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AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Financial Report

Year Ended 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 7-17-96

Kenneth J. Rachal

Certified Public Accountant

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MANAGEMENT LETTER

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

During my audit of the financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, I noted certain areas in which improvements in the accounting system and financial practices may be desirable. Therefore, I submit the following suggestions for your consideration:

(1) Regarding the Section 8 program, I offer the following suggestions:

- A. In order to present an accurate accounting of the results of operations, salaries and related costs of the program should be recorded in a separate Section 8 Program Fund.
- B. Procedures should be implemented to ensure adequate controls over the recording of transactions as well as to enhance the efficiency of operations.

(2) Regarding compliance with state laws, I offer the following suggestions:

- A. Payment to the four outgoing jurors in the amount of \$221 each was made on December 22, 1995, with their term officially ending on January 8, 1996. These payments constitute a violation of Article VII Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138 and AG Opinion 79-729 which states that wages shall not be paid in advance.

Receipt Acknowledged
Legislative Auditor

By 

B. The "Louisiana Local Government Budget Act" requires the Police Jury to adopt an annual budget for each special revenue fund. The Section 8 Program Fund budget should be formally adopted by the Police Jury prior to it being submitted to the Department of Housing and Urban Development.

- (3) The financial accountability of separate organizations (component units) of the Police Jury needs to be enhanced. The Police Jury should first identify those organizations and require the submittal of audited financial statements to the Police Jury. The financial statements should be reviewed by the Secretary Treasurer and summary of such should be reported to the Police Jury. The summary should include items such as the overall financial condition of the organization, internal control weaknesses and noncompliance with laws and regulations or the nonexistence of such.

I would like to express my appreciation to you and your office staff for the courtesies and assistance rendered to me during the performance of my audit. Should you have any questions or need assistance in implementing any of my suggestions, please feel free to contact me.

Kenneth J. Rachal

Hessmer, Louisiana
May 24, 1996

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INDEPENDENT AUDITOR'S REPORT

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the accompanying general purpose financial statements of the Avoyelles Parish Police Jury, 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 Avoyelles Parish Police Jury's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

Except as discussed in the following paragraphs, I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 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 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.

As described more fully in Note 1, the general purpose financial statements referred to above do not include financial statements of various government agencies (component units) for which Avoyelles Parish Police Jury has oversight responsibility, and whose financial statements should be included to conform with generally accepted accounting principles.

The Avoyelles Parish Police Jury has not maintained adequate internal accounting controls or detailed accounting records for the general fixed assets account group. These inadequacies made it impractical to extend my auditing procedures to enable me to express an opinion on the general fixed assets account group or on the changes in fixed assets as presented in Note 6 to the financial statements. The general fixed assets account group has assets with a recorded amount of \$7,851,382 at December 31, 1995.

In my opinion, because the omission of the financial statements of component units results in an incomplete presentation as explained in the third paragraph and because general fixed assets are unauditable as explained in the fourth paragraph, the general purpose financial statements referred to in the first paragraph do not present fairly, in conformity with generally accepted accounting principles, the financial position of the Avoyelles Parish Police Jury, as of December 31, 1995, and the results of its operations for the year then ended.

In accordance with Government Auditing Standards, I have also issued a report dated May 24, 1996 on my consideration of the Avoyelles Parish Police Jury's internal control structure and a report dated May 24, 1996 on its compliance with laws and regulations.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Avoyelles Parish Police Jury. As discussed in the paragraphs above, the scope of my work was not sufficient to enable me to express an opinion on the general purpose financial statements. Similarly, I am unable to express, and do not express, an opinion on the accompanying financial information listed as "Supplemental Information" in the table of contents.

Kenneth J. Rachal

Hessmer, Louisiana
May 24, 1996

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Combined Balance Sheet
All Fund Types and Account Groups
December 31, 1995

	Governmental Fund Types			Capital Projects	Fiduciary Fund Type Agency
	General	Special Revenue	Debt Service		
ASSETS AND OTHER DEBITS					
Assets:					
Cash and interest-bearing deposits	\$ 6,035	\$1,213,689	\$358,983	\$ -	\$ -
Receivables	215,279	703,630	65,846	18,130	154,232
Due from other funds	3,435	39,208	12,779	-	-
Due from component unit	4,654	-	-	-	3,304
Other assets	5,237	156	-	-	-
Land, buildings, and equipment	-	-	-	-	-
Other debits:					
Amount in debt service funds	-	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-
Total assets and other debits	\$234,640	\$1,956,683	\$437,608	\$18,130	\$157,536
LIABILITIES, EQUITY AND OTHER CREDITS					
Liabilities:					
Accounts, salaries, and other payables	\$ 17,607	\$ 97,559	\$ 2,517	\$ -	\$ -
Due to other funds	650	449	15,765	-	38,558
Due to other governmental units	-	24,083	-	-	115,674
Due to jurors and witnesses	-	-	-	-	3,304
Contracts payable	-	-	-	18,130	-
Due to primary government	-	-	-	-	-
Capital leases	-	-	-	-	-
Bonds payable	-	-	-	-	-
Total liabilities	18,257	122,091	18,282	18,130	157,536
Equity and other credits:					
Investment in general fixed assets	-	-	-	-	-
Fund balances -					
Reserved for debt service	-	-	419,326	-	-
Unreserved, undesignated	216,383	1,834,592	-	-	-
Total equity and other credits	216,383	1,834,592	419,326	-	-
Total liabilities, equity and other credits	\$234,640	\$1,956,683	\$437,608	\$18,130	\$157,536

The accompanying notes are an integral part of this statement.

<u>Account Groups</u>		<u>Totals</u>		<u>Totals</u>
<u>General</u>	<u>General</u>	<u>(Memorandum</u>	<u>Component</u>	<u>(Memorandum</u>
<u>Fixed Assets</u>	<u>Long-Term</u>	<u>Only)</u>	<u>Units</u>	<u>Only)</u>
<u>(Unaudited)</u>	<u>Obligations</u>	<u>Primary</u>		<u>Reporting</u>
		<u>Government</u>		<u>Entity</u>
\$ -	\$ -	\$ 1,578,707	\$22,689	\$ 1,601,396
-	-	1,157,117	11,818	1,168,935
-	-	55,422	-	55,422
-	-	7,958	-	7,958
-	-	5,393	-	5,393
7,851,382	-	7,851,382	-	7,851,382
-	419,326	419,326	-	419,326
-	444,501	444,501	-	444,501
<u>\$7,851,382</u>	<u>\$863,827</u>	<u>\$11,519,806</u>	<u>\$34,507</u>	<u>\$11,554,313</u>
=====	=====	=====	=====	=====
\$ -	\$ -	\$ 117,683	\$ 3,251	\$ 120,934
-	-	55,422	-	55,422
-	-	139,757	-	139,757
-	-	3,304	-	3,304
-	-	18,130	-	18,130
-	-	-	7,958	7,958
-	37,827	37,827	-	37,827
-	826,000	826,000	-	826,000
-	863,827	1,198,123	11,209	1,209,332
7,851,382	-	7,851,382	-	7,851,382
-	-	419,326	-	419,326
-	-	2,050,975	23,298	2,074,273
<u>7,851,382</u>	<u>-</u>	<u>10,321,683</u>	<u>23,298</u>	<u>10,344,981</u>
<u>\$7,851,382</u>	<u>\$863,827</u>	<u>\$11,519,806</u>	<u>\$34,507</u>	<u>\$11,554,313</u>
=====	=====	=====	=====	=====

AVOUELLES PARISH POLICE JURY
Marksville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types
Year Ended December 31, 1995

