

## UNION PARISH POLICE JURY

Farmerville, Louisiana

### Notes to the Financial Statements (Continued)

attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The police jury's current operations require the use of governmental and fiduciary fund types as follows:

#### **Governmental Fund Type:**

##### **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 are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes.

##### **West Sterlington Sewer Capital Projects Fund**

The West Sterlington Sewer Fund accounts for the construction of a sewer system for the West Sterlington Sewer District. Financing is provided by a grant from the United States Department of Housing and Urban Development through the Louisiana Division of Administration.

#### **Fiduciary Fund Type - Inmate Banking Agency Fund**

The Inmate Banking Fund accounts for funds held for Union Parish Detention Center inmates.

#### **C. GENERAL FIXED ASSETS AND LONG-TERM OBLIGATIONS**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures (capital outlay) in the governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and estimated cost where no historical records are available. Approximately 95 per cent of fixed assets are valued at actual historical cost, while the remaining 5 per cent are valued at estimated cost, based on the actual historical cost of like items.

## Statement B

UNION PARISH POLICE JURY  
 Farmerville, Louisiana  
 GOVERNMENTAL FUND TYPE - GENERAL  
 AND SPECIAL REVENUE FUNDS  
 Combined Statement of Revenues, Expenditures  
 and Changes in Fund Balances, etc.

|  | GENERAL<br>FUND         | SPECIAL<br>REVENUE<br>FUNDS | WEST<br>STERLINGTON<br>SEWER<br>CAPITAL<br>PROJECTS<br>FUND | TOTAL<br>(MEMORANDUM<br>ONLY) |
|--|-------------------------|-----------------------------|---|-------------------------------|
| <b>EXPENDITURES (CONTD.)</b>   |                         |                             |   |                               |
| Current: (Contd.)  |                         |                             |   |                               |
| Public works   | \$90,800                | \$2,536,192                 |   | \$2,626,992                   |
| Health and welfare   | 42,822                  | 1,481,048                   |   | 1,523,870                     |
| Culture and recreation   | 1,200                   | 142,357                     |   | 143,557                       |
| Economic development and assistance  | 6,456                   |                             |   | 6,456                         |
| Transportation   | 1,000                   |                             |   | 1,000                         |
| Intergovernmental  | 4,600                   |                             |   | 4,600                         |
| Capital outlay   | 16,404                  | 80,229                      | \$104,196   | 200,829                       |
| Total expenditures   | <u>763,315</u>          | <u>5,432,797</u>            | <u>104,196</u>  | <u>6,300,308</u>              |
| <b>EXCESS OF REVENUES<br/>OVER EXPENDITURES</b>                                      |                         |                             |   |                               |
|  | <u>488,275</u>          | <u>260,977</u>              | NONE  | <u>749,252</u>                |
| <b>OTHER FINANCING SOURCES (Uses)</b>  |                         |                             |   |                               |
| Donations  |                         | 11,058                      |   | 11,058                        |
| Operating transfers in   |                         | 794,955                     |   | 794,955                       |
| Operating transfers out  | (428,015)               | (366,940)                   |   | (794,955)                     |
| Total other financing sources (uses)   | <u>(428,015)</u>        | <u>439,073</u>              | NONE  | <u>11,058</u>                 |
| <b>EXCESS OF REVENUES AND OTHER<br/>SOURCES OVER EXPENDITURES<br/>AND OTHER USES</b> |                         |                             |   |                               |
|  | 60,260                  | 700,050                     | NONE  | 760,310                       |
| <b>FUND BALANCES AT<br/>BEGINNING OF YEAR</b>  |                         |                             |   |                               |
|  | <u>563,045</u>          | <u>2,304,293</u>            | NONE  | <u>2,867,338</u>              |
| <b>FUND BALANCES AT END OF YEAR</b>  |                         |                             |   |                               |
|  | <u><u>\$623,305</u></u> | <u><u>\$3,004,343</u></u>   | <u>NONE</u>   | <u><u>\$3,627,648</u></u>     |

(Concluded)

The accompanying notes are an integral part of this statement.

UNION PARISH POLICE JURY  
Farmerville, Louisiana  
GOVERNMENTAL FUND TYPE - GENERAL  
AND SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - Budget  
(GAAP) Basis and Actual (Excluding Criminal Court and  
Jobs Training Partnership Act Special Revenue Funds)  
For the Year Ended December 31, 1996

|   | .....GENERAL FUND..... |                  |   | .....SPECIAL REVENUE FUNDS..... |                  |   |
|---|------------------------|------------------|---|---------------------------------|------------------|---|
|   | <u>BUDGET</u>          | <u>ACTUAL</u>    | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> | <u>BUDGET</u>                   | <u>ACTUAL</u>    | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
| <b>REVENUES</b>                         |                        |                  |   |                                 |                  |   |
| Taxes:                                  |                        |                  |   |                                 |                  |   |
| Ad valorem taxes                        | \$123,000              | \$129,626        | \$6,626   | \$784,086                       | \$822,325        | \$38,239  |
| Sales and use taxes                     |                        |                  |   | 1,350,000                       | 1,386,614        | 36,614  |
| Other taxes, penalties, and<br>interest | 20,727                 | 21,162           | 435   |                                 |                  |   |
| Licenses and permits                    | 61,923                 | 61,489           | (434)   |                                 |                  |   |
| Intergovernmental revenues:             |                        |                  |   |                                 |                  |   |
| Federal grants                          | 29,381                 | 29,318           | (63)  | 215,279                         | 198,296          | (16,983)  |
| State funds:                            |                        |                  |   |                                 |                  |   |
| Parish Transportation Act               |                        |                  |   | 383,350                         | 365,061          | (18,289)  |
| State revenue sharing (net)             | 33,000                 | 33,822           | 822   | 196,820                         | 175,008          | (21,812)  |
| Severance taxes                         | 775,000                | 847,507          | 72,507  |                                 |                  |   |
| Other                                   | 39,797                 | 59,397           | 19,600  | 625,546                         | 625,801          | 255   |
| Fees, charges, and commissions          | 2,108                  | 3,633            | 1,525   | 572,264                         | 661,265          | 89,001  |
| Fines and forfeitures                   |                        |                  |   | 10,100                          | 10,200           | 100   |
| Use of money and property               | 48,531                 | 51,363           | 2,832   | 85,369                          | 87,786           | 2,417   |
| Other revenues                          | 12,390                 | 14,273           | 1,883   | 19,850                          | 16,785           | (3,065)   |
| Total revenues                          | <u>1,145,857</u>       | <u>1,251,590</u> | <u>105,733</u>                                  | <u>4,242,664</u>                | <u>4,349,141</u> | <u>106,477</u>                                  |
| <b>EXPENDITURES</b>                     |                        |                  |   |                                 |                  |   |
| Current:                                |                        |                  |   |                                 |                  |   |
| General government:                     |                        |                  |   |                                 |                  |   |
| Legislative                             | 85,688                 | 84,216           | 1,472   |                                 |                  |   |
| Judicial                                | 75,700                 | 66,913           | 8,787   | 4,075                           | 2,550            | 1,525   |
| Elections                               | 23,962                 | 24,498           | (536)   |                                 |                  |   |
| Finance and administrative              | 83,836                 | 80,932           | 2,904   | 7,035                           | 5,246            | 1,789   |
| Other general government                | 267,997                | 235,037          | 32,960  |                                 |                  |   |
| Public safety                           | 109,710                | 108,437          | 1,273   | 998,284                         | 1,042,572        | (44,288)  |
| Public works                            |                        |                  |   | 2,601,160                       | 2,536,192        | 64,968  |
| Health and welfare                      | 43,085                 | 42,822           | 263   | 288,005                         | 263,145          | 24,860  |
| Culture and recreation                  | 1,200                  | 1,200            |   | 143,513                         | 142,357          | 1,156   |
| Economic development<br>and assistance  | 6,899                  | 6,456            | 443   |                                 |                  |   |
| Transportation                          | 800                    | 1,000            | (200)   |                                 |                  |   |
| Intergovernmental                       |                        | 4,600            | (4,600)   |                                 |                  |   |
| Capital outlay                          | 94,724                 | 107,204          | (12,480)  | 90,859                          | 80,229           | 10,630  |
| Total expenditures                      | <u>793,601</u>         | <u>763,315</u>   | <u>30,286</u>                                   | <u>4,132,931</u>                | <u>4,072,291</u> | <u>60,640</u>                                   |

