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# TANGIPAHOA PARISH COUNCIL

Amite, Louisiana

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## ANNUAL FINANCIAL REPORT

December 31, 1999

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Release Date JUL 26 2000

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**TANGIPAOA PARISH COUNCIL**  
**ANNUAL FINANCIAL REPORT**  
Year Ended December 31, 1999

**LEE GRAY**  
Certified Public Accountant

**TANGIPAHOA PARISH COUNCIL**  
**Amite, Louisiana**

General Purpose Financial Statements  
 With Supplemental Information  
 And Independent Auditor's Reports  
 As of and for the Year Ended December 31, 1999

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## INDEPENDENT AUDITOR'S REPORT

To the Parish President and Members  
of the Tangipahoa Parish Council  
Amite, Louisiana

I have audited the accompanying general purpose financial statements of the Tangipahoa Parish Council, Louisiana as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Tangipahoa Parish Council's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

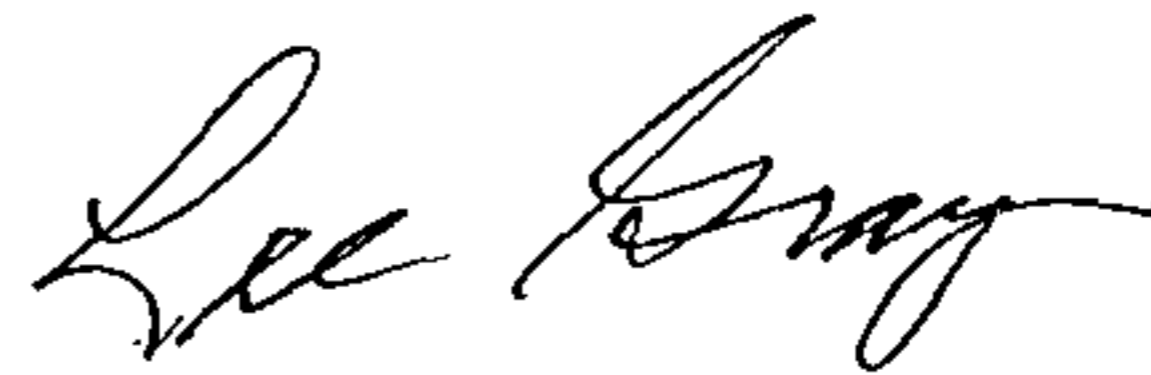
The general purpose financial statements referred to above do not include financial data of the component units listed in the Notes to Financial Statements, Note 1 (B) Reporting Entity, pages 16-18, which should be included in order to conform with generally accepted accounting principles. I am unable to determine the amounts by which the assets and liabilities and revenues and expenditures would have been increased had the omitted component units been included, nor can I determine the amount of fund balances/retained earnings of the omitted component units.

In my opinion, except for the effects on the financial statements of the omission described in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tangipahoa Parish Council, Louisiana, as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.



In accordance with *Government Auditing Standards*, I have also issued my report dated June 16, 2000, on my consideration of the Tangipahoa Parish Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements of the Tangipahoa Parish Council, Louisiana. Also, the combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Tangipahoa Parish Council, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.



Certified Public Accountant

June 16, 2000

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 December 31, 1999

GOVERNMENTAL FUND TYPES

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>
<b><u>ASSETS AND OTHER DEBITS</u></b>				
Cash and cash equivalents	\$ 460,608	\$ 4,143,382	\$ 31,163	\$ 40,340
Restricted Cash	0	0	0	0
Receivables	845,804	3,304,175	84,903	0
Due from other governments	114,201	828	0	0
Due from other funds	15,190	23,611	0	1,950
Property, plant, and equipment, net	0	0	0	0
Deposits with deferred compensation	0	0	0	0
Amount available in debt service fund	0	0	0	0
Amount to be provided for retirement of general long-term debt	0	0	0	0
Landfill closure and postclosure care costs	0	0	0	0
	-----	-----	-----	-----
<b>Total Assets</b>	<b>\$ 1,435,803</b>	<b>\$ 7,471,996</b>	<b>\$ 116,066</b>	<b>\$ 42,290</b>
	=====	=====	=====	=====
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 94,622	\$ 2,170,184	\$ 3,519	\$ 0
Current Maturities	0	0	0	0
Accrued Expenses	46,414	170,869	0	0
Due to other funds	21,997	43,637	0	1,400
Due to HUD	0	142,138	0	0
Due to plan participants	0	0	0	0
Judgement Payable	0	0	0	0
Revenue Bonds Payable	0	0	0	0
Bonds payable	0	0	0	0
Lease-purchases payable	0	0	0	0
Certificates of indebtedness	0	0	0	0
Estimated liability for landfill closure care costs	0	0	0	0
	-----	-----	-----	-----
<b>Total Liabilities</b>	<b>163,034</b>	<b>2,526,828</b>	<b>3,519</b>	<b>1,400</b>
	-----	-----	-----	-----

Continued on the following page

The notes to the financial statements are an integral part of this statement.



## STATEMENT A

PROPRIETARY ENTERPRISE <u>FUND</u>	FUND TYPES		FIDUCIARY FUND TYPE TRUST AND AGENCY <u>FUNDS</u>	ACCOUNT GROUPS		TOTAL (MEMORANDUM) <u>(ONLY)</u>
	INTERNAL SERVICE <u>FUND</u>			GENERAL LONG-TERM <u>FIXED ASSETS</u>	GENERAL LONG-TERM <u>DEBT</u>	
\$ 136,592	\$ 98,142	\$	212,252	\$	0	\$ 5,122,481
24,097	0		0		0	24,097
57,786	0		2,432		0	4,295,100
0	0		20,191		0	135,220
0	26,819		0		0	67,569
2,206,988	45,631		0	30,887,585	0	33,140,204
0	0		916,389	0	0	916,389
0	0		0	0	112,548	112,548
0	0		0	0	1,537,398	1,537,398
0	0		0	0	4,151,709	4,151,709
<u>\$ 2,425,463</u>	<u>\$ 170,592</u>	<u>\$</u>	<u>1,151,264</u>	<u>\$</u>	<u>30,887,585</u>	<u>\$ 5,801,655</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 5,138	\$ 1,184	\$	173,479	\$	0	\$ 2,448,126
18,746	0		0		0	18,746
6,016	13,988		0		0	237,286
535	0		0		0	67,569
0	0		0		0	142,138
0	0		916,389	0	0	916,389
0	0		0	0	175,752	175,752
758,932	0		0	0	0	758,932
0	0		0	0	754,030	754,030
1,445	0		0	0	574,873	576,318
0	0		0	0	145,291	145,291
0	0		0	0	4,151,709	4,151,709
<u>790,811</u>	<u>15,172</u>	<u>\$</u>	<u>1,089,868</u>	<u>\$</u>	<u>5,801,655</u>	<u>10,392,286</u>

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 December 31, 1999

GOVERNMENTAL FUND TYPES

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>
<u>FUND EQUITY</u>				
Contributed Capital	\$ 0	\$ 0	\$ 0	\$ 0
Investment in general fixed assets	0	0	0	0
Retained Earnings				
Reserved	0	0	0	0
Unreserved	0	0	0	0
Fund Balance				
Reserved for:				
Debt service	0	0	112,548	0
Unreserved-undesignated	1,248,311	4,898,343	0	40,890
Designated	24,459	46,825	0	0
	1,272,770	4,945,168	112,548	40,890
Total Liabilities and Fund Equity	\$ 1,435,803	\$ 7,471,996	\$ 116,066	\$ 42,290

(Concluded)

The notes to the financial statements are an integral part of this statement.

STATEMENT A  
(Continued)

PROPRIETARY ENTERPRISE FUND	FUND TYPES		FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTAL (MEMORANDUM) (ONLY)
	INTERNAL SERVICE FUND		TRUST AND AGENCY FUNDS	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
\$ 1,474,202	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,474,202
0	0	0	0	30,887,585	0	30,887,585
24,097	0	0	0	0	0	24,097
136,353	155,421	0	0	0	0	291,774
0	0	0	0	0	0	112,548
0	0	0	0	0	0	6,187,544
0	0	61,396	0	0	0	132,680
<u>1,634,652</u>	<u>155,421</u>	<u>61,396</u>	<u>30,887,585</u>	<u>0</u>	<u>0</u>	<u>39,110,428</u>
<u>\$ 2,425,463</u>	<u>\$ 170,592</u>	<u>\$ 1,151,264</u>	<u>\$ 30,887,585</u>	<u>\$ 5,801,655</u>	<u>\$ 49,502,715</u>	

## STATEMENT B

TANGIPAHOA PARISH COUNCIL  
Amite, Louisiana  
COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
For The Twelve Months Ended December 31, 1999

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL (MEMORANDUM ONLY)
<b>REVENUES</b>					
<b>Taxes:</b>					
Sales	\$ 2,464,286	\$ 7,392,859	\$ 0	\$ 0	\$ 9,857,145
Ad valorem	402,225	2,284,523	92,542	0	2,779,290
Franchise	276,321	0	0	0	276,321
Licenses and permits	676,786	3,587	0	0	680,373
<b>Intergovernmental revenues:</b>					
<b>Federal funds:</b>					
Federal grants	49,210	674,284	0	4,380	727,874
<b>State funds:</b>					
Parish transportation funds	0	939,092	0	0	939,092
State revenue sharing	72,509	650,840	0	0	723,349
Severance tax	363,057	0	0	0	363,057
State grants	100,000	0	0	0	100,000
Video poker	143,325	0	0	0	143,325
Alcoholic beverage tax	33,421	0	0	0	33,421
Fees, charges, and commissions for services	57,157	1,208,649	0	0	1,265,806
Fines and forfeitures	580	635,723	0	0	636,303
Interest	51,623	248,178	8,791	0	308,592
Other revenues	375,671	12,543	0	0	388,214
<b>Total Revenues</b>	<b>5,066,171</b>	<b>14,050,278</b>	<b>101,333</b>	<b>4,380</b>	<b>19,222,162</b>
<b>EXPENDITURES</b>					
<b>General Government:</b>					
Legislative	229,087	0	0	0	229,087
Judicial	1,428,026	596,465	0	0	2,024,491
Elections	81,058	0	0	0	81,058
Finance and Administrative	242,955	0	5,549	0	248,504
Public Safety	1,282,703	2,016,062	0	4,380	3,303,145
Public Works	1,180,006	10,257,931	0	0	11,437,937
Health and welfare	279,077	1,325,617	0	0	1,604,694
<b>Debt Service:</b>					
Principal	0	87,436	275,000	0	362,436
Interest and agent fees	0	23,982	64,053	0	88,035
<b>Total Expenditures</b>	<b>4,722,912</b>	<b>14,307,493</b>	<b>344,602</b>	<b>4,380</b>	<b>19,379,387</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>343,259</b>	<b>(257,215)</b>	<b>(243,269)</b>	<b>0</b>	<b>(157,225)</b>

Continued on the following page

The notes to the financial statements are an integral part of this statement.

STATEMENT B  
(Continued)

TANGIPAHOA PARISH COUNCIL,  
Amite, Louisiana  
COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
For The Twelve Months Ended December 31, 1999

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL (MEMORANDUM ONLY)
<u>OTHER FINANCING SOURCES (USES)</u>					
Sale of fixed assets	\$ 0	\$ 135,850	\$ 0	\$ 0	\$ 135,850
Operating transfers in	0	528,244	0	0	528,244
Operating transfers out	(528,244)	0	0	0	(528,244)
Total Other Financing Sources (Uses)	(528,244)	664,094	0	0	135,850
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(184,985)	406,879	(243,269)	0	(21,375)
Fund Balances at Beginning of Year, as restated	1,457,755	4,538,291	355,816	40,890	6,392,752
Fund Balances at End of Year	\$ 1,272,770	\$ 4,945,170	\$ 112,547	\$ 40,890	\$ 6,371,377

(Concluded)

The notes to the financial statements are an integral part of this statement.

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL AND SPECIAL REVENUE FUNDS  
 For The Twelve Months Ended December 31, 1999

	<u>GENERAL FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>Favorable (Unfavorable) VARIANCE</u>
<b><u>REVENUES</u></b>			
<b>Taxes:</b>			
Sales	\$ 2,500,000	\$ 2,464,286	\$ (35,714)
Ad valorem	370,000	402,225	32,225
Franchise	260,000	276,321	16,321
Licenses and permits	685,600	676,785	(8,815)
<b>Intergovernmental revenues:</b>			
<b>Federal funds:</b>			
Federal grants	47,000	49,210	2,210
<b>State funds:</b>			
Parish transportation funds	0	0	0
State revenue sharing	90,000	72,509	(17,491)
Severance tax	300,000	363,057	63,057
State grants	100,000	100,000	0
Video poker	165,000	143,325	(21,675)
Alcoholic beverage tax	30,000	33,421	3,421
Fees, charges, and commissions for services	44,000	57,156	13,156
Fines and forfeitures	1,000	580	(420)
Interest	50,000	51,623	1,623
Other revenues	591,000	375,670	(215,330)
<b>Total Revenues</b>	<b>5,233,600</b>	<b>5,066,171</b>	<b>(167,429)</b>
<b><u>EXPENDITURES</u></b>			
<b>General Government:</b>			
Legislative	347,020	229,087	117,933
Judicial	1,440,815	1,428,026	12,789
Elections	113,825	81,058	32,767
Finance and Administrative	205,000	242,955	(37,955)
Public Safety	1,184,940	1,282,703	(97,763)
Public Works	1,366,650	1,180,006	186,644
Health and welfare	294,860	279,077	15,783
<b>Debt Service:</b>			
<b>Total Expenditures</b>	<b>4,953,110</b>	<b>4,722,912</b>	<b>230,198</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>280,490</b>	<b>343,259</b>	<b>62,769</b>

Continued on the following page

The notes to the financial statements are an integral part of this statement.



	<u>SPECIAL REVENUE FUNDS *</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	Favorable (Unfavorable) <u>VARIANCE</u>
<u>REVENUES</u>			
Taxes:			
Sales	\$ 7,300,000	\$ 7,392,859	\$ 92,859
Ad valorem	1,917,100	2,284,523	367,423
Franchise	0	0	0
Licenses and permits	0	0	0
Intergovernmental revenues:			
Federal funds:			
Federal grants	480,000	573,052	93,052
State funds:			
Parish transportation funds	780,000	939,092	159,092
State revenue sharing	551,800	650,840	99,040
Severance tax	0	0	0
State grants	182,000	101,232	(80,768)
Video poker	0	0	0
Alcoholic beverage tax	0	0	0
Fees, charges, and commissions for services	1,185,348	1,208,649	23,301
Fines and forfeitures	80,000	85,707	5,707
Interest	239,500	246,792	7,292
Other revenues	16,300	12,543	(3,757)
<b>Total Revenues</b>	<b>12,732,048</b>	<b>13,495,288</b>	<b>763,240</b>
<u>EXPENDITURES</u>			
General Government:			
Legislative	0	0	0
Judicial	14,120	12,910	1,210
Elections	0	0	0
Finance and Administrative	0	0	0
Public Safety	2,035,487	2,016,062	19,425
Public Works	10,846,836	10,257,931	588,905
Health and welfare	1,311,353	1,325,617	(14,264)
Debt Service:			
Principal	0	87,436	(87,436)
Interest and agent fees	15,000	23,982	(8,982)
<b>Total Expenditures</b>	<b>14,222,796</b>	<b>13,723,938</b>	<b>498,858</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,490,748)</b>	<b>(228,650)</b>	<b>1,262,098</b>

Continued on the following page

\* Excludes Criminal Court Special Revenue Fund

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL AND SPECIAL REVENUE FUNDS  
 For The Twelve Months Ended December 31, 1999

	<u>GENERAL FUND</u>		Favorable (Unfavorable)
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Sale of fixed assets	\$ 3,400	\$ 0	\$ (3,400)
Operating transfers in	0	0	0
Operating transfers out	(525,000)	(528,244)	(3,244)
	(521,600)	(528,244)	(6,644)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(241,110)	(184,985)	56,125
Fund Balances at Beginning of Year	1,457,755	1,457,755	(0)
Fund Balances at End of Year	\$ 1,216,645	\$ 1,272,770	\$ 56,125

(Concluded)

The notes to the financial statements are an integral part of this statement.

