budgets must be approved by the Board and the grantor agencies.

Formal budgetary integration is employed as a management control device during the year.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 1999**

A. BUDGETS (Continued)

Encumbrances

Encumbrance accounting is not recognized within the accounting records for budgetary control purposes. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting

All governmental funds' budgets are prepared on the cash basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**



East Carroll Parish Police Jury
Lake Providence, Louisiana

Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 1999

B. BUDGET TO GAAP RECONCILIATION - EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

	<u>General</u>	<u>Road Maintenance and Construction</u>	<u>Garbage District No. 1</u>	<u>Library</u>	<u>Health Unit</u>	<u>Section 8 Existing</u>	<u>Section 8 Voucher</u>
<u>Sources/inflows of resources:</u>							
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 983,177	\$ 1,094,281	\$ 551,559	\$ 567,263	\$ 415,040	\$ 381,976	\$ 101,142
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes	(125,446)	(275,931)	(358,657)	(320,671)	(316,001)	1,294	(705)
Accrual of accounts receivable for financial reporting purposes	55,648	50,862	4,897	4,382	-	-	-
Transfers of tax collections to other funds classified as tax revenue for budgetary purposes and as a reduction of tax revenue for financial reporting	-	(46,438)	-	-	-	-	-
Transfers from other funds to offset expenditures classified as receipts for budgetary purposes and as a reduction of expenditure for financial reporting	(66,229)	(50,000)	-	-	-	-	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 847,150</u>	<u>\$ 772,774</u>	<u>\$ 197,799</u>	<u>\$ 250,974</u>	<u>\$ 99,039</u>	<u>\$ 383,270</u>	<u>\$ 100,437</u>

East Carroll Parish Police Jury
Lake Providence, Louisiana

Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 1999

B. BUDGET TO GAAP RECONCILIATION - EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

	<u>General</u>	<u>Road Maintenance and Construction</u>	<u>Garbage District No. 1</u>	<u>Library</u>	<u>Health Unit</u>	<u>Section 8 Existing</u>	<u>Section 8 Voucher</u>
Uses/Outflows of resources:							
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 714,011	\$ 776,536	\$ 151,105	\$ 189,822	\$ 42,500	\$ 387,102	\$ 93,117
Transfers from other funds to offset expenditures classified as receipts for budgetary purposes and as a reduction of expenditures for financial reporting	(66,229)	-	-	-	-	-	-
Accrual of accounts payable for financial reporting	7,982	-	-	2,162	-	-	-
Transfers of tax collections to other funds classified as a transfer out for budgetary purposes and as a reduction of tax revenue for financial reporting	-	(46,438)	-	-	-	-	-
Transfers from other funds to offset expenditures classified as receipts for budgetary purposes and as a reduction of expenditure for financial reporting	-	(50,000)	-	-	-	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 655,764</u>	<u>\$ 680,098</u>	<u>\$ 151,105</u>	<u>\$ 191,984</u>	<u>\$ 42,500</u>	<u>\$ 387,102</u>	<u>\$ 93,117</u>

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 1999**

C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

The following fund had actual expenditures over budgeted expenditures for the year ended December 31, 1999:

<u>Non Major Funds</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Special Revenue Funds:			
Rural Fire	\$73,885	\$76,337	\$2,452

Actual expenditures exceeded appropriations as a result of unanticipated accruals occurring after the last budget revision.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

SUPPLEMENTAL INFORMATION

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
December 31, 1999

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	TOTAL
ASSETS			
Cash and cash equivalents	\$ 94,925	\$ 24,659	\$ 119,584
Receivables	193,026	78,480	271,506
Inventories	3,112	0	3,112
	<u>\$ 291,063</u>	<u>\$ 103,139</u>	<u>\$ 394,202</u>
TOTAL ASSETS			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	\$ 10,423	\$ 0	\$ 10,423
Interfund payables	47,793	0	47,793
	<u>\$ 58,216</u>	<u>\$ 0</u>	<u>\$ 58,216</u>
Total Liabilities			
Fund Balances:			
Reserved for debt service	\$ 0	\$ 103,139	\$ 103,139
Reserved for inventory and prepaid items	3,112	0	3,112
Unreserved, reported in Special Revenue	229,735	0	229,735
	<u>\$ 232,847</u>	<u>\$ 103,139</u>	<u>\$ 335,986</u>
Total Fund Balances			
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 291,063</u>	<u>\$ 103,139</u>	<u>\$ 394,202</u>