(Continued)

## UNION PARISH POLICE JURY

Farmerville, Louisiana

GOVERNMENTAL FUND TYPE - GENERAL  
AND SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - Budget  
(GAAP) Basis and Actual (Excluding Criminal Court and  
Jobs Training Partnership Act Special Revenue Funds), etc.

|   | .....GENERAL FUND..... |                  |  | .....SPECIAL REVENUE FUNDS..... |                    |  |
|---|------------------------|------------------|--|---------------------------------|--------------------|--|
|   | <u>BUDGET</u>          | <u>ACTUAL</u>    | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) | <u>BUDGET</u>                   | <u>ACTUAL</u>      | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
| <b>EXCESS OF REVENUES<br/>OVER EXPENDITURES</b>   | <u>\$352,256</u>       | <u>\$488,275</u> | <u>\$136,019</u>                       | <u>\$109,733</u>                | <u>\$276,850</u>   | <u>\$167,117</u>                       |
| <b>OTHER FINANCING<br/>SOURCES (Uses)</b>   |                        |                  |  |                                 |                    |  |
| Donations   |                        |                  |  |                                 | 11,058             | 11,058                                 |
| Operating transfers in  |                        |                  |  | 793,732                         | 794,955            | 1,223                                  |
| Operating transfers out   | <u>(437,781)</u>       | <u>(428,015)</u> | <u>9,766</u>                           | <u>(363,128)</u>                | <u>(364,610)</u>   | <u>(1,482)</u>                         |
| Total other financing<br>sources (uses)   | <u>(437,781)</u>       | <u>(428,015)</u> | <u>9,766</u>                           | <u>430,604</u>                  | <u>441,403</u>     | <u>10,799</u>                          |
| <b>EXCESS (Deficiency) OF<br/>REVENUES AND OTHER<br/>SOURCES OVER<br/>EXPENDITURES AND<br/>OTHER USES</b> | (85,525)               | 60,260           | 145,785                                | 540,337                         | 718,253            | 177,916                                |
| <b>FUND BALANCES AT<br/>BEGINNING OF YEAR</b>   | <u>445,920</u>         | <u>563,045</u>   | <u>117,125</u>                         | <u>2,033,310</u>                | <u>2,299,013</u>   | <u>265,703</u>                         |
| <b>FUND BALANCES AT<br/>END OF YEAR</b>   | <u>\$360,395</u>       | <u>\$623,305</u> | <u>\$262,910</u>                       | <u>\$2,573,647</u>              | <u>\$3,017,266</u> | <u>\$443,619</u>                       |

(Concluded)

The accompanying notes are an integral part of this statement.

**SUPPLEMENTAL INFORMATION SCHEDULES**

## UNION PARISH POLICE JURY

Farmerville, Louisiana

### Notes to the Financial Statements (Continued)

considered part of the primary government (police jury) and include the Union Parish Library, the Third Judicial District Criminal Court, and the Union Parish Communications District.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

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

#### **B. FUND ACCOUNTING**

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

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of

## UNION PARISH POLICE JURY

Farmerville, Louisiana

### Notes to the Financial Statements (Continued)

The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not capitalized. Public domain (infrastructure) general fixed assets consisting of roads, bridges, drainage, parking lots, etc. are not capitalized, as these assets are immovable and of value only to the police jury. No depreciation is recognized on general fixed assets.

For long-term obligations, such as compensated absences, only that portion expected to be financed from expendable available financial resources is reported as a liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term obligations account group.

#### **D. BASIS OF ACCOUNTING**

The 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 for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The police jury uses the following practices in recognizing and reporting revenues and expenditures:

##### **Revenues**

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

## UNION PARISH POLICE JURY

Farmerville, Louisiana

### Notes to the Financial Statements (Continued)

Sales and use tax revenues are recorded in the month received by the police jury. Federal and state grants and reimbursements are recorded when the police jury is entitled to the funds.

Fines, forfeitures, and court costs are recorded in the year they are received by the parish tax collector. Interest income on time deposits is recorded when the time deposits have matured and the interest is available. Substantially all other revenues are recorded when received by the police jury.

Based on the above criteria, ad valorem taxes, federal and state grants, and fines, forfeitures, and court costs have been treated as susceptible to accrual.

#### **Expenditures**

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

#### **Other Financing Sources (Uses)**

Donations and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

#### **E. BUDGET PRACTICES**

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



**UNION PARISH POLICE JURY**

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

During the year, the finance committee receives monthly budgetary comparison statements which are used as a management tool to control operations of the parish. The secretary/treasurer presents necessary budget amendments to the police jury during the year when, in her judgement, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the police jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in police jury minutes published in the official journal.

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

For the year ended December 31, 1996, the police jury adopted modified accrual based budgets for the General Fund and all special revenue funds except the Criminal Court Special Revenue Fund, which is exempt from the requirements of the Local Government Budget Act. The budgetary comparison statement included in the accompanying financial statements includes the original adopted budgets and all subsequent amendments. The following schedule reconciles the excess (deficiency) of revenues and other sources over expenditures and other uses of the special revenue funds shown on Statement C to the amounts shown on Statement B (GAAP basis):

|  |                  |
|--|------------------|
| Excess of revenues and other sources over expenditures<br>and other uses (budget basis) Statements C | \$718,253        |
| Add Criminal Court Fund not budgeted   | <u>(18,203)</u>  |
| Excess of revenues and other sources over expenditures<br>and other uses (GAAP basis) Statements B   | <u>\$700,050</u> |

**F. CASH AND CASH EQUIVALENTS**

Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1996, the police jury has cash and cash equivalents of \$2,593,981 (net of cash overdrafts) as follows:

UNION PARISH POLICE JURY  
 Farmerville, Louisiana  
 Notes to the Financial Statements (Continued)

|                 |                    |
|-----------------|--------------------|
| Demand deposits | \$664,150          |
| Time deposits   | 1,929,231          |
| Petty cash      | <u>600</u>         |
| Total           | <u>\$2,593,981</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance of the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 1996, are secured as follows:

|                                       |                    |
|---------------------------------------|--------------------|
| Bank Balances                         | <u>\$2,699,169</u> |
| Federal deposit insurance             | \$253,498          |
| Pledged securities (uncollateralized) | <u>4,037,231</u>   |
| Total                                 | <u>\$4,290,729</u> |

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the police jury, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106. However, 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 bank has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the police jury's name.

**G. ANNUAL AND SICK LEAVE**

Full-time employees of the Union Parish Library earn from 10 to 20 days of annual leave and 12 days of sick leave each year, depending upon their classification and length of service. Part-time employees earn leave on a pro rata basis. Annual leave cannot be accumulated. Sick leave may be accumulated .

Employees of the district attorney's office paid from the Criminal Court Special Revenue Fund earn 12 days of annual leave and 12 days of sick leave per year. Leave cannot be accumulated and carried forward to succeeding years. There is no formal leave policy for employees of the district judge's office paid from the Criminal Court Fund.

