

NOTES TO FINANCIAL STATEMENTS

Fixed Assets:

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized. These assets are immovable and of value only to the Jury. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or if donated, at their estimated market value on the date donated. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

Revenue Recognition - Ad Valorem and Sales Taxes:

Ad valorem taxes attach as an enforceable lien on property as of the date the tax rolls are filed with the recorder of mortgages which, by law, must be on or before November 15 of each year. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are recognized when levied.

Sales taxes collected and held by other governments at year end on behalf of the Jury and those collected by other governments and remitted to the Jury within 60 days after December 31 for preceding months are recognized as revenue.

Accumulated Compensated Absences:

Full-time employees of the Jury earn from five to ten days of both annual and sick leave each year, depending on length of service. Employees may accumulate annual leave up to a maximum of 20 days and sick leave up to a maximum of 60 days. Upon resignation, retirement or excess accumulation, employees are compensated for accumulated annual leave at the employee's current rate of pay. Employees are not compensated for accumulated sick leave upon termination of employment.

NOTES TO FINANCIAL STATEMENTS

Employees of the Library earn from ten to 20 days of annual leave each year, depending upon professional status. Up to 10 days of annual leave may be accumulated, depending upon professional status. Upon termination of employment, employees may be paid for accumulated annual leave at their current rate of pay. Employees earn 12 days of sick leave each year and may accumulate up to 30 days. Employees are not paid for accumulated sick leave upon termination of employment.

In governmental fund types, the cost of annual leave is recognized as a current year expenditure within the various funds when annual leave is actually taken or when employees are paid for accrued annual leave upon resignation or retirement, while the cost of annual leave privileges not requiring current resources is recorded in the General Long-Term Debt Account Group.

Note 2. Violations of State Laws

Actual expenditures of \$780,617 of the General Fund for the year ended December 31, 1995, exceeded appropriations of \$529,458 by \$251,159. This represents an unfavorable variance of 47.44 percent.

Actual expenditures of \$2,861,663 of the Special Revenue Funds for the year ended December 31, 1995, exceeded appropriations of \$2,715,477 by \$146,186. This represents an unfavorable variance of 5.38 percent.

All unfavorable variances exceeding 5 percent require amendments of the budgets under the Local Government Budget Act.

Note 3. Budget (Cash Basis)

The budget comparison statements included in the accompanying financial statements include the original adopted budgets (cash basis) and all subsequent amendments. The following reconciles the excess (deficiency) of revenues and other financing sources (uses) over expenditures as shown in the combined statements of revenues, expenditures and changes in fund balances to the combined statements of revenues, expenditures and changes in fund balances - budget (cash basis) and actual.

NOTES TO FINANCIAL STATEMENTS

	General	Special Revenue
Excess (deficiency) of revenues and other financing sources (uses) over expenditures - GAAP basis	\$ 95,207	\$ 41,669
Adjustments:		
Receivables	78,421	(47,653)
Due from other funds	-	(1,119)
Payables	(120,910)	20,726
Due to other funds	(1,045)	-
Excess (deficiency) of revenues and other financing sources over expenditures - budgetary basis	\$ 51,673	\$ 13,623

Note 4. Deposits with Financial Institutions

At December 31, 1995, the carrying amount of the Jury's deposits was \$962,302 and the bank balance was \$987,574. Of the bank balance, \$100,535 was covered by federal depository insurance (Category 1) and \$687,039 was secured by the market value of collateral held by third party banks' trust departments in the Jury's name.

There were no repurchase or reverse repurchase agreements at December 31, 1995.

Note 5. Ad Valorem Taxes

The Richland Parish Sheriff bills and collects ad valorem taxes and remits the applicable portion to the Jury.

For the year ended December 31, 1995, taxes of 15.13 mills were levied on property and were dedicated as follows:

General Fund	7.26
Special Revenue Funds	7.87

Total taxes levied were \$495,133 and as of December 31, 1995, no taxes of the current levy had yet been collected by the Sheriff for the Jury. No amounts were due from prior year tax levies.

NOTES TO FINANCIAL STATEMENTS

Note 6. Receivables

A summary of receivables at December 31, 1995, is as follows:

	General	Special Revenue	Capital Projects	Agency	Totals
Taxes:					
Ad valorem	\$ 166,170	\$ 328,964	\$ -	\$ -	\$ 495,134
Beer	2,495	-	-	-	2,495
Sales	-	-	-	11,362	11,362
Licenses and permits	7,019	-	-	-	7,019
Intergovernmental:					
Severance taxes	7,067	-	-	-	7,067
Parish Transportation Act	-	18,290	-	-	18,290
Other	7,336	-	4,105	-	11,441
Fees, charges and commissions for services	2,189	-	-	-	2,189
Fines and forfeitures	300	-	-	-	300
Interest and miscellaneous	20,716	6,137	-	281	27,134
	<u>\$ 213,292</u>	<u>\$ 353,391</u>	<u>\$ 4,105</u>	<u>\$ 11,643</u>	<u>\$ 582,431</u>

Note 7. Changes in Fixed Assets

A summary of the changes in the General Fixed Assets Account Group is as follows:

	Balance January 1, 1995	Additions	Retire- ments	Balance December 31, 1995
Land	\$ 273,340	\$ -	\$ -	\$ 273,340
Buildings	1,393,940	5,003	-	1,398,943
Equipment and furniture	1,838,220	669,051	285,695	2,221,576
Under capital lease	1,308,828	360,052	-	1,668,880
Books, etc.	425,887	40,037	-	465,924
Totals	<u>\$5,240,215</u>	<u>\$1,074,143</u>	<u>\$ 285,695</u>	<u>\$6,028,663</u>

NOTES TO FINANCIAL STATEMENTS

Note 10. Fund Balance Reservation

The general obligation bond ordinance requires that the excess assets over liabilities in the Debt Service Fund be restricted for such debt service requirements. As the general obligation bonds were paid off during 1993, the ordinance states that this excess must now be used by the Richland Parish Hospital Service Districts for maintenance, improvements, etc.

Note 11. Food Stamp Program

The Food Stamp Program is operated by the Jury under an agreement with the Louisiana Department of Social Services. Under this program, the Jury is responsible for the issuance of food coupons to eligible participants in the parish. The value of food coupons on hand, received and issued is not recorded in the accompanying statements.

Note 12. Risk Management

The Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Jury carries commercial insurance for all risks of loss, including worker's compensation and employee health and accident insurance. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

Note 13. Contingent Liabilities

The Jury has been named in eight lawsuits which are pending as of the date of this report. The Jury's legal counsel is of the opinion that the Jury has no liability in two of the eight lawsuits beyond its deductible. In five of the eight lawsuits, legal counsel of the Jury does not know if there is any exposure to the Jury over and above its policy limits. The financial statements contain no provision for any uninsured losses that may result from these litigations. The other lawsuit was settled on February 21, 1996, far below the policy limits with no exposure to the Jury.

Funding Policy:

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Jury is required to contribute at an actuarially determined rate. The current rate is 8.0 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 Jury 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 Jury's contributions to the System under Plan A for the year ended December 31, 1995, were \$81,181, equal to the required contributions for the year.

Other Pension Liabilities:

The Jury provides nominal contributions to other retirement systems which are considered immaterial with respect to the Jury and retirement systems as a whole.

Note 9. Changes in General Long-Term Debt

The following is a summary of long-term obligation transactions for the year ended December 31, 1995:

	<u>Capital Leases</u>	<u>Revenue Bonds</u>	<u>Compen- sated Absences</u>
Balance - January 1, 1995	\$ 598,082	\$ 37,597	\$ 17,764
Additions	360,052	-	4,981
Retirements	<u>175,613</u>	<u>3,283</u>	<u>-</u>
Balance - December 31, 1995	<u>\$ 782,521</u>	<u>\$ 34,314</u>	<u>\$ 22,745</u>

NOTES TO FINANCIAL STATEMENTS

The Jury records items under capital lease as fixed assets and the obligation in the General Long-Term Debt Account Group. At December 31, 1995, the Jury had 12 capital leases in effect. The original recorded amount of all capital leases currently in effect is \$895,789. The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 1995:

1996	\$ 276,735
1997	276,735
1998	258,866
1999	54,309
Total minimum lease payments	<u>\$ 866,645</u>
Less interest	<u>84,124</u>
 Present value of net minimum lease payments	 <u>\$ 782,521</u>

Revenue bonds payable at December 31, 1995, are comprised of the following individual issue:

\$60,000 1982-B General Obligation Bonds - due in annual installments ranging from \$1,013 to \$6,411 through June 15, 2002. Interest at 10.60% to 10.70% is payable June 15 and December 15 of each year. Principal payments are due June 15 of each year as follows:

1996	\$ 3,595		2000	\$ 5,315
1997	3,986		2001	5,784
1998	4,377		2002	6,411
1999	4,846			

The annual requirements to amortize bonded debt outstanding as of December 31, 1995, including interest payments of \$14,240 are as follows:

Year Ending December 31,	
1996	\$ 7,074
1997	7,060
1998	7,003
1999	6,979
2000	6,904
Thereafter	<u>13,534</u>
	<u>\$48,554</u>

NOTES TO FINANCIAL STATEMENTS

Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and the fiduciary fund type are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these fund types present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those major revenues susceptible to accrual are ad valorem taxes, sales taxes and intergovernmental revenues. Licenses and permits, fees, charges and commissions for services, fines and forfeitures are deemed to be susceptible to accrual if they are collected by the Jury within sixty days after year end. Other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

RICHLAND PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
(ADDITIONAL DISCLOSURES FOR COMPONENT UNIT)

Note 14. Compensated Absences

Management of the Criminal Court has not established formal annual and sick leave policies.

Note 15. Receivables

Receivables at December 31, 1995, consist of fines and forfeitures in the amount of \$12,453.

NOTES TO FINANCIAL STATEMENTS

Note 8. Pension Plan and Other Pension Liabilities

Plan Description:

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

All permanent employees, working at least 28 hours per week who are paid wholly or in part from parish funds, and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980.

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 Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

NOTES TO FINANCIAL STATEMENTS

Capital Projects Fund:

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary fund type:

Agency Fund:

The Agency Fund is used to account for assets held by the Jury as an agent for other funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations.

General fixed assets and general long-term debt:

General Fixed Assets Account Group:

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes.