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended December 31, 1999

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	TOTAL
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 189,240	\$ 87,570	\$ 276,810
Intergovernmental revenues:			
Federal funds - federal grants	71,900	0	71,900
State funds:			
Other	9,885	0	9,885
Fees, charges, and commissions for services	3,389	0	3,389
Fines and forfeitures	161,356	0	161,356
Use of money and property	5,929	1,168	7,097
Other revenues	10,187	0	10,187
	\$ 451,886	\$ 88,738	\$ 540,624
Total Revenues			
EXPENDITURES			
Current:			
General government:			
Judicial	\$ 169,748	\$ 0	\$ 169,748
Finance and administrative	0	3,539	3,539
Public safety	58,504	0	58,504
Public works	144,317	0	144,317
Health and welfare	71,934	0	71,934
Transportation	7,596	0	7,596
Debt service:			
Principal retirement	0	60,000	60,000
Interest and bank charges	0	29,460	29,460
	\$ 452,099	\$ 92,999	\$ 545,098
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES			
	\$ (213)	\$ (4,261)	\$ (4,474)

(CONTINUED)

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended December 31, 1999

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	TOTAL
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 5,000	\$ 0	\$ 5,000
Transfers out	0	0	0
Total Other Financing Sources (Uses)	\$ 5,000	\$ 0	\$ 5,000
SPECIAL ITEMS			
Proceeds of capital lease	\$ 0	\$ 0	\$ 0
Total Special Items	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ 4,787	\$ (4,261)	\$ 526
FUND BALANCES - BEGINNING	228,060	107,400	335,460
FUND BALANCES - ENDING	\$ 232,847	\$ 103,139	\$ 335,986

(CONCLUDED)

**East Carroll Parish Police Jury
Lake Providence, Louisiana**



**East Carroll Parish Police Jury
Lake Providence, Louisiana**

NONMAJOR SPECIAL REVENUE FUNDS

DRAINAGE MAINTENANCE

The drainage maintenance fund accounts for the maintenance of the parish drainage system. Financing is provided by ad valorem taxes.

RURAL FIRE

The rural fire fund accounts for resources for fire protection provided to the residents of East Carroll Parish and is financed by ad valorem tax.

AIRPORT

The airport fund accounts for the operation and maintenance of East Carroll Parish Airport. Funding is provided primarily from transfers from the general fund.

CRIMINAL COURT

The criminal court fund accounts for fines and forfeitures imposed by the Sixth Judicial District Court and district attorney conviction fees in criminal cases. These revenues are used to finance the operation of the criminal court of East Carroll Parish.

CHILD NUTRITION

This fund accounts for the activities of the child and adult care food program. This program assists states, through grants and donated foods, to initiate and maintain non-profit food service programs for eligible children and adults in nonresidential day care settings.

SECTION 8 MOD REHABILITATION

Provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for very low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution towards rent. Assisted families must pay the highest of 30 percent of their monthly adjusted family income, ten percent of gross family income, or the portion of welfare assistance designated for housing toward rent.

EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
December 31, 1999

	DRAINAGE MAINTENANCE	RURAL FIRE	AIRPORT	CRIMINAL COURT
ASSETS				
Cash and cash equivalents	\$ 21,692	\$ 57,385	\$ 1,792	\$ 0
Receivables	132,036	36,502	0	304
Inventories	0	0	0	0
TOTAL ASSETS	\$ 153,728	\$ 93,887	\$ 1,792	\$ 304
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts, salaries and other payables	\$ 0	\$ 0	\$ 0	\$ 0
Payroll deductions payable	0	0	0	0
Interfund payables	0	0	0	16,588
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 16,588
Fund Balances:				
Reserved for inventory and prepaid items	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved and undesignated	153,728	93,887	1,792	(16,284)
Total Equity	\$ 153,728	\$ 93,887	\$ 1,792	\$ (16,284)
TOTAL LIABILITIES AND FUND EQUITY	\$ 153,728	\$ 93,887	\$ 1,792	\$ 304