## UNION PARISH POLICE JURY

Farmerville, Louisiana

### Notes to the Financial Statements (Continued)

All full-time employees of the police jury earn annual leave at rates varying from 1 to 18 days per year, depending upon their length of service. All permanent part-time employees earn annual leave on a pro rata basis. Upon voluntary resignation, retirement, or death, accumulated annual leave of up to 300 hours is paid at the employee's current rate of pay. In addition, all full-time employees earn from 2 to 18 days of sick leave each year and all permanent part-time employees earn sick leave on a pro rata basis. Sick leave may be accumulated to an unlimited number of days. Employees have the option, upon retirement, of being paid for sick leave up to 100 hours or applying sick leave to retirement. At December 31, 1996, employees of the police jury have accumulated and vested \$105,322 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. The cost of current leave privileges, computed in accordance with the previous codification, is recognized as a current year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

## II. SALES TAXES

Union Parish has a one per cent sales and use tax, which was passed by the voters on April 30, 1983, for an indefinite period. The net proceeds of the tax (after necessary costs of collection) are used: (1) to construct, acquire, improve, maintain, and operate solid waste collection and disposal facilities; (2) to construct, improve, and maintain streets, roads, and bridges; and (3) to fund the retirement of bonds issued to construct any of the above capital facilities.

## I. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned Memorandum Only (overview) 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.

## 2. LEVIED TAXES

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

UNION PARISH POLICE JURY  
 Farmerville, Louisiana  
 Notes to the Financial Statements (Continued)

|                   | <u>Authorized<br/>Millage</u> | <u>Levied<br/>Millage</u> | <u>Expiration<br/>Date</u> |
|-------------------|-------------------------------|---------------------------|----------------------------|
| Parishwide taxes: |                               |                           |                            |
| General Fund      | 4.00                          | 2.27                      | Indefinite                 |
| Road Maintenance  | 6.00                          | 5.81                      | 1996                       |
| Road Construction | 5.00                          | 4.85                      | 1996                       |
| Library           | 1.96                          | 2.27                      | 1996                       |
| Health Unit       | 1.57                          | 1.48                      | 2004                       |

The difference between authorized and levied millages is the result of reassessments of taxable property in the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following schedule lists the ten principal taxpayers for the parish and their 1996 assessed valuation (amounts expressed in thousands):

|                                     | <u>1996<br/>Assessed<br/>Valuation</u> | <u>Percent<br/>of Total<br/>Assessed<br/>Valuation</u> |
|-------------------------------------|--|--|
| Riverwood International USA, Inc.   | \$2,438                                | 3.37%  |
| Louisiana Power & Light Co.         | 2,403                                  | 3.32%  |
| South Central Bell                  | 1,785                                  | 2.47%  |
| Claiborne Electric                  | 1,586                                  | 2.19%  |
| Fairbanks Gathering Co.             | 1,469                                  | 2.03%  |
| Century Telephone Enterprises       | 1,388                                  | 1.92%  |
| Norman Gas Transportation Co.       | 1,149                                  | 1.59%  |
| Mid Louisiana Gas Gathering         | 1,071                                  | 1.48%  |
| Mid Louisiana Gas<br>Gas Operations | 1,066<br>979                           | 1.47%<br>1.35%   |
| Total                               | <u>\$15,334</u>                        | <u>21.19%</u>  |

**3. RECEIVABLES**

The following is a summary of receivables at December 31, 1996:

UNION PARISH POLICE JURY  
 Farmerville, Louisiana  
 Notes to the Financial Statements (Continued)

| <u>Class of Receivable</u> | <u>General Fund</u> | <u>Special Revenue Funds</u> | <u>Capital Projects Fund</u> | <u>Total</u>       |
|----------------------------|---------------------|------------------------------|------------------------------|--------------------|
| Taxes:                     |                     |                              |                              |                    |
| Ad valorem                 | \$118,126           | \$749,866                    |                              | \$867,992          |
| Other                      | 4,408               | 7,797                        |                              | 12,205             |
| Grants:                    |                     |                              |                              |                    |
| Federal                    | 4,442               |                              | \$104,196                    | 108,638            |
| State                      | 271,271             | 218,460                      |                              | 489,731            |
| Accounts                   |                     | 41,749                       |                              | 41,749             |
| Other                      | 4,469               | 16,193                       |                              | 20,662             |
| Total                      | <u>\$402,716</u>    | <u>\$1,034,065</u>           | <u>\$104,196</u>             | <u>\$1,540,977</u> |

4. **FIXED ASSETS**

The following schedule presents changes in general fixed assets for the year ended December 31, 1996:

|                          | <u>Balance January</u> | <u>Additions</u> | <u>Deletions</u>  | <u>Balance December 31</u> |
|--------------------------|------------------------|------------------|-------------------|----------------------------|
| Police Jury:             |                        |                  |                   |                            |
| Land                     | \$265,821              |                  |                   | \$265,821                  |
| Buildings                | 5,259,507              |                  |                   | 5,259,507                  |
| Equipment and furniture  | 4,185,406              | 73,602           | (\$33,525)        | 4,225,483                  |
| Construction in progress | 76,219                 | 104,196          |                   | 180,415                    |
| Total police jury        | <u>9,786,953</u>       | <u>177,798</u>   | <u>(33,525)</u>   | <u>9,931,226</u>           |
| Library:                 |                        |                  |                   |                            |
| Land                     | 21,000                 |                  |                   | 21,000                     |
| Buildings                | 142,774                |                  |                   | 142,774                    |
| Vehicles                 | 87,285                 |                  |                   | 87,285                     |
| Equipment and furniture  | 49,688                 | 1,450            | (378)             | 50,760                     |
| Books, periodicals, etc. | 329,386                | 21,581           | (8,785)           | 342,182                    |
| Total library            | <u>630,133</u>         | <u>23,031</u>    | <u>(9,163)</u>    | <u>644,001</u>             |
| Total                    | <u>\$10,417,086</u>    | <u>\$200,829</u> | <u>(\$42,688)</u> | <u>\$10,575,227</u>        |

## UNION PARISH POLICE JURY

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

The beginning balance for the police jury's equipment and furniture and construction in progress have been adjusted by \$5,800 and \$76,219, respectively, for amounts not previously reported.

### 5. PENSION PLAN

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

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

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.50 per cent of their annual covered salary and the Union Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.25 per cent of annual covered payroll. Contributions to the system also include one-fourth of one per cent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Union Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial

**UNION PARISH POLICE JURY**

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Union Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1996, 1995, and 1994, were \$103,119, \$109,642, and \$102,407, respectively, equal to the required contributions for each year.

**6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The Union Parish Police Jury provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the police jury's employees become eligible for these benefits if they reach normal retirement age while working for the police jury. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the police jury. The police jury recognizes the cost of providing these benefits (police jury's portion of premiums) as an expenditure when paid during the year, which was \$161,995 for 1996. Of that amount, \$2,647 was for retiree benefits for 1996.

**7. LEASES**

The police jury has no capital leases in effect at December 31, 1996; however, as lessor, the following operating lease was in effect during that year:

**Garment Factory**

On February 3, 1964, the police jury entered into an agreement with Bernice Manufacturing Corporation for the lease of facilities to be used as a garment factory. The lease was for a period of 20 years and had renewal options for two additional 10-year periods. In accordance with terms of the agreement, the facilities were subleased to Todd Corporation. At the expiration of the initial term, the lease was renewed with the sublessee. At the expiration of the first renewal option, the lease was renewed on a year to year basis. Terms of the agreement require annual lease payments of \$7,500.

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

The following is a summary of the long-term obligations transactions (compensated absences) for the year ended December 31, 1996:

UNION PARISH POLICE JURY  
 Farmerville, Louisiana  
 Notes to the Financial Statements (Continued)

|  | <u>Annual<br/>Leave</u> | <u>Sick<br/>Leave</u> | <u>Total</u>     |
|--|-------------------------|-----------------------|------------------|
| Compensated absences payable<br>at January 1, 1996   | \$53,349                | \$49,435              | \$102,784        |
| Additions  | 49,717                  | 66,559                | 116,276          |
| Deductions   | (49,397)                | (58,787)              | (108,184)        |
| Adjustment <sup>1</sup>                              | <u>2,712</u>            | <u>(8,266)</u>        | <u>(5,554)</u>   |
| Compensated absences payable at<br>December 31, 1996 | <u>\$56,381</u>         | <u>\$48,941</u>       | <u>\$105,322</u> |

<sup>1</sup> As discussed in note 1G, upon separation from employment, employees are paid for accumulated leave at their current rate of pay. The adjustment is for the purpose of adjusting amounts for annual leave that exceed the maximum of 300 hours and amounts for sick leave that exceed 100 hours.