SPECIAL REVENUE FUNDS \*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>Favorable (Unfavorable) VARIANCE</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Sale of fixed assets	\$ 70,000	\$ 135,850	\$ 65,850
Operating transfers in	525,000	528,244	3,244
Operating transfers out	0	0	0
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	595,000	664,094	69,094
	<hr/>	<hr/>	<hr/>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(895,748)	435,444	1,331,192
	<hr/>	<hr/>	<hr/>
Fund Balances at Beginning of Year	4,536,636	4,531,033	(5,603)
	<hr/>	<hr/>	<hr/>
Fund Balances at End of Year	<u>\$ 3,640,888</u>	<u>\$ 4,966,477</u>	<u>\$ 1,325,589</u>

(Concluded)

\* Excludes Criminal Court Special Revenue Fund

Tangipahoa Parish Council  
 Amite, Louisiana  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS -  
 BUDGET (GAAP BASIS) AND ACTUAL  
 PROPRIETARY FUND TYPE  
 For The Twelve Months Ended December 31, 1999

	<u>ENTERPRISE FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	Favorable (Unfavorable) <u>VARIANCE</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 406,000	\$ 411,086	\$ 5,086
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	406,000	411,086	5,086
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>			
Personnel services	79,550	82,598	(3,048)
Materials and supplies	35,800	16,142	19,658
Professional services	32,600	36,520	(3,920)
Repairs and maintenance	175,700	99,249	76,451
Other expenses	38,985	36,523	2,462
Depreciation	80,000	86,945	(6,945)
	<hr/>	<hr/>	<hr/>
Total Operating Expense	442,635	357,977	84,658
	<hr/>	<hr/>	<hr/>
Net Operating Income (loss)	(36,635)	53,109	89,744
	<hr/>	<hr/>	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest income	6,000	10,207	4,207
Interest expense	(45,000)	(44,374)	626
	<hr/>	<hr/>	<hr/>
Total Non-Operating Revenues (Expenses)	(39,000)	(34,167)	4,833
	<hr/>	<hr/>	<hr/>
Net Income	\$ (75,635)	18,942	\$ 94,577
	<hr/>	<hr/>	<hr/>
Amortization of Contributed Capital		56,256	
Increase in Reserve for Contingencies		(4,990)	
Retained Earnings - Unreserved, December 31, 1998, as restated		66,146	
		<hr/>	
Retained Earnings - Unreserved December 31, 1999		\$ 136,354	
		<hr/>	

The notes to the financial statements are an integral part of this statement.

STATEMENT D  
(Continued)

Tangipahoa Parish Council  
Amite, Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS -  
BUDGET (GAAP BASIS) AND ACTUAL  
PROPRIETARY FUND TYPE  
For The Twelve Months Ended December 31, 1999

	<u>INTERNAL SERVICE FUND</u>		
			Favorable (Unfavorable)
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 490,287	\$ 553,784	\$ 63,497
	-----	-----	-----
Total Operating Revenues	490,287	553,784	63,497
	-----	-----	-----
<b>OPERATING EXPENSES</b>			
Personnel services	476,000	496,343	(20,343)
Materials and supplies	62,600	32,337	30,263
Professional services	12,000	6,336	5,664
Repairs and maintenance	10,000	11,108	(1,108)
Other expenses	38,200	29,801	8,399
Depreciation	16,600	18,799	(2,199)
	-----	-----	-----
Total Operating Expense	615,400	594,724	20,676
	-----	-----	-----
Net Operating Income (Loss)	(125,113)	(40,940)	84,173
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest Income	18,000	16,522	(1,478)
	-----	-----	-----
Net Income (Loss)	(107,113)	(24,418)	82,695
	-----	-----	-----
<b>Retained Earnings</b>			
Beginning of Year	179,840	179,840	0
	-----	-----	-----
Retained Earnings at End of Year	\$ 72,727	\$ 155,422	\$ 82,695
	=====	=====	=====

(Concluded)

The notes to the financial statements are an integral part of this statement.

TANGIPAHOA PARISH COUNCIL  
Amite, Louisiana

SCHEDULE E

COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPES  
For the Year Ended December 31, 1999

	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ <u>53,108</u>	\$ <u>(40,941)</u>
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	86,945	18,799
Changes in Assets and Liabilities:		
Accounts Receivable	9,211	-
Due from Other Funds	1,972	(9,867)
Accounts Payable	(11,472)	(708)
Accrued Expenses	<u>(33)</u>	<u>(6,467)</u>
Total Adjustments	<u>86,623</u>	<u>1,757</u>
Net Cash Provided by (Used For) Operating Activities	<u>139,731</u>	<u>(39,184)</u>
Cash Flows from Capital and Capital-Related Financing Activities:		
Proceeds from State Grant	25,000	-
Principal Repayments	(17,336)	-
Interest Payments	(44,374)	-
Payments for Capital Additions	(59,910)	(13,935)
Interest Received	<u>10,207</u>	<u>16,522</u>
Net Cash Provided by (Used For) Capital and Capital-Related Financing Activities	<u>(86,413)</u>	<u>2,587</u>
Net Increase (Decrease) in Cash and Cash Equivalents	53,318	(36,597)
Prior Period Adjustment	12,284	-
Cash and Cash Equivalents at Beginning of Year	<u>95,087</u>	<u>134,739</u>
Cash and Cash Equivalents at End of Year	<u>\$160,689</u>	<u>\$ 98,142</u>
From Combined Balance Sheet at December 31, 1999:		
Cash and Cash Equivalents	\$136,592	
Restricted Cash	<u>24,097</u>	
	<u>\$160,689</u>	

The notes to the financial statements are an integral part of this statement.



**TANGIPAHOA PARISH COUNCIL**  
**Amite, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended December 31, 1999**

**INTRODUCTION**

The Tangipahoa Parish Council is the governing authority for the Parish of Tangipahoa, Louisiana. The Parish of Tangipahoa operates under a home rule charter and is governed by the "council-president" form of government. An elected council of ten members representing the various districts within the parish constitute the legislative branch of the government and an elected president is the chief executive officer and head of the executive branch. The council and president serve four-year terms that expire in January 2000.

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

Tangipahoa Parish occupies approximately 818 square miles with a population of approximately 97,000. The parish council maintains approximately 1100 miles of roads, 550 miles of which are paved and 550 of which are gravel. Parish council offices are located in the parish courthouse in Amite, Louisiana, with road maintenance facilities located at 2 locations within the parish.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

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

**B. REPORTING ENTITY**

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

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Tangipahoa Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial

**TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

**Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

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

Based on the previous criteria, the Tangipahoa Parish Council has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Communication District Number 1	12/31	1
Gravity Drainage District Number 1	12/31	1
Gravity Drainage District Number 4	12/31	1
Gravity Drainage District Number 5	12/31	1
Construction Board of Adjustments and Appeals	12/31	1
Fire Protection District Number 1	12/31	1
Gas Utility District Number 1	12/31	1
Hospital Service District Number 1	06/30	1
Hospital Service District Number 2	12/31	1
Industrial Development District Number 1	12/31	1
Industrial Development District Number 2	12/31	1
Hammond Area Recreation District Number 1	12/31	1
Ponchatoula Area Recreation District Number 1	12/31	1
Recreation District Number 5	12/31	1
Recreation District Number 6	12/31	1
Recreation District Number 39A	12/31	1
Tangipahoa Parish Industrial Development Board	12/31	1
Tangipahoa Parish Library	12/31	1
Tangipahoa Parish Planning Commission	12/31	1
Tangipahoa Parish Tourist Commission	12/31	1
Water District Number 8	12/31	1
Husser-Loranger Water District	12/31	1
Tangipahoa Water District	12/31	1
Loranger Recreation District 104	12/31	1

# **TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

## **Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

The Tangipahoa Parish Council has chosen to issue financial statements of the primary government (Tangipahoa Parish Council) and selected component units. The component units listed above are not included in the accompanying financial statements.

These general purpose financial statements include all funds, account groups, and organizations for which the Tangipahoa Parish Council maintains the accounting records. The organizations for which the Tangipahoa Parish Council maintains the accounting records include Fire Protection District No. 2, Recreation Districts No. 1 and 2, Twenty-First Judicial Criminal Court Fund, and Sewerage District No. 1.

These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (Tangipahoa Parish Council) and selected component units mentioned in the preceding paragraph..

Considered in the determination of component units of the reporting entity were the Tangipahoa Parish School Board, Tax Assessor, Clerk of Court, and Sheriff; the 21st Judicial District and the District Attorney's Office for the 21st Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Tangipahoa Parish Council reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Tangipahoa Parish Council.

### **C. FUND ACCOUNTING**

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

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

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

#### **Governmental Funds**

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



## **TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

### **Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

1. **General Fund**--the general operating fund of the Tangipahoa Parish Council and accounts for all financial resources, except those required to be accounted for in other funds.
2. **Special Revenue Funds**--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. **Debt Service Funds**--account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. **Capital Projects Funds**--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

### **Proprietary Funds**

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

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

The enterprise fund is the Sewerage District No. 1 Fund, established by the parish governing authority under provisions of Louisiana Revised Statute 33:881. The district is governed by a five-member board of commissioners, which is appointed by the parish council. Financing is provided by user fees.

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

The internal service fund is the Administrative Fund, established by the council to render administrative and accounting services to various funds. It receives a fee from each fund based on a combination of revenues received and services rendered for that fund.

**TANGIPAHOA PARISH COUNCIL**  
**Amite, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended December 31, 1999**

**Fiduciary Funds**

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Tangipahoa Parish Council. Fiduciary funds include an agency fund which accounts for assets that the Tangipahoa Parish Council holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

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

**Revenues**

Revenues are recognized in the accounting period in which they become both available and measurable. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash. General property taxes, self-assessed taxes, and investment earnings are recorded when earned (when they are measurable and available). The council considers revenues to be available if they are expected to be collected within 60 days of the end of the year, except property taxes revenue, which is recognized when the taxes are levied.

**Expenditures**

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service, prepaid expenses, and other long-term obligations which are recognized when paid.

**Other Financing Sources (Uses)**

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

All proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting. Revenues are recognized when

# **TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

## **Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

earned, and expenses are recognized at the time liabilities are incurred. Under this basis of accounting and measurement focus, the council applies (a) all GASB pronouncements and (b) FASB Statements and Interpretations, APB Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

### **E. BUDGETS**

The council uses the following budget practices:

1. Preliminary budgets for the ensuing year are prepared by the director of finance during October of each year. During November, the council reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets are then advertised in the official journal. Prior to meeting in December, the council holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearings and the desires of the council as a whole. The budgets are then adopted during the council's meeting and notice is published in the official journal.
2. Unexpended appropriations lapse at year-end and must be appropriated again in the next year's budget to be expended.
3. The council adopted modified accrual basis budgets for the General Fund and all special revenue funds, except for the Criminal Court Fund and the Truancy Prevention Fund for which there were no budgets adopted. The council adopted accrual basis budgets for the proprietary funds. Budgetary control is at the functional level. Within functions, the parish president has the authority to make amendments as necessary.
4. During the year, the council receives quarterly budget comparison statements that are used to control the operations of the parish. The director of finance presents necessary budget amendments to the council during the year when, in his judgement, actual operations differ materially from those anticipated in the original budget. During a regular meeting, the council reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of amendments is included in council minutes published in the official journal. The budget for 1999 was amended several times; the final amended budget of December 27, 1999, is reflected in the accompanying budget comparisons.



**TANGIPAHOA PARISH COUNCIL**

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**Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

5. The following reconciles the revenues, expenditures, and other financing sources (uses) for the special revenue funds as shown on Statement B with the amount shown on Statement C:

	Revenues	Expenditures	Other Financing Sources (Uses)
Statement B	\$ 14,050,278	\$ 14,307,493	\$ 664,094
Criminal Court Fund	554,989	583,555	0
Statement C	<u>\$ 13,459,289</u>	<u>\$ 13,723,938</u>	<u>\$ 664,094</u>

**F. ENCUMBRANCES**

The Tangipahoa Parish Council does not use encumbrance accounting.

**G. CASH, CASH EQUIVALENTS, AND INVESTMENTS**

Cash includes amounts in interest-bearing demand deposits. Cash equivalents include amounts invested in the Louisiana Asset Management Pool. Under state law, the Tangipahoa Parish Council may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**H. INVESTMENTS**

Investments are limited by R.S. 33:2955 and the Tangipahoa Parish Council'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.

During the year ended December 31, 1999, the Tangipahoa Parish Council had funds invested with the Louisiana Asset Management Pool (LAMP). LAMP is a cash management pool initiated by the Louisiana State Treasurer's Office. Under state law, the Tangipahoa Parish Council may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments in the deferred compensation agency fund are reported at market value.

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

**I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

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

**J. INVENTORIES**

Purchase of various operating supplies are regarded as expenditures at the time purchased and inventories of such supplies (if any) are not recorded at the close of the year.

**K. PREPAID ITEMS**

Purchase of items regarded as having a future economical use are expensed when purchased and prepaid amounts for such items are not recorded as assets at the close of the year.

**L. RESTRICTED ASSETS**

Certain proceeds of the Enterprise Fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

**M. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. The cost of constructing and capping landfill cells and constructing a sludge facility at the landfill are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available, except for donated assets which are stated at their market value on the date donated.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of accumulated depreciation. Interest cost incurred during construction if any are capitalized. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation has been provided over the estimated useful lives of the fixed assets principally using the straight-line method and is computed using the following useful lives:

Internal Service Fund:	
Office Equipment	3 - 7 Years
Enterprise Fund:	
Sewer Systems	20 - 40 Years
Equipment	5 - 10 Years

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Depreciation of sewer utilities assets acquired by donation is treated as a reduction of contributed capital.

**N. COMPENSATED ABSENCES**

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

Parish Council employees are entitled to certain compensated absences based on their length of employment and overtime worked. Vested compensated absences are recorded as expenditures when the liability is incurred. Sick leave has not been accrued as the employee's right to sick leave does not vest.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources, if any, is recorded in the general long-term obligations account group. Leave privileges associated with employees of the proprietary funds are recorded as a fund liability and salary expense.

**O. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

*The Tangipahoa Parish Council recognizes landfill closure and postclosure costs in accordance with GASB-18. The measurement and recognition for landfill costs are reported using governmental fund and account group accounting and reporting. Long-term liabilities are recognized within the enterprise fund.*

Long-term liabilities are recognized within the Enterprise Fund.

**P. FUND EQUITY**

**Contributed Capital**

Grants, entitlements, or shared revenues that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired from such contributions. This amortization is closed to the capital account and is reflected as an adjustment to net income.

**Reserves**

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



**TANGIPAHOA PARISH COUNCIL**

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**As of and for the Year Ended December 31, 1999**

**Designated Fund Balances**

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

**Q. INTERFUND TRANSACTIONS**

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

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

**R. AD VALOREM TAXES**

Ad valorem taxes and related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent after December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

**S. SALES TAXES**

On March 12, 1996, the voters of Tangipahoa Parish approved a renewal of a one per cent parish wide general sales and use tax to be levied for the Tangipahoa Parish Council. The proceeds of the tax are dedicated on the basis of 75 per cent for roads and bridge maintenance and improvements and the remaining 25 per cent for general governmental purposes. The tax as renewed is effective through December 31, 2001.