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes -				
Ad valorem	\$130,922	\$ 414,683	\$ 73,813	\$ -
Sales	-	2,253,980	-	-
Licenses and permits	120,648	-	-	-
Intergovernmental revenues -				
Federal grants	23,882	323,999	-	162,342
State funds:				
Parish transportation funds	-	459,237	-	-
State revenue sharing (net)	53,040	158,016	-	-
Parish equalization funds	285,653	-	-	-
Other	96,800	-	-	-
Local funds	-	17,514	-	-
Fees, charges and commissions	171,138	6,305	126,049	-
Use of money and property	10,185	29,180	11,109	-
Other revenues	21,587	114,875	1,000	-
Total revenues	<u>913,855</u>	<u>3,777,789</u>	<u>211,971</u>	<u>162,342</u>
Expenditures:				
General government -				
Legislative	204,013	-	-	-
Judicial	261,080	-	-	-
Elections	21,830	-	-	-
Finance and administrative	129,792	-	13,920	-
Other	146,463	-	-	-
Public safety	150,338	15,883	-	53,505
Public works	-	2,624,952	3,731	108,837
Health and welfare	48,104	380,335	-	-
Culture and recreation	4,787	233,004	-	-
Economic development and assistance	11,838	-	-	-
Debt service	15,675	59,133	160,859	-
Total expenditures	<u>993,920</u>	<u>3,313,307</u>	<u>178,510</u>	<u>162,342</u>
Excess (deficiency) of revenues over expenditures	<u>(80,065)</u>	<u>464,482</u>	<u>33,461</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers in	199	19,508	-	-
Operating transfers out	(19,508)	-	-	(199)
Operating transfers from component units	-	10,000	-	-
Operating transfers to component units	(3,393)	-	-	-
Operating transfers from primary government	-	-	-	-
Operating transfers to primary government	-	-	-	-
Proceeds from capital lease	7,253	-	-	-
Total other financing sources (uses)	<u>(15,449)</u>	<u>29,508</u>	<u>-</u>	<u>(199)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(95,514)</u>	<u>493,990</u>	<u>33,461</u>	<u>(199)</u>
Fund balances, beginning	<u>311,897</u>	<u>1,340,602</u>	<u>385,865</u>	<u>199</u>
Fund balances, ending	<u>\$216,383</u> =====	<u>\$1,834,592</u> =====	<u>\$419,326</u> =====	<u>\$ -</u> =====

The accompanying notes are an integral part of this statement.

Totals (Memorandum Only) Primary Government	Component Units	Totals (Memorandum Only) Reporting Entity
\$ 619,418	\$ -	\$ 619,418
2,253,980	24,032	2,278,012
120,648	-	120,648
510,223	-	510,223
459,237	-	459,237
211,056	-	211,056
285,653	-	285,653
96,800	-	96,800
17,514	-	17,514
303,492	91,526	395,018
50,474	565	51,039
137,462	12,246	149,708
<u>5,065,957</u>	<u>128,369</u>	<u>5,194,326</u>
204,013	-	204,013
261,080	-	261,080
21,830	-	21,830
143,712	-	143,712
146,463	-	146,463
219,726	106,190	325,916
2,737,520	-	2,737,520
428,439	-	428,439
237,791	-	237,791
11,838	19,904	31,742
235,667	-	235,667
<u>4,648,079</u>	<u>126,094</u>	<u>4,774,173</u>
<u>417,878</u>	<u>2,275</u>	<u>420,153</u>
19,707	-	19,707
(19,707)	-	(19,707)
10,000	-	10,000
(3,393)	-	(3,393)
-	3,393	3,393
-	(10,000)	(10,000)
7,253	-	7,253
<u>13,860</u>	<u>(6,607)</u>	<u>7,253</u>
431,738	(4,332)	427,406
<u>2,038,563</u>	<u>27,630</u>	<u>2,066,193</u>
<u>\$2,470,301</u>	<u>\$ 23,298</u>	<u>\$2,493,599</u>
=====	=====	=====

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
General, Special Revenue and Debt Service Funds
Year Ended December 31, 1995

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes -			
Ad valorem	\$ 113,500	\$ 130,922	\$ 17,422
Sales taxes	-	-	-
Licenses and permits	119,450	120,648	1,198
Intergovernmental revenues -			
Federal grants	23,900	23,882	(18)
State funds:			
Parish transportation funds	-	-	-
State revenue sharing (net)	34,200	53,040	18,840
Parish equalization funds	300,802	285,653	(15,149)
Other	89,700	96,800	7,100
Local funds	-	-	-
Fees, charges and commissions	166,712	171,138	4,426
Use of money and property	11,430	10,185	(1,245)
Miscellaneous	25,936	21,587	(4,349)
Total revenues	<u>885,630</u>	<u>913,855</u>	<u>28,225</u>
Expenditures:			
General government -			
Legislative	206,599	204,013	2,586
Judicial	257,950	261,080	(3,130)
Elections	21,950	21,830	120
Finance and administrative	121,766	129,792	(8,026)
Other	147,858	146,463	1,395
Public safety	211,397	150,338	61,059
Public works	-	-	-
Health and welfare	48,432	48,104	328
Culture and recreation	4,860	4,787	73
Economic development and assistance	11,890	11,838	52
Debt service	20,300	15,675	4,625
Total expenditures	<u>1,053,002</u>	<u>993,920</u>	<u>59,082</u>
Excess (deficiency) of revenues over expenditures	<u>(167,372)</u>	<u>(80,065)</u>	<u>87,307</u>
Other financing sources (uses):			
Operating transfers in	-	199	199
Operating transfer out	(13,773)	(19,508)	(5,735)
Operating transfer from component unit	-	-	-
Operating transfer to component unit	-	(3,393)	(3,393)
Proceed from capital lease	7,253	7,253	-
Total other financing sources (uses)	<u>(6,520)</u>	<u>(15,449)</u>	<u>(8,929)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(173,892)</u>	<u>(95,514)</u>	<u>78,378</u>
Fund balances, beginning	<u>311,897</u>	<u>311,897</u>	<u>-</u>
Fund balances, ending	<u>\$ 138,005</u> =====	<u>\$ 216,383</u> =====	<u>\$ 78,378</u> =====

The accompanying notes are an integral part of this statement.

Special Revenue Funds			Debt Service Funds		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 375,000	\$ 414,683	\$ 39,683	\$ 64,025	\$ 73,813	\$ 9,788
2,176,587	2,253,980	77,393	-	-	-
-	-	-	-	-	-
357,633	323,999	(33,634)	-	-	-
416,000	459,237	43,237	-	-	-
102,319	158,016	55,697	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
10,000	17,514	7,514	-	-	-
5,700	6,305	605	126,440	126,049	(391)
27,600	29,180	1,580	6,100	11,109	5,009
76,310	114,875	38,565	1,000	1,000	-
<u>3,547,149</u>	<u>3,777,789</u>	<u>230,640</u>	<u>197,565</u>	<u>211,971</u>	<u>14,406</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	10,598	13,920	(3,322)
-	-	-	-	-	-
14,900	15,883	(983)	-	-	-
2,647,922	2,624,952	22,970	4,075	3,731	344
422,211	380,335	41,876	-	-	-
241,817	233,004	8,813	-	-	-
-	-	-	-	-	-
62,432	59,133	3,299	160,339	160,859	(520)
<u>3,389,282</u>	<u>3,313,307</u>	<u>75,975</u>	<u>175,012</u>	<u>178,510</u>	<u>(3,498)</u>
157,867	464,482	306,615	22,553	33,461	10,908
13,773	19,508	5,735	-	-	-
-	-	-	-	-	-
10,000	10,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,773</u>	<u>29,508</u>	<u>5,735</u>	<u>-</u>	<u>-</u>	<u>-</u>
181,640	493,990	312,350	22,553	33,461	10,908
<u>1,340,602</u>	<u>1,340,602</u>	<u>-</u>	<u>385,865</u>	<u>385,865</u>	<u>-</u>
<u>\$1,522,242</u>	<u>\$1,834,592</u>	<u>\$312,350</u>	<u>\$408,418</u>	<u>\$419,326</u>	<u>\$10,908</u>
=====	=====	=====	=====	=====	=====