General Long-Term Debt Account Group:

The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from governmental fund types.

Total Columns on Combined Statements - Overview:

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 cash flows 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.

NOTES TO FINANCIAL STATEMENTS

Considered in the determination of component units of the reporting entity were Richland Parish Sheriff, Richland Parish Clerk of Court, Richland Parish Tax Assessor, Richland Parish School Board and various municipalities and nonprofit entities in the parish. It was determined that these governmental and nonprofit entities are not component units of Richland Parish Police Jury reporting entity. They are considered by the Jury to be separate autonomous entities and issue financial statements separate from those of Richland Parish Police Jury reporting entity.

Fund Accounting:

The accounts of the Jury are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenditures. The following funds and account groups are used by the Jury:

Governmental fund types:

General Fund:

The General Fund is the general operating fund of the Jury. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Special Revenue Funds:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund:

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt including principal, interest and related costs.

NOTES TO FINANCIAL STATEMENTS

Financial Reporting Entity:

The reporting entity for Richland Parish includes Richland Parish Police Jury, primary government, as well as component units which are accountable to the Jury, are fiscally dependent upon the Jury or if excluded, could cause the financial statements to be misleading.

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

<u>Component Unit</u>	<u>Fiscal Year End</u>
Fifth Judicial District Criminal Court	12-31
Fifth Judicial District Attorney	12-31
Fifth Judicial District Judges	12-31
Northside Utility District No. 2	12-31
Richland Parish Hospital Service Districts No. 1, 1A and 1B	9-30
Start-Girard Fire Protection District	12-31
Archibald-Alto Fire Protection District	12-31
Holly Ridge Fire Protection District	12-31
Richland Parish Communications District	12-31
Richland Sales and Use Tax Commission	6-30

Provision is made for the issuance of primary government financial statements which are separate from those of the reporting entity. However, a primary government's financial statements are not a substitute for the reporting entity's financial statements. The reporting entity financial statements presented in this report include the financial statements of Fifth Judicial Criminal Court.

Audits of each of the component unit's financial statements not included herein may be obtained directly from the component units.

RICHLAND PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
(PRIMARY GOVERNMENT)

Note 1. Organization and Summary of Significant Accounting Policies

Richland Parish Police Jury (the "Jury") is the governing authority for Richland Parish and is a political subdivision of the State of Louisiana. The Jury is governed by nine jurors representing the various districts within the parish whose terms expired on December 31, 1995.

State statutes give the Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the powers to make regulations for its own government; to regulate the construction and maintenance of roads, bridges and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing and various other state and federal grants.

In accomplishing its objectives, the Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal and health care facilities.

Except as described in the financial reporting entity definition, the financial statements of the Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Jury's accounting policies are described below:

<u>Special Revenue Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavor- able)</u>
\$ (344,450)	\$ (9,514)	\$ 334,936
-	23,137	23,137
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (344,450)</u>	<u>\$ 13,623</u>	<u>\$ 358,073</u>

<u>Special Revenue Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavor- able)</u>
\$2,068,728	\$2,499,965	\$ 431,237
-	-	-
274,000	305,945	31,945
3,100	2,805	(295)
1,650	1,988	338
23,549	41,446	17,897
<u>\$2,371,027</u>	<u>\$2,852,149</u>	<u>\$ 481,122</u>

\$ -	\$ -	\$ -
-	2,554	(2,554)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
2,049,557	2,193,479	(143,922)
51,200	57,942	(6,742)
391,720	312,944	78,776
-	-	-
-	-	-
223,000	294,744	(71,744)
<u>\$2,715,477</u>	<u>\$2,861,663</u>	<u>\$ (146,186)</u>

(continued)

RICHLAND PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (CASH BASIS) AND ACTUAL -
GENERAL AND SPECIAL REVENUE FUNDS
Year Ended December 31, 1995

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavor- able)
Revenues:			
Taxes	\$ 165,000	\$ 139,333	\$(25,667)
Licenses and permits	62,300	73,589	11,289
Intergovernmental	223,500	538,203	314,703
Fees, charges and com- missions for services	24,500	21,444	(3,056)
Fines and forfeitures	6,000	8,059	2,059
Interest and miscellaneous	10,500	47,902	37,402
	<u>\$ 491,800</u>	<u>\$ 828,530</u>	<u>\$ 336,730</u>
Expenditures:			
Current:			
General government:			
Legislative	\$ 86,633	\$ 87,873	\$(1,240)
Judicial	45,984	45,492	492
Executive	14,550	15,064	(514)
Elections	21,287	22,688	(1,401)
Finance and administra- tive	11,275	9,774	1,501
Other	113,829	142,575	(28,746)
Public safety	176,450	398,718	(222,268)
Public works	-	-	-
Health and welfare	36,650	39,118	(2,468)
Culture and recreation	-	-	-
Economic development and assistance	15,400	12,185	3,215
Debt service	7,400	7,130	270
Capital outlay	-	-	-
	<u>\$ 529,458</u>	<u>\$ 780,617</u>	<u>\$(251,159)</u>