**T. TOTAL COLUMNS ON COMBINED STATEMENTS**

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

**U. USE OF ESTIMATES**

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

**TANGIPAHOA PARISH COUNCIL**  
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**2. FUND DEFICITS**

The following individual funds have a deficit in unreserved fund equity at December 31, 1999:

	<u>Deficit Amount</u>
Special Revenue Fund:	
Animal Shelter	\$ 43,053
Criminal Court Fund	21,309

**3. EXPENDITURES/REVENUES - ACTUAL AND BUDGET**

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

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>%</u>
Special Revenue Fund:				
Truancy Prevention Project	\$ 0	\$ 47,406	\$ 47,406	-
Section 8 Voucher Program	141,673	159,364	17,691	12.49
Animal Shelter	274,207	286,711	12,504	4.56

The following individual funds budget revenues exceed actual revenues for the year ended December 31, 1999:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>%</u>
General Fund	\$ 5,233,600	5,066,170	\$ 167,430	3.2
Special Revenue Fund:				
Animal shelter	169,748	167,014	2,734	1.6

The Local Government Budget Act requires a local government to adopt a budget for the General Fund and all Special Revenue Funds and to amend its operating budget when the total revenue and other sources fail to meet total budgeted revenues and other sources by 5% or more. Also, amendment is required when total expenditures and other uses exceed the total budgeted expenditures and other uses by 5% or more. The Council failed to adopt a budget for the Truancy Prevention Fund for the fiscal year ended December 31, 1999. The Council failed to amend the budget by an adequate amount for the Section 8 Voucher Fund for the year ended December 31, 1999.

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

**4. LEVIED TAXES**

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

	Authorized Millage	Levied Millage	Expiration Year
Parishwide Taxes:			
General Fund	5.00	4.59	Continuous
Special Revenue Fund:			
Health Unit Maintenance	4.00	2.00	2006
District Taxes:			
Special Revenue Fund:			
Road Lighting District Number 1	2.00	1.98	2004
Road Lighting District Number 2	16.62	0.50	2006
Road Lighting District Number 3	15.00	14.39	2000
Road Lighting District Number 4	15.00	0.50	2007
Garbage District Number 1	10.00	9.16	2002
Fire Protection District Number 2	20.00	19.14	2005
Debt Service Fund:			
Road District Number 101	Variable	5.53	2015
Sub-Road District Number 1 of 101	Variable	5.92	2015
General Service Sub-District Number 4A	Variable	3.18	2003
General Service Sub-District Number 5	Variable	0.50	2003
General Service Sub-District Number 8	Variable	1.32	2003

**5. CASH AND CASH EQUIVALENTS**

At December 31, 1999, the Tangipahoa Parish Council had cash and cash equivalents (book balances) totaling \$5,146,578 as follows:

Cash on hand	\$	50
Interest-Bearing Demand Deposits		192,883
Investment in Louisiana Asset Management Pool		4,946,767
Non Interest-Bearing Demand Deposits		6,878
Total		<u>5,146,578</u>

The 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.



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At December 31, 1999, the Tangipahoa Parish Council has \$876,142 in deposits (collected bank balances) with a total of \$862,254 in interest bearing accounts and \$13,888 in non-interest bearing accounts. The total of \$862,254 deposited in interest-bearing accounts is secured from risk by \$100,000 of federal deposit insurance and \$762,254 of pledged securities held by the custodial bank in the name of the fiscal agent bank (Category 3), with the total of \$13,888 in non-interest bearing accounts secured from risk by \$100,000 of federal deposit insurance.

At times throughout the year, the Tangipahoa Parish Council's deposits were not fully collateralized.

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

The investment in the Louisiana Asset Management Pool (LAMP) is stated at cost, which approximates market. The LAMP is a cooperative endeavor of local governmental entities created at the initiative of the Louisiana State Treasurer's Office for those entities to pool funds for investment.

The LAMP is designed to comply with the restrictions on investments by municipalities, parishes, and other types of political subdivisions imposed under La. R.S. 33:2955. The investment advisor is restricted to maintaining a dollar-weighted average portfolio maturity of not more than 90 days. LAMP is required to invest only in U.S. Government backed securities.

Since the difference per type governmental funds is immaterial, total carrying amounts included within the primary governmental financial statements of the Tangipahoa Parish Council are not adjusted to reflect fair value of the LAMP pool.

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**6. RECEIVABLES**

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

	General Fund	Special Revenue Fund	Debt Service Fund	Proprietary Fund	Agency Fund
<b>Taxes:</b>					
Ad Valorem	\$ 357,138	\$ 1,999,848	\$ 84,902	\$ -	\$ -
Sales and Use	207,649	6,229,460	-	-	-
State Revenue Sharing	48,339	391,359	-	-	-
Other	92,021	-	-	-	-
Accounts		118,500	-	57,786	-
Other	140,657	171,522	-	-	2,432
<b>Total</b>	<u>\$ 845,804</u>	<u>\$ 3,304,175</u>	<u>\$ 84,902</u>	<u>\$ 57,786</u>	<u>\$ 2,432</u>

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**7. RESTRICTED ASSETS**

Restricted assets in the Enterprise Fund at December 31, 1999, consisted of cash reserved for bond requirements totaling \$24,097.

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**8. FIXED ASSETS**

The changes in general fixed assets follow:

	Balance			Balance
	01/01/99	Additions	Deletions	12/31/99
<b>COUNCIL:</b>				
Land	\$ 1,787,028	\$ 252,151	\$ -	\$ 2,039,179
Buildings	15,677,475	522,495	-	16,199,970
Cooling Tower	314,993		-	314,993
Machinery & Equipment	6,085,094	439,313	380,676	6,143,731
Garbage Carts	-	423,244	-	423,244
Office Furniture	240,578	43,439	668	283,349
Subtotal	<u>24,105,168</u>	<u>1,680,642</u>	<u>381,344</u>	<u>25,404,466</u>
<b>CONSTRUCTION IN PROGRESS</b>	<u>48,349</u>	<u>-</u>	<u>48,349</u>	<u>-</u>
<b>CRIMINAL COURT:</b>				
Furniture & Equipment	<u>126,648</u>	<u>40,291</u>	<u>-</u>	<u>166,939</u>
<b>RURAL FIRE DIST. NO. 2</b>	<u>3,332,663</u>	<u>722,356</u>	<u>84,778</u>	<u>3,970,241</u>
<b>CAPITAL PROJECTS FUND - LCDBG - SEWER:</b>				
Land	23,405			23,405
Construction in Progress	730,190	1,500	-	731,690
Subtotal	<u>753,595</u>	<u>1,500</u>	<u>-</u>	<u>755,095</u>
<b>CAPITAL PROJECTS FUND - LCDBG - WATER:</b>				
Construction in Progress	<u>587,964</u>	<u>2,880</u>	<u>-</u>	<u>590,844</u>
Total	<u>\$ 28,954,387</u>	<u>\$ 2,447,669</u>	<u>\$ 514,471</u>	<u>\$ 30,887,585</u>

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A summary of proprietary property, plant, and equipment follows:

	Enterprise Fund	Internal Service Fund
Land	\$ 54,981	\$ -
Sewerage Collection System	2,718,624	-
Furniture and Equipment	78,801	172,976
Total Proprietary Property, Plant, and Equipment	2,852,406	172,976
Accumulated Depreciation	(645,418)	(127,345)
Net Proprietary Property, Plant, and Equipment	\$ 2,206,988	\$ 45,631

Depreciation for the current year was \$86,945 for the Enterprise Fund and \$18,799 for the Internal Service Fund.

**9. PENSION PLAN**

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

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials enrolled as of January 1, 1997, are eligible to participate in the System. As of January 1, 1997, elected officials, excepting coroners and justice of the peace, may no longer join the retirement system. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 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 3 percent of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.



## TANGIPAHOA PARISH COUNCIL

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### Notes to the Financial Statements

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Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Tangipahoa Parish Council 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 Tangipahoa Parish Council are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Tangipahoa Parish Council's contributions to the System under Plan A for the years ending December 31, 1999, 1998, and 1997 were \$328,548, \$317,717, and \$282,363 respectively, equal to the required contributions for each year.

Part-time employees of the council are members of the social security system. In addition to employee payroll deductions, council funds are remitted to match the employee contributions. Aggregate contributions to the social security system for the year ended December 31, 1999, were \$16,074 of which \$8,037 was contributed by the council.

#### 10. DEFERRED COMPENSATION PLAN

The Tangipahoa Parish Council offers its employees two deferred compensation plans created in accordance with Internal Revenue Code 457. One plan, with Nationwide Retirement Solutions, Inc. (formerly Public Employees Benefits Service Corporation), is available to all council employees and permits them to defer a portion of their salaries until future years. No portion of this deferred compensation is paid by the council. The other plan, with State of Louisiana Deferred Compensation Plan, is available only to those employees who are not members of the Parochial Employees' Retirement System of Louisiana. This plan also permits eligible council employees to defer a portion of their salaries until future years. The council pays 7.5% of the eligible employees' salaries into this plan.

The deferred compensation of both plans is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the council (without being restricted to the provisions of benefits under the plans), subject only to the claims of the council's general creditors. Participants' rights under the plan are equal to those of general creditors of the council in an amount equal to the fair market value of the deferred account for each participant. The council believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise.



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As part of its fiduciary role, the council has an obligation of due care in selecting the third-party administrator. In the opinion of management, the council has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

In the Nationwide Retirement Solutions, Inc.'s plan at December 31, 1999, \$27,192 was applicable to the council. The total of all plan assets as of December 31, 1999, was not available.

Of the \$417,222,423 in the State of Louisiana Deferred Compensation Plan at December 31, 1999, \$889,197 was applicable to the council while the remaining \$416,333,226 represents the assets of the other jurisdictions participating in the plan.

**11. COMPENSATED ABSENCES**

At December 31, 1999, employees of the Tangipahoa Parish Council have accumulated and vested \$233,977 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$46,414 is recorded as an obligation of the General Fund, and \$170,869 is recorded as an obligation of the Special Revenue Funds. The leave liability for employees of the Internal Service Fund, and the Enterprise Fund, in the amount of \$13,988 and \$2,706 respectively, are accounted for within these funds.

**12. LEASES**

The council records items under capital leases as assets and obligations in the accompanying financial statements. At December 31, 1999, the council has 2 capital leases in effect for equipment. The leases have an original recorded asset amount of \$415,626. Lease obligations are retired from the Garbage District No. 1 Special Revenue Fund. Fire District No. 2 has 2 capital leases in effect for equipment. These leases have an original recorded asset amount of \$188,656. Lease obligations are retired from the Independence Volunteer Fire Department through appropriations from Fire District No. 2. The following is a summary of future minimum lease payments, and the present value of the net minimum lease payments as of December 31, 1999:

Fiscal Year	Fire District		
	Council	No. 2	Total
2000	\$ 115,198	\$ 28,783	\$ 143,981
2001	115,198	28,783	143,981
2002	115,198	28,783	143,981
2003	115,198	24,755	139,953
2004	-	21,880	21,880
2005-2007	-	65,639	65,639
Total Future Minimum Lease Payments	<u>460,792</u>	<u>198,623</u>	<u>659,415</u>
Amount Representing Interest	(45,166)	(39,375)	(84,541)
Present Value of Net Minimum Lease Payments	<u>\$ 415,626</u>	<u>\$ 159,248</u>	<u>\$ 574,874</u>

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The council has no material long-term, noncancellable operating lease commitments at December 31, 1999.

The Sewerage District No. 1 of Tangipahoa Parish records items under capital leases as assets and obligations in the accompanying financial statements. At December 31, 1999, two equipment items had been purchased under capital leases, at a purchase price of \$27,650 in 1996, and at a purchase price of \$12,783 in 1997.

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

Fiscal Year	Total
2000	\$ 11,057
2001	1,456
Total Minimum Lease Payments	\$ 12,513
Less Amount Representing Interest	(454)
Present Value of Net Minimum Lease Payments	\$ <u>12,059</u>

**13. JUDGEMENT PAYABLE**

On April 12, 1993, an agreement was reached with the Tangipahoa Parish Library and Fire Protection District No. 2 regarding the payment of state revenue sharing funds withheld from them by the council in the years 1986-1988.

The amount of \$975,473, without past or future interest, is to be paid as follows:

The council will pay a minimum of \$100,000 per year to Fire Protection District No. 2 and the Tangipahoa Parish Library Board of Control until the amount of \$975,473 is paid in full. If more funds are available during any of these years, the council reserves the right to pay a higher figure at its discretion. When the \$975,473 (plus interest in the event of default) is paid in full, the existing judgement against the council for this amount will be deemed fulfilled and canceled at that time.

Fire Protection District No. 2 shall be paid 63.8% of these funds. The District shall further allocate these funds to the various fire departments according to their regular contract percentage with Fire Protection District No. 2.

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Tangipahoa Parish Library Board of Control was to be paid 36.2% of the Judgement but in 1998 transferred the remaining balance due to the Tangipahoa Parish Council to be used in the purchase of a building that is financed by the Tangipahoa Parish Council.

The annual re-payment amount of \$100,000 has been reduced to \$63,800 due to the Fire Protection District No. 2 and shall be made in four (4) equal installments, payable on March 31, June 30, September 30, and December 31 of each year, beginning with March 31, 1993.

If the council defaults on any installment, legal interest from December 8, 1987, forward will be reinstated and will be due on the remaining principal owed under this agreement. Default is defined as being more than 15 days late with any one payment.

The 1999 repayment of \$63,800 was recognized as an expenditure of the General Fund which left a balance of \$175,752 at December 31, 1999, which is reported as general long-term debt.

#### **14. PARISH JAIL AGREEMENT**

Act 859 of the Regular Legislative Session of 1981 authorized the Louisiana State Bond Commission to issue \$6,750,000 of general obligations bonds and reimbursable general obligation bonds to plan, acquire, and construct a new parish jail in Tangipahoa Parish. The Tangipahoa Parish Council, in agreement with the Louisiana State Bond Commission, agreed to provide 30 per cent (\$2,025,000) of the bonded debt over a 20-year period at interest rates from 8.5 to 10.7 per cent.

On May 1, 1994, the Tangipahoa Parish Sheriff's Office paid off three of the four general obligation bonds for a total of \$1,553,707.

The remaining bond is to be paid by the Sheriff's Office in annual installments.