Exhibit 4

CHILD NUTRITION	SECTION 8 MOD REHAB	TOTAL
\$ 12,513	\$ 1,543	\$ 94,925
12,152	12,032	193,026
<u>3,112</u>	<u>0</u>	<u>3,112</u>
<u>\$ 27,777</u>	<u>\$ 13,575</u>	<u>\$ 291,063</u>
\$ 2,258	\$ 8,165	\$ 10,423
0	0	0
<u>12,745</u>	<u>18,460</u>	<u>47,793</u>
<u>\$ 15,003</u>	<u>\$ 26,625</u>	<u>\$ 58,216</u>
\$ 3,112	0	\$ 3,112
<u>9,662</u>	<u>(13,050)</u>	<u>229,735</u>
<u>\$ 12,774</u>	<u>\$ (13,050)</u>	<u>\$ 232,847</u>
<u>\$ 27,777</u>	<u>\$ 13,575</u>	<u>\$ 291,063</u>

**EAST CARROLL PARISH POLICE JURY
Lake Providence, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 1999**

	<u>DRAINAGE MAINTENANCE</u>	<u>RURAL FIRE</u>	<u>AIRPORT</u>	<u>CRIMINAL COURT</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 148,504	\$ 40,736	\$ 0	\$ 0
Intergovernmental revenues:				
Federal funds - federal grants	0	0	0	0
State funds:				
Other	0	9,885	0	0
Fees, charges, and commissions for services	0	0	3,389	0
Fines and forfeitures	0	0	0	161,356
Use of money and property	2,485	2,999	0	0
Other revenues	0	7,947	0	0
Total Revenues	\$ 150,989	\$ 61,567	\$ 3,389	\$ 161,356
EXPENDITURES				
Current:				
General government:				
Judicial	\$ 0	\$ 0	\$ 0	\$ 169,748
Public safety	0	58,504	0	0
Public works	144,317	0	0	0
Health and welfare	0	0	0	0
Transportation	0	0	7,596	0
Total Expenditures	\$ 144,317	\$ 58,504	\$ 7,596	\$ 169,748
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 6,672	\$ 3,063	\$ (4,207)	\$ (8,392)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	\$ 0	\$ 0	\$ 5,000	\$ 0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 5,000	\$ 0
Net Change in Fund Balances	\$ 6,672	\$ 3,063	\$ 793	\$ (8,392)
FUND BALANCES AT BEGINNING OF YEAR	147,056	90,824	999	(7,892)
FUND BALANCES AT END OF YEAR	\$ 153,728	\$ 93,887	\$ 1,792	\$ (16,284)

Exhibit 5

CHILD NUTRITION	SECTION 8 MOD REHAB	TOTAL
\$ 0	\$ 0	\$ 189,240
71,900	0	71,900
0	0	9,885
0	0	3,389
0	0	161,356
0	445	5,929
2,240	0	10,187
<u>\$ 74,140</u>	<u>\$ 445</u>	<u>\$ 451,886</u>
\$ 0	\$ 0	\$ 169,748
0	0	58,504
0	0	144,317
71,703	231	71,934
0	0	7,596
<u>\$ 71,703</u>	<u>\$ 231</u>	<u>\$ 452,099</u>
<u>\$ 2,437</u>	<u>\$ 214</u>	<u>\$ (213)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,000</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,000</u>
\$ 2,437	\$ 214	\$ 4,787
10,337	(13,264)	228,060
<u>\$ 12,774</u>	<u>\$ (13,050)</u>	<u>\$ 232,847</u>

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

GENERAL

Exhibit 5

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, the president receives \$700 per month and the other jurors receive \$600 per month.

**Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 1999**

Joseph Jackson, President	\$ 8,400
Brown F. Nelson	7,200
Earl K. Fortenberry	7,200
Billy Travis	7,200
George Hopkins	7,200
W. L. Payne	7,200
Clifton Scott	7,200
Darrin Dixon	7,200
Bobby L. Moore	<u>7,200</u>
Total	<u>\$66,000</u>

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**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Single Audit Report
And Other Information
As of and for the Year Ended December 31, 1999**

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Single Audit Report
And Other Information
As of and for the Year Ended December 31, 1999**

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**East Carroll Parish Police Jury
Lake Providence, Louisiana**