<u>Capital Projects</u>	<u>Primary Government Totals - (Memorandum Only)</u>	<u>Component Unit</u>	<u>Reporting Entity Totals - (Memorandum Only)</u>
\$ 45	\$ (250,543)	\$ (29,789)	\$ (280,332)
-	360,052	-	360,052
-	23,137	-	23,137
-	<u>4,805</u>	<u>(4,805)</u>	<u>-</u>
\$ 45	\$ 137,451	\$ (34,594)	\$ 102,857
<u>-</u>	<u>1,160,508</u>	<u>35,207</u>	<u>1,195,715</u>
<u>\$ 45</u>	<u>\$1,297,959</u>	<u>\$ 613</u>	<u>\$1,298,572</u>

RICHLAND PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES (Continued)
Year Ended December 31, 1995

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
Excess (deficiency) of revenues over expenditures	\$ 90,402	\$(341,520)	\$ 530
Other financing sources (uses):			
Proceeds of capital leases	-	360,052	-
Sale of fixed assets	-	23,137	-
Operating transfers in (out)	<u>4,805</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	\$ 95,207	\$ 41,669	\$ 530
Fund balances - beginning	<u>74,262</u>	<u>960,135</u>	<u>126,111</u>
Fund balances - ending	<u>\$ 169,469</u>	<u>\$1,001,804</u>	<u>\$ 126,641</u>

See Notes To Financial Statements.

COMBINING FINANCIAL STATEMENTS

This report is intended for the information of management and Richland Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.

June 27, 1996

Hill, Prigmore & Co.

RICHLAND PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET (CASH BASIS) AND ACTUAL -
 GENERAL AND SPECIAL REVENUE FUNDS (Continued)
 Year Ended December 31, 1995

	General Fund		Variance - Favorable (Unfavor- able)
	Budget	Actual	
Excess (deficiency) of revenues over expenditures	\$(37,658)	\$ 47,913	\$ 85,571
Other financing sources (uses):			
Sale of fixed assets	-	-	-
Operating transfers in	-	3,760	3,760
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$(37,658)</u>	<u>\$ 51,673</u>	<u>\$ 89,331</u>

See Notes To Financial Statements.

In planning and performing our audit of the general-purpose financial statements of Richland Parish Police Jury, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been place in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Jury's ability to record, process, summarize and report financial data consistent with the assertions of management in the general-purpose financial statements.

- o Criteria: Purchase orders should be timely prepared for all approved requisitions of all funds. The purchase orders should be detailed as to the actual items to be purchased, signed by the proper authority and issued before the actual purchase.

- Condition: 25 applicable purchase orders (totaling \$14,546) were noted as not being issued or incorrectly issued out of a total of 28 individual transactions (totaling \$14,857) for which purchase orders should have been issued.

- Cause: Jury employees have not accepted the value of such documentation.

- Effect: Documentation for affected expenditures is inadequate.

- Recommendation: We recommend that the Jury promptly address this matter in a memorandum to all Jury employees.

- Management's response: We concur in the finding and will address this matter immediately.

audit of the compliance of Richland Parish Police Jury, with requirements applicable to its federal financial assistance programs for the year ended December 31, 1995, and this report does not affect our report thereon dated June 27, 1996.

- o Criteria: Adequate segregation of duties is essential to a proper internal control structure.
- Condition: The segregation of duties is inadequate to provide effective internal control.
- Cause: The condition is due to economic and space limitations.
- Effect: Not determined.
- Recommendation: No action is recommended.
- Management's response: We concur in the finding.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Richland Parish Police Jury in a separate letter dated June 27, 1996.

This report is intended for the information of management and Richland Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.

June 27, 1996

Hill, Arzner & Co.

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended December 31, 1995, Richland Parish Police Jury expended 99.61 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements and requirements governing claims for advances and reimbursements that are applicable to the Richland Parish Police Jury's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect Richland Parish Police Jury's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matter involving the internal control structure and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing and extent of the procedures to be performed in our

The management of Richland Parish Police Jury, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

- Cash receipts/disbursements
- Revenue/receivables
- Expenditures/accounts payable
- Property and equipment
- Debt and debt service
- Payroll
- Equity
- Financial reporting/budgeting

Administrative Controls

- General requirements:
 - Political activity
 - Civil rights
 - Cash management
 - Federal financial reports
 - Allowable costs/cost principles
 - Drug-Free Workplace Act
 - Administrative requirements
- Specific requirements:
 - Types of services allowed or not allowed
 - Matching, level of effort or earmarking
 - Reporting
 - Special requirements
- Claims for advances and reimbursements

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 27, 1996. We have also audited the compliance of Richland Parish Police Jury with requirements applicable to major federal financial assistance programs and have issued our report thereon dated June 27, 1996.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement and about whether Richland Parish Police Jury, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audit for the year ended December 31, 1995, we considered the internal control structure of Richland Parish Police Jury, in order to determine our auditing procedures for the purpose of expressing our opinions on the general-purpose financial statements of Richland Parish Police Jury, and on the compliance of Richland Parish Police Jury with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general-purpose financial statements in a separate report dated June 27, 1996.

This report is intended for the information of management and Richland Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.

June 27, 1996

Hill, Prigoda & Co.

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS TRANSACTIONS

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 27, 1996.