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

Individual fund balances due from/to other funds at December 31, 1996, are as follows:

| <u>Fund</u>                 | <u>Due from<br/>Other<br/>Funds</u> | <u>Due to<br/>Other<br/>Funds</u> |
|-----------------------------|-------------------------------------|-----------------------------------|
| General Fund                | \$10,139                            | \$26                              |
| Special Revenue Funds:      |                                     |                                   |
| Road Maintenance            | 104                                 |                                   |
| Sales Tax                   |                                     | 654                               |
| Library                     |                                     | 202                               |
| Criminal Court              |                                     | 10,000                            |
| Detention Center Commission | 908                                 |                                   |
| Communications District     |                                     | 15                                |
| Inmate Welfare              |                                     | <u>254</u>                        |
| Total                       | <u>\$11,151</u>                     | <u>\$11,151</u>                   |

**10. DESIGNATION OF FUND BALANCE -  
 ROAD MAINTENANCE SPECIAL REVENUE FUND**

During 1989, The Road, Bridge, and Street Repair and Construction special revenue fund was closed and the remaining balance of \$75,088 in the fund was transferred to the Road Maintenance special



**UNION PARISH POLICE JURY**

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

revenue fund. The Road, Bridge, and Street Repair and Construction Fund accounted for sales tax surplus revenue which was declared as such by the police and designated for road, bridge, and street repair and construction in the parish and municipalities. Effective for 1989 and future years, sales tax surplus will be accounted for as a designated portion of fund balance in the Road Maintenance Fund. The following schedules provide an analysis of changes in designated fund balances for the year ended December 31, 1996:

|  |                 |
|--|-----------------|
| Designated fund balance at January 1, 1996,  | \$20,091        |
| Transfers from Sales Tax Fund                | 1,795           |
| Expenditures for public works                | <u>(3,829)</u>  |
| Designated fund balance at December 31, 1996 | <u>\$18,057</u> |

The designated fund balance at December 31, 1996 is comprised of the following amounts for municipalities in the parish:

|             |                 |
|-------------|-----------------|
| Bernice     | \$8,822         |
| Downsville  | 500             |
| Lillie      | 5,265           |
| Marion      | 339             |
| Spearsville | <u>3,131</u>    |
| Total       | <u>\$18,057</u> |

**11. CRIMINAL COURT SURPLUS**

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus remaining in the Third Judicial District Criminal Court Fund at year end be transferred to the parish general fund. The following details the amount due at December 31, 1996:

|  |                |
|--|----------------|
| Designated fund balance at January 1, 1996,  | \$4,487        |
| Amount Due                                   | NONE           |
| Amount remitted                              | <u>(4,487)</u> |
| Designated fund balance at December 31, 1996 | <u>NONE</u>    |

**12. RESTATEMENT OF FUND BALANCES**

The December 31, 1995 fund balances of the special revenue funds have been restated to reflect an Inmate Welfare certificate of deposit not previously recorded. The following reconciles fund balances

**UNION PARISH POLICE JURY**  
Farmerville, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended December 31, 1996

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Union Parish Police Jury is the governing authority for Union Parish and is a political subdivision of the State of Louisiana. The police jury is governed by nine jurors representing the various districts within the parish. The jurors serve four-year terms which expire on January 14, 2000.

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

**A. REPORTING ENTITY**

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

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

1. Appointing a voting majority of an organization's governing body,  
and:
  - a. The ability of the police jury to impose its will on  
that organization and/or

## UNION PARISH POLICE JURY

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

the SDA and the Union Parish Police Jury as the JTPA grant recipient. This agreement names Union Community Action Association, Inc. as the administrative entity.

The SDA is comprised of three elements:

1. Private Industry Council (PIC) - which consists of 17 members representing a cross-section of the SDA population. The PIC is responsible for providing guidance for program development and for monitoring the operations of the administrative entity.
2. Designated Chief Elected Official - this is a police jury president elected by his peers from the Seventh Planning District. His responsibilities are the same as the PIC.
3. Administrative Entity - the organization selected by the PIC to administer the program. All actions by the administrative entity must be approved by the PIC and the designated chief elected official.

The designated chief elected official notified the Assistant Secretary of Labor, State of Louisiana, that the Union Community Action Association, Inc. was designated as the administrative entity for the SDA and that all funds and copies of correspondence should be sent to the Union Community Action Association, Inc. This notification also stated that all bookkeeping and program documents would be maintained by the Union Community Action Association, Inc. Further, the Union Parish Police Jury appointed Charles H. Kelley as the contracting officer for the JTPA program to act on behalf of the police jury.

The Union Parish Police Jury is the designated grant recipient and (1) has accepted full responsibility for funds expended under the grant, (2) has assured the Louisiana Department of Labor that all funds provided will be expended according to limitations set forth in the Job Training Partnership Act, federal and state regulations, and the approved job training plan, and (3) that it will reimburse the Louisiana Department of Labor for any questioned costs which are ultimately disallowed by the United States Department of Labor. Funds are provided by the Louisiana Department of Labor through a letter of credit arrangement into a bank account in the name of the Union Parish JTPA which operates the day-to-day activities of the program.

UNION PARISH POLICE JURY  
Farmerville, Louisiana  
SPECIAL REVENUE FUNDS - PUBLIC WORKS

Combining Schedule of Revenues, Expenditures  
and Changes in Fund Balances  
For the Year Ended December 31, 1996

|   | <u>ROAD<br/>MAINTENANCE</u> | <u>ROAD<br/>CONSTRUCTION</u> | <u>SALES<br/>TAX</u> | <u>TOTAL</u>       |
|---|-----------------------------|------------------------------|----------------------|--------------------|
| <b>REVENUES</b>   |                             |                              |                      |                    |
| Taxes:  |                             |                              |                      |                    |
| Ad valorem taxes  | \$331,559                   | \$276,773                    |                      | \$608,332          |
| Sales and use taxes   |                             |                              | \$1,386,614          | 1,386,614          |
| Intergovernmental:  |                             |                              |                      |                    |
| Federal grants  | 8,293                       | 6,917                        |                      | 15,210             |
| State funds:  |                             |                              |                      |                    |
| Parish transportation funds   | 365,061                     |                              |                      | 365,061            |
| State revenue sharing (net)   | 62,409                      | 56,652                       |                      | 119,061            |
| Other   |                             |                              | 40,384               | 40,384             |
| Fees, charges, and commissions  | 78,318                      |                              | 406,310              | 484,628            |
| Use of money and property   | 9,104                       | 19,593                       | 30,577               | 59,274             |
| Other revenues  | 205                         |                              |                      | 205                |
| Total revenues  | <u>854,949</u>              | <u>359,935</u>               | <u>1,863,885</u>     | <u>3,078,769</u>   |
| <b>EXPENDITURES</b>   |                             |                              |                      |                    |
| Current - public works  | 1,136,477                   | 487,805                      | 904,883              | 2,529,165          |
| Capital outlay  | 7,719                       |                              | 30,599               | 38,318             |
| Total expenditures  | <u>1,144,196</u>            | <u>487,805</u>               | <u>935,482</u>       | <u>2,567,483</u>   |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b>                                      |                             |                              |                      |                    |
|   | <u>(289,247)</u>            | <u>(127,870)</u>             | <u>928,403</u>       | <u>511,286</u>     |
| <b>OTHER FINANCING SOURCES (Uses)</b>   |                             |                              |                      |                    |
| Donations   |                             | 11,058                       |                      | 11,058             |
| Operating transfers in  | 441,795                     |                              |                      | 441,795            |
| Operating transfers out   | (11,404)                    | (675)                        | (337,812)            | (349,891)          |
| Total other financing sources (uses)  | <u>430,391</u>              | <u>10,383</u>                | <u>(337,812)</u>     | <u>102,962</u>     |
| <b>EXCESS (Deficiency) OF REVENUES AND<br/>OTHER SOURCES OVER EXPENDITURES<br/>AND OTHER USES</b> |                             |                              |                      |                    |
|   | 141,144                     | (117,487)                    | 590,591              | 614,248            |
| <b>FUND BALANCES AT<br/>BEGINNING OF YEAR</b>   |                             |                              |                      |                    |
|   | <u>436,713</u>              | <u>540,536</u>               | <u>474,465</u>       | <u>1,451,714</u>   |
| <b>FUND BALANCES AT END OF YEAR</b>   |                             |                              |                      |                    |
|   | <u>\$577,857</u>            | <u>\$423,049</u>             | <u>\$1,065,056</u>   | <u>\$2,065,962</u> |