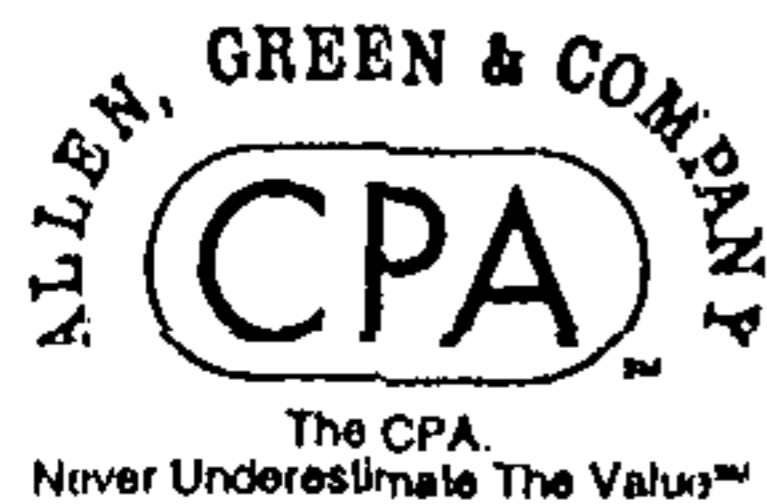
**Single Audit Report
And Other Information
As of and for the Year Ended December 31, 1999**

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The first report following this page is a report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards, issued by the Comptroller General of the United States. The section of the report on compliance is based solely on the audit of the basic financial statements and presents, where applicable, compliance matters that would be material to the basic financial statements. The section of the report on internal control over financial reporting is, likewise, based solely on the audit of the basic financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses.

**OTHER REPORT REQUIRED BY
OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR No. A-133**

The second report following this page contains information on the report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular No. A-133. The section of the report on compliance is related to tests of compliance with laws, regulations, contracts and grants relating to federal awards programs. The section of the report on internal control over compliance is, likewise, related to matters that would be significant and/or material to federal awards programs.



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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

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

We have audited the basic financial statements of East Carroll Parish Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 15, 2000. Our report was qualified because the Police Jury has expended certain federal grant funds in a manner that may have violated certain of the restrictive provisions of the related grants. Also, certain component units were omitted from the financial statements. 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 Police Jury's basic 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 99-F1.

Internal Control Over Financial Reporting

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

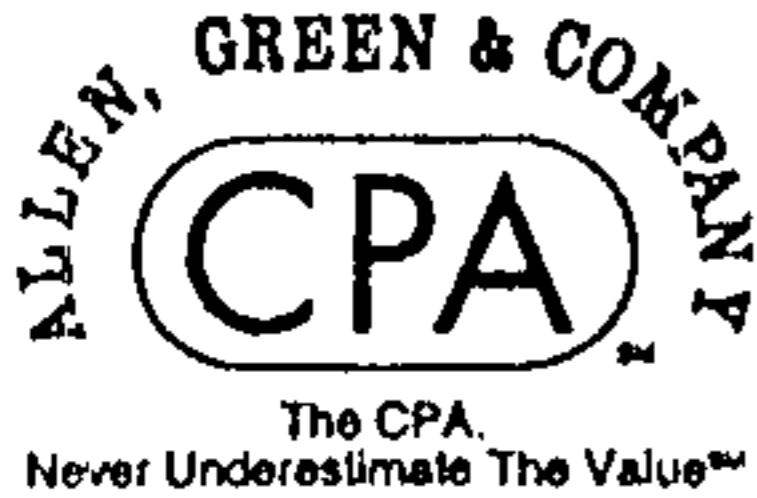
Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

This report is intended solely for the information and use of the Police Jurors, management, 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.

Allen, Green + Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
June 15, 2000



ALLEN, GREEN & COMPANY, LLP

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Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

Compliance

We have audited the compliance of the East Carroll Parish Police Jury, Lake Providence, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular No. A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 1999. The Police Jury's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Police Jury's management. Our responsibility is to express an opinion on East Carroll Parish Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. 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 Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Police Jury's compliance with those requirements.

As described in item 99-F2 in the accompanying Schedule of Findings and Questioned Costs, the Police Jury did not comply with the requirements regarding eligibility and special tests and provisions that are applicable to its Section 8 programs. Compliance with such requirements is necessary, in our opinion, for the Police Jury to comply with the requirements applicable to those programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the Policy Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

Internal Control Over Compliance

The management of the Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 15, 2000. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the basic financial statements of the Police Jury. 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 basic financial statements taken as a whole.

This report is intended solely for the information and use of the Police Jurors, management, 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.