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**15. REVENUE BONDS PAYABLE - SEWERAGE DISTRICT NUMBER 1**

The following is a summary of bond transactions of the Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana for the year ended December 31, 1999:

	1993 RUS \$733,000 Sewer Revenue Bonds	1993 RUS \$67,000 Sewer Revenue Bonds	Total
Bonds Payable, January 1, 1999	\$ 709,985	\$ 64,769	\$ 774,754
Bond Retirements/Adjustments	(7,039)	(651)	(7,690)
Bonds Payable, December 31, 1999	\$ 702,946	\$ 64,118	\$ 767,064

Bonds Payable at December 31, 1999, are comprised of the following individual Issues:

	Current Amount	Long- Term Amount	Total Principal Balance
1993 Revenue Bonds:			
\$733,000 utility bonds sold to RUS; dated 03/03/93; due in monthly installments of \$3,900 through 02/03/33; interest at 5.625%	\$ 7,444	\$ 695,502	\$ 702,946
1993 Revenue Bonds:			
\$67,000 utility bonds sold to RUS; dated 03/03/93; due in monthly installments of \$356 through 02/03/33; interest at 5.625%	688	63,430	64,118
	\$ 8,132	\$ 758,932	\$ 767,064



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The annual requirements to amortize all debt outstanding as of December 31, 1999, including interest payments of \$928,644 are as follows:

	1993 RUS \$733,000 Revenue Bonds	1993 RUS \$67,000 Revenue Bonds	Total
2000	\$ 46,795	\$ 4,277	\$ 51,072
2001	46,795	4,277	51,072
2002	46,795	4,277	51,072
2003	46,795	4,277	51,072
2004	46,795	4,277	51,072
2005 - 2009	233,974	21,386	255,360
2010 - 2014	233,974	21,386	255,360
2015 - 2019	233,974	21,386	255,360
2020 - 2024	233,974	21,386	255,360
2025 - 2029	233,974	21,386	255,360
2030 - 2033	150,645	12,903	163,548
	<u>\$ 1,554,490</u>	<u>\$ 141,218</u>	<u>\$ 1,695,708</u>

**16. REVENUE BOND RESOLUTION COVENANTS**

As of December 31, 1999, the Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana, has two Rural Utilities Service (RUS) Revenue Bonds. The total authorized issue of \$800,000 consists of two bonds issued on March 3, 1993, of \$733,000 and \$67,000, both issued at an annual interest rate of 5.625%. The original bond resolution specifies that the bonds shall be secured and payable in principal and interest exclusively by a pledge of the income and revenues derived or to be derived from the operation of the system. Other specific legal requirements and bond restrictions are summarized below:

- a) Provides that all income and revenues derived by the issuer from the operation of the system shall be deposited in a separate and special bank account with the regularly designated fiscal agent bank of the issuer.
- b) The issuer, the Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana, covenants to fix, establish, and maintain such rates and collect such fees, rents, or other charges for the services and facilities of the System, and all parts thereof, and to revise the same from time to time whenever necessary, to pay the reasonable and necessary expenses of operating and maintaining the system in each year, all reserves or sinking funds required, and all other obligations or indebtedness payable out of the revenues of the System, and which will provide revenues in each year, after paying all reasonable and necessary expenses of operating and maintaining the System, at least equal to 120% of the largest amount of principal and interest maturing on the bonds in any future fiscal year and on any parity bonds issued thereafter.



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For the fiscal year ending December 31, 1999, the bond debt coverage factor indicated net revenues (before interest expense and depreciation) were 294% of the required bond principal and interest payments.

- c) The establishment and maintenance of a "Sewer Bond and Interest Sinking Fund" (the Sinking Fund) sufficient in amount to pay promptly and fully the principal and interest on the bonds.

The actual creation of a sinking fund was not required since the district pays required bond installments directly to Rural Utilities Service, on a monthly basis.

- d) The establishment of the "Sewer Revenue Bond Reserve Fund" (the Reserve Fund) by transferring from the Sewer Revenue Fund, the operating account of the district, monthly in advance on or before the 20<sup>th</sup> of each month a sum at least equal to five per cent (5%) of the amount to be paid each month for bond principal and interest payments. The amount to be transferred is \$212.80 per month. Deposit of funds shall continue until such time as there has been accumulated in the Reserve Fund an amount of money equal to the highest combined principal and interest requirements of any succeeding twelve month period or \$51,072. The money in the Reserve Fund is required to be retained solely for the purpose of paying the principal and interest on bonds payable, upon approval by the Rural Utilities Service office, for which there would otherwise be default.

For the fiscal year ending December 31, 1999, the district made the twelve required deposits of \$212.80 per month, for a total balance of \$11,917 at December 31, 1999.

- e) The establishment and maintenance of the "Sewer Depreciation and Contingency Fund" (the Contingency Fund) is organized to care for depreciation, extensions, additions, improvements and replacements necessary to operate properly the System, by transferring from the Sewer Revenue Fund, the operating account of the district, monthly in advance on or before the 20<sup>th</sup> of each month the sum of \$203 per month. Money in the Contingency Fund may also be used, upon approval, to pay the principal and interest on any bond for which there is not sufficient money in the Sinking Fund or the Reserve Fund.

For the fiscal year ending December 31, 1999, the district made the twelve required deposits of \$203 per month, and for a total balance of \$12,180 at fiscal year end.

- f) The district, in the bond resolution dated January 6, 1993, also obligated itself to abide by the following covenants:

1. The district will shut off service if the delinquent charge, with interest and penalties accrued thereon, is not paid within thirty days from the date on which such charges become delinquent.

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2. A penalty of 10% will be charged on all delinquent accounts , and interest of not less than 5% per annum will be charged on delinquent accounts after 10 days from the date of delinquency.
3. The district will charge a residential rate of \$16.50 per month, and a commercial rate of \$30.00 per month.
4. The district agrees to maintain the System in first class repair and working order and condition.
5. The district will carry full insurance coverage on the System in the manner required by the Government, with a company licensed to do business under the laws of Louisiana.
6. The district will maintain separate and correct records and accounts, and will have the books audited no later than 150 days after the end of the fiscal year.
7. The district will not sell, lease or in any manner dispose of the System or any substantial part thereof, provided the district may dispose of property that in its judgement is worn-out, unserviceable, unsuitable, or unnecessary in the operation of the System.
8. The district will not, except as provided by this bond resolution, voluntarily create or cause to be created any debt, lien pledge, mortgage, assignment, or any other charges having priority or parity with the liens of the Bonds upon the income and revenues of the System pledged as security thereof.
9. That, to the extent permitted by law, the district will not grant a franchise to any utility for operation within the boundaries of the district.
10. In operation of the System, the district will require all officers and employees in a position of authority or in possession of money derived from operations of the System to be covered by a blanket fidelity bond or faithful performance bond.
11. That the district will take all action necessary to require connection to its sewer system to the extent permitted by law.
12. No free services or facilities will be furnished to any persons et al, or even to the issuer itself.

In relation to items (1) and (2) above, concerning the disconnect of accounts, and the charges to delinquent accounts, the Tangipahoa Parish Council approved an ordinance on April 8, 1996, requiring water companies in the rural and unincorporated portions of Tangipahoa Parish to enter into contracts with Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana to collect sewerage billings for the sewerage district. The ordinance states that the water company shall provide that any person failing to timely pay the entire billing of sewerage charges within the prescribed time period for utility payment of said water company, then in that event the customer's water service shall be disconnected until all past due sewerage charges and reconnect charges for sewerage billings are paid in full. The said water company shall also be authorized to collect a penalty for reconnect charges associated with its disconnection of the said customer from water service due to the customer's failure to pay sewerage charges.

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Sewer District No. 1 has not complied with certain requirements of the Revenue Bond Resolution covenants and agreements as set-forth below:

1. In connection with item (a), the revenues are not deposited into a separate bank account. The revenues are collected by contract billing agents who remit their collections to the Tangipahoa Parish Council, a contracted accounting service. The Tangipahoa Parish Council deposits these collections into their "pool" bank/investment accounts.
2. In connection with items f1, f2, and f10 listed above, the district is not in full compliance with these requirements.
3. The loan agreement requires the District to submit annual management reports to Rural Utilities Services (RUS) as follows:
  - Form RD 442-2, Statement of Budget, Income, and Equity
  - Form RD 442-3, Balance Sheet
  - Copy of the rate schedule in effect at the time of submission

These annual management reports were not submitted to RUS as required.



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**17. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

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

	Long-Term Obligations Payable 01/01/99	Additions	Deletions	Long-Term Obligations Payable 12/31/99
General Obligation Bonds	\$ 1,034,382	\$ -	\$ (280,352)	\$ 754,030
Capital Leases - Council	506,853	-	(91,227)	415,626
Capital Leases - Rural Fire No. 2	151,845	24,095	(16,692)	159,248
Certificates of Indebtedness				
- Rural Fire No 2	-	145,291	-	145,291
Judgements Payable	239,552	-	(63,800)	175,752
Estimated Liability for Landfill Closure/Postclosure Care Cost	4,151,709	-	-	4,151,709
	<u>\$ 6,084,341</u>	<u>\$ 169,386</u>	<u>\$ (452,071)</u>	<u>\$ 5,801,656</u>

General obligation bonds are comprised of the following individual issues:

\$60,000 - issue of 1982 to construct a new parish jail facility, due in annual installments of \$9,796 through December 1, 2002, with interest of 10.7 percent. Debt retirement payments are made by the Tangipahoa Parish Sheriff's Office.	\$ 19,030
\$350,000 issue of 1996 to open, construct, and improve public roads, highways, and bridges within District No. 101, due in annual installments of \$10,000 to \$30,000 through March 1, 2016, with interest at 5.1 to 10.0 percent. Debt retirement payments are made from the Road District No. 101 Debt Service Fund.	330,000
\$350,000 issue of 1996 to open, construct, and improve public roads, highways, and bridges within Sub-Road District No. 1 of District No. 101, due in annual installments of \$10,000 to \$30,000 through March 1, 2016, with interest at 5.1 to 10.0 percent. Debt retirement payments are made from the Sub-Road District No. 1 of Road District No. 101 Debt Service Fund.	330,000
\$200,000 issue of 1984 to construct and improve public roads, highways, and bridges within Sub-District No. 4A, due in annual installments of \$5,000 to \$20,000 through June 1, 2004, with interest ranging from 9.7 to 11.0 per cent. Debt retirement payments are made from the General Service Sub-District No. 4A Debt Service Fund.	25,000

**TANGIPAHOA PARISH COUNCIL**  
**Amite, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended December 31, 1999**

\$900,000 issue of 1984 to construct, maintain, and improve public roads, highways, and bridges within Sub-District No. 5, due in annual installments of \$5,000 to \$110,000 through June 1, 2004, with interest ranging from 9.7 to 11.0 per cent. Debt retirement payments are made from the General Service Sub-District No. 5 Debt Service Fund.	25,000
\$900,000 issue of 1984 to construct maintain, and improve public roads, highways, and bridges within Sub-District No. 8, due in annual installments of \$5,000 to \$110,000 through June 1, 2004, with interest ranging from 9.7 to 11.0 per cent. Debt retirement payments are made from the General Service Sub-District No. 8 Debt Service Fund.	25,000
<b>Total General Obligation Bonds</b>	<b>\$ <u>754,030</u></b>

At December 31, 1999, the council has accumulated \$112,548 in debt service funds for future debt requirement. This equals the debt service reserved fund balances of \$112,548. The annual requirements to amortize all obligations outstanding at December 31, 1999, including interest of \$419,272 for bonded debt, and \$84,541 for capital leases, and \$19,503 for Rural Fire District No. 2 Certificates of Indebtness are as follows:

	Rural Fire District No. 2 Indebtedness	General Obligation Bonds	Capital Leases	Judgements Payable	Total
2000	\$ 45,110	\$ 90,933	\$ 143,981	\$ 63,800	\$ 343,824
2001	26,780	87,294	143,981	63,800	321,855
2002	18,334	87,828	143,981	48,152	298,295
2003	18,782	80,646	139,953	-	239,381
2004	19,091	77,473	21,880	-	118,444
2005 - 2009	36,697	307,945	65,639	-	410,281
2010 - 2014	-	313,983	-	-	313,983
2015 - 2016	-	127,200	-	-	127,200
	\$ 164,794	\$ 1,173,302	\$ 659,415	\$ 175,752	\$ 2,173,263

General obligation bonds of \$754,030 and certificates of indebtedness of \$145,291 are payable from an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 36:562, the council is legally restricted from incurring long-term bonded debt in excess of 10 per cent of the assessed value of taxable property in the parish. At December 31, 1999, the statutory limit is \$30,190,638.

**18. LANDFILL CLOSURE AND POST-CLOSURE COSTS**

State and federal laws and regulations require the Tangipahoa Parish Council to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. In addition to operating expenses relating to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and



**TANGIPAHOA PARISH COUNCIL**

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**Notes to the Financial Statements**

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postclosure care costs has a balance of \$4,151,709 as of December 31, 1999, which is based on 75 percent usage (filled) of the landfill. The percentage usage reflects an update in the engineering estimate of percentage usage, and the related estimated liability for landfill closure and postclosure costs required by the Louisiana Department of Environmental Quality (LDEQ) regulations for postclosure care of solid waste facilities. It is estimated that an additional \$610,517 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2002). The estimated total current cost of the landfill closure and postclosure care \$4,151,709 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 1999. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. In addition, total closure and postclosure costs, as well as estimates of percentage usage of the landfill, will change as any additional cells are permitted to accept additional waste.

The Tangipahoa Parish Council anticipates that the liability for closure and postclosure cost will be funded on a "pay-as-you-go basis", if allowed. The management of the Tangipahoa Parish Council understands that they satisfy the Local Government financial Test inasmuch as their Moody's Current bond rating is Baa; which is investment grade.

**19. CRIMINAL COURT FUND**

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish General Fund. The following details the amount due at December 31, 1999:

Balance Due at January 1, 1999	\$	7,258
Amount Due for 1999 (Criminal Court Fund has a deficit fund balance of \$21,309 as December 31, 1999)		0
Total		<u>7,258</u>
Amount Remitted During 1999		0
Balance Due at December 31, 1999	\$	<u><u>7,258</u></u>

**TANGIPAHOA PARISH COUNCIL**

Amite, Louisiana

**Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

**20. DUE TO/FROM OTHER FUNDS**

As of December 31, 1999, interfund receivables and payables that resulted from various interfund transactions were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Criminal Court Fund	\$ 7,258
General Fund	Truancy Fund	6,532
General Fund	Booker II Sewer Fund	1,300
General Fund	Booker II Water Fund	100
Administrative Fund	Animal Shelter Fund	26,819
Fire District No. 2	General Fund	15,950
Road and Bridge Fund	General Fund	4,098
Road and Bridge Fund	General Fund	3,028
Garbage District Number 1	Sewer District Number 1	535
Capital Projects Fund	General Fund	1,949
		<u>\$ 67,569</u>

**21. LITIGATION AND CLAIMS**

At December 31, 1999, the council is involved in litigation or is aware of 35 claims totaling an undetermined amount. Since all of the claims could be covered by insurance, future revenues, and fund surpluses, no amount has been recorded as a liability of the General Fund or General Long-term Liability.

At December 31, 1999, the East Baton Rouge Coroner's office has a claim against the Coroner of Tangipahoa Parish for \$9,250 for prior fees.

This amount is not recorded as a liability of the General Fund since a determination of the final liability has not been made.

The Tangipahoa Parish Council has filed suit to recover the purchase price of \$506,853 for two Terex articulated dump trucks lease-purchased in 1998 by Garbage District No. 1. The suit claims the dump trucks were defective at the time of purchase.

This amount is not recorded as a receivable of the General Fund since the outcome of this suit is uncertain at this time.

All of the litigation costs incurred during the year have been recorded as a current-year expenditure in the General Fund.

**TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

**Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

**22. AMOUNT PAID PARISH PRESIDENT AND COUNCIL MEMBERS**

Compensation paid to the Parish President and Council members for the year ending December 31, 1999 is as follows:

Gordon Burgess, President	\$ 68,867
Ronald Bankston	9,600
Carlo Bruno	9,600
Guy Buckley Jr.	9,600
Bobby Cortez	9,600
Debbie Edwards	9,600
William Fleet	9,600
George Holton	9,600
John "Pat" Jarrell	9,600
Michael Petitto	9,600
Howard Ridgel	9,600
Total Compensation	<u>\$ 164,867</u>

**23. CHANGES IN CONTRIBUTED CAPITAL**

The following is a summary of changes in contributed capital of the Enterprise Fund for the year ended December 31, 1999:

Balance at January 1, 1999, net of amortization	\$1,505,457
Additions:	
Grant from Office of Rural Development	25,000
Correction of prior year amortization	2,329
Deductions:	
Depreciation on fixed assets acquired with capital grants	<u>(58,584)</u>
Balance at December 31, 1999, net of amortization	<u>\$1,474,202</u>

**24. RETAINED EARNINGS - RESERVED**

Retained Earnings - Reserved is created in conjunction with the issuance of revenue bonds and is funded by transfers from the revenue account, based on assets held by the sewer district that are restricted for bond payments. The purpose of the reserved retained earnings is to service the revenue bonds. Reserved retained earnings totaled \$24,097 at December 31, 1999.

**TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

**Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

**25. RESTATED UNRESERVED RETAINED EARNINGS/FUND BALANCE**

The beginning unreserved retained earning/fund balance have been restated to reflect the retroactive recording of the following prior period adjustments to the December 31, 1998, balances:

	<u>Special Revenue Funds</u>				<u>Enterprise Fund</u>	<u>Capital Projects Funds</u>
	<u>General Fund</u>	<u>Garbage District No. 1</u>	<u>Section 8 Housing</u>	<u>Section 8 Voucher</u>	<u>Sewer District No. 1</u>	
Unreserved retained earnings/fund balance at December 31, 1998	\$1,415,013	\$1,100,536	\$46,516	\$11,122	\$53,863	\$88,860
Electrical refunds, net of collection expense	-	-	-	-	18,403	-
Electrical refunds recorded in prior year at gross rather than net of collection expense	-	-	-	-	(6,120)	-
Prior year accounts payable voided	14,912	3,407	-	-	-	-
Prior year interest due to HUD	-	-	(509)	(195)	-	-
Transfer of completed capital projects	-	-	-	-	-	(47,955)
Correction to beginning cash	-	-	-	-	-	(15)
Correction of beginning receivable	27,830	-	-	-	-	-
Unreserved retained earnings/fund balance at December 31, 1998, as restated	<u>\$1,457,755</u>	<u>\$1,103,943</u>	<u>\$46,007</u>	<u>\$10,927</u>	<u>\$66,146</u>	<u>\$40,890</u>

**26. DESIGNATED FUND BALANCES**

As of December 31, 1999, fund balance of \$24,459 is designated in the general fund for the unspent balance of the Coroner's Operational Fund; \$61,396 is designated in the agency fund for estimated unemployment taxes payable; and \$46,825 is designated in Rural Fire Protection District No. 2 special revenue fund for administrative costs to be retained in the year 2000.



**TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

**Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

**27. CHANGE IN ACCOUNTING PRINCIPLE - RURAL FIRE PROT. DIST. NO. 2**

Rural Fire Protection District No. 2 recognized excess revenue or expenditure as of year-end. However, effective with the year ended December 31, 1999, and retroactive to December 31, 1998, Rural Fire Protection District No. 2 records any year-end excess revenues as additional appropriations payable to the various volunteer fire departments, or any excess expenditures as a reduction of such appropriations payable. This change was enacted due to a revised interpretation of the annual contract between Rural Fire Protection District No. 2 and the various volunteer fire departments.

The effect of this change in accounting principle is as follows:

Effect on December 31, 1998 fund balance:

Fund Balance at December 31, 1998	\$1,290,467
Reclassification as payable	<u>(1,290,467)</u>
Fund Balance at December 31, 1998, after change in accounting principle	<u><u>\$0</u></u>

Effect on current year operations:

Excess of revenues (under) expenditures	(\$110,939)
Reclassification as a reduction of payable	110,939
Reduction of payable for 2000 administrative costs	<u>46,825</u>
Excess of revenues over expenditures	<u><u>\$46,825</u></u>

**28. CONTRACT WITH WASTE MANAGEMENT OF LOUISIANA, L.L.C.**

The Tangipahoa Parish Council has entered into an agreement with Waste Management of Louisiana, L.L.C. for the collection, transportation, and disposal of residential solid waste from June 1, 1999, through May 31, 2004. Waste Management will pay an initial disposal cost of \$12 per ton. Monthly residential rates are as follows:

Year one	\$10.00
Year two	\$11.50
Year three	\$13.00
Year four	\$13.65
Year five	\$14.33



# **TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

## **Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

The council agreed to provide a credit of \$5,000 per month to Waste Management to apply against disposal costs for the first twelve months of the contract. The council also purchased the garbage carts for use by Waste Management in its collection of waste.

### **29. RISK MANAGEMENT**

Tangipahoa Parish Council is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council attempts to minimize risk from significant losses through the purchase of commercial insurance. However, the council does not have a general liability policy.

### **30. SUBSEQUENT EVENTS**

**JUDGEMENT** On February 4, 2000, a judgement was rendered against the Tangipahoa Parish Council for \$717,294 of state revenue sharing funds withheld from Tangipahoa Parish Garbage District No. 1 for 1985, 1986, and 1987. Attorney fees of \$12,500 are to be paid from the funds which the declaratory judgement recognized that the Tangipahoa Parish Garbage District No. 1 was entitled to. Interest is payable on the above amount from date of judicial demand until paid.

**AGREEMENT WITH WAL-MART STORES EAST, INC.** On March 13, 2000, the Tangipahoa Parish Council agreed to certain development commitments and service improvements for the benefit of the construction of a Wal-Mart distribution center in Tangipahoa Parish. Funding of \$4.5 million will be provided by the Louisiana Department of Economic Development.

The Wal-Mart agreement also calls for certain tax incentives which would include the requirement for the Tangipahoa Parish Council to purchase the distribution center when construction is complete and to lease the center to Wal-Mart.

Also in June 2000 a legal suit was filed by parish residents seeking to stop the construction of this project.

**RESERVE FUND** Effective January 1, 2000, a Reserve Fund was established by the Tangipahoa Parish Council. The Reserve Fund will receive 25% of the excess of current estimated sales tax revenues of the General Fund over the prior year's actual sales tax revenue or \$50,000 annually, whichever is greater. Funds can be spent only upon request of the Parish President and approval by two-thirds of the council.

**LIBRARY PURCHASE** Subsequent to year end, the Tangipahoa Parish Council purchased a building for \$80,000 to be used as a Loranger library. The Council was reimbursed \$30,000 from the Tangipahoa Parish Library and will receive the remaining \$50,000 within one year.

**TANGIPAHOA PARISH COUNCIL**

**Amite, Louisiana**

**Notes to the Financial Statements**

**As of and for the Year Ended December 31, 1999**

**SALES TAX RENEWAL** On March 14, 2000, the voters of Tangipahoa Parish approved a renewal of a 1 per cent parish wide sales tax. The proceeds are to be used 25 per cent for the general government and 75 per cent for road and bridge maintenance and improvements. The sales tax is effective from December 31, 2001 for a period of four years.

**CORONER LEGAL FEES** The former coroner of Tangipahoa Parish is seeking reimbursement from the Tangipahoa Parish Council of \$10,350 of legal fees incurred for the coroner's defense in a lawsuit. The council has taken no action on this request.

**PURCHASE OF SCHOOL BOARD BUILDING** On May 9, 2000, the Tangipahoa Parish Council notified the Tangipahoa Parish School Board of the Council's intent to purchase the School Board building located at 313 East Oak Street, Amite Louisiana, for the price of \$500,000.

**ASSET DONATION** The Tangipahoa Parish Council has authorized the donation of the Booker II/Woodland Park Sewer System to Sewerage District No. 1 of Tangipahoa Parish, Louisiana and the Booker II/Woodland Park Water System to the Tangipahoa Parish Water District.

**SUPPLEMENTAL INFORMATION SCHEDULES**

TANGIPAHOA PARISH COUNCIL  
Amite, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and for the Year Ended December 31, 1999

SPECIAL REVENUE FUNDS

ROAD AND BRIDGE FUNDS

The Road and Bridge Funds account for the construction of new roads and bridges and the maintenance of the existing roads and roadside areas within the respective road districts. Major sources of revenues are ad valorem taxes, 75% sales tax, and appropriations from the State of Louisiana Parish Transportation Fund.

ROAD LIGHTING DISTRICT FUNDS

The Road Lighting District Funds account for the costs of lighting streets and roads within the respective districts. The major source of revenue is ad valorem taxes.

GARBAGE DISTRICT NO. 1 FUND

The Garbage District No. 1 Fund accounts for the operation of the parish landfill. Major sources of revenue are ad valorem taxes and sanitation landfill user fees.

RURAL FIRE PROTECTION DISTRICT NO. 2 FUND

The Rural Fire Protection District No. 2 Fund accounts for the receipt of ad valorem taxes, state revenue sharing, and the two percent fire insurance rebate monies and the appropriation of these funds to the various fire departments in the district based on percentage of rural population they serve.

HEALTH UNIT FUND

The Health Unit Fund accounts for the parish's portion of the cost of acquiring and maintaining the health units in the parish. The major source of revenue is ad valorem taxes.

WITNESS FEES FUND

The Witness Fees Fund accounts for the fees paid to witnesses in district court and the Seventh Ward Court. The major source of revenue is court fines.



TANGIPAHOA PARISH COUNCIL  
Amite, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
(Continued)  
As of and for the Year Ended December 31, 1999

SPECIAL REVENUE FUNDS

**ANIMAL SHELTER FUND**

The Animal Shelter Fund accounts for the operation of the parish animal shelter. Major sources of revenue are adoption fees, fees charged to municipalities for animal control services and transfers from the general fund.

**CRIMINAL COURT FUND**

The Twenty-First Judicial District Criminal Court Fund is established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases are to be transferred to the parish treasurer and deposited into a special Criminal Court Fund to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statute also requires that one-half of the fund balance remaining in the Criminal Court Fund at December 31 of each year be transferred to the parish General Fund.

**FEDERAL FUNDS**

**SECTION 8 HOUSING AND SECTION 8 VOUCHER FUNDS**

The Section 8 Housing and Section 8 Voucher Funds account for grants received from the United States Department of Housing and Urban Development for housing assistance programs for low-income persons.

**TRUANCY PREVENTION FUND**

The Truancy Prevention Fund accounts for funds received from the U. S. Department of Justice, passed through the Louisiana Commission on Law Enforcement, for the truancy intervention program.

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE I

ROAD AND BRIDGE DISTRICTS ROAD LIGHTING DISTRICTS GARBAGE DISTRICT NO. 1 PROTECTION DISTRICT NO. 2 RURAL FIRE PROTECTION DISTRICT HEALTH UNIT WITNESS FEES CRIMINAL COURT ANIMAL SHELTER TOTAL

	ROAD AND BRIDGE DISTRICTS	ROAD LIGHTING DISTRICTS	GARBAGE DISTRICT NO. 1	PROTECTION DISTRICT NO. 2	RURAL FIRE PROTECTION DISTRICT	HEALTH UNIT	WITNESS FEES	CRIMINAL COURT	ANIMAL SHELTER	FEDERAL	TOTAL
Cash and cash equivalents	\$ 1,782,180	\$ 123,541	\$ 634,255	\$ 128,598	\$ 806,937	\$ 492,005	\$ (18,491)	\$ (3,322)	\$ 197,779	\$ 4,143,382	
Receivables	720,888	7,725	817,130	1,312,411	373,492	9,844	62,686	0	0	3,304,175	
Due from other governments	0	0	0	0	0	0	0	0	828	828	
Due from other funds	4,098	0	3,563	15,950	0	0	0	0	0	23,611	
<b>Total Assets</b>	<b>\$ 2,507,166</b>	<b>\$ 131,266</b>	<b>\$ 1,454,847</b>	<b>\$ 1,456,959</b>	<b>\$ 1,180,429</b>	<b>\$ 501,849</b>	<b>\$ 44,195</b>	<b>\$ (3,322)</b>	<b>\$ 198,607</b>	<b>\$ 7,471,996</b>	

LIABILITIES

Accounts payable	\$ 594,255	\$ 343	\$ 67,964	\$ 1,410,134	\$ 30,075	\$ 175	\$ 58,247	\$ 8,946	\$ 46	\$ 2,170,184
Accrued Expenses	144,437	0	14,616	0	6,319	0	0	3,966	1,531	170,869
Due to other funds	3,028	0	0	0	0	0	7,258	26,819	6,532	43,637
Due to HUD	0	0	0	0	0	0	0	0	142,138	142,138
<b>Total Liabilities</b>	<b>\$ 741,719</b>	<b>\$ 343</b>	<b>\$ 82,581</b>	<b>\$ 1,410,134</b>	<b>\$ 36,394</b>	<b>\$ 175</b>	<b>\$ 65,504</b>	<b>\$ 39,732</b>	<b>\$ 150,247</b>	<b>\$ 2,526,828</b>

FUND EQUITY

Unreserved-undesignated	\$ 1,765,446	\$ 130,923	\$ 1,372,266	\$ 0	\$ 1,144,035	\$ 501,674	\$ (21,309)	\$ (43,053)	\$ 48,360	\$ 4,898,343
Designated	0	0	0	46,825	0	0	0	0	0	46,825
<b>Total Fund Equity</b>	<b>\$ 1,765,446</b>	<b>\$ 130,923</b>	<b>\$ 1,372,266</b>	<b>\$ 46,825</b>	<b>\$ 1,144,035</b>	<b>\$ 501,674</b>	<b>\$ (21,309)</b>	<b>\$ (43,053)</b>	<b>\$ 48,360</b>	<b>\$ 4,945,168</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 2,507,166</b>	<b>\$ 131,266</b>	<b>\$ 1,454,847</b>	<b>\$ 1,456,959</b>	<b>\$ 1,180,429</b>	<b>\$ 501,849</b>	<b>\$ 44,195</b>	<b>\$ (3,322)</b>	<b>\$ 198,607</b>	<b>\$ 7,471,996</b>

SCHEDULE 2

TANGIPAHCA PARISH COUNCIL  
Amite, Louisiana

SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
For The Twelve Months Ended December 31, 1999

	ROAD AND BRIDGE	ROAD LIGHTING DISTRICTS	GARBAGE DISTRICT NO. 1	RURAL FIRE PROTECTION DISTRICT NO. 2	HEALTH UNIT	WITNESS FEES	CRIMINAL COURT	ANIMAL SHELTER	FEDERAL	TOTAL
<u>REVENUES</u>										
Taxes:										
Sales	\$ 7,392,859	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,392,859
Ad valorem	0	9,161	658,906	1,236,920	379,537	0	0	0	0	2,284,523
Licenses and permits	0	0	0	0	0	0	3,587	0	0	3,587
Intergovernmental revenues:										
Federal grants	0	0	0	0	0	0	0	0	573,052	573,052
State funds:										
Parish transportation funds	939,092	0	0	0	0	0	0	0	0	939,092
State revenue sharing	0	0	179,613	416,446	54,781	0	0	0	0	650,840
State Grants	5,564	0	0	95,668	0	0	0	0	0	101,232
Louisiana commission on law enforcement										
Fees, charges, and commissions for services	0	0	1,042,427	0	0	0	0	163,925	2,297	1,208,649
Fines and forfeitures	0	0	0	0	0	85,707	550,016	0	0	635,723
Interest	99,109	9,417	36,056	18,742	52,606	23,318	1,386	3,089	4,454	248,178
Other revenues	810	0	3,333	8,400	0	0	0	0	0	12,543
<b>Total Revenues</b>	<b>8,437,433</b>	<b>18,578</b>	<b>1,920,335</b>	<b>1,776,176</b>	<b>486,924</b>	<b>109,025</b>	<b>554,988</b>	<b>167,014</b>	<b>579,803</b>	<b>14,050,276</b>
<u>EXPENDITURES</u>										
General Government:										
Judicial	0	0	0	0	0	12,910	583,555	0	0	596,465
Public Safety	0	0	0	1,729,351	0	0	0	286,712	0	2,016,062
Public Works	8,271,344	22,749	1,963,838	0	0	0	0	0	0	10,257,931
Health and welfare	0	0	0	0	737,240	0	0	0	588,377	1,325,617
Debt Service:										
Principal	0	0	87,436	0	0	0	0	0	0	87,436
Interest and agent fees	0	0	23,982	0	0	0	0	0	0	23,982
<b>Total Expenditures</b>	<b>8,271,344</b>	<b>22,749</b>	<b>2,075,256</b>	<b>1,729,351</b>	<b>737,240</b>	<b>12,910</b>	<b>583,555</b>	<b>286,712</b>	<b>588,377</b>	<b>14,307,493</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>166,089</b>	<b>(4,171)</b>	<b>(154,921)</b>	<b>46,825</b>	<b>(250,316)</b>	<b>96,115</b>	<b>(28,567)</b>	<b>(119,697)</b>	<b>(8,574)</b>	<b>(257,217)</b>