In connection with our audit of the general-purpose financial statements of Richland Parish Police Jury, and with our consideration of Richland Parish Police Jury's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*, we selected certain transactions applicable to its nonmajor federal financial assistance program for the year ended December 31, 1995. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing matching, level of effort or earmarking and claims for advances and reimbursements that are applicable to those transactions. Our procedures were substantially less in scope than audit, the objective of which is the expression of an opinion on Richland Parish Police Jury's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Richland Parish Police Jury, had not complied, in all material respects, with those requirements.

This report is intended for the information of management and Richland Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.

June 27, 1996

Hill, Smyth & Co.

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 27, 1996.

We have also audited Richland Parish Police Jury's compliance with the requirements governing types of services allowed or unallowed, reporting, special requirements and claims for advances and reimbursements that are applicable to its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended December 31, 1995. The management of Richland Parish Police Jury, is responsible for Richland Parish Police Jury's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Richland Parish Police Jury's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, Richland Parish Police Jury, complied, in all material respects, with the requirements governing types of services allowed or unallowed, reporting, special requirements and claims for advances and reimbursements that are applicable to its major federal financial assistance programs for the year ended December 31, 1995.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL
ASSISTANCE PROGRAMS TRANSACTIONS 40 and 41

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE
PROGRAMS 42 - 45

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 27, 1996.

We have applied procedures to test Richland Parish Police Jury's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1995:

- o Political activity
- o Civil rights
- o Cash management
- o Federal financial reports
- o Allowable costs/cost principles
- o Drug-Free Workplace Act
- o Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's *Compliance Supplement for Single Audits of State and Local Governments*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Richland Parish Police Jury's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Richland Parish Police Jury, had not complied, in all material respects, with those requirements.

Cause: The condition is due to economic and space limitations.

Effect: Not determined.

Recommendation: No action is recommended.

Management's response: We concur in the finding.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Richland Parish Police Jury in a separate letter dated June 27, 1996.

This report is intended for the information of management and Richland Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.

June 27, 1996

Hill, Prigman & Co.

- o Criteria: Employees responsible for receiving goods/services should sign the supporting document as evidence that the goods/services were actually received.
- Condition: Inadequate documentation of the receipt of goods/services was noted in ten (totaling \$10,135) of 56 (totaling \$25,570) individual purchases examined.
- Cause: Jury employees have not accepted the value of such documentation.
- Effect: Documentation for affected expenditures is inadequate.
- Recommendation: We recommend that the Jury promptly address this matter in a memorandum to all Jury employees.
- Management's response: We concur in the finding and will address this matter immediately.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matter involving the internal control structure and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing and extent of the procedures to be performed in our audit of the financial statements of Richland Parish Police Jury, for the year ended December 31, 1995:

- o Criteria: Adequate segregation of duties is essential to a proper internal control structure.
- Condition: The segregation of duties is inadequate to provide effective internal control.

RICHLAND PARISH POLICE JURY

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 1995

ASSETS	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>	<u>Health Unit</u>
Cash and cash equivalents	\$ 296,816	\$ 84,824	\$ 168,915
Receivables	23,050	1,377	48,488
Due from other funds	<u>122,509</u>	<u>57,805</u>	<u>-</u>
	<u>\$ 442,375</u>	<u>\$ 144,006</u>	<u>\$ 217,403</u>
LIABILITIES AND EQUITY			
Liabilities:			
Payables	\$ 80,824	\$ 33,078	\$ 4,450
Due to other funds	-	2,733	-
	<u>\$ 80,824</u>	<u>\$ 35,811</u>	<u>\$ 4,450</u>
Equity:			
Fund balances - unre- served and undesignated	<u>\$ 361,551</u>	<u>\$ 108,195</u>	<u>\$ 212,953</u>
Total liabilities and equity	<u>\$ 442,375</u>	<u>\$ 144,006</u>	<u>\$ 217,403</u>

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE REQUIRED BY GOVERNMENT AUDITING STANDARDS

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 27, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement.

The management of Richland Parish Police Jury, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

This report is intended for the information of management and Richland Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.

June 27, 1996

Hill, Morgan & Co.

Condition: Actual expenditures of the General Fund exceeded appropriations for the year ended December 31, 1995, by 47.44 percent. Actual expenditures of the Special Revenue Funds exceeded appropriations for the year ended December 31, 1995, by 5.38 percent.

Cause: The budgets were not sufficiently monitored and amended.

Effect: The provision of state law was violated.

Recommendation: The budgets should be monitored and amendments made when an unfavorable variance exceeding 5 percent is noted.

Management's response: We concur in the finding.

- o Criteria: Governmental units are required to maintain an inventory of furniture and equipment (including date acquired, description, cost, serial number, identification number, disposition, etc.) and to take a physical inventory at least annually.

Condition: The Jury has not maintained an inventory of furniture and equipment and does not take a physical inventory at least annually.

Cause: Undetermined.

Effect: The provisions of state law have been violated.

Recommendation: Management should review and adhere to all provisions of state law.

Management's response: We will take a physical inventory immediately, maintain it and take a physical inventory at least annually.

We noted certain immaterial instances of noncompliance that we have reported to the management of Richland Parish Police Jury in a separate letter dated June 27, 1996.