Allen, Green + Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
June 15, 2000

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 1999**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
Childcare Food Program	10.558	N/A	\$ 71,900
Passed Through Louisiana Department of Agriculture and Forestry:			
Temporary Emergency Food Assistance	10.568	N/A	<u>6,573</u>
Total United States Department of Agriculture			<u>78,473</u>
United States Department of Housing and Urban Development			
Direct Programs:			
Section 8 Cluster			
Section 8 Voucher Program	14.855	FW2118	99,745
Section 8 Rental Certificate Program	14.857	FW2118	<u>375,644</u>
Total United States Department of Housing and Urban Development			<u>475,389</u>
United States Department of Health and Human Services			
Direct Program:			
Head Start	93.600	06CH0020/22 & 23	779,029
Passed Through Louisiana Department of Labor:			
Community Services Block Grant	13.792	N/A	68,903
Passed Through Louisiana Department of Social Services:			
Low-Income Home Energy Assistance	13.789	N/A	<u>49,533</u>
Total United States Department of Health and Human Services			<u>897,465</u>
United States Department of Energy			
Passed Through Louisiana Department of Social Services:			
Weatherization Assistance for Low Income Persons	81.042	N/A	<u>5,137</u>
Federal Emergency Management Agency			
Passed Through United Way of America:			
Federal Emergency Food and Shelter	83.523	N/A	<u>18,291</u>
TOTAL CASH FEDERAL AWARDS			<u>1,474,755</u>

(Continued)

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 1999**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
NON CASH FEDERAL AWARDS			
United States Department of Agriculture Passed Through Louisiana Department of Agriculture and Forestry: Food Distribution Program	10.550	N/A	<u>\$ 36,707</u>
TOTAL NON CASH FEDERAL AWARDS			<u>36,707</u>
TOTAL FEDERAL AWARDS			<u>\$1,511,462</u>

(Concluded)

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 1999**

NOTE 1 - GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the East Carroll Parish Police Jury, Lake Providence, Louisiana. The East Carroll Parish Police Jury (the "Police Jury") reporting entity is defined in note 1 to the Police Jury's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal awards revenues are reported in the Police Jury's basic financial statements as follows:

	<u>Federal Sources</u>
Special revenue funds:	
Road maintenance and construction	\$ 11,344
Head Start	779,029
Section 8 Existing	375,644
Section 8 Voucher	99,745
Child Nutrition	71,900
Component Unit - Community Action Agency	<u>173,800</u>
Total	<u>\$1,511,462</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

NOTE 5 - MATCHING REVENUES AND STATE FUNDING

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was qualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There was an instance of noncompliance that was considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was qualified.
- vi. The audit disclosed an audit finding which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal programs are:
 - CFDA #93.600 Head Start
 - Section 8 Cluster
 - CFDA#14.855 Section 8 Voucher Program
 - CFDA#14.857 Section 8 Rental Certificate Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee does not qualify as a low-risk auditee under OMB Circular No. A-133, Section .530.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

PART II - Findings related to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

Reference # and title: 99-F1 Section 8 Landlord/Tenant Files

Entity-wide or program/department specific:

	<u>CFDA#</u>	<u>Pass-Through Grantor No.</u>	<u>Federal Award Year</u>
Section 8 Voucher Program	14.855	FW 2118	1999, 2000
Section 8 Rental Certificate Program	14.857	FW 2118	1999, 2000

Criteria or specific requirement: This finding is a result of performing the procedures outlined in the U. S. Office of Management and Budget "A-133 compliance Supplement" for the Section 8 cluster regarding eligibility and special tests and procedures.

Condition found: The auditors selected housing assistance payment (HAP) from the disbursements journals from various months in 1999. Of the 18 files selected for testing the following conditions were found:

Rental Certificates:

- Three files had keypunch errors for social security numbers entered on Form 50058.
- Three files had keypunch errors for the birth dates entered on Form 50058.
- One file had no documentation of birth date or social security number.
- Two files contained no income verification.
- In one instance income was verified but the rent calculation was not adjusted.
- One instance in which income used in rent calculation did not agree with income verification.
- Four instances in which the utility allowance was incorrectly calculated.
- One instance in which the tenant was not paid the calculated utility allowance payment for at least four months.