Continued on the following page

SCHEDULE 2  
(Continued)

TANGIPAHOA PARISH COUNCIL  
Amite, Louisiana  
SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES

For The Twelve Months Ended December 31, 1999

	ROAD AND BRIDGE	ROAD LIGHTING DISTRICTS	GARBAGE DISTRICT NO. 1	RURAL FIRE PROTECTION DISTRICT NO. 2	HEALTH UNIT	WITNESS FEES	CRIMINAL COURT	ANIMAL SHELTER	FEDERAL	TOTAL
OTHER FINANCING SOURCES (USES)										
Sale of fixed assets	\$ 135,850	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 135,850
Operating transfers in	0	0	423,244	0	0	0	0	105,000	0	528,244
Total Other Financing Sources (Uses)	135,850	0	423,244	0	0	0	0	105,000	0	664,094
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	301,939	(4,171)	268,323	46,825	(250,316)	96,115	(28,567)	(14,697)	(8,574)	406,877
Fund Balances at Beginning of Year	1,463,507	135,095	1,103,943	0	1,394,351	405,559	7,258	(28,356)	56,934	4,538,291
Fund Balances at End of Year	\$ 1,765,446	\$ 130,923	\$ 1,372,266	\$ 46,825	\$ 1,144,035	\$ 501,674	\$ (21,309)	\$ (43,053)	\$ 48,360	\$ 4,945,168

(Concluded)



TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 SPECIAL REVENUE - ROAD AND BRIDGE FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE 3

	<u>ROAD AND BRIDGE</u>	<u>ROAD AND BRIDGE CONTRACT</u>	<u>TOTAL</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 706,719	\$ 1,075,462	\$ 1,782,180
Receivables	470,888	250,000	720,888
Due from other funds	4,098	0	4,098
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 1,181,704	\$ 1,325,462	\$ 2,507,166
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 43,638	\$ 550,617	\$ 594,255
Accrued Expenses	144,437	0	144,437
Due to other funds	3,028	0	3,028
	<hr/>	<hr/>	<hr/>
Total Liabilities	191,102	550,617	741,719
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>FUND EQUITY</u></b>			
Unreserved-undesignated	990,602	774,845	1,765,446
	<hr/>	<hr/>	<hr/>
Total Fund Equity	990,602	774,845	1,765,446
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total Liabilities and Fund Equity	\$ 1,181,704	\$ 1,325,462	\$ 2,507,166
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 SPECIAL REVENUE - ROAD AND BRIDGE FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 For The Twelve Months Ended December 31, 1999

SCHEDULE 4

	<u>ROAD AND BRIDGE</u>	<u>ROAD AND BRIDGE CONTRACT</u>	<u>TOTAL</u>
<u>REVENUES</u>			
Taxes:			
Sales	\$ 4,392,859	\$ 3,000,000	\$ 7,392,859
Parish transportation funds	939,092	0	939,092
State grants	5,564	0	5,564
Interest	22,608	76,501	99,109
Other revenues	810	0	810
	-----	-----	-----
Total Revenues	5,360,932	3,076,501	8,437,433
	-----	-----	-----
<u>EXPENDITURES</u>			
Public Works	5,161,881	3,109,463	8,271,344
	-----	-----	-----
Total Expenditures	5,161,881	3,109,463	8,271,344
	-----	-----	-----
Excess of Revenues Over (Under) Expenditures	199,051	(32,962)	166,089
	-----	-----	-----
<u>OTHER FINANCING SOURCES (USES)</u>			
Sale of fixed assets	135,850	0	135,850
	-----	-----	-----
Total Other Financing Sources (Uses)	135,850	0	135,850
	-----	-----	-----
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	334,901	(32,962)	301,939
	-----	-----	-----
Fund Balances at Beginning of Year	655,701	807,806	1,463,507
	-----	-----	-----
Fund Balances at End of Year	\$ 990,602	\$ 774,845	\$ 1,765,446
	=====	=====	=====

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 SPECIAL REVENUE - ROAD LIGHTING DISTRICT FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE 5

	<u>ROAD LIGHTING DISTRICTS</u>				
	<u>NO. 1</u>	<u>NO. 2</u>	<u>NO. 3</u>	<u>NO. 4</u>	<u>TOTAL</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 9,079	\$ 50,770	\$ 8,219	\$ 55,473	\$ 123,541
Receivables	2,740	587	3,819	580	7,726
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 11,819	\$ 51,357	\$ 12,038	\$ 56,053	\$ 131,266
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES</u>					
Accounts payable	\$ 112	\$ 26	\$ 181	\$ 24	\$ 343
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	112	26	181	24	343
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND EQUITY</u>					
Unreserved-undesignated	11,707	51,331	11,857	56,028	130,923
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Equity	11,707	51,331	11,857	56,028	130,923
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Equity	\$ 11,819	\$ 51,357	\$ 12,038	\$ 56,053	\$ 131,266
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 SPECIAL REVENUE - ROAD LIGHTING DISTRICT FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 For The Twelve Months Ended December 31, 1999

	<u>ROAD LIGHTING DISTRICTS:</u>				<u>TOTAL</u>
	<u>NO. 1</u>	<u>NO. 2</u>	<u>NO. 3</u>	<u>NO. 4</u>	
<u>REVENUES</u>					
Taxes:					
Ad valorem	\$ 2,957	\$ 679	\$ 4,868	\$ 658	\$ 9,161
Interest	1,833	2,686	1,664	3,234	9,417
Total Revenues	<u>4,789</u>	<u>3,365</u>	<u>6,531</u>	<u>3,892</u>	<u>18,578</u>
<u>EXPENDITURES</u>					
Public Works	1,926	6,436	3,667	10,720	22,749
Total Expenditures	<u>1,926</u>	<u>6,436</u>	<u>3,667</u>	<u>10,720</u>	<u>22,749</u>
Excess of Revenues Over (Under) Expenditures	2,864	(3,071)	2,865	(6,828)	(4,171)
Fund Balances at Beginning of Year	<u>8,844</u>	<u>54,403</u>	<u>8,992</u>	<u>62,856</u>	<u>135,095</u>
Fund Balances at End of Year	<u>\$ 11,707</u>	<u>\$ 51,331</u>	<u>\$ 11,857</u>	<u>\$ 56,028</u>	<u>\$ 130,923</u>



TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 SPECIAL REVENUE - FEDERAL FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE 7

	<u>SECTION 8 HOUSING</u>	<u>SECTION 8 VOUCHER</u>	<u>TRUANCY PREVENTION</u>	<u>TOTAL</u>
<b><u>ASSETS AND OTHER DEBITS</u></b>				
Cash and cash equivalents	\$ 129,041	\$ 57,285	\$ 11,453	\$ 197,779
Due from other governments	687	140	0	828
	-----	-----	-----	-----
Total Assets	\$ 129,728	\$ 57,425	\$ 11,453	\$ 198,607
	=====	=====	=====	=====
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 46	\$ 0	\$ 0	\$ 46
Accrued Expenses	1,531	0	0	1,531
Due to other funds	0	0	6,532	6,532
Due to HUD	90,808	51,331	0	142,138
	-----	-----	-----	-----
Total Liabilities	92,384	51,331	6,532	150,247
	-----	-----	-----	-----
<b><u>FUND EQUITY</u></b>				
Unreserved-undesignated	37,344	6,095	4,921	48,360
	-----	-----	-----	-----
Total Fund Equity	37,344	6,095	4,921	48,360
	-----	-----	-----	-----
Total Liabilities and Fund Equity	\$ 129,728	\$ 57,425	\$ 11,453	\$ 198,607
	=====	=====	=====	=====

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 SPECIAL REVENUE - FEDERAL FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 For The Twelve Months Ended December 31, 1999

SCHEDULE 8

	<u>SECTION 8</u> <u>HOUSING</u>	<u>SECTION 8</u> <u>VOUCHER</u>	<u>TRUANCY</u> <u>PREVENTION</u>	<u>TOTAL</u>
<u>REVENUES</u>				
Intergovernmental revenues:				
Federal funds:				
Federal grants	\$ 368,903	\$ 153,422	\$ 50,727	\$ 573,052
Fees, charges, and commissions for services	1,738	559	0	2,297
Interest	2,304	550	1,600	4,454
	-----	-----	-----	-----
Total Revenues	372,946	154,531	52,327	579,803
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General Government:				
Health and welfare	381,608	159,363	47,406	588,377
	-----	-----	-----	-----
Total Expenditures	381,608	159,363	47,406	588,377
	-----	-----	-----	-----
Excess of Revenues Over (Under) Expenditures	(8,663)	(4,832)	4,921	(8,574)
	-----	-----	-----	-----
<u>OTHER FINANCING SOURCES (USES)</u>				
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(8,663)	(4,832)	4,921	(8,574)
Fund Balances (Deficit) at Beginning of Year	46,007	10,927	0	56,934
	-----	-----	-----	-----
Fund Balances (Deficit) at End of Year	\$ 37,344	\$ 6,095	\$ 4,921	\$ 48,360
	=====	=====	=====	=====

TANGIPAHOA PARISH COUNCIL  
Amite, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and for the Year Ended December 31, 1999

DEBT SERVICE FUNDS

ROAD DISTRICT NO. 101 FUND

The Road District No. 101 Fund accumulates monies to pay a bond issue dated December 15, 1976, of \$275,000. The bonds were issued to open, construct, and improve public roads, highways, and bridges within the district. Financing is provided by an annual property tax and interest earned on deposits.

SUB-ROAD DISTRICT NO. 1 OF ROAD DISTRICT NO. 101 FUND

The Sub-Road District No. 1 of Road District No. 101 Fund accumulates monies to pay a bond issue dated December 15, 1976, of \$275,000. The bonds were issued to open, construct, and improve public roads, highways, and bridges within the district. Financing is provided by an annual property tax and interest earned on deposits.

GENERAL SERVICE SUB-DISTRICT NO. 4A FUND

The General Service Sub-District No. 4A Fund accumulates monies to pay the June 1, 1984, bond issue of \$200,000. The bonds were issued to construct, maintain, and improve public roads, highways, and bridges within the sub-district. Financing is provided by an annual property tax and interest earned on deposits.

GENERAL SERVICE SUB-DISTRICT NO. 5 FUND

The General Service Sub-District No. 5 Fund accumulates monies to pay the June 1, 1984, bond issue of \$900,000. The bonds were issued to construct, maintain, and improve public roads, highways, and bridges within the sub-district. Financing is provided by an annual property tax and interest earned on deposits.

GENERAL SERVICE SUB-DISTRICT NO. 8 FUND

The General Service Sub-District No. 8 Fund accumulates monies to pay the June 1, 1984, bond issue of \$900,000. The bonds were issued to construct, maintain, and improve public roads, highways, and bridges within the sub-district. Financing is provided by an annual property tax and interest earned on deposits.

RECREATION DISTRICT NO. 1 FUND

The Recreation District No. 1 Fund accumulates monies to pay the June 15, 1978, bond issue of \$505,000. The bonds were issued to acquire land, buildings, equipment, and other facilities for recreational purposes within the district. Financing is provided by an annual property tax and interest earned on deposits.

## RECREATION DISTRICT NO. 2 FUND

The Recreation District No. 2 Fund accumulates monies to pay the June 15, 1979, bond issue of \$570,000. The bonds were issued to acquire land, buildings, equipment, and other facilities for recreational purposes within the district. Financing is provided by an annual property tax and interest earned on deposits.



TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 DEBT SERVICE FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE 9

	<u>ROAD</u> <u>DISTRICTS</u>	<u>GENERAL</u> <u>SERVICE</u> <u>DISTRICTS</u>	<u>RECREATION</u> <u>DISTRICTS</u>	<u>TOTAL</u>
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 10,341	\$ 15,582	\$ 5,240	\$ 31,163
Receivables	62,092	22,811	0	84,903
Total Assets	<u>\$ 72,433</u>	<u>\$ 38,394</u>	<u>\$ 5,240</u>	<u>\$ 116,066</u>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 2,471	\$ 1,048	\$ 0	\$ 3,519
Total Liabilities	<u>2,471</u>	<u>1,048</u>	<u>0</u>	<u>3,519</u>
<b><u>FUND EQUITY</u></b>				
Reserved for:				
Debt service	69,962	37,346	5,240	112,548
Total Fund Equity	<u>69,962</u>	<u>37,346</u>	<u>5,240</u>	<u>112,548</u>
Total Liabilities and Fund Equity	<u>\$ 72,433</u>	<u>\$ 38,394</u>	<u>\$ 5,240</u>	<u>\$ 116,066</u>

## TANGIPAHOA PARISH COUNCIL

Amite, Louisiana

## DEBT SERVICE FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES

For The Twelve Months Ended December 31, 1999

## SCHEDULE 10

	<u>ROAD</u> <u>DISTRICTS</u>	<u>GENERAL</u> <u>SERVICE</u> <u>DISTRICTS</u>	<u>RECREATION</u> <u>DISTRICTS</u>	<u>TOTAL</u>
<u>REVENUES</u>				
Taxes:				
Ad valorem	\$ 65,242	\$ 27,298	\$ 3	\$ 92,543
Interest	1,949	6,312	530	8,791
	-----	-----	-----	-----
Total Revenues	67,191	33,610	533	101,334
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General Government:				
Finance and Administrative	3,813	1,726	10	5,549
Debt Service:				
Principal	20,000	240,000	15,000	275,000
Interest and agent fees	42,455	21,148	450	64,053
	-----	-----	-----	-----
Total Expenditures	66,268	262,874	15,460	344,602
	-----	-----	-----	-----
Excess of Revenues Over (Under) Expenditures	923	(229,264)	(14,927)	(243,268)
	-----	-----	-----	-----
Fund Balances at Beginning of Year	69,039	266,610	20,167	355,816
	-----	-----	-----	-----
Fund Balances at End of Year	\$ 69,962	\$ 37,346	\$ 5,240	\$ 112,548
	=====	=====	=====	=====

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 DEBT SERVICE - ROAD DISTRICT FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE 11

	<u>NO. 101</u>	<u>NO 101-1</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 5,826	\$ 4,515	\$ 10,341
Receivables	30,428	31,663	62,092
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 36,255	\$ 36,178	\$ 72,433
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES</u>			
Accounts payable	\$ 1,210	\$ 1,261	\$ 2,471
	<hr/>	<hr/>	<hr/>
Total Liabilities	1,210	1,261	2,471
	<hr/>	<hr/>	<hr/>
<u>FUND EQUITY</u>			
Reserved for:			
Debt service	35,045	34,917	69,962
	<hr/>	<hr/>	<hr/>
Total Fund Equity	35,045	34,917	69,962
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Equity	\$ 36,255	\$ 36,178	\$ 72,433
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 DEBT SERVICE - ROAD DISTRICT FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 For The Twelve Months Ended December 31, 1999