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 27, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to Richland Parish Police Jury, is the responsibility of the management of Richland Parish Police Jury. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Richland Parish Police Jury's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the general-purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*, except that:

- o Criteria: State law requires that budgets be amended whenever it becomes apparent that an unfavorable variance of either revenues or expenditures will exceed 5 percent.

RICHLAND PARISH POLICE JURY

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
Year Ended December 31, 1995

Federal Grantor/Pass Through Grantor/Program Title	CFDA Number	Federal Revenue	Total Expenditures
<u>Department of Agriculture</u>			
<u>Department of Social Services:</u>			
Food Stamps	* 10.551	\$ 4,114,836	\$ 4,114,836
State Administrative Matching Grants for Food Stamp Program	10.561	18,526	18,526
Total - Department of Agriculture		\$ 4,133,362	\$ 4,133,362
 <u>Department of Housing and Urban Development</u>			
Louisiana Division of Administration Community Development Block Grants - Small Cities Program	*14,219	560,812	560,767
Totals		\$ 4,694,174	\$ 4,694,129

* major program

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 27, 1996. These general-purpose financial statements are the responsibility of the management of Richland Parish Police Jury. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of Richland Parish Police Jury, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

June 27, 1996

Hill, Inzina & Co.

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RICHLAND PARISH POLICE JURY
SCHEDULE OF JURORS' COMPENSATION
Year Ended December 31, 1995

Lynn Robertson	\$ 7,200
Curtis Marshall	7,200
Morgan Moss	7,200
Joe Lively	7,200
Ernest Greer, Jr.	7,200
Kenneth McKay	7,200
Jimmy Boughton	7,200
Ronald Gilley	7,200
Althan Smith	<u>7,200</u>
 Total jurors' compensation	 <u>\$ 64,800</u>

<u>Off-Duty Officers</u>	<u>Library</u>	<u>Totals</u>
\$ -	\$ 263,707	\$ 2,542,959
-	55,724	305,587
-	2,805	2,805
-	1,988	1,988
763	9,957	41,446
<u>\$ 763</u>	<u>\$ 334,181</u>	<u>\$ 2,894,785</u>
\$ 2,880	\$ -	\$ 2,880
-	-	2,205,135
-	-	56,229
-	315,215	315,215
-	-	656,846
<u>\$ 2,880</u>	<u>\$ 315,215</u>	<u>\$ 3,236,305</u>
\$ (2,117)	\$ 18,966	\$ (341,520)
-	-	360,052
-	-	23,137
\$ (2,117)	\$ 18,966	\$ 41,669
20,038	282,218	960,135
<u>\$ 17,921</u>	<u>\$ 301,184</u>	<u>\$ 1,001,804</u>

RICHLAND PARISH POLICE JURY

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 Year Ended December 31, 1995

	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>	<u>Health Unit</u>
Revenues:			
Taxes	\$ 1,489,111	\$ 744,553	\$ 45,588
Intergovernmental	232,023	-	17,840
Fees, charges and commis- sions for services	-	-	-
Fines and forfeitures	-	-	-
Interest and miscellaneous	16,915	6,070	7,741
	<u>\$ 1,738,049</u>	<u>\$ 750,623</u>	<u>\$ 71,169</u>
Expenditures:			
Current:			
General government:			
Judicial	\$ -	\$ -	\$ -
Public works	1,598,973	606,162	-
Health and welfare	-	-	56,229
Culture and recreation	-	-	-
Capital outlay	351,517	305,329	-
	<u>\$ 1,950,490</u>	<u>\$ 911,491</u>	<u>\$ 56,229</u>
Excess (deficiency) of revenues over expenditures	\$(212,441)	\$(160,868)	\$ 14,940
Other financing sources:			
Proceeds of capital leases	221,427	138,625	-
Sale of fixed assets	23,137	-	-
Excess (deficiency) of revenues and other financing sources over expenditures	\$ 32,123	\$(22,243)	\$ 14,940
Fund balances - beginning	<u>329,428</u>	<u>130,438</u>	<u>198,013</u>
Fund balances - ending	<u>\$ 361,551</u>	<u>\$ 108,195</u>	<u>\$ 212,953</u>

<u>Off-Duty Officers</u>	<u>Library</u>	<u>Totals</u>
\$ 18,246	\$ 39,721	\$ 608,522
-	280,476	353,391
-	-	180,314
<u>\$ 18,246</u>	<u>\$ 320,197</u>	<u>\$ 1,142,227</u>

\$ 325	\$ 19,013	\$ 137,690
-	-	2,733
<u>\$ 325</u>	<u>\$ 19,013</u>	<u>\$ 140,423</u>

<u>\$ 17,921</u>	<u>\$ 301,184</u>	<u>\$ 1,001,804</u>
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<u>\$ 18,246</u>	<u>\$ 320,197</u>	<u>\$ 1,142,227</u>
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Capital Projects	Primary Government Totals - (Memorandum Only)	Component Unit	Reporting Entity Totals - (Memorandum Only)
\$ -	\$2,705,070	\$ -	\$2,705,070
-	76,412	-	76,412
560,812	1,281,901	-	1,281,901
-	24,554	-	24,554
-	9,758	141,212	150,970
-	109,102	629	109,731
<u>\$ 560,812</u>	<u>\$4,206,797</u>	<u>\$ 141,841</u>	<u>\$4,348,638</u>