Vouchers:

- One file had a keypunch error for the birth date entered on Form 50058.
- One file contained no income verification.
- One instance in which the utility allowance was incorrectly calculated.
- One instance in which the income used in the rent calculation did not agree to the income verification.
- One instance in which proper verification was not obtained when tenant's living status changed.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

PART II - Findings related to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

Reference # and title: 99-F1 Section 8 Landlord/Tenant Files (Continued)

Identification of questioned costs and how they were computed: Considering the pervasiveness of the problems identified in the conditions above the total amount of all federal awards received under the two federal programs are questioned. The total amount of each federal award program for the 1999 calendar year was as follows:

Section 8 Voucher Program	\$ 99,745
Section 8 Rental Certificate Program	<u>375,644</u>
Total	<u>\$475,389</u>

Proper perspective for judging the prevalence and consequences: The total population consists of approximately 110 to 115 rental units for these two program. The sample of 18 landlord/tenant files tested revealed that the problems are pervasive.

Possible asserted effect (cause and effect):

Cause: This finding has been repeated several times. The auditors cannot determine the cause.

Effect: HUD-required documentation for numerous tenant files was incomplete. Utility allowance calculations and housing assistance payment calculations did not agree with documentation in the files for numerous tenants.

Recommendations to prevent future occurrences:

- a. Individually review all files of families currently participating in the Section 8 Programs to ensure all necessary documentation is available, complete, and agrees to Form 50058.
- b. Develop a checklist of information to be included in the file.
- c. Have someone independent of Section 8 review files after completion to ensure information is in the file and is complete.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):

Reference # and title: 99-F2 Section 8 Landlord/Tenant Files

Entity-wide or program/department specific:

	<u>CFDA#</u>	<u>Pass-Through Grantor No.</u>	<u>Federal Award Year</u>
Section 8 Voucher Program	14.855	FW 2118	1999, 2000
Section 8 Rental Certificate Program	14.857	FW 2118	1999, 2000

Criteria or specific requirement: This finding is a result of performing the procedures outlined in the U. S. Office of Management and Budget "A-133 compliance Supplement" for the Section 8 cluster regarding eligibility and special tests and procedures.

Condition found: The auditors selected housing assistance payment (HAP) from the disbursements journals from various months in 1999. Of the 18 files selected for testing the following conditions were found:

Rental Certificates:

- Three files had keypunch errors for social security numbers entered on Form 50058.
- Three files had keypunch errors for the birth dates entered on Form 50058.
- One file had no documentation of birth date or social security number.
- Two files contained no income verification.
- In one instance income was verified but the rent calculation was not adjusted.
- One instance in which income used in rent calculation did not agree with income verification.
- Four instances in which the utility allowance was incorrectly calculated.
- One instance in which the tenant was not paid the calculated utility allowance payment for at least four months.

Vouchers:

- One file had a keypunch error for the birth date entered on Form 50058.
- One file contained no income verification.
- One instance in which the utility allowance was incorrectly calculated.
- One instance in which the income used in the rent calculation did not agree to the income verification.
- One instance in which proper verification was not obtained when tenant's living status changed.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):

Reference # and title: 99-F2 Section 8 Landlord/Tenant Files (Continued)

Identification of questioned costs and how they were computed: Considering the pervasiveness of the problems identified in the conditions above the total amount of all federal awards received under the two federal programs are questioned. The total amount of each federal award program for the 1999 calendar year was as follows:

Section 8 Voucher Program	\$ 99,745
Section 8 Rental Certificate Program	<u>375,644</u>
Total	<u>\$475,389</u>

Proper perspective for judging the prevalence and consequences: The total population consists of approximately 110 to 115 rental units for these two program. The sample of 18 landlord/tenant files tested revealed that the problems are pervasive.

Possible asserted effect (cause and effect):

Cause: This finding has been repeated several times. The auditors cannot determine the cause.

Effect: HUD-required documentation for numerous tenant files was incomplete. Utility allowance calculations and housing assistance payment calculations did not agree with documentation in the files for numerous tenants.

Recommendations to prevent future occurrences:

- a. Individually review all files of families currently participating in the Section 8 Programs to ensure all necessary documentation is available, complete, and agrees to Form 50058.
- b. Develop a checklist of information to be included in the file.
- c. Have someone independent of Section 8 review files after completion to ensure information is in the file and is complete.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

Other Information

The information in the following section concerns management's actions or intentions concerning prior- and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular No. A-133. This information has been prepared by the management of the East Carroll Parish Police Jury. Management accepts full responsibility, as required by OMB Circular No. A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular A-133 Section 500(e), and accordingly, no opinion is expressed. Section 500(e) requires the auditor to follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

Reference # and title: 98-F1 Timeliness of Record Keeping and Bank Reconciliations

Condition found: The trial balances for the police jury funds were not received by the auditors until June 1999, five months after year end. Receipts and disbursements were not recorded in a timely manner for several funds of the police jury. Several bank accounts were not reconciled timely. Bank accounts for the payroll fund and the Section 8 funds were not reconciled at all in 1998. The reconciliations for these accounts were done in June 1999.