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Combining Balance Sheet - Component Units
December 31, 1995

	<u>Criminal Court</u>	<u>Tourist Commission</u>	<u>Total</u>
ASSETS			
Cash	\$ -	\$22,689	\$22,689
Receivables -			
Sales taxes	-	2,176	2,176
Other	<u>9,642</u>	<u>-</u>	<u>9,642</u>
Total assets	<u>\$ 9,642</u>	<u>\$24,865</u>	<u>\$34,507</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	\$ 1,684	\$ 1,567	\$ 3,251
Due to primary government	<u>7,958</u>	<u>-</u>	<u>7,958</u>
Total liabilities	9,642	1,567	11,209
Fund balances:			
Unreserved, undesignated	<u>-</u>	<u>23,298</u>	<u>23,298</u>
Total liabilities and fund balances	<u>\$ 9,642</u>	<u>\$24,865</u>	<u>\$34,507</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Component Units
Year Ended December 31, 1995

	<u>Criminal Court</u>	<u>Tourist Commission</u>	<u>Total</u>
Revenues:			
Sales taxes	\$ -	\$24,032	\$ 24,032
Fees, charges and commissions	91,526	-	91,526
Use of money and property	115	450	565
Other revenues	<u>12,246</u>	<u>-</u>	<u>12,246</u>
Total revenues	<u>103,887</u>	<u>24,482</u>	<u>128,369</u>
Expenditures:			
Public safety	106,190	-	106,190
Economic development and assistance	<u>-</u>	<u>19,904</u>	<u>19,904</u>
Total expenditures	<u>106,190</u>	<u>19,904</u>	<u>126,094</u>
Excess (deficiency) of revenues over expenditures	<u>(2,303)</u>	<u>4,578</u>	<u>2,275</u>
Other financing sources (uses):			
Operating transfers from primary government	3,393	-	3,393
Operating transfers to primary government	<u>(10,000)</u>	<u>-</u>	<u>(10,000)</u>
Total other financing sources (uses)	<u>(6,607)</u>	<u>-</u>	<u>(6,607)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(8,910)	4,578	(4,332)
Fund balances, beginning	<u>8,910</u>	<u>18,720</u>	<u>27,630</u>
Fund balances, ending	<u>\$ -</u>	<u>\$23,298</u>	<u>\$ 23,298</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Avoyelles Parish Police Jury (Police Jury) is the governing authority for Avoyelles Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 15 jurors representing the various districts within the parish. The jurors serve four-year terms that expire when the first meeting is held in January of 1996.

Avoyelles Parish occupies 850 square miles with a population of approximately 40,235. The Police Jury maintains 428 miles of roads, 268 hard surfaced and 160 gravel. The Police Jury's offices are located in the Avoyelles Parish Courthouse in Marksville. The Police Jury operates one maintenance barn throughout the parish. The Police Jury currently employs a secretary/treasurer and two office employees, 27 road crew members, three janitors, four solid waste employees, nine drainage employees, a registrar of voters and one assistant, one recreational employee, an office of emergency preparedness director, one traffic sign specialist and eleven library employees. The Police Jury also contributes to or pays the salaries of two city judges, two city marshals, nine justices of the peace and nine constables, a coroner, seven courtroom employees, a district attorney and nine assistants. In addition, several part-time employees are hired during the year.

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

The accompanying financial statements of the Avoyelles Parish Police Jury have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Police Jury's accounting policies are described below.

A. The Reporting Entity

The financial reporting entity should consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. These financial statements include the primary government and two component units as follows:

Primary government:

Avoyelles Parish Police Jury - The Police Jury is the governing authority for Avoyelles Parish and is a political subdivision of the State of Louisiana.

Individual component units:

Discretely presented component units - The component units column in the combined financial statements includes the financial data of two of the Police Jury's component units, which are reported in a separate column to emphasize they are legally separate from the Police Jury. Numerous other political subdivisions which would be required to be included, based on current standards, issue separate financial statements which have not been included in these financial statements. The component units included in these financial statements are described below:

Twelfth Judicial District Criminal Court - The Twelfth Judicial District Criminal Court is composed of two judges elected from the parish. The Police Jury approves the operating budget of the Court and has responsibility for funding any deficits. In addition, one-half of any excess funds must be transferred to the Police Jury's General Fund. Separate financial statements of the Twelfth Judicial District Criminal Court are not issued.

Avoyelles Parish Tourist Commission - The Tourist Commission is composed of seven commissioners appointed by the Police Jury. The Police Jury approves the operating budget and has responsibility for funding any deficits. Separate financial statements of the Tourist Commission are not issued.

Numerous other authorities and governmental entities established within Avoyelles Parish have been excluded because control and/or financial responsibility by the Police Jury is considered remote or due to the fact that such entities are governed by separately elected governmental officials.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

B. Fund Accounting

The accounts of the Police Jury are organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. The funds presented in the financial statements are described as follows:

Governmental Funds -

General Fund

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

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Debt Service Funds

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

Capital Projects Fund

The capital projects fund accounts for financial resources received through various Louisiana Community Development Block Grants to be used for various fire protection and waterworks improvements.

Fiduciary Fund -

Agency Funds

The Agency Funds account for assets held by the Police Jury in a custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

C. 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 generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Sales tax revenue is considered "measurable" when in the hands of intermediary collecting governments and is recognized as revenue at that time. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on December 31st. The taxes are generally collected in December of the current year and January and February of the ensuing year. A period of 90 days is used to measure availability in recognizing ad valorem tax revenue. Federal and state grants are recorded when the Police Jury is entitled to the funds. Interest income on time deposits is recorded when the time deposits have matured and the income is available. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations which are recognized when due. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

Transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses).

Encumbrance accounting is not used by the Police Jury.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

D. Budget and Budgetary Accounting

1. Proposed budgets, prepared on a basis consistent with generally accepted accounting principles (GAAP), are submitted to the Police Jury prior to the commencement of the fiscal year. The proposed budgets are made available for public inspection not later than fifteen days prior to the beginning of the fiscal year.
2. Formal budget integration (within the accounting records) is employed as a management control device during the year. Expenditures are controlled by the use of outstanding purchase orders, but unliquidated encumbrances are not considered expenditures at year end. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Budget amendments are adopted by the Police Jury when revenues plus projected revenues for the remainder of the year fail to meet budgeted revenues by five percent or more and/or expenditures plus projected expenditures for the remainder of the year exceed budgeted expenditures by five percent or more.
3. Capital projects funds' budgets are adopted on a project basis.
4. Budgetary control is exercised at the fund level.

E. Cash and Interest-Bearing Deposits

Cash includes amounts in demand deposit accounts and time deposits. Louisiana statutes authorize the Police Jury to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investment.

F. Short-Term Interfund Receivables/Payables

During the course of operations numerous transactions occur between individual funds. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

G. General Fixed Assets and General Long-Term Obligations

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

when purchased. The Police Jury does not capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, streets and sidewalks and drainage systems. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

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

H. Compensated Absences

After six months of service, employees of the Police Jury earn annual leave at the rate of 5 to 15 days each year, depending upon their length of service. Unused annual leave may be carried forward from year to year not to exceed 20 days. Upon termination, employees are paid for unused annual leave at the employee's current rate of pay.