UNION PARISH POLICE JURY  
Farmerville , Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and for the Year Ended December 31, 1996

**SPECIAL REVENUE FUNDS**

**PUBLIC WORKS**

**Road Maintenance Fund**

The Road Maintenance Fund accounts for the maintenance of the parish highways, streets, and bridges. Financing is provided by the State of Louisiana Parish Transportation Fund, state revenue sharing, sales tax transfers, and a specific parishwide ad valorem tax. In addition, the fund receives miscellaneous revenues from interest earnings, sales of surplus equipment, et cetera.

**Road Construction Fund**

The Road Construction Fund accounts for major upgrades and repairs of parish highways, streets, and bridges. Financing is provided by state revenue sharing, interest earnings, and a specific parishwide ad valorem tax.

**Sales Tax Fund**

The Sales Tax Fund accounts for the collection of solid waste in the parish and for the operation of a sanitary landfill. Financing is provided by a parishwide sales tax.

**LIBRARY FUND**

The Library Fund is primarily financed by a 1.96 mill parishwide ad valorem tax and is used to furnish books, periodicals, and other related materials for the citizens of Union Parish. Additional financing is provided by a special state grant.

**HEALTH UNIT FUND**

The Health Unit Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a specific parishwide ad valorem tax, interest earnings, ending machine commissions, and state revenue sharing.

## **CRIMINAL COURT FUND**

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

## **HUD SECTION 8 HOUSING FUND**

The HUD Section 8 Housing Fund accounts for the operations of the lower income housing assistance program, which provides aid to very low income families in obtaining decent, safe, and sanitary rental housing. Financing is provided by a federal grant. This fund began in 1987.

## **OFF-DUTY OFFICER WITNESS FEE FUND**

The Off-Duty Officer Witness Fee Fund pays law enforcement officers who are required to appear in court as witnesses on their days off. Financing is provided by court costs assessed on cases tried in the district court.

## **DETENTION CENTER COMMISSION FUND**

The Detention Center Commission Center Fund accounts for cost of housing prisoners convicted of state offenses at the parish prison. Financing is provided by state funds and transfers from the General Fund.

## **COMMUNICATIONS DISTRICT FUND**

The Communications District Fund accounts for the establishment, maintenance, and operation of the 911 emergency telephone system for Union Parish. Financing is provided by a 5 per cent service charge on local telephone service within the parish.

## **INMATE WELFARE FUND**

The Inmate Welfare Fund accounts for commissary sales and purchases at the Union Parish Detention Center.

## **UNEMPLOYMENT FUND**

The employment fund accounts for the jury's self-insurance program. Funds are provided by transfers from other funds.

## **JOB TRAINING PARTNERSHIP ACT FUND**

The Job Training Partnership Act (JTPA) Fund accounts for grants from the United States Department of Labor through the Louisiana Department of Labor. Grants are subsequently transferred to the Coordinating and Development Corporation, which administers the program under contract with the police jury. The JTPA program provides job training and related assistance to economically disadvantaged individuals. The ultimate goal of the program is to move trainees into permanent, self-sustaining employment.

UNION PARISH POLICE JURY  
Farmerville, Louisiana  
SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 1996

|  | PUBLIC WORKS       | LIBRARY          | HEALTH UNIT      | CRIMINAL COURT  | SECTION 8       | WITNESS         | DETENTION CENTER | COMMUNICATIONS DISTRICT | INMATE WELFARE  | UNEMPLOYMENT    | TOTAL              |
|--|--------------------|------------------|------------------|-----------------|-----------------|-----------------|------------------|-------------------------|-----------------|-----------------|--------------------|
| <b>ASSETS</b>                            |                    |                  |                  |                 |                 |                 |                  |                         |                 |                 |                    |
| Cash and cash equivalents                | \$1,598,728        | \$75,022         | \$66,331         |                 | \$20,554        | \$24,821        | \$64,797         | \$339,135               | \$81,378        | \$58,590        | \$2,329,356        |
| Receivables                              | 718,505            | 151,948          | 99,141           | 11,841          |                 | 950             | 43,883           | 7,797                   |                 |                 | 1,034,065          |
| Due from other funds                     | 104                |                  |                  |                 |                 |                 | 908              |                         |                 |                 | 1,012              |
| <b>TOTAL ASSETS</b>                      | <b>\$2,317,337</b> | <b>\$226,970</b> | <b>\$165,472</b> | <b>\$11,841</b> | <b>\$20,554</b> | <b>\$25,771</b> | <b>\$109,588</b> | <b>\$346,932</b>        | <b>\$81,378</b> | <b>\$58,590</b> | <b>\$3,364,433</b> |
| <b>LIABILITIES AND FUND EQUITY</b>       |                    |                  |                  |                 |                 |                 |                  |                         |                 |                 |                    |
| Liabilities:                             |                    |                  |                  |                 |                 |                 |                  |                         |                 |                 |                    |
| Cash overdraft                           |                    |                  |                  | \$3,339         |                 |                 |                  |                         |                 |                 | \$3,339            |
| Accounts payable                         | \$208,941          | \$7,307          | \$3,582          | 11,425          |                 |                 | \$34,918         | \$22                    |                 |                 | 266,195            |
| Salary and wages payable                 | 32,930             |                  |                  |                 |                 |                 | 17,097           |                         |                 |                 | 50,027             |
| Due to other funds                       | 654                | 202              |                  | 10,000          |                 |                 |                  | 15                      | \$254           |                 | 11,125             |
| Deferred revenue                         | 8,600              |                  |                  |                 | \$20,554        |                 |                  |                         |                 |                 | 29,154             |
| Deposits                                 | 250                |                  |                  |                 |                 |                 |                  |                         |                 |                 | 250                |
| Total Liabilities                        | 251,375            | 7,509            | 3,582            | 24,764          | 20,554          | NONE            | 52,015           | 37                      | 254             | NONE            | 360,090            |
| Fund Equity - fund balances:             |                    |                  |                  |                 |                 |                 |                  |                         |                 |                 |                    |
| Designated for municipalities            | 18,057             |                  |                  |                 |                 |                 |                  |                         |                 |                 | 18,057             |
| Unreserved - undesignated                | 2,047,905          | 219,461          | 161,890          | (12,923)        | NONE            | \$25,771        | 57,573           | 346,895                 | 81,124          | \$58,590        | 2,986,286          |
| Total Fund Equity                        | 2,065,962          | 219,461          | 161,890          | (12,923)        | NONE            | 25,771          | 57,573           | 346,895                 | 81,124          | 58,590          | 3,004,343          |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b> | <b>\$2,317,337</b> | <b>\$226,970</b> | <b>\$165,472</b> | <b>\$11,841</b> | <b>\$20,554</b> | <b>\$25,771</b> | <b>\$109,588</b> | <b>\$346,932</b>        | <b>\$81,378</b> | <b>\$58,590</b> | <b>\$3,364,433</b> |