Corrective action taken: The duties of the administrative staff were reassigned. The accounting functions are performed by persons not involved in the duties of the Secretary. Transactions for all funds are recorded timely. The bank accounts are reconciled at least within ten days of receipt of the bank statement. Trial balances for all funds are reviewed by the Treasurer and the police jury on a monthly basis.

Reference # and title: 98-F2 Parish Transportation Act

Condition found: The Police Jury did not have engineering plans and specifications for construction work performed in 1998.

Corrective action taken: No overlay projects were undertaken for 1999. The Police Jury has retained the services of an engineer for projects in the future.

Reference # and title: 98-F3 Section 8 Landlord/Tenant Files

Condition found: See finding 98-F6.

Corrective action planned: The current director of the Section 8 program will receive the training needed to ensure compliance with HUD requirements. All files will be reviewed for the required documentation and a checklist will be developed and used for all files to ensure all the required documentation is in the file.

Reference # and title: 98-F4 Inadequate Leave Records

Condition found: The Police Jury could not provide a compensated absence list for the year ended December 31, 1998. With the exception of Head Start and Community Action Agency, no leave records could be obtained.

Corrective action taken: All supervisors are keeping the necessary records.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

**Reference # and title: 98-F5 Regular Employees Paid as Contract Labor -
Community Action Agency**

Condition found: We noted one instance where an employee was paid with a vendor check, and the wages were not subjected to withholdings.

Corrective action taken: Beginning in July, all payments made to employees were reported as wages and were subject to withholdings.

Reference # and title: 98-F6 Section 8 Landlord/Tenant Files

Condition found: The auditors selected housing assistance payments (HAP) from the disbursement journals for various months in 1998.

Of 13 Section 8 Rental Certificate Program files chosen for testing:

Three annual recertifications were not in the file.

One had no copy of form 50058 or form 50059 in the file.

Two did not have social security numbers for all residents over six years of age.

One had no HUD form 9886 in the file.

One had no annual inspection in the file.

One inspection failed, no documentation of repairs.

Three had no support in the file for dates of birth for one or more residents.

Four utility allowances were incorrect.

Four income amounts used were incorrect according to documentation in the files.

Six files had documented rent reasonableness based upon rent information from an unrelated region.

One gross rent exceeded fair market rent.

Seven had no rent reasonableness documentation.

Of 2 Section 8 Moderate Rehabilitation Program files chosen for testing:

Two had incorrect utility allowances.

One had no verification of handicap assistance expense deduction.

One had no documentation to support adjustment.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

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

Reference # and title: 98-F6 Section 8 Landlord/Tenant Files (Continued)

Condition found: (Continued)

Of 5 Section 8 Rental Voucher Program tenant files chosen for testing:
One had no tenant application in the file.
One had no social security number for residents over six years of age in the file.
Three income calculation was incorrect.
One had no annual inspection in the file.
One had incomplete annual re-certification in file.
Two had no proof-of-date of birth for one or more residents.

Corrective action planned: The current Administrator will review all files as they come up for re-certification to ensure proper documentation is available and that income calculations and utility allowances are correct. The current Administrator will receive the training needed to ensure the required documentation is included in the files.

Anticipated completion date: By December 31, 2000.

Reference # and title: 98-F7 Test of Head Start Student Files

Condition found: Of the eleven student files tested the following conditions were noted:
Two applications not complete.
One file without proof of physical.

Corrective action taken: All student files were reviewed and documentation kept up to date.

Reference # and title: 98-F8 Section 8 Housing Assistance Payments Register

Condition found: The Housing Authority did not have a HAP Register available for the month of January 1998.

Corrective action taken: The Administrator ensured that all HAP Registers were maintained on file for reference in the future.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Corrective Action Plan for Current-Year Findings and Questioned Cost
December 31, 1999**

Reference # and title: 99-F1 Section 8 Landlord/Tenant Files

Condition found: The auditors selected housing assistance payment (HAP) from the disbursements journals from various months in 1999. Of the 18 files selected for testing the following conditions were found:

Existing:

Three files had keypunch errors for social security numbers entered on Form 50058.
Three files had keypunch errors for the birth dates entered on Form 50058.
One file had no documentation of birth date or social security number.
Two files contained no income verification.
In one instance income was verified but the rent calculation was not adjusted.
One instance in which income used in rent calculation did not agree with income verification.
Four instances in which the utility allowance was incorrectly calculated.
One instance in which the tenant was not paid the calculated utility allowance payment for at least four months.