Employees of the Police Jury receive from 5 to 15 days of sick leave each year, depending upon their length of service. Unused sick leave may be carried forward from year to year not to exceed 120 days. Upon termination, unused sick leave is forfeited.

At December 31, 1995, the Police Jury has no material accumulated leave benefits required to be reported in accordance with GASB Statement No. 16 "Accounting for Compensated Absences."

I. Fund Balances

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

J. Memorandum Only - Total Columns

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.

K. Adoption of GASB Statement #27

During the year ended December 31, 1995, the Police Jury adopted GASB statement #27 Accounting for Pensions by State and Local Governmental Employers. Although this statement is effective for periods beginning June 15, 1997, the Governmental Accounting Standards Board is encouraging early implementation.

(2) Cash and Interest-Bearing Deposits

Under state laws, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Police Jury may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1995, the Police Jury has cash and interest-bearing deposits (book balances) totaling \$1,601,396 as follows:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Reporting Entity</u>
Demand deposits	\$ 29,536	\$ -	\$ 29,536
Interest-bearing demand deposits	<u>1,549,171</u>	<u>22,689</u>	<u>1,571,860</u>
	<u>\$1,578,707</u>	<u>\$22,689</u>	<u>\$1,601,396</u>

These deposits are stated at cost, which approximates market. Under state laws, 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 bank. 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. Deposit balances (bank balances) at December 31, 1995 are as follows:

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

	<u>Primary Government</u>	<u>Component Units</u>	<u>Reporting Entity</u>
Bank balances	\$1,675,133	\$22,689	\$1,697,822
Federal deposit insurance	\$ 109,349	\$22,689	\$ 132,038
Pledged securities (Category 3)	<u>3,283,011</u>	<u>-</u>	<u>3,283,011</u>
Total	<u>\$3,392,360</u>	<u>\$22,689</u>	<u>\$3,415,049</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Police Jury's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon demand.

(3) Property Taxes

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 1995:

Parishwide taxes:

General alimony tax	6.02 mills
Drainage tax	10.29 mills
Library tax	10.29 mills
Health unit tax	4.41 mills

District taxes:

Industrial District No. 1 bonds tax	.74 mills
Industrial District No. 1-A bonds tax	3.48 mills

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

(4) Interfund Receivables/Payables

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 3,435	\$ 650
Special Revenue Funds:		
Road and Bridge	32,774	-
Drainage	5,784	-
Law enforcement	-	449
HUD Section 8 Program	650	-
Debt Service Funds:		
Industrial District #1 \$220,000 General Obligation Bonds	12,779	725
Industrial District #1 \$800,000 General Obligation Bonds	-	15,040
Agency Fund:		
Gaming Mitigation Fund	<u>-</u>	<u>38,558</u>
Totals	<u>\$55,422</u>	<u>\$55,422</u>

(5) Receivables

The following is a summary of receivables at December 31, 1995:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Fund</u>
Primary Government -				
Taxes:				
Ad valorem taxes	\$114,059	\$380,457	\$65,846	\$ -
Homestead exemption taxes	35,456	105,390	-	-
Sales taxes	-	217,176	-	-
Intergovernmental:				
Federal	1,932	-	-	18,130
State	44,019	-	-	-
Other	<u>19,813</u>	<u>607</u>	<u>-</u>	<u>-</u>
Totals	<u>\$215,279</u>	<u>\$703,630</u>	<u>\$65,846</u>	<u>\$18,130</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

	<u>Twelfth Judicial District Criminal Court</u>	<u>Avoyelles Parish Tourist Commission</u>	<u>Total</u>
Component Units -			
Intergovernmental - local	\$9,642	\$ -	\$ 9,642
Sales taxes	<u>-</u>	<u>2,176</u>	<u>2,176</u>
	<u>\$9,642</u>	<u>\$2,176</u>	<u>\$11,818</u>

(6) Fixed Assets (Unaudited)

The following provides details on changes in general fixed assets for the year ended December 31, 1995:

	<u>Balance 01/01/95</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/95</u>
Land and buildings	\$4,017,085	\$ -	\$ -	\$4,017,085
Office equipment, books and furniture	1,326,530	22,106	14,530	1,334,106
Heavy equipment	<u>2,436,120</u>	<u>64,071</u>	<u>-</u>	<u>2,500,191</u>
Total	<u>\$7,779,735</u>	<u>\$86,177</u>	<u>\$14,530</u>	<u>\$7,851,382</u>

(7) Accounts, Salaries and Other Payables

The payables of \$120,934 at December 31, 1995, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>
Primary Government -			
Accounts	\$12,540	\$81,282	\$ -
Payroll related liabilities	602	407	-
Other	<u>4,465</u>	<u>15,870</u>	<u>2,517</u>
Totals	<u>\$17,607</u>	<u>\$97,559</u>	<u>\$ 2,517</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

	<u>Twelfth Judicial District Criminal Court</u>	<u>Avoyelles Parish Tourist Commission</u>	<u>Total</u>
Component Units -			
Accounts	\$1,665	\$1,567	\$ 3,232
Payroll related liabilities	<u>19</u>	<u>-</u>	<u>19</u>
Totals	<u>\$1,684</u>	<u>\$1,567</u>	<u>\$ 3,251</u>

(8) Due to Other Governmental Units

Special Revenue Fund:

HUD Section 8 Program -

Due to the U. S. Department of Housing and
Urban Development (HUD) for current year-end
settlement

\$ 24,083

Agency Fund:

Gaming Mitigation Fund -

Avoyelles Parish Law Enforcement District
School Board
District Attorney
Local municipalities

46,269
23,135
7,712
38,558

\$139,757

(9) Changes in General Long-Term Debt

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

	<u>Balance 01/01/95</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/95</u>
Capital leases	\$ 95,843	\$7,253	\$ 65,269	\$ 37,827
Bonded debt	<u>931,000</u>	<u>-</u>	<u>105,000</u>	<u>826,000</u>
Total	<u>\$1,026,843</u>	<u>\$7,253</u>	<u>\$170,269</u>	<u>\$863,827</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

A. Capital leases -

The Police Jury is obligated under five capital leases. The leased assets and related obligations are accounted for in the general fixed assets account group and the general long-term obligations account group, respectively. The leased assets (unaudited) at December 31, 1995 were valued at \$171,915. The following is a schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of December 31, 1995:

Fiscal year:		
1996		\$28,469
1997		10,395
1998		<u>1,078</u>
	Total minimum lease payments	39,942
	Less: Amount representing interest	<u>(2,115)</u>
	Present value of net minimum lease payments	<u>\$37,827</u>

B. General Obligation Bonds -

General obligation bonds payable at December 31, 1995, are comprised of the following individual issues:

\$220,000 Industrial Park Bonds dated February 1, 1979, for the purpose of acquiring and/or improving lands for an industrial park within the corporate limits of Industrial District #1. The principal is due in annual installments of \$10,000 to \$20,000 through February 1, 2004, with interest at 6.25 percent. These bonds are secured by ad valorem taxes. \$125,000

\$950,000 Industrial Bonds dated February 1, 1979, for the purpose of acquiring industrial plant sites and constructing an industrial plant building for the manufacture of steel valves and fittings within the corporate limits of Industrial District #1. The principal is due in annual installments of \$45,000 to \$75,000 through February 1, 2004 with interest at 6.20 to 6.25 percent. These bonds are secured by ad valorem taxes and revenues from leasing the building. 535,000

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

\$800,000 Public Improvement bonds dated January 1, 1974, for the purpose of acquiring an industrial plant building for the manufacture of wearing apparel within the corporate limits of Industrial District #1. The principal is due in annual installments at \$52,000 to \$59,000 through January 1, 1999 with interest at 5.40 to 5.50 percent. These bonds are secured by ad valorem taxes and revenues from leasing the building.