UNION PARISH POLICE JURY  
Farmerville, Louisiana  
SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures  
and Changes in Fund Balances  
For the Year Ended December 31, 1996

|                                | PUBLIC WORKS     | LIBRARY        | HEALTH UNIT    | CRIMINAL COURT | SECTION 8      | WITNESS FEE  | DETECTION CENTER | COMMUNICATIONS DISTRICT | INMATE WELFARE | UNEMPLOYMENT | JTPA             | TOTAL            |
|--------------------------------|------------------|----------------|----------------|----------------|----------------|--------------|------------------|-------------------------|----------------|--------------|------------------|------------------|
| <b>REVENUES</b>                |                  |                |                |                |                |              |                  |                         |                |              |                  |                  |
| Taxes:                         |                  |                |                |                |                |              |                  |                         |                |              |                  |                  |
| Ad valorem taxes               | \$608,332        | \$129,532      | \$84,461       |                |                |              |                  |                         |                |              |                  | \$822,325        |
| Sales and use taxes            | 1,386,614        |                |                |                |                |              |                  |                         |                |              |                  | 1,386,614        |
| Intergovernmental:             |                  |                |                |                |                |              |                  |                         |                |              |                  |                  |
| Federal grants                 | 15,210           |                | 2,117          |                | \$180,969      |              |                  |                         |                |              | \$1,217,903      | 1,416,199        |
| State funds:                   |                  |                |                |                |                |              |                  |                         |                |              |                  |                  |
| Parish transportation funds    | 365,061          |                |                |                |                |              |                  |                         |                |              |                  | 365,061          |
| State revenue sharing (net)    | 119,061          | 33,822         | 22,125         |                |                |              |                  |                         |                |              |                  | 175,008          |
| Other                          | 40,384           |                |                |                |                |              | \$585,417        |                         |                |              |                  | 625,801          |
| Fees, charges, and commissions | 484,628          | 2,499          |                |                |                |              |                  | \$92,615                | \$81,523       |              |                  | 661,265          |
| Fines and forfeitures          |                  | 1,373          |                | \$126,730      |                | \$8,827      |                  |                         |                |              |                  | 136,930          |
| Use of money and property      | 59,274           | 6,169          | 4,076          |                |                | 771          |                  | 13,848                  | 2,326          | \$1,322      |                  | 87,786           |
| Other revenues                 | 205              | 842            |                |                |                |              | 15,738           |                         |                |              |                  | 16,785           |
| Total revenues                 | <u>3,078,769</u> | <u>174,237</u> | <u>112,779</u> | <u>126,730</u> | <u>180,969</u> | <u>9,598</u> | <u>601,155</u>   | <u>106,463</u>          | <u>83,849</u>  | <u>1,322</u> | <u>1,217,903</u> | <u>5,693,774</u> |
| <b>EXPENDITURES</b>            |                  |                |                |                |                |              |                  |                         |                |              |                  |                  |
| Current:                       |                  |                |                |                |                |              |                  |                         |                |              |                  |                  |
| General government:            |                  |                |                |                |                |              |                  |                         |                |              |                  |                  |
| Judicial                       |                  |                |                | 142,603        |                | 2,550        |                  |                         |                |              |                  | 145,153          |
| Finance and administrative     |                  |                |                |                |                |              |                  |                         |                | 5,246        |                  | 5,246            |
| Public safety                  |                  |                |                |                |                |              | 947,881          | 31,353                  | 63,338         |              |                  | 1,042,572        |
| Public works                   | 2,529,165        |                |                |                | 180,969        |              |                  | 7,027                   |                |              | 1,217,903        | 2,536,192        |
| Health and welfare             |                  |                | 82,176         |                |                |              |                  |                         |                |              |                  | 1,481,048        |
| Culture and recreation         |                  | 142,357        |                |                |                |              |                  |                         |                |              |                  | 142,357          |
| Capital outlay                 | 38,318           | 23,031         |                |                |                |              | 6,920            |                         |                |              |                  | 80,229           |
| Total expenditures             | <u>2,567,483</u> | <u>165,388</u> | <u>82,176</u>  | <u>142,603</u> | <u>180,969</u> | <u>2,550</u> | <u>954,801</u>   | <u>50,340</u>           | <u>63,338</u>  | <u>5,246</u> | <u>1,217,903</u> | <u>5,432,797</u> |

|   |                    |                  |                  |                   |             |                 |                  |                  |                 |                 |             |                    |
|---|--------------------|------------------|------------------|-------------------|-------------|-----------------|------------------|------------------|-----------------|-----------------|-------------|--------------------|
| <b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>                                  | <u>511,286</u>     | <u>8,849</u>     | <u>30,603</u>    | <u>(15,873)</u>   | <u>NONE</u> | <u>7,048</u>    | <u>(353,646)</u> | <u>56,123</u>    | <u>20,511</u>   | <u>(3,924)</u>  | <u>NONE</u> | <u>260,977</u>     |
| <b>OTHER FINANCING SOURCES (Uses)</b>   |                    |                  |                  |                   |             |                 |                  |                  |                 |                 |             |                    |
| Donations   | 11,058             |                  |                  |                   |             |                 |                  |                  |                 |                 |             | 11,058             |
| Operating transfers in  | 441,795            |                  |                  |                   |             |                 | 310,000          |                  |                 | 43,160          |             | 794,955            |
| Operating transfers out   | <u>(349,891)</u>   | <u>(2,289)</u>   |                  | <u>(2,330)</u>    |             |                 | <u>(11,777)</u>  | <u>(653)</u>     |                 |                 |             | <u>(366,940)</u>   |
| Total other financing sources (uses)  | <u>102,962</u>     | <u>(2,289)</u>   | <u>NONE</u>      | <u>(2,330)</u>    | <u>NONE</u> | <u>NONE</u>     | <u>298,223</u>   | <u>(653)</u>     | <u>NONE</u>     | <u>43,160</u>   | <u>NONE</u> | <u>439,073</u>     |
| <b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b> | 614,248            | 6,560            | 30,603           | (18,203)          | NONE        | 7,048           | (55,423)         | 55,470           | 20,511          | 39,236          | NONE        | 700,050            |
| <b>FUND BALANCES AT BEGINNING OF YEAR</b>   | <u>1,451,714</u>   | <u>212,901</u>   | <u>131,287</u>   | <u>5,280</u>      | <u>NONE</u> | <u>18,723</u>   | <u>112,996</u>   | <u>291,425</u>   | <u>60,613</u>   | <u>19,354</u>   | <u>NONE</u> | <u>2,304,293</u>   |
| <b>FUND BALANCES AT END OF YEAR</b>   | <u>\$2,065,962</u> | <u>\$219,461</u> | <u>\$161,890</u> | <u>(\$12,923)</u> | <u>NONE</u> | <u>\$25,771</u> | <u>\$57,573</u>  | <u>\$346,895</u> | <u>\$81,124</u> | <u>\$58,590</u> | <u>NONE</u> | <u>\$3,004,343</u> |