SCHEDULE 12

	<u>NO. 101</u>	<u>NO. 101-1</u>	<u>TOTAL</u>
<u>REVENUES</u>			
Taxes:			
Ad valorem	\$ 31,977	\$ 33,265	\$ 65,242
Interest	1,059	890	1,949
	<hr/>	<hr/>	<hr/>
Total Revenues	33,036	34,155	67,191
	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>			
General Government:			
Finance and Administrative	1,870	1,943	3,813
Debt Service:			
Principal	10,000	10,000	20,000
Interest and agent fees	21,235	21,220	42,455
	<hr/>	<hr/>	<hr/>
Total Expenditures	33,105	33,163	66,268
	<hr/>	<hr/>	<hr/>
Excess of Revenues Over (Under) Expenditures	(69)	992	923
Fund Balances at Beginning of Year	35,115	33,924	69,039
	<hr/>	<hr/>	<hr/>
Fund Balances at End of Year	\$ 35,046	\$ 34,916	\$ 69,962
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 DEBT SERVICE - GENERAL SERVICE DISTRICT FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE 13

	<u>NO. 4A</u>	<u>NO. 5</u>	<u>NO. 8</u>	<u>TOTAL</u>
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 3,667	\$ 15,796	\$ (3,882)	\$ 15,582
Receivables	4,883	3,943	13,985	22,811
	-----	-----	-----	-----
Total Assets	\$ 8,550	\$ 19,740	\$ 10,104	\$ 38,394
	=====	=====	=====	=====
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 198	\$ 179	\$ 671	\$ 1,048
	-----	-----	-----	-----
Total Liabilities	198	179	671	1,048
	-----	-----	-----	-----
<b><u>FUND EQUITY</u></b>				
Reserved for:				
Debt service	8,352	19,561	9,432	37,346
	-----	-----	-----	-----
Total Fund Equity	8,352	19,561	9,432	37,346
	-----	-----	-----	-----
Total Liabilities and Fund Equity	\$ 8,550	\$ 19,740	\$ 10,104	\$ 38,394
	=====	=====	=====	=====

## TANGIPAHOA PARISH COUNCIL

## SCHEDULE 14

Amite, Louisiana

DEBT SERVICE - GENERAL SERVICE DISTRICT FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 For The Twelve Months Ended December 31, 1999

	<u>NO. 4A</u>	<u>NO. 5</u>	<u>NO. 8</u>	<u>TOTAL</u>
<u>REVENUES</u>				
Taxes:				
Ad valorem	\$ 5,182	\$ 4,253	\$ 17,863	\$ 27,298
Interest	1,145	3,812	1,355	6,312
	-----	-----	-----	-----
Total Revenues	6,327	8,065	19,218	33,610
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General Government:				
Finance and Administrative	324	339	1,063	1,726
Debt Service:				
Principal	20,000	110,000	110,000	240,000
Interest and agent fees	3,959	8,596	8,593	21,148
	-----	-----	-----	-----
Total Expenditures	24,283	118,935	119,656	262,874
	-----	-----	-----	-----
Excess of Revenues Over (Under) Expenditures	(17,956)	(110,870)	(100,438)	(229,264)
	-----	-----	-----	-----
Fund Balances at Beginning of Year	26,308	130,431	109,871	266,610
	-----	-----	-----	-----
Fund Balances at End of Year	\$ 8,352	\$ 19,561	\$ 9,433	\$ 37,346
	=====	=====	=====	=====

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 DEBT SERVICE - RECREATION DISTRICT FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 1999

SCHEDULE 15

	<u>NO. 1</u>	<u>NO. 2</u>	<u>TOTAL</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 2,672	\$ 2,568	\$ 5,240
	-----	-----	-----
Total Assets	\$ 2,672	\$ 2,568	\$ 5,240
	=====	=====	=====
<b><u>FUND EQUITY</u></b>			
Reserved for:			
Debt service	2,672	2,568	5,240
	-----	-----	-----
Total Fund Equity	2,672	2,568	5,240
	-----	-----	-----
Total Liabilities and Fund Equity	\$ 2,672	\$ 2,568	\$ 5,240
	=====	=====	=====

TANGIPAHOA PARISH COUNCIL  
 Amite, Louisiana  
 DEBT SERVICE - RECREATION DISTRICT FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 For The Twelve Months Ended December 31, 1999

SCHEDULE 16

	<u>NO. 1</u>	<u>NO. 2</u>	<u>TOTAL</u>
<u>REVENUES</u>			
Taxes:			
Ad valorem	\$ 3	\$ 0	\$ 3
Interest	254	276	530
	-----	-----	-----
Total Revenues	257	276	533
	-----	-----	-----
<u>EXPENDITURES</u>			
General Government:			
Finance and Administrative	5	5	10
Debt Service:			
Principal	0	15,000	15,000
Interest and agent fees	0	450	450
	-----	-----	-----
Total Expenditures	5	15,455	15,460
	-----	-----	-----
Excess of Revenues Over (Under) Expenditures	252	(15,179)	(14,927)
	-----	-----	-----
Fund Balances at Beginning of Year	2,421	17,747	20,168
	-----	-----	-----
Fund Balances at End of Year	\$ 2,673	\$ 2,568	\$ 5,241
	=====	=====	=====

TANGIPAHOA PARISH COUNCIL

Amite, Louisiana

SCHEDULE 17

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

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Federal Emergency Management Agency:			
Passed through			
Louisiana Military Department			
Enhanced Hazmat Program	83.534	LANG-DEP-NTH	\$ 25,000
State and Local Assistance Program	83.544	LANG-DEP-B	<u>14,515</u>
Total U.S. Federal Emergency Management Agency			<u>39,515</u>
U.S. Department of Justice:			
Passed through			
Louisiana Commission on Law Enforcement			
Truancy Intervention Program	16.548	W96-5-001	<u>47,406</u>
U.S. Department of Housing and Urban Development:			
Direct Programs:			
Section 8 Existing Housing Program	14.857	-	381,609
Section 8 Housing Voucher Program	14.855	-	159,364
Passed through State Division of Administration:			
LCDBG Sewer System Improvements	14.219	#101-6071	1,500
LCDBG Water System Improvements	14.219	#101-6072	2,880
Passed through Louisiana Department of Social Services, Office of Community Planning and Development:			
Emergency Shelter Grant Program	14.231	CFMS#547087	<u>9,695</u>
Total U.S. Department of Housing and Urban Development			<u>555,048</u>
Total Federal Awards			<u>\$641,969</u>

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Tangipahoa Parish Council and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.



**OTHER INDEPENDENT AUDITOR'S REPORTS AND FINDINGS**

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL BASED ON AN AUDIT OF THE GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

To the Parish President and Members  
of the Tangipahoa Parish Council  
Amite, Louisiana

I have audited the general purpose financial statements of the Tangipahoa Parish Council as of and for the year ended December 31, 1999, and have issued my report thereon dated June 16, 2000, which was qualified because the financial statements do not include the financial data of all component units of the Tangipahoa Parish Council, Louisiana. Except as discussed in the preceding sentence, I conducted my 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 Tangipahoa Parish Council's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion.

The results of my tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as item numbers 99-1, 99-2, 99-4, 99-5, 99-6, 99-7, 99-9, and 99-10.

Tangipahoa Parish Council  
Independent Auditor's Report on Compliance  
and on Internal Control - Continued

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing my audit, I considered the Tangipahoa Parish Council's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the Tangipahoa Parish Council's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as items numbers 99-2, 99-3, 99-6, 99-8, and 99-9.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider items 99-6 and 99-9 to be material weaknesses.

This report is intended for the information the governing council, management, the Legislative Auditor, and the Federal Oversight Agencies. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

June 16, 2000

See Appendix A of Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana, a component unit of the Tangipahoa Parish Council.

# LEE GRAY

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AMERICAN INSTITUTE OF CPAS

SOCIETY OF LOUISIANA CPAS

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

To the Parish President and Members  
of the Tangipahoa Parish Council  
Amite, Louisiana

### Compliance

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

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I 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 Tangipahoa Parish Council's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the Tangipahoa Parish Council's compliance with those requirements.



In my opinion, the Tangipahoa Parish Council, complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 1999. However, the results of my auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings as item 99-10.

#### Internal Control Over Compliance

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

My 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 the 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the governing body, management, the Legislative Auditor, and Federal Oversight Agency. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

June 16, 2000



TANGIPAHOA PARISH COUNCIL

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
For the Year Ended December 31, 1999

<b>SECTION 1. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>		
97-C-3	Animal Shelter to improve documentation supporting daily deposits	Unresolved
98-C-1	Failure to comply with the Local Government Budget Act	Unresolved - See current year Finding No. 99-1
98-C-2	Year 2000 Issue	Resolved
98-C-3	Pertains to "closure" and "postclosure" costs of Tangipahoa Parish Regional Landfill	Resolved
<b>SECTION 2. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>		
Not applicable		
<b>SECTION 3. MANAGEMENT LETTER</b>		
96-M-1	Transfer of unclaimed property to the State of Louisiana	Resolved
97-M-1	Legal counsel to review required permits for solid waste commercial haulers (Item 3)	Resolved
98-M-1	Approval procedures for disbursements and documentation of same	Resolved
98-M-2	Requirement that employees sign payroll time sheets	Resolved

See Appendix A for Prior Year Audit Findings of Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana, a component unit of the Tangipahoa Parish Council.

TANGIPAHOA PARISH COUNCIL

Schedule of Current Year Audit Findings  
Year Ended December 31, 1999

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SECTION I - SUMMARY OF AUDITOR'S RESULTS

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I have audited the financial statements of the Tangipahoa Parish Council as of and for the year ended December 31, 1999, and have issued my report thereon dated June 16, 2000. I conducted my 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 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. My audit of the financial statements as of December 31, 1999, resulted in a qualified opinion.

Financial Statements

Type of auditor's report issued: qualified

Internal control over financial reporting:

Material weaknesses identified?  yes  no

Reportable conditions identified not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major programs:

Material weaknesses identified?  yes  no

Reportable conditions identified not considered to be material weaknesses?  yes  none reported

Type of auditor's report issued on compliance for major programs: unqualified



Tangipahoa Parish Council  
 Schedule of Findings - Continued

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent</u>
Section 8 Voucher Program	\$141,673	\$159,364	\$17,691	12.49%
Truancy Prevention Project	(No budget adopted)			

- The Local Government Budget Act requires a local government to adopt a budget for the general fund and each special revenue fund.

The Local Government Budget Law also requires a local government to amend its operating budget when the total revenue and other sources fail to meet total budgeted revenues and other sources by 5% or more. Also, amendment is required when total actual expenditures and other uses exceed the total budgeted expenditures and other uses by 5% or more. The Tangipahoa Parish Council failed to amend the budget by an adequate amount for the Section 8 Voucher Program fund for the fiscal year ended December 31, 1999.

- Louisiana Revised Statutes require that a notice must be published ten days prior to the public hearing for adoption of the budget in the official journal. The Tangipahoa Parish Council published the notice for the budget public hearing four days prior to the public hearing.

These deficiencies place the Tangipahoa Parish Council in noncompliance with the Local Government Budget Act and reduces the effectiveness of the Tangipahoa Parish Council's budgetary controls.

**Cause** - The Tangipahoa Parish Council did not comply with certain requirements set forth in the Local Government Budget Act.

**Recommendation** - The Tangipahoa Parish Council should comply with the requirements of the Local Government Budget Act.

**Finding No. 99-2**

**Condition** - Possible overpayment to Sheriff for prisoner upkeep

**Criteria** - Tangipahoa Parish Council spent more than \$1 million in Tangipahoa Parish jail expenditures during FYE 12-31-99. Since a portion of the Tangipahoa Parish jail houses non-parish prisoners for whose upkeep the Sheriff receives federal, state, and local monies, perhaps the expenditures paid by Tangipahoa Parish Council should be pro-rated between non-parish and

Tangipahoa Parish Council  
Schedule of Findings - Continued

parish prisoners, with the Tangipahoa Parish Council paying only for the portion attributed to the parish prisoners.

**Effect** - TPC may be due a reimbursement for overpayment of expenses associated with non-parish prisoners.

**Recommendation** - Request the Sheriff to provide TPC with an accounting of prisoner expenses allocated between parish and non-parish prisoners. If appropriate, ask the Sheriff to refund the excess payments.

**Finding No. 99-3**

**Condition** - Possible overpayment of \$75,000 to Sheriff for courtroom security from July 1, 1998, until June 30, 1999.

**Criteria** - Tangipahoa Parish Council expended funds without obtaining adequate documentation.

**Effect** - Possible overpayment of \$75,000

**Recommendation** - Tangipahoa Parish Council should request adequate documentation from the Sheriff supporting the \$75,000 payment to him for courtroom security. If no such documentation is available, the Sheriff should reimburse the \$75,000 to Tangipahoa Parish Council.

**Finding No. 99-4**

**Condition** - Tangipahoa Parish Council's Health Unit Special Revenue Fund paid the Animal Shelter \$50,000. Tangipahoa Parish Council claims this amount is a health service fee for vaccinating animals for rabies.

**Criteria** - The tax proposition for the Health Unit ad valorem tax is "for the purpose of maintenance, operation, and development of its parish health unit for the promotion and conservation of public health". A fee to the Animal Shelter does not appear to be in compliance with this tax proposition. This \$50,000 payment was made to provide cash flow for the Animal Shelter.

**Effect** - Possible violation of the use of the Health Unit's ad valorem tax.

**Recommendation** - The \$50,000 payment should be repaid by the Animal Shelter Special Revenue Fund to the Health Unit Special Revenue Fund.



**Finding No. 99-5**

**Condition** - Failure to enforce Tangipahoa Parish Code 23.33 pertaining to disposal of sewage facilities waste.

**Criteria** - Tangipahoa Parish Code 23.33 requires persons engaged in emptying or cleaning sewage facilities or transporting such in Tangipahoa Parish to be a state licensed sewerage hauler and to have a disposal area approved by the state health officer.

**Effect** - Sewage haulers are not transporting sewage (sludge) into the sewage treatment facility operated by Tangipahoa Parish Garbage District No. 1. This is evidenced by a decrease of sewage sludge revenues from \$45,995 for 1998 to \$20,104 for 1999.

**Recommendation** - The Tangipahoa Parish Council should require the enforcement of its Tangipahoa Code 23.33 by proper authorities and assistance from the state and parish health office.

**Finding No. 99-6**

**Condition** - Inadequate or non-existent collection policies for past due accounts.

**Criteria** - Tangipahoa Parish Council has a fiscal duty to enforce collection of monies due it.

**Effect** - Landfill receivables at December 31, 1999, include \$18,361 from accounts which were 120 days or more past due. These remain uncollected at May 31, 2000. This results in a decreased cash flow for Garbage District No. 1. It may also be a violation of law by allowing parties to use the landfill without adequate consideration.

**Recommendation** - Adopt and enforce a policy of disallowing credit privileges when an account becomes 30 days past due.

**Finding No. 99-7**

**Condition** - There are opposing viewpoints regarding the coroner's operating fund. Coroner feels that revenues are reserved for him until specifically spent. TPC feels that these funds are spent to defray the operational costs of the coroner's office before any other revenues are spent.

**Criteria** - Coroner's Operational Fund is addressed in RS 33:1572.

Tangipahoa Parish Council  
Schedule of Findings - Continued

**Effect** - RS 33:1572 is not clear in its explanation of this issue and unclear whether TPC should have a reserved fund balance for coroner's operational fund.

**Recommendation** - TPC to request an Attorney General's opinion on this.

**Finding No. 99-8**

**Condition** - Inadequate documentation to support daily deposits by the Animal Shelter. This was initially reported in the 1997 audit as Finding No. 97-C-3.

**Criteria** - Accounting records should provide an audit trail from the bank deposit slips to the collection/receipt journals.