\$ -	\$ 87,381	\$ -	\$ 87,381
-	46,932	171,630	218,562
-	14,916	-	14,916
-	21,486	-	21,486
-	7,709	-	7,709
-	140,978	-	140,978
-	285,305	-	285,305
-	2,205,135	-	2,205,135
-	95,069	-	95,069
-	315,215	-	315,215
-	12,471	-	12,471
-	7,130	-	7,130
560,767	1,217,613	-	1,217,613
<u>\$ 560,767</u>	<u>\$4,457,340</u>	<u>\$ 171,630</u>	<u>\$4,628,970</u>

(continued)

- o Employees should not be permitted to receive payroll checks early when going on vacation unless all time paid by the check has actually been earned.
- o We recommend that the Jury approve payment of the \$490 in the CDBG Fund to the General Fund so as to close this checking account and clear the amount that was originally deposited into this account. Also, the restricted cash of \$2,177, held as a deposit for damage on a job that has been completed, should be refunded to the original depositor and this bank account also closed upon approval of the Jury.
- o We noted three checks (totalling \$89) that have been outstanding for several years and six checks (totalling \$2,145) that have been outstanding for several months. These checks should be investigated and written off, or new checks issued if deemed appropriate.
- o Revenue and expenditure accounts should not be netted by coding both revenue and expenditure transactions to the same account (except in the cases of voided checks, reimbursement of overpayment, etc.)
- o The audited financial statements and reports of the Jury as of and for the year ended December 31, 1995, were issued subsequent to the June 30, 1996, deadline due to the untimely provision of information by Jury employees for the auditors to complete their fieldwork and the untimely response of the legal representative concerning possible legal matters that possibly would have to be reported or disclosed in the applicable financial statements.

This communication is intended solely for the information and use of management and Richland Parish Police Jury and should not be used for any other purpose.

June 27, 1996

Hill, Arzoo & Co.

RICHLAND PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 1995

	General	Special Revenue	Debt Service
Revenues:			
Taxes	\$ 161,596	\$2,542,959	\$ 515
Licenses and permits	76,412	-	-
Intergovernmental	415,502	305,587	-
Fees, charges and com- missions for services	21,749	2,805	-
Fines and forfeitures	7,770	1,988	-
Interest and miscellaneous	67,641	41,446	15
	\$ 750,670	\$2,894,785	\$ 530
Expenditures:			
Current:			
General government:			
Legislative	\$ 87,381	\$ -	\$ -
Judicial	44,052	2,880	-
Executive	14,916	-	-
Elections	21,486	-	-
Finance and administra- tive	7,709	-	-
Other	140,978	-	-
Public safety	285,305	-	-
Public works	-	2,205,135	-
Health and welfare	38,840	56,229	-
Culture and recreation	-	315,215	-
Economic development and assistance	12,471	-	-
Debt service	7,130	-	-
Capital outlay	-	656,846	-
	\$ 660,268	\$3,236,305	\$ -

In our opinion, except for the effects on the general-purpose financial statements of the omission described in the preceding paragraph, the general-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Richland Parish Police Jury, as of December 31, 1995, and the results of its operations and for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued reports dated June 27, 1996, on the Jury's compliance with laws and regulations and on our consideration of its internal control structure which are presented on pages 29 through 31 and pages 32 through 35, respectively, of this document.

Our audit was made for the purpose of forming an opinion on the accompanying general-purpose financial statements taken as a whole. The combining financial statements and financial information listed as a supporting schedule in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of Richland Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

June 27, 1996

Hill, Arzoo & Co.

HILL, INZINA & COMPANY

Members of the Jury
Richland Parish Police Jury
Rayville, Louisiana

In performing our audit of the general-purpose financial statements of Richland Parish Police Jury, as of December 31, 1995, we noted certain matters that are presented for your information and as suggestions for improvement.

- o A membership fee was paid to a private organization (Sam's Wholesale Club). This is in apparent violation of Article VII, Section 14 of the Louisiana Constitution.
- o We noted on one occasion where an employee was advanced a payroll check for a payroll period ending in the subsequent month and that the check cleared the bank during the current month.
- o Interest payments due each December 15th and June 15th and principal payments due each June 15th on the revenue bonds are not being timely paid. We recommend that bond payments be made timely.
- o Budgets for the Vending and Off-Duty Officers' Funds were not adopted for 1995. Even though the funds are immaterial in relation to the General Fund and all of the Special Revenue Funds, respectively, as a whole, budgets should be adopted in accordance with the Local Government Budget Act.
- o We noted on one occasion that a budget amendment approved by the Jury was incorrectly posted and on another occasion that a budget amendment approved by the Jury was not posted at all to the affected budgets. We recommend that all amendments to the budgets be posted immediately and correctly.
- o We noted that four individuals had accumulated in excess of the maximum 20 days allowed for accumulated vacation as of December 31, 1995. We also noted that one employee of the Road Maintenance Fund had taken more vacation than had been earned and that numerous employees, on occasion, had excess accumulated vacation for some time period before it was paid out. We recommend that all employees' accumulated vacation be reviewed periodically for excesses or deficiencies and action be taken to remedy.