UNION PARISH POLICE JURY  
Farmerville, Louisiana

Schedule of Federal Financial Assistance  
For the Year Ended December 31, 1996

| FEDERAL GRANTOR/<br>PASS-THROUGH GRANTOR/<br>PROGRAM NAME   | CFDA<br>NUMBER | PASS-<br>THROUGH<br>GRANTOR'S<br>NUMBER | (DEFERRED)<br>ACCRUED<br>REVENUE AT<br>DECEMBER<br>31, 1995 | REVENUE<br>RECOGNIZED | ISSUES/<br>EXPENDITURES | (DEFERRED)<br>ACCRUED<br>REVENUE AT<br>DECEMBER<br>31, 1996 |
|---|----------------|---|---|-----------------------|-------------------------|---|
| <b>United States Department of Agriculture</b><br>Passed through Louisiana Department of<br>Social Services:                        |                |   |   |                       |                         |   |
| Food Stamps   | 10.551 *       | 22-111-01                               | (\$585,231)   | \$2,164,000           | \$2,031,767             | (\$717,464)   |
| State Administrative Matching Grants for<br>Food Stamp Program  | 10.561         | 22-111-01                               | 3,723   | 26,082                | 26,082                  | 4,442   |
| Total United States Department of Agriculture   |                |   | (581,508)   | 2,190,082             | 2,057,849               | (713,022)   |
| <b>United States Department of Housing<br/>and Urban Development</b><br>Direct program - Lower-Income Housing<br>Assistance Program | 14.156         | N/A                                     | (6,179)   | 180,969               | 180,969                 | (20,554)  |
| Passed through Office of the Governor,<br>Division of Administration - Community Development<br>Block Grant (States Program)        | 14.228         | 101-2094                                | NONE  | 104,196               | 104,196                 | 104,196   |
| Total United States Department of Housing<br>and Urban Development  |                |   | (6,179)   | 285,165               | 285,165                 | 83,642  |
| <b>United States Department of Labor</b><br>Passed through Louisiana Department of<br>Labor - Jobs Training Partnership Act         | 17.250 *       | N/A                                     | NONE  | 1,217,903             | 1,217,903               | NONE  |
| <b>Other Financial Assistance</b><br>Direct program - United States Department of<br>the Interior - Payment in Lieu of Taxes        | N/A            | N/A                                     | 3,300   | 20,563                | 20,563                  | NONE  |
| Total Federal Financial Assistance  |                |   | (\$584,387)   | \$3,713,713           | \$3,581,480             | (\$629,380)   |

\* Major federal financial assistance program

UNION PARISH POLICE JURY  
Farmerville, Louisiana  
SPECIAL REVENUE FUNDS - PUBLIC WORKS

Combining Balance Sheet, December 31, 1996

|  | <u>ROAD<br/>MAINTENANCE</u> | <u>ROAD<br/>CONSTRUCTION</u> | <u>SALES<br/>TAX</u>      | <u>TOTAL</u>              |
|--|-----------------------------|------------------------------|---------------------------|---------------------------|
| <b>ASSETS</b>                                |                             |                              |                           |                           |
| Cash and cash equivalents                    | \$314,578                   | \$223,427                    | \$1,060,723               | \$1,598,728               |
| Receivables                                  | 364,815                     | 309,036                      | 44,654                    | 718,505                   |
| Due from other funds                         | 104                         |                              |                           | 104                       |
| <b>TOTAL ASSETS</b>                          | <u><u>\$679,497</u></u>     | <u><u>\$532,463</u></u>      | <u><u>\$1,105,377</u></u> | <u><u>\$2,317,337</u></u> |
| <b>LIABILITIES AND<br/>FUND EQUITY</b>       |                             |                              |                           |                           |
| Liabilities:                                 |                             |                              |                           |                           |
| Accounts payable                             | \$75,355                    | \$109,414                    | \$24,172                  | \$208,941                 |
| Salary and wages payable                     | 17,435                      |                              | 15,495                    | 32,930                    |
| Due to other funds                           |                             |                              | 654                       | 654                       |
| Deferred revenue                             | 8,600                       |                              |                           | 8,600                     |
| Deposits                                     | 250                         |                              |                           | 250                       |
| <b>Total Liabilities</b>                     | <u>101,640</u>              | <u>109,414</u>               | <u>40,321</u>             | <u>251,375</u>            |
| Fund Equity - fund balances:                 |                             |                              |                           |                           |
| Unreserved:                                  |                             |                              |                           |                           |
| Designated for municipalities                | 18,057                      |                              |                           | 18,057                    |
| Unreserved- undesignated                     | 559,800                     | 423,049                      | 1,065,056                 | 2,047,905                 |
| <b>Total Fund Equity</b>                     | <u>577,857</u>              | <u>423,049</u>               | <u>1,065,056</u>          | <u>2,065,962</u>          |
| <b>TOTAL LIABILITIES<br/>AND FUND EQUITY</b> | <u><u>\$679,497</u></u>     | <u><u>\$532,463</u></u>      | <u><u>\$1,105,377</u></u> | <u><u>\$2,317,337</u></u> |

**UNION PARISH POLICE JURY**  
**Farmerville , Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 1996**

**COMPENSATION PAID POLICE JURORS**

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$700 per month and the other jurors receive \$600 per month.

**Independent Auditor's Reports on Federal  
Financial Assistance; Compliance With Laws,  
Regulations, Contracts, and Grants;  
and Internal Control Structure**

The following independent auditor's reports on the schedule of federal financial assistance; compliance with laws, regulations, contracts, and grants; and on the internal control structure are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States; Office of Management and Budget Circular A-128, *Audits of State and Local Governments*; the *Single Audit Act of 1984*; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.




**Independent Auditor's Report on Supplementary  
Schedule of Federal Financial Assistance**

**UNION POLICE JURY**  
Farmerville, Louisiana

I have audited the primary government financial statements of the Union Parish Police Jury as of December 31, 1996, and for the year then ended, and have issued my report thereon dated April 10, 1997. These primary government financial statements are the responsibility of the police jury's management. My responsibility is to express an opinion on these primary government 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 primary government financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the primary government 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 made for the purpose of forming an opinion on the primary government financial statements of the Union 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 primary government financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

  
West Monroe, Louisiana  
April 10, 1997

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**UNION PARISH POLICE JURY**

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
- 2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
- 3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

| <u>Primary Government</u>                             | <u>Fiscal<br/>Year End</u> | <u>Criteria<br/>Used</u> |
|---|----------------------------|--------------------------|
| Tri-Ward Hospital Service District                    | December 31                | 1 & 3                    |
| Waterworks District No. 1                             | December 31                | 1 & 3                    |
| Rocky Branch Waterworks District                      | December 31                | 1 & 3                    |
| East Union Hospital Service District                  | March 31                   | 1 & 3                    |
| Union Parish Library                                  | December 31                | 1 & 3                    |
| Third Judicial District Criminal Court (Union Parish) | December 31                | 2 & 3                    |
| Union Parish Communications District                  | December 31                | 1 & 3                    |
| Union Parish Tourist Commission                       | December 31                | 1 & 3                    |
| Ward 7 Fire Protection District                       | December 31                | 1 & 3                    |
| Ward 5 Fire Protection District                       | December 31                | 1 & 3                    |
| West Sterlington Sewer District                       | December 31                | 1 & 3                    |
| Union Parish Tax Assessor                             | December 31                | 2 & 3                    |
| Union Parish Sheriff                                  | June 30                    | 2 & 3                    |
| Union Parish Clerk of Court                           | December 31                | 2 & 3                    |

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

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



UNION PARISH POLICE JURY  
 Farmerville, Louisiana  
 Notes to the Financial Statements (Continued)

of the special revenue funds as previously reported to beginning fund balances as presented on Statement B:

|   |                    |
|---|--------------------|
| Fund balances as previously reported            | \$2,293,334        |
| Correction of prior year certificate of deposit | <u>10,959</u>      |
| Fund balance at January 1, 1996, restated       | <u>\$2,304,293</u> |

**13. LITIGATION AND CLAIMS**

At December 31, 1996, the police jury is involved in several lawsuits. In the opinion of the police jury's legal counsel, the suits are either adequately covered by the police jury's liability insurance or will not result in any material liability to the jury.