**Effect** - Unable to determine source of amounts deposited to bank account.

**Recommendation** - TPC accounting staff should develop the proper receipt journals and transmittal reports to allow tracing to/from bank deposit slips. TPC accountants should monitor the data from the Animal Shelter to assure compliance.

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**SECTION III - FEDERAL FINANCIAL ASSISTANCE**

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This section identifies the reportable conditions, material weaknesses, and instances of noncompliance required to be reported by OMB Circular A-133.

**Finding No. 99-9**

**Condition** - The Tangipahoa Parish Council received \$50,727 grant funds during FYE December 31, 1999 for a Truancy Intervention Program. Only \$47,406 of the grant funds were spent during the year.

The following findings were noted during my audit:

1. \$5,000 was claimed and paid to the Tangipahoa Parish Council for the services of a secretary; however, no records were available indicating days and times worked on the Truancy Intervention Program by this person.

Tangipahoa Parish Council  
Schedule of Findings - Continued

2. Inadequate documentation was provided regarding \$9,206 of non-monetary, in-kind services provided by volunteers. This results in an overclaim of \$6,460, due to a grant limit of federal funds equal to 66.67% of the total project.
3. \$3,321 of grant funds were received but unspent.
4. Grant documents were kept at the office of the project director rather than at the Tangipahoa Parish Council Office.

**Criteria** - Adequate documentation for grant expenditures, both actual and in-kind, must be maintained. These records should be kept at the office of the grantee (Tangipahoa Parish Council). All grant funds should be disbursed.

**Effect** - Noncompliance with the grant requirements of the Truancy Intervention Program.

**Cause** - Unknown

**Recommendation** - The Tangipahoa Parish Council should ascertain that all grant expenditures, whether actual or in-kind, are supported by proper documentation. All grant documents should be retained at the office of the Tangipahoa Parish Council, and accounting records should be closely monitored to discover if unspent funds remain on hand after the close of the grant.

**Finding No. 99-10**

**Section 8 Housing**

**Condition 1** - For the twenty-five files examined, I found:

- A. Copies of social security cards and/or birth certificates for tenants and/or dependents could not be located in seventeen files. The name on the social security card of one dependent did not agree with the name listed on the HAP contract.
- B. Tenant income was either miscalculated or was based on expired or unverified information in four folders.
- C. In three instances inspection checklists were either not fully completed or not signed by the inspector.

Tangipahoa Parish Council  
Schedule of Findings - Continued

- D. In four cases, documents were not properly dated - i.e., contained month and year only, or did not include the year.

**Condition 2** - The Administrative plan for the Section 8 Program of the Tangipahoa Parish Council is outdated. Also, no record of its adoption by the parish governing authority could be located.

**Criteria** - Section 8 Housing files should contain certain copies of social security cards and birth certificates for all tenants and their dependents. All Section 8 documents must be properly completed, signed, and dated. The administrative plan must contain current information and be adopted by the parish governing authority.

**Recommendation** - The current procedure of completing an annual checklist of required documents should be expanded to include copies of social security cards, and birth certificates. Documents, including verification and calculation of income, should be reviewed by the Section 8 director and assistant director (each could review documents prepared by the other). The administrative plan should be updated by the parish grant administrator and approved by the Tangipahoa Parish Council.



See Appendix A for Current Year Audit Findings of Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana, a component unit of the Tangipahoa Parish Council.

TANGIPAHOA PARISH COUNCIL

MANAGEMENT'S CORRECTIVE ACTION PLAN

For the Year Ended December 31, 1999

<b>SECTION 1. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
<b>Finding Reference No.</b>	<b>Management's Corrective Action Plan</b>
99-1 Failure to comply with the Local Government Budget Act	The parish will comply with the requirements of the Local Government Budget Act.
99-2 Possible overpayment to Sheriff for prisoner upkeep	The parish will gather the appropriate information from the Sheriff's Office and provide this information to the Tangipahoa Parish Council members for further action.
99-3 Possible overpayment of \$75,000 to Sheriff for courtroom security	The parish will request additional documentation from the Sheriff's Office to support any future payments.
99-4 Improper use of Health Unit ad valorem tax revenues	The parish will seek an attorney general's opinion with regard to this matter.
99-5 Failure to enforce TP Code 23.33 pertaining to sewage waste disposal	The parish will seek enforcement of this code by the proper authorities and officials.
99-6 Inadequate or non-existent collection policies for past due accounts	The parish will adopt and enforce a policy for disallowing credit privileges for past due landfill customers.
99-7 Pertains to the Coroner's operating fund	The Parish will seek an attorney general's opinion with regard to this matter.



Tangipahoa Parish Council  
 Management's Corrective Action Plan  
 For the Year Ended June 30, 1999 - Continued

Finding Reference No.	Management's Corrective Action Plan
99-8 Documentation of Animal Shelter receipts/collections	The parish has developed a transmittal to allow tracing of bank deposit slips.

SECTION 2. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
Finding Reference No.	Management's Corrective Action Plan
99-9 Truancy Intervention Program grant funds, inadequate documentation, unspent funds	The parish has received and copied all grant information. The parish will review these records and make proper corrective action, if necessary.
99-10 Section 8 Housing Program grant funds - - failure to comply with recordkeeping requirements	The parish will begin work on updating the administrative plan for section 8 housing. The parish will develop an annual checklist to ensure proper records are maintained.

Date Submitted: 6-30-00

Auditee: Preston K. Win

See Appendix A for Management's Corrective Action Plan of Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana, a component unit of the Tangipahoa Parish Council.

**OTHER INDEPENDENT AUDITOR'S REPORTS  
AND FINDINGS  
SEWERAGE DISTRICT NO. 1  
OF THE  
PARISH OF TANGIPAHOA, LOUISIANA  
A COMPONENT UNIT OF THE  
TANGIPAHOA PARISH COUNCIL**

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

Board of Commissioners  
Sewerage District No. 1 of the  
Parish of Tangipahoa, Louisiana  
Tangipahoa Parish Council  
Amite, Louisiana

I have audited the general purpose financial statements of Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana, a component unit of the Tangipahoa Parish Council, as of and for the year ended December 31, 1999, and have issued my report thereon dated May 16, 2000. I conducted my 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 Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana's general purpose financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion.

The results of my tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 99-1, 99-2, 99-3, and 99-4.

Sewerage District No. 1  
Report on Compliance and Internal Control - continued

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Sewerage District No. 1 of Tangipahoa Parish, Louisiana's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings as items 99-1.

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 general purpose 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider items 99-1 to be a material weakness.

This report is intended for the information of the governing council, management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

May 16, 2000

SEWERAGE DISTRICT NO. 1 OF THE  
PARISH OF TANGIPAHOA, LOUISIANA  
TANGIPAHOA PARISH COUNCIL

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended December 31, 1999

<b>SECTION 1. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
96-1 Failure to comply with bond requirements to disconnect past due accounts	Unresolved - see current year Finding No. 99-1
96-2 Failure to comply with bond requirements for charging penalties and interest on past due accounts.	Unresolved - see current year Finding No. 99-1
97-1 District unable to determine amount of uncollectible accounts and to prepare an aging of accounts receivable.	Unresolved - see current year Finding No. 99-1
<b>SECTION 2. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
Not applicable	
<b>SECTION 3. MANAGEMENT LETTER</b>	
96M-1 Failure to determine if billing agents are covered by fidelity bonds to protect the District's financial interest.	Unresolved - see current year Finding No. 99-1.



SEWERAGE DISTRICT NO. 1  
OF THE  
PARISH OF TANGIPAHOA, LOUISIANA

Tangipahoa Parish Council  
Amite, Louisiana

Schedule of Current Year Audit Findings  
Year Ended December 31, 1999

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

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I have audited the financial statements of Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana as of and for the year ended December 31, 1999, and have issued my report thereon dated May 16, 2000. I conducted my 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. My audit of the financial statements as of December 31, 1999, resulted in an unqualified opinion.

Financial Statements

Type of auditor's report issued:	unqualified	
Internal control over financial reporting:		
Material weaknesses identified?	<u>  X  </u> yes	___ no
Reportable conditions identified not considered to be material weaknesses?	<u>  X  </u> yes	___ none reported
Noncompliance material to financial statements noted?	<u>  X  </u> yes	___ no

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

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**Finding No. 99-1**

**Condition** - Failure to comply with requirements of the Revenue Bond Resolution covenants and loan agreement.

**Criteria** The Reserve Bond Resolution set forth requirements that Sewerage District No. 1 agreed to comply with in connection with revenue bonds issued on March 3, 1993.

**Effect** - The District failed to comply with the following bond requirements:

- a. The District is required to have a separate and special bank account. The District's funds are deposited into a single "pool" bank/investment account maintained by the Tangipahoa Parish Council for all funds.
- b. Section 10 of the Bond Resolution sets forth the criteria for determining when a past due customer is to be cut-off and the amount of penalties and interest on delinquent accounts.

The Tangipahoa Parish Council adopted Ordinance No. 15 of 1996 on April 8, 1996, in an attempt to bring about compliance with the cut-off of delinquent accounts, penalty, and interest requirements. However, it appears that the ordinance was prepared without following the actual requirements contained in the bond resolution.

It appears that the District has not monitored compliance with the Ordinance.

Also, the financial records of the District are not being kept in a manner that allows determination of the amount of user charges, penalties, interest, connect charges, and reconnect charges.

- c. The Bond Resolution also requires the District to cover all officers and employees in a position of authority or in possession of money to be covered by a fidelity bond or faithful performance bond.

The District's management is unable to provide assurances that the various billing agents are covered by the required fidelity bonds.

- d. The loan agreement requires the District to submit annual management reports to Rural Utilities Service (RUS) as follows:

Schedule of Current Year Audit Findings - continued

- Form RD 442-2, Statement of Budget, Income, and Equity
- Form RD 442-3, Balance Sheet
- A copy of the rate schedule in effect at the time of submission

These annual management reports were not submitted to RUS as required.

**Recommendation -**

- a) Have the District's legal counsel attempt to obtain a written waiver of the separate bank account requirement from Rural Utility Service. If a waiver is not possible, ask the Tangipahoa Parish Council's accounting department for compliance assistance.
- b) The Sewerage District should request its legal counsel review the Revenue Bond Resolution and loan agreement/letter on conditions pertaining to the revenue bonds and T. P. Ordinance No. 15 adopted April 8, 1996.

After legal counsel's review, request that a suggested Ordinance be drafted to be considered by the Tangipahoa Parish Council and also a procedure guide for the District to implement compliance with the Bond Resolution.

I then recommend that a committee made up of the District President, the District's legal counsel, and a representative from the Tangipahoa Parish Council meet with the appropriate official of Rural Utilities Service (RUS) in order to come up with documents that will make compliance workable. If the final documents differ from the bond resolution, I suggest that a written variance be obtained from Rural Utilities Service. A Tangipahoa Parish Council representative needs to be involved so that T. P. Ordinance No. 15 of 1996 can be amended to require the various billing agents to comply. Sewerage District No. 1 has no authority over the billing agents, Tangipahoa Parish Council does.

After this has been accomplished the District's management should monitor compliance.

I also recommend that collection reports being sent to Tangipahoa Parish Council's accounting department be itemized so that connect, reconnect fees, penalties, and interest can be recorded separately. This will provide information needed to monitor compliance. The accounting department should prepare the transmittal forms for the billing agents in order to insure uniformity of information.

- c) Management should purchase a fidelity bond to cover the billing agents. If this is not possible, then obtain certificates of fidelity bond insurance coverage from billing agents.
- d) The District's management should provide the required management reports to Rural Utilities Service.

Schedule of Current Year Audit Findings - continued

**Finding No. 99-2**

**Condition** - Failure to include the agenda in the written public notice of meetings.

**Criteria** - LSA-RS 42:1-12 (the open meetings law) requires that a written public notice be given by all public bodies to include:

Posting a copy of the notice and agenda at the principal office of the public body or publishing the notice and agenda in the official journal of the public body no less than twenty-four hours before the meeting.

**Effect** - The District is in violation of the open meetings law.

**Recommendation** - Comply with the law immediately.

**Finding No. 99-3**

**Condition** - Failure to select an official journal and to publish the proceedings of the board meeting.

**Criteria** - LSA-RS-171 requires sewerage districts to publish the proceeding of their board in a newspaper. The newspaper shall be selected at their first meeting in June of each year for a term of one year.

**Effect** - The District is in violation of Louisiana Revised Statutes requiring the selection of an official journal and publishing of the minutes of its meeting.

**Recommendation** - Select an official journal in June 2000 and begin publishing the minutes of your meetings.

**Finding No. 99-4**

**Condition** - Failure to comply with the Public Bid Law

**Criteria** - LSA-RS 38:2212 requires, in part, that contracts for public works in excess of \$10,000 but less than \$100,000 shall be let in accordance with the following provisions:

SEWERAGE DISTRICT NO. 1  
OF THE  
PARISH OF TANGIPAHOA, LOUISIANA

Tangipahoa Parish Council  
Amite, Louisiana

MANAGEMENT'S CORRECTIVE ACTION PLAN  
for Current Year Audit Findings

For the Year Ended December 31, 1999

<b>SECTION 1. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
<b>Finding Reference No.</b>	<b>Management's Corrective Action Plan</b>
<p>99-1 Failure to comply with Revenue Bond Resolution requirements</p> <p style="text-align: center;">See specific items below.</p>	<p>Management will submit a Corrective Action Plan in a separate document at a later date.</p>
99-1a. Separate bank account	Management will submit a Corrective Action Plan in a separate document at a later date.
99-1b. Cut-off of past due customers	Management will submit a Corrective Action Plan in a separate document at a later date.
99-1c. Assessment of penalties and interest	Management will submit a Corrective Action Plan in a separate document at a later date.
99-1d. Incomplete accounting records	Management will submit a Corrective Action Plan in a separate document at a later date.
99-1e. Fidelity bonds on billing agents	Management will submit a Corrective Action Plan in a separate document at a later date.



Schedule of Current Year Audit Findings - continued

- a) The public entity shall send out written invitations for quotations to at least five bona fide, qualified bidders.
- b) Written invitations for quotations shall contain complete specifications and the quantity required, and any other information, including the delivery point, which is necessary for a supplier to make an acceptable bid.
- c) Quotations shall be publicly opened and read at a specific date, time, and location. Each bidder shall be notified of the date, time, and location.
- d) The public entity, at its discretion, may advertise for bids.

**Effect** - On April 19, 1999, the Board awarded a contract for the Cypress Cove renovation in the amount of \$37,700. Although the minutes of the board meeting indicated that "bids were opened" and the contract was awarded to the lowest bidder - - no proof of compliance was furnished the auditor.

**Recommendation** -

- 1. Have your legal counsel advise you on the Public Bid Law requirements (Public works or materials and supplies)
- 2. Established a bid file for each item or public works contract. Keep copies of published advertisement for bids, copies of all bids received, and the contract awarded the successful bidder.

If the public works project is less than \$100,000 and you choose to follow the criteria set forth above, keep copies of all five written invitations for quotations.

Sewerage District No. 1  
 Management's Corrective Action Plan - continued

Finding Reference No.	Management's Corrective Action Plan
99-1f. Submission of management reports to Rural Utilities Service	Management will submit a Corrective Action Plan in a separate document at a later date.
99-2 Include agenda in published notice of meetings	Management will submit a Corrective Action Plan in a separate document at a later date.
99-3 Select official journal and publish minutes	Management will submit a Corrective Action Plan in a separate document at a later date.
99-4 Comply with Public Bid Law	Management will submit a Corrective Action Plan in a separate document at a later date.

The audit findings were discussed with James Harper and Mark Mobley, president and board member, respectively, of Sewerage District No. 1 of the Parish of Tangipahoa, Louisiana.