166,000

\$826,000

At December 31, 1995, the annual requirements to amortize all bonds outstanding, including interest at \$221,027, are as follows:

1996	\$ 155,597
1997	157,168
1998	159,262
1999	97,813
2000	98,281
2001-2004	<u>378,906</u>
Total	<u>\$1,047,027</u>

(10) Retirement Systems

The Police Jury participates in four cost-sharing multiple-employer, public employee retirement systems (PERS): Parochial Employees Retirement System of Louisiana, Louisiana State Employees Retirement System, District Attorneys Retirement System and Registrar of Voters Employees System. Each system is administered and controlled by a separate board of trustees.

A. Parochial Employees Retirement System of Louisiana

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

Plan members are required to contribute 2.0 percent of their annual covered salary and the Police Jury is required to contribute at the statutory rate of 1.0 percent of the annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 1995, 1994 and 1993 were \$4,567, \$5,761 and \$7,509, respectively, equal to the required contribution for each year.

B. Louisiana State Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804.

Plan members are required to contribute 11.5 percent of their annual covered salary and the Police Jury is required to contribute at the statutory rate of 11.9 percent of the annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 1995, 1994 and 1993 were \$1,104, \$1,104, and \$1,142, respectively, equal to the required contribution for each year.

C. District Attorneys Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Louisiana District Attorney's Retirement System, 2109 Decator Street, New Orleans, Louisiana 70116.

Plan members are required to contribute 7.0 percent of their annual covered salary and the Police Jury is required to contribute at the statutory rate of 3.25 percent of the annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 1995, 1994 and 1993 were \$1,575, \$685 and \$ -0-, respectively, equal to the required contribution for each year.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

D. Registrar of Voters Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Registrar of Voters' Retirement System, P.O. Box 57, Jennings, Louisiana 70546.

Plan members are required to contribute 7.0 percent of their annual covered salary and the Police Jury is not required to contribute a percentage of the annual covered payroll.

(11) Post Employment Benefits

The Avoyelles Parish Police Jury provides certain continuing health care insurance benefits for its retired employees. Substantially all of the Police Jury's employees become eligible for these benefits if they reach normal retirement age while working for the Police Jury. Benefits for retirees are provided through an insurance company whose monthly premiums are paid by the Police Jury and reimbursed by the employee. The Police Jury recognizes the cost of providing these benefits as an expenditure when paid during the year and recognizes the revenue when they are due the reimbursement from the employee.

(12) Expenditures - Actual and Budget

The following individual fund had actual expenditures over budgeted expenditures as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Year ended December 31, 1995:			
Special revenue fund -			
Law Enforcement Fund	\$14,900	\$15,883	\$(983)

AVOUELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Financial Statements (Continued)

C. Grant Audit

The Police Jury receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Police Jury, the amount of disallowances, if any, will not be significant.

(15) Compensation Paid to Police Jurors

A summary of compensation paid to police jurors for the year ended December 31, 1995 follows:

V. W. Cole	\$ 11,556
John R. Luneau	10,272
Michael Ducote	10,272
Steve Gagnard	10,493
Rudolph Gremillion	10,493
Paula J. Chatelain	10,272
Samuel T. Maddie	10,272
Myron Juneau	7,704
Stanley Armand	10,272
Alvin Gagnard	10,272
McKinley Keller	10,272
Matt Bordelon	10,272
Charles Britton	10,493
Anthony Desselle	10,272
Carole Scallan	10,272
Joseph Gremillion	<u>2,181</u>
	<u>\$155,640</u>

(16) Risk Management

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury has obtained coverage from various commercial insurance companies to reduce its exposure to these risk.

SUPPLEMENTAL INFORMATION

SPECIAL REVENUE FUNDS

- Road and Bridge Fund - To account for the construction and maintenance of roads and bridges on a parishwide basis. Major means of financing is provided by a sales tax of one-fourth of one percent (1/4%) and the State of Louisiana Parish Transportation Fund.
- Solid Waste Fund - To account for the providing of garbage and waste collection and/or disposal for the Parish. Financing is provided by a sales tax of three fourths of one percent (3/4%).
- Drainage Fund - To account for expenditures for maintaining the parish drainage system. Major means of financing is provided by ad valorem taxes and state revenue sharing.
- Health Unit Fund - To account for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish. Major means of financing is provided by ad valorem taxes and state revenue sharing.
- Library Fund - To account for the operation and maintenance of the parish library. Major means of financing is provided by ad valorem taxes and state revenue sharing.
- Law Enforcement Fund - To account for court costs used to pay off-duty officers for their testimony in criminal cases.
- HUD Section 8 - Program Fund - To account for funds provided under the Section 8 Housing Voucher Program by the United States Department of Housing and Urban Development. The monies are used to aid low income families in obtaining decent, safe and sanitary housing through a system of rental subsidies.
- Tricia Park Sewer Fund - To account for the operation and maintenance of the Tricia Park Sewerage System. Financing is provided by charges to customers and operating transfers from the General Fund.

AVOUELLES PARISH POLICE JURY
 Marksville, Louisiana
 Special Revenue Funds

Combining Balance Sheet
 December 31, 1995

	Road and Bridge	Solid Waste	Drainage	Health Unit	Library	Law Enforcement	HUD Section 8 Program	Tricia Park Sewer	Totals
ASSETS									
Cash and interest bearing deposits	\$312,103	\$443,765	\$ 2,063	\$337,413	\$ 84,523	\$ -	\$29,536	\$4,286	\$1,213,689
Taxes receivable, net	54,294	162,882	200,055	85,737	200,055	-	-	-	703,023
Due from other funds	32,774	-	5,784	-	-	-	650	-	39,208
Other receivables	-	-	-	-	-	449	-	158	607
Other assets	78	78	-	-	-	-	-	-	156
Total assets	\$399,249	\$606,725	\$207,902	\$423,150	\$284,578	\$ 449	\$30,186	\$4,444	\$1,956,683
	=====	=====	=====	=====	=====	=====	=====	=====	=====
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 27,112	\$ 36,331	\$ 3,910	\$ 5,654	\$ 2,127	\$ -	\$ 6,103	\$ 45	\$ 81,282
Due to other governmental units	-	-	-	-	-	-	24,083	-	24,083
Due to other funds	-	-	-	-	-	449	-	-	449
Other liabilities	1,311	8	6,125	2,599	6,234	-	-	-	16,277
Total liabilities	28,423	36,339	10,035	8,253	8,361	449	30,186	45	122,091
	=====	=====	=====	=====	=====	=====	=====	=====	=====
Fund balances:									
Unreserved, undesignated	370,826	570,386	197,867	414,897	276,217	-	-	4,399	1,834,592
Total liabilities and fund balances	\$399,249	\$606,725	\$207,902	\$423,150	\$284,578	\$ 449	\$30,186	\$4,444	\$1,956,683
	=====	=====	=====	=====	=====	=====	=====	=====	=====

AVOUELLES PARISH POLICE JURY
 Marksville, Louisiana
 Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 1995