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HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the accompanying general-purpose financial statements of Richland Parish Police Jury, primary government, as of and for the year ended December 31, 1995, as listed in the table of contents. These general-purpose financial statements are the responsibility of the management of Richland Parish Police Jury, primary government's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 significant estimates made by management, as well as evaluating the overall general-purpose financial statement preparation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the general-purpose financial statements referred to in the first paragraph include the financial statements of the primary government and Fifth Judicial District Criminal Court. The general-purpose financial statements referred to in the first paragraph do not include financial statements of the other component units, which should be included in order to conform with generally accepted accounting principles. The effect of the omission of these component units is unknown.

GENERAL PURPOSE FINANCIAL STATEMENTS

(COMBINED STATEMENTS - OVERVIEW)

RICHLAND PARISH POLICE JURY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1995

	<u>Governmental Fund Types</u>				<u>Fiduciary Fund Type</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Agency</u>
ASSETS AND OTHER DEBITS					
Assets:					
Cash and cash equivalents (Notes 1 and 4)	\$ 55,095	\$ 608,522	\$ 126,641	\$ 535	\$ 163,297
Receivables (Notes 6 and 15)	213,292	353,391	-	4,105	11,643
Due from other funds	18,350	180,314	-	-	-
Restricted cash and cash equivalents (Notes 1 and 4)	2,194	-	-	-	-
Fixed assets (Notes 1 and 7)	-	-	-	-	-
Other debits:					
Amount to be provided for retirement of general long-term debt	-	-	-	-	-
Total assets and other debits	<u>\$ 288,931</u>	<u>\$1,142,227</u>	<u>\$ 126,641</u>	<u>\$ 4,640</u>	<u>\$ 174,940</u>

Account Groups		Primary Government Totals - (Memorandum Only)	Component Unit	Reporting Entity Totals - (Memorandum Only)
General Fixed Assets	General Long-Term Debt			
\$ -	\$ -	\$ 954,090	\$ 6,188	\$ 960,278
-	-	582,431	12,453	594,884
-	-	198,664	-	198,664
-	-	2,194	-	2,194
6,028,663	-	6,028,663	-	6,028,663
-	839,580	839,580	-	839,580
<u>\$6,028,663</u>	<u>\$ 839,580</u>	<u>\$8,605,622</u>	<u>\$ 18,641</u>	<u>\$8,624,263</u>

(continued)

RICHLAND PARISH POLICE JURY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
(Continued)
December 31, 1995

	Governmental Fund Types				Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Agency
LIABILITIES, EQUITY AND OTHER CREDITS					
Liabilities:					
Payables	\$ 61,262	\$ 137,690	\$ -	\$ 4,105	\$ 1,526
Payroll deductions payable	33,996	-	-	-	-
Due to other funds payable from restricted assets:	22,027	2,733	-	490	173,414
Deposit held for others	2,177	-	-	-	-
Capital leases payable (Note 9)	-	-	-	-	-
Revenue bonds payable Note 9)	-	-	-	-	-
Compensated absences payable (Notes 1, 9 and 14)	-	-	-	-	-
Total liabilities	<u>\$ 119,462</u>	<u>\$ 140,423</u>	<u>\$ -</u>	<u>\$ 4,595</u>	<u>\$ 174,940</u>
Equity and other credits:					
Investment in general fixed assets	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:					
Reserved for Richland Parish Hospital Service Districts (Note 10)	-	-	126,641	-	-
Unreserved and undesignated	169,469	1,001,804	-	45	-
Total equity and other credits	<u>\$ 169,469</u>	<u>\$1,001,804</u>	<u>\$ 126,641</u>	<u>\$ 45</u>	<u>\$ -</u>
Total liabilities, equity and other credits	<u>\$ 288,931</u>	<u>\$1,142,227</u>	<u>\$ 126,641</u>	<u>\$ 4,640</u>	<u>\$ 174,940</u>

See Notes To Financial Statements.

<u>Account Groups</u>		<u>Primary Government Totals - (Memorandum Only)</u>	<u>Component Unit</u>	<u>Reporting Entity Totals - (Memorandum Only)</u>
<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>			
\$ -	\$ -	\$ 204,583	\$ 18,028	\$ 222,611
-	-	33,996	-	33,996
-	-	198,664	-	198,664
-	-	2,177	-	2,177
-	782,521	782,521	-	782,521
-	34,314	34,314	-	34,314
-	<u>22,745</u>	<u>22,745</u>	-	<u>22,745</u>
<u>\$ -</u>	<u>\$ 839,580</u>	<u>\$1,279,000</u>	<u>\$ 18,028</u>	<u>\$1,297,028</u>
\$6,028,663	\$ -	\$6,028,663	\$ -	\$6,028,663
-	-	126,641	-	126,641
-	-	<u>1,171,318</u>	<u>613</u>	<u>1,171,931</u>
<u>\$6,028,663</u>	<u>\$ -</u>	<u>\$7,326,622</u>	<u>\$ 613</u>	<u>\$7,327,235</u>
<u>\$6,028,663</u>	<u>\$ 839,580</u>	<u>\$8,605,622</u>	<u>\$ 18,641</u>	<u>\$8,624,263</u>

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RICHLAND PARISH POLICE JURY
FINANCIAL REPORT
December 31, 1995

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

Release Date OCT 09 1996

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