Vouchers:

One file had a keypunch error for the birth date entered on Form 50058.
One file contained no income verification.
One instance in which the utility allowance was incorrectly calculated.
One instance in which the income used in the rent calculation did not agree to the income verification.
One instance in which proper verification was not obtained when tenant's living status changed.

Corrective action planned: Files will be reviewed as they come up for recertification to ensure proper documentation is available and that income calculations and utility allowances are correct. The current administrator will receive the training needed to ensure the required documentation is included in the files.

Person responsible for corrective action:

Mr. Joseph Jackson, President
East Carroll Parish Police Jury
400 First Street
Lake Providence, LA 71254

Phone: (318) 559-2256
Fax: (318) 559-1502

Anticipated completion date: December 31, 2000.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Corrective Action Plan for Current-Year Findings and Questioned Cost
December 31, 1999**

Reference # and title: 99-F2 Section 8 Landlord/Tenant Files

Condition found: See finding 99-F1.

Corrective action planned: Files will be reviewed as they come up for recertification to ensure proper documentation is available and that income calculations and utility allowances are correct. The current administrator will receive the training needed to ensure the required documentation is included in the files.

Anticipated completion date: December 31, 2000.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

Management Letter Items

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Status of Prior Management Letter Items
December 31, 1999**

Reference # and title: 98-M1 Vender Disbursements

Comment: We tested a total of 56 vendor disbursements from all activities of the Police Jury. All disbursements should be supported by original invoices, invoices should be approved by appropriate personnel, and invoices should be canceled to prevent duplicate payment. During testing, we noted the following:

1. Eight instances of disbursements not supported by sufficient documentation.
2. Nine instances of invoices not approved by appropriate personnel.
3. Nine instances of documentation not canceled to prevent duplicate payment.

Most of the problems noted were in the first six months of the year. An approval form was developed and used in the last six months of the year to document proper approval.

Corrective action taken: All disbursements were reviewed when the check was signed to ensure that proper documentation for the expenditure was attached and approved by appropriate personnel. Documentation was canceled when the check was signed.

Reference # and title: 98-M2 Declaring Emergencies

Comment: Per R. S. 38:2212(D) the provisions regarding advertising and letting to the lowest responsible bidder shall not apply in case of extreme public emergency where such emergency has been certified to by the public entity and notice of such public emergency shall, within ten days thereof, be published in the official journal of the public entity proposing or declaring such public emergency. The Police Jury purchased an air conditioner chilling unit in August 1998. It was declared an emergency, but was not published in the official journal within ten days of declaration.

Corrective action taken: The Police Jury did familiarize themselves with the provisions of the public bid law and in the future declarations of emergencies will be published in the official journal within ten days of the declaration.

Reference # and title: 98-M3 Hourly Wage Documentation

Comment: Documentation of hourly rates for employees of the road and drainage funds is not maintained in the personnel files for these employees. The Supervisor hiring these employees verbally informs the person preparing the payroll of the hourly rate. No salary schedules exist for hourly employees. Salaried employee wages are approved by the Board but the documentation from the minutes is not maintained in the employees personnel folder.

Corrective action taken: Approval of the hourly rate is maintained in the employees' personnel file by use of a payroll authorization form. Copies from the minutes of approval of salary rates are also maintained in the personnel files.

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Status of Prior Management Letter Items
December 31, 1999**

Reference # and title: 98-M4 Timely Transcription of Minutes

Comment: Police Jury meetings are taped and transcribed by the Secretary-Treasurer. After the minutes are transcribed the Policy Jury approves them at the next meeting. Several meetings of the Police Jury were not transcribed and approved until several months after the meeting occurred.

Corrective action taken: Minutes were transcribed and available for approval at the following Police Jury meeting.

Reference # and title: 98-M5 Fixed Asset Listing

Comment: Several assets were selected from the fixed asset listings to trace to the asset and several assets were selected to trace back to the listing. One item included on the listing with a cost of \$65,000 appeared not to have been used in several years. Several items could not be traced back to the listing because the listing did not include a serial number or item number.

Corrective action taken: The fixed asset listing was updated.