	Road and Bridge	Solid Waste	Drainage	Health Unit	Library	Law Enforcement	HUD Section 8 Program	Tricia Park Sewer	Totals
Revenues:									
Taxes -									
Ad valorem	\$ -	\$ -	\$ 170,752	\$ 73,179	\$ 170,752	\$ -	\$ -	\$ -	\$ 414,683
Sales	563,495	1,690,485	-	-	-	-	-	-	2,253,980
Intergovernmental revenues -									
Federal grants	24,954	-	-	-	-	-	299,045	-	323,999
State funds:									
Parish transportation funds	459,237	-	-	-	-	-	-	-	459,237
State revenue sharing (net)	-	-	64,905	28,206	64,905	-	-	-	158,016
Local funds	17,514	-	-	-	-	-	-	-	17,514
Fees, charges and commissions	-	-	-	-	-	4,878	-	1,427	6,305
Use of money and property	5,681	8,961	1,548	9,375	3,615	-	-	-	29,180
Miscellaneous	93,813	-	16,555	-	4,507	-	-	-	114,875
Total revenues	<u>1,164,694</u>	<u>1,699,446</u>	<u>253,760</u>	<u>110,760</u>	<u>243,779</u>	<u>4,878</u>	<u>299,045</u>	<u>1,427</u>	<u>3,777,789</u>
Expenditures:									
Public safety	-	-	-	-	-	15,883	-	-	15,883
Public works	932,596	1,445,921	241,407	-	-	-	-	5,028	2,624,952
Health and welfare	-	-	-	81,290	-	-	299,045	-	380,335
Culture and recreation	-	-	-	-	233,004	-	-	-	233,004
Debt service	57,859	648	626	-	-	-	-	-	59,133
Total expenditures	<u>990,455</u>	<u>1,446,569</u>	<u>242,033</u>	<u>81,290</u>	<u>233,004</u>	<u>15,883</u>	<u>299,045</u>	<u>5,028</u>	<u>3,313,307</u>
Excess (deficiency) of revenues over expenditures	<u>174,239</u>	<u>252,877</u>	<u>11,727</u>	<u>29,470</u>	<u>10,775</u>	<u>(11,005)</u>	<u>-</u>	<u>(3,601)</u>	<u>464,482</u>
Other financing sources:									
Operating transfers in	5,773	-	-	-	-	94	5,641	8,000	19,508
Operating transfers from component unit	-	-	-	-	-	10,000	-	-	10,000
Total other financing sources	<u>5,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,094</u>	<u>5,641</u>	<u>8,000</u>	<u>29,508</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>180,012</u>	<u>252,877</u>	<u>11,727</u>	<u>29,470</u>	<u>10,775</u>	<u>(911)</u>	<u>5,641</u>	<u>4,399</u>	<u>493,990</u>
Fund balances (deficits), beginning	<u>190,814</u>	<u>317,509</u>	<u>186,140</u>	<u>385,427</u>	<u>265,442</u>	<u>911</u>	<u>(5,641)</u>	<u>-</u>	<u>1,340,602</u>
Fund balances, ending	<u>\$ 370,826</u>	<u>\$ 570,386</u>	<u>\$ 197,867</u>	<u>\$ 414,897</u>	<u>\$ 276,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,399</u>	<u>\$ 1,834,592</u>

DEBT SERVICE FUNDS

Industrial District #1 \$220,000 General Obligation Bonds Fund - To account for the accumulation of resources for, and payment of, principal, interest, and related costs of the February 1, 1979, \$220,000 bond issue, which was issued for the purpose of acquiring and/or improving lands for an industrial park within the corporate limits of the Industrial District. The bond issue is financed by a designated portion of the Industrial District No. 1-A bonds ad valorem tax.

Industrial District #1 \$950,000 General Obligation Bonds Fund - To account for the accumulation of resources for, and payment of, principal, interest and related costs for the February 1, 1979, \$950,000 bond issue. The purpose of the bond issue was to acquire industrial plant sites, and acquire and construct thereon an industrial plant building for the manufacture of steel valves and fittings and/or similar products within the Industrial District. The bond issue is financed by a designated portion of the Industrial District No. 1-A bonds ad valorem tax and revenues from leasing the building.

Industrial District #1 \$800,000 General Obligation Bonds Fund - To account for the accumulation of resources for, and payment of, principal, interest and related costs of the January 1, 1974, \$800,000 bond issue, which was issued for the purpose of acquiring an industrial plant building for the manufacture of wearing apparel within the Industrial District. The Bond issue is financed by an Industrial District No. 1 bonds ad valorem tax and revenues from leasing the building.

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Debt Service Funds

Combining Balance Sheet
 December 31, 1995

	<u>Industrial District #1 \$220,000 GOB</u>	<u>Industrial District #1 \$950,000 GOB</u>	<u>Industrial District #1 \$800,000 GOB</u>	<u>Totals</u>
ASSETS				
Cash	\$ 59,741	\$219,836	\$79,406	\$358,983
Taxes receivable, net	36,523	20,588	8,735	65,846
Due from other funds	<u>12,779</u>	<u>-</u>	<u>-</u>	<u>12,779</u>
 Total assets	 <u>\$109,043</u>	 <u>\$240,424</u>	 <u>\$88,141</u>	 <u>\$437,608</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	\$ 725	\$ -	\$15,040	\$ 15,765
Other liabilities	<u>1,407</u>	<u>781</u>	<u>329</u>	<u>2,517</u>
	2,132	781	15,369	18,282
 Fund balances - reserved for debt service	 <u>106,911</u>	 <u>239,643</u>	 <u>72,772</u>	 <u>419,326</u>
 Total liabilities and fund balances	 <u>\$109,043</u>	 <u>\$240,424</u>	 <u>\$88,141</u>	 <u>\$437,608</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Year Ended December 31, 1995

	Industrial District #1 <u>\$220,000 GOB</u>	Industrial District #1 <u>\$950,000 GOB</u>	Industrial District #1 <u>\$800,000 GOB</u>	<u>Totals</u>
Revenues:				
Taxes - ad valorem	\$ 40,883	\$ 23,011	\$ 9,919	\$ 73,813
Fees, charges and commissions	440	67,788	57,821	126,049
Use of money and property	2,059	6,059	2,991	11,109
Other revenues	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Total revenues	<u>44,382</u>	<u>96,858</u>	<u>70,731</u>	<u>211,971</u>
Expenditures:				
General government - Finance and administrative	6,577	4,285	3,058	13,920
Public works	3,731	-	-	3,731
Debt service - Principal retirement	10,000	54,778	40,222	105,000
Interest and bank charges	<u>8,379</u>	<u>12,461</u>	<u>35,019</u>	<u>55,859</u>
Total expenditures	<u>28,687</u>	<u>71,524</u>	<u>78,299</u>	<u>178,510</u>
Excess (deficiency) of revenues over expenditures	15,695	25,334	(7,568)	33,461
Fund balances, beginning	<u>91,216</u>	<u>214,309</u>	<u>80,340</u>	<u>385,865</u>
Fund balances, ending	<u>\$106,911</u>	<u>\$239,643</u>	<u>\$72,772</u>	<u>\$ 419,326</u>

AGENCY FUNDS

Twelfth Judicial District Juror and Witness Fund - To account for the payment of juror and witness fees associated with the Twelfth Judicial District Court.

Gaming Mitigation Fund - As provided by Act 1060 of the 1995 Louisiana Regular Legislative Session, the Gaming Mitigation fund was created to account for funds received from the Governor's Office of Indian Affairs and the subsequent disbursement of these funds to various local governmental agencies as outlined in a cooperative endeavor agreement between the State of Louisiana and the Avoyelles Parish Police Jury.

AVOUELLES PARISH POLICE JURY
Marksville, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 1995

	<u>Balance</u> <u>01/01/95</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/95</u>
Twelfth Judicial District Juror and Witness Fund -				
ASSETS				
Cash and interest-bearing deposits	\$ 432	\$ 35,893	\$ 36,325	\$ -
Due from component unit	<u>4,347</u>	<u>3,304</u>	<u>4,347</u>	<u>3,304</u>
Total assets	<u>\$4,779</u>	<u>\$ 39,197</u>	<u>\$ 40,672</u>	<u>\$ 3,304</u>
LIABILITIES				
Due to jurors and witnesses	<u>\$4,779</u>	<u>\$ 39,197</u>	<u>\$ 40,672</u>	<u>\$ 3,304</u>
Gaming Mitigation Fund -				
ASSETS				
Cash and interest-bearing deposits	\$ -	\$287,083	\$287,083	\$ -
Gaming mitigation fees receivable	<u>-</u>	<u>154,232</u>	<u>-</u>	<u>154,232</u>
Total assets	<u>\$ -</u>	<u>\$441,315</u>	<u>\$287,083</u>	<u>\$154,232</u>
LIABILITIES				
Due to local governments	\$ -	\$115,674	\$ -	\$115,674
Due to other funds	<u>-</u>	<u>38,558</u>	<u>-</u>	<u>38,558</u>
Total liabilities	<u>\$ -</u>	<u>\$154,232</u>	<u>\$ -</u>	<u>\$154,232</u>
Total Agency Funds -				
ASSETS				
Cash and interest-bearing deposits	\$ 432	\$322,976	\$323,408	\$ -
Due from component unit	4,347	3,304	4,347	3,304
Gaming mitigation fees receivable	<u>-</u>	<u>154,232</u>	<u>-</u>	<u>154,232</u>
Total assets	<u>\$4,779</u>	<u>\$480,512</u>	<u>\$327,755</u>	<u>\$157,536</u>
LIABILITIES				
Due to local governments	\$ -	\$115,674	\$ -	\$115,674
Due to other funds	<u>-</u>	<u>38,558</u>	<u>-</u>	<u>38,558</u>
Due to jurors and witnesses	<u>4,779</u>	<u>39,197</u>	<u>40,672</u>	<u>3,304</u>
Total liabilities	<u>\$4,779</u>	<u>\$193,429</u>	<u>\$ 40,672</u>	<u>\$157,536</u>

INTERNAL CONTROL, COMPLIANCE

AND

OTHER GRANT INFORMATION

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Certified Public Accountant



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

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. In my report, I express an adverse opinion because of the omission of the financial statements of certain component units and general fixed assets being unauditable.

I have conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of Avoyelles 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.

In planning and performing my audit of the general purpose financial statements of the Avoyelles Parish Police Jury, for the year ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of

relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

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

Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of administrative personnel, the Avoyelles Parish Police Jury does not have adequate segregation of functions within the accounting system.

Recommendation:

Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of accounting functions.

Response:

No response is considered necessary.

General Fixed Asset Records

Finding:

The Avoyelles Parish Police Jury has not maintained internal accounting controls for its property and equipment. Subsidiary records have not been updated from year-to-year for additions and deletions. Failure to maintain such controls reduces the Police Jury's accountability over these assets.

Recommendation:

I recommend that the Police Jury update the subsidiary listing to support the control account balances and conduct a complete physical inventory. Also, the Police Jury should institute procedures to record additions and deletions timely and conduct complete annual inventories to ensure that the Police Jury's fixed assets are properly safeguarded.

Response:

The Police Jury is currently in the process of completing a physical inventory of all fixed assets and updating the subsidiary listing. Procedures will be implemented to ensure the listing is updated for additions and deletions in a timely manner in the future.

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 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.

My 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, I noted the above matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing and extent of the procedures to be performed in my audit of the general purpose financial statements of the Avoyelles Parish Police Jury, for the year ended December 31, 1995.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of the Avoyelles Parish Police Jury, in a separate letter dated May 24, 1996.

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

Kenneth J. Rachal

Hessmer, Louisiana
May 24, 1996

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

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. In my report, I express an adverse opinion because of the omission of the financial statements of certain component units and general fixed assets being unauditable.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that I 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 the Avoyelles Parish Police Jury, is the responsibility of the Avoyelles Parish Police Jury's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the Police Jury's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the Avoyelles Parish Police Jury's 1995 financial statements.

Noncompliance with Asset Management Laws

Finding:

The Avoyelles Parish Police Jury has not maintained adequate subsidiary records of its property and equipment, as required by LSA-R.S. 24:515(1). This statute requires the Police Jury to maintain current records of all land, buildings, improvements other than buildings, equipment, and other general fixed assets purchased by the Police Jury or for which the Police Jury is otherwise accountable.

Recommendation:

I recommend the Police Jury update the subsidiary listing of fixed assets to support the control account balances and conduct a complete physical inventory. Also, the Police Jury should institute procedures to record additions and deletions timely and conduct annual inventories to ensure the accuracy of the asset listing.

Response:

The Police Jury is currently in the process of completing a physical inventory of all fixed assets and updating the subsidiary listing. Procedures will be implemented to ensure the listing is updated for additions and deletions in a timely manner in the future.

Noncompliance with the Public Bid Law

Finding:

The Avoyelles Parish Police Jury violated LSA-R.S. 38:2212 of the Public Bid Law when it purchased asphalt materials from a vendor other than the lowest responsible bidder who had bid according to the advertised specifications.

Recommendation:

Bid specifications for the purchase of road materials should be narrow enough to ensure that the materials are suited for use as intended by the maintenance department.

Response:

Management has agreed to evaluate all bid specifications in the future to ensure the quality of materials purchased.

Noncompliance with the Parish Transportation Act

Capital Improvement Program -

Finding:

The Avoyelles Parish Police Jury has not adopted a three year parishwide road capital improvement program as required by LSA-R.S. 48:755 of the Parish Transportation Act at December 31, 1995.

Recommendation:

The Police Jury has adopted a program for the fiscal year ending December 31, 1996. Efforts should be made to develop a three year program as required by the Parish Transportation Act.

Response:

Management is continuing to develop a three year capital improvements program as required by the Parish Transportation Act.

I considered these material instances of noncompliance in forming my opinion on whether Avoyelles Parish Police Jury's 1995 general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and, this report does not affect my report dated May 24, 1996 on those general purpose financial statements.

I noted certain immaterial instances of noncompliance that I have reported to the management of the Police Jury in a separate letter dated May 24, 1996.

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

Kenneth J. Rachal

Hessmer, Louisiana
May 24, 1996

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

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. In my report, I express an adverse opinion because of the omission of the financial statements of certain component units and general fixed assets being unauditible. I have also audited the compliance of Avoyelles Parish Police Jury, with requirements applicable to major federal financial assistance programs and have issued my report thereon dated May 24, 1996.

I conducted my audit 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 Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and whether the Avoyelles 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 my audit for the year ended December 31, 1995, I considered the internal control structure of the Police Jury, in order to determine my auditing procedures for the purpose of expressing my opinion on the Police Jury's general purpose financial statements and on the compliance of the 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 my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated May 24, 1996.

The management of the Avoyelles 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, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

Revenues/receipts
Purchases/disbursements
Receivables
Inventory control

Administrative Controls

General Requirements

Political activity
Civil rights
Davis Bacon Act
Cash management
Administrative requirements
Allowable costs/cost principles
Federal financial reports

Specific Requirements

Types of services
allowed or not allowed
Reporting

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

During the year ended December 31, 1995, the Avoyelles Parish Police Jury expended 92 percent of its total federal financial assistance under one major federal financial assistance program.

I 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 I considered relevant to preventing or detecting material noncompliance with specific requirements and general requirements that are applicable to the Police Jury's major federal financial assistance program, which is identified in the accompanying schedule of federal financial assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

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

Voided Checks in the HUD Section 8 Program

Finding:

The controls over Section 8 housing assistance payments are inadequate. During 1995, housing assistance payment (HAP) checks totaling \$28,448 were voided.

Recommendation:

The Police Jury should develop and implement procedures necessary to ensure adequate controls over housing assistance payments.

Response:

Management intends to comply with the above recommendation.

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.

My consideration of the internal control structure policies and procedures used in administering federal financial 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, I noted the above matter involving the internal control structure and its operation that I 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 my audit of the compliance of Avoyelles Parish Police Jury with requirements applicable to its major federal financial assistance program for the year ended December 31, 1995 and this report does not affect my report thereon dated May 24, 1996.

I also noted another matter involving the internal control structure and its operation that I have reported to the management of the Avoyelles Parish Police Jury, in a separate letter dated May 24, 1996.

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

Kenneth J. Rachel

Hessmer, Louisiana
May 24, 1996

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

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. In my report, I express an adverse opinion because of the omission of the financial statements of certain component units and general fixed assets being unauditable.

I have also audited Avoyelles Parish Police Jury's compliance with the requirements governing financial reporting that are applicable to its major federal financial assistance program, which is identified in the accompanying schedule of federal financial assistance for the year ended December 31, 1995. The management of the Avoyelles Parish Police Jury is responsible for the Police Jury's compliance with those requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my 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 Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that I 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 the Avoyelles Parish Police Jury's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

In my opinion, the Avoyelles Parish Police Jury, complied, in all material respects, with the requirements governing types of services allowed or unallowed, eligibility, and reporting requirements that are applicable to its major federal financial assistance program for the year ended December 31, 1995.

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

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Hessmer, Louisiana
May 24, 1996

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

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. In my report, I express an adverse opinion because of the omission of the financial statements of certain component units and general fixed assets being unauditable.

I have applied procedures to test the Avoyelles 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:

Political activity
Davis Bacon Act
Civil rights
Cash management
Administrative requirements
Allowable costs/cost principles
Federal financial reports

My 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. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Avoyelles Parish Police Jury's compliance with the requirements listed in the preceding paragraph. Accordingly, I 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 my attention that caused me to believe that the Avoyelles Parish Police Jury had not complied, in all material respects, with those requirements. Also, the results of my procedures did not disclose any immaterial instances of noncompliance with those requirements.

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

Kenneth J. Rachal

Hessmer, Louisiana
May 24, 1996

Kenneth J. Rachal

Certified Public Accountant



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

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. In my report, I express an adverse opinion because of the omission of the financial statements of certain component units and general fixed assets being unauditible.

In connection with my audit of the general purpose financial statements of the Avoyelles Parish Police Jury and with my consideration of the Avoyelles Parish Police Jury's internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, Audits of State and Local Governments, I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1995. As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and claims for reimbursements that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Avoyelles Parish Police Jury's compliance with these requirements. Accordingly, I 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 my attention that caused me to believe that the Avoyelles Parish Police Jury, had not complied, in all material respects, with those requirements. However, the results of my procedures disclosed certain immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

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

Kenneth J. Rachal

Hessmer, Louisiana
May 24, 1996

Kenneth J. Rachal

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INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL
FINANCIAL ASSISTANCE

The Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

I have audited the general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. These general purpose financial statements are the responsibility of the Avoyelles Parish Police Jury'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, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Avoyelles 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 the schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

Kenneth J. Rachal

Hessmer, Louisiana
May 24, 1996

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Federal Financial Assistance
Year Ended December 31, 1995

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	<u>Issues/Expenditures</u>
United States Department of Agriculture: Passed-through Louisiana Department of Social Services -		
State Administrative Matching Grants for Food Stamp Program	10.561	\$ 23,882
Food Stamps*	10.551	<u>5,937,611</u>
Total United States Department of Agriculture		<u>5,961,493</u>
United States Department of Housing and Urban Development:		
Direct Program -		
Section 8 Housing Voucher Program	14.177	299,045
Passed-through Louisiana		
Division of Administration -		
Community Development Block Grants/State's Program		
1992 LCDBG	14.219	53,505
1994 LCDBG	14.219	48,925
1995 LCDBG	14.219	<u>59,912</u>
Total United States Department of Housing and Urban Development		<u>461,387</u>
United States Department of Transportation:		
Passed-through Louisiana Highway Safety Commission -		
State and Community Highway Safety Program	20.600	<u>24,954</u>
Total issues/expenditures		<u>\$6,447,834</u>

*Indicates major federal financial assistance program.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Findings and Questioned Costs
Year Ended December 31, 1995

<u>Program</u>	<u>Finding</u>	<u>Questioned Cost</u>
Section 8 Housing Voucher Program	(1) Inspection of Units Finding: HUD requires the public housing agency to inspect housing units at least annually to determine that each unit meets the standards for decent, safe, and sanitary housing. As a follow up procedure on a finding reported in 1994, I selected ten tenant files to test for this requirement, noting that one of the ten files tested contained documentation that problems were noted during the annual unit inspection, however there was no documentation noting that the finding had been corrected. It was also noted that two files did not contain evidence of an annual inspection during the year December 31, 1995. Recommendation: Documentation of annual unit inspection, including follow-ups on problems noted, should be maintained in each tenant file. Response: In the future, annual inspections and follow-ups will be performed and documented as required.	N/A

(continued)

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 1995

<u>Program</u>	<u>Finding</u>	<u>Questioned Cost</u>
	(2) Timeliness of Reporting	N/A
	Finding: The Voucher for Payment of Annual Contributions and Operating Statement for the year ended December 31, 1995 was not submitted in a timely manner Recommendation: All reports should be prepared and submitted to HUD in a timely manner as required by the HUD guidelines. Response: Management will implement procedures to ensure all reporting requirements are met in the future.	
	(3) Accuracy of Reports	
	Finding: Upon review of the Voucher for Payment of Annual Contributions and Operating Statement for the fiscal year ended December 31, 1995, it was determined the amount reported as ongoing administrative fees earned on line 19 was calculated incorrectly, resulting in an overstatement of the balance due to HUD.	

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 1995

<u>Program</u>	<u>Finding</u>	<u>Questioned Cost</u>
	<p>Recommendation:</p> <p>Procedures should be developed to ensure that all reports are prepared in accordance with the current HUD guidelines.</p> <p>Response:</p> <p>Management will develop and implement procedures to ensure that reports are prepared accurately in the future.</p>	

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Follow Up on Prior Year's Findings and Questioned Costs
Year Ended December 31, 1995

<u>Finding</u>	<u>Status at December 31, 1995</u>	<u>Quest. Costs</u>
Section 8 Housing Voucher Program -		
1. HUD requires the public housing agency to inspect housing units at least annually to determine that each unit meets the standards for decent, safe, and sanitary housing. As a follow up procedure on a finding reported in 1993, ten files were tested for evidence of inspections. One of the ten files tested contained documentation that problems were noted during the annual unit inspection, however no documentation noting correction of the problems was maintained.	This finding is repeated in the Schedule of Findings and Questioned Costs for the year ended December 31, 1995.	N/A
2. HUD requires that tenant files must contain an application signed by both tenant and donor. As a follow up procedure on findings reported in 1993, ten files were tested for the application requirement. One of the files contained an application only signed by the tenant.	This finding was resolved during the year ended December 31, 1995.	N/A