**14. FOOD STAMP PROGRAM**

The food stamp program is operated through the police jury under an agreement with the Louisiana Department of Social Services. The police jury has entered into an agreement with Union Community Action Agency for administration of the program and the issuance of food stamps, however, the police jury is still ultimately responsible for the proper operation of the program. The value of food stamps on hand, received, and issued is not recorded in the accompanying financial statements. Activity for the year follows:

|                              |                    |
|------------------------------|--------------------|
| Balance at January 1, 1996   | \$585,231          |
| Received                     | 2,164,000          |
| Issued                       | <u>(2,031,767)</u> |
| Balance at December 31, 1996 | <u>\$717,464</u>   |

**15. JOB TRAINING PARTNERSHIP  
 ACT PROGRAM**

The Union Parish Police Jury participates in the Job Training Partnership Act (JTPA) Program funded through the Louisiana Department of Labor by the United States Department of Labor. The jury is a member of the 82nd Planning District which is comprised of 3 parishes. The members of the 82nd Planning District, consisting of the Parishes of Union, Morehouse, and West Carroll and the 82nd Planning District Service Delivery Area (SDA) Private Industry Council, entered into an agreement. This agreement designated the president of the Morehouse Parish Police Jury as the chief elected official of

UNION PARISH POLICE JURY  
Farmerville, LouisianaSchedule of Compensation Paid Police Jurors  
For the Year Ended December 31, 1996

|                        |                        |
|------------------------|------------------------|
| Don Acree              | \$852                  |
| Elbert D. Albritton    | 7,200                  |
| Connie R. Alford       | 7,200                  |
| Richard E. Bridges     | 7,200                  |
| Arthur S. Griffin      | 730                    |
| DeWayne Hill           | 6,470                  |
| Raymon Roan            | 6,470                  |
| James M. Rhodes        | 7,200                  |
| Willie T. Sensley, Sr. | 7,200                  |
| Danny A. Smith         | 7,200                  |
| George W. Wiltcher     | <u>8,278</u>           |
| Total                  | <u><u>\$66,000</u></u> |

UNION PARISH POLICE JURY  
Farmerville, Louisiana  
GOVERNMENTAL FUND TYPE - GENERAL  
AND SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances  
For the Year Ended December 31, 1996

|  | GENERAL<br>FUND  | SPECIAL<br>REVENUE<br>FUNDS | WEST<br>STERLINGTON<br>SEWER<br>CAPITAL<br>PROJECTS<br>FUND | TOTAL<br>(MEMORANDUM<br>ONLY) |
|--|------------------|-----------------------------|---|-------------------------------|
| <b>REVENUES</b>                                |                  |                             |   |                               |
| Taxes:   |                  |                             |   |                               |
| Ad valorem taxes                               | \$129,626        | \$822,325                   |   | \$951,951                     |
| Sales  |                  | 1,386,614                   |   | 1,386,614                     |
| Other taxes, penalties, and interest           | 21,162           |                             |   | 21,162                        |
| Licenses and permits                           | 61,489           |                             |   | 61,489                        |
| Intergovernmental revenues:                    |                  |                             |   |                               |
| Federal funds - federal grants                 | 29,318           | 1,416,199                   | \$104,196   | 1,549,713                     |
| State funds:                                   |                  |                             |   |                               |
| Parish transportation funds                    |                  | 365,061                     |   | 365,061                       |
| State revenue sharing (net)                    | 33,822           | 175,008                     |   | 208,830                       |
| Severance taxes                                | 847,507          |                             |   | 847,507                       |
| Other  | 59,397           | 625,801                     |   | 685,198                       |
| Fees, charges, and commissions<br>for services | 3,633            | 661,265                     |   | 664,898                       |
| Fines and forfeitures                          |                  | 136,930                     |   | 136,930                       |
| Use of money and property                      | 51,363           | 87,786                      |   | 139,149                       |
| Other revenues                                 | 14,273           | 16,785                      |   | 31,058                        |
| Total revenues                                 | <u>1,251,590</u> | <u>5,693,774</u>            | <u>104,196</u>  | <u>7,049,560</u>              |
| <b>EXPENDITURES</b>                            |                  |                             |   |                               |
| Current:                                       |                  |                             |   |                               |
| General government:                            |                  |                             |   |                               |
| Legislative                                    | 84,216           |                             |   | 84,216                        |
| Judicial                                       | 66,913           | 145,153                     |   | 212,066                       |
| Elections                                      | 24,498           |                             |   | 24,498                        |
| Finance and administrative                     | 80,932           | 5,246                       |   | 86,178                        |
| Other general government                       | 235,037          |                             |   | 235,037                       |
| Public safety                                  | 108,437          | 1,042,572                   |   | 1,151,009                     |

(Continued)

|   |                  |                    |                  |                |                     |
|---|------------------|--------------------|------------------|----------------|---------------------|
| Fund balances:                                |                  |                    |                  |                |                     |
| Unreserved - designated<br>for municipalities |                  | 18,057             |                  |                | 18,057              |
| Unreserved - undesignated                     | 623,305          | 2,986,286          |                  |                | 3,609,591           |
| Total Fund Equity                             | <u>623,305</u>   | <u>3,004,343</u>   |                  | <u>NONE</u>    | <u>14,202,875</u>   |
| TOTAL LIABILITIES                             |                  |                    |                  |                |                     |
| AND FUND EQUITY                               | <u>\$671,653</u> | <u>\$3,364,433</u> | <u>\$104,196</u> | <u>\$9,166</u> | <u>\$105,322</u>    |
|   |                  |                    |                  |                | <u>\$14,829,997</u> |

(Concluded)

The accompanying notes are an integral part of this statement.

**Independent Auditor's Report on Internal Control  
Structure Used in Administering Federal  
Financial Assistance Programs**

**UNION PARISH POLICE JURY**  
Farmerville, Louisiana

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AND FINANCIAL REPORTING

I have audited the primary government financial statements of the Union Parish Police Jury as of December 31, 1996, and for the year then ended, and have issued my report thereon dated April 10, 1997. I have also audited the compliance of the Union Parish Police Jury with requirements applicable to major federal financial assistance programs and have issued my report thereon dated April 10, 1997.

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 primary government financial statements are free of material misstatement and about whether the Union 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, 1996, I considered the internal control structure of the Union Parish Police Jury in order to determine my auditing procedures for the purpose of expressing my opinion on the primary government financial statements of the Union Parish Police Jury and on the compliance of the Union Parish Police Jury with requirements applicable to its major program, 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 primary government financial statements in a separate report dated April 10, 1997.

The management of the Union 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

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UNION PARISH POLICE JURY  
Farmerville, Louisiana

Primary Government Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended  
December 31, 1996  
With Supplemental Information Schedules

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UNION PARISH POLICE JURY  
 Farmerville, Louisiana  
 Contents, December 31, 1996

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## Independent Auditor's Report

### UNION PARISH POLICE JURY Farmerville, Louisiana

I have audited the primary government financial statements of the Union Parish Police Jury, as of December 31, 1996, and for the year then ended, as listed in the table of contents. These primary government financial statements are the responsibility of the Union Parish Police Jury's management. My responsibility is to express an opinion on these primary government 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 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 primary government financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the primary government 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.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In my opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of Union Parish Police Jury, as of December 31, 1996, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of the Union Parish Police Jury, do not purport to, and do not, present fairly the financial position of the Union Parish Police Jury at

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**Independent Auditor's Report  
on the Internal Control Structure**

**UNION PARISH POLICE JURY  
Farmerville, Louisiana**

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ACCOUNTING, AUDITING  
AND FINANCIAL REPORTING**

I have audited the primary government financial statements of the Union Parish Police Jury as of December 31, 1996, and for the year then ended, and have issued my report thereon dated April 10, 1997.

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 primary government financial statements are free of material misstatement.

The management of the Union 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 primary government 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 primary government financial statements of the Union Parish Police Jury for the year ended December 31, 1996, 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

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UNION PARISH POLICE JURY

Farmerville, Louisiana  
Independent Auditor's Report,  
December 31, 1996

December 31, 1996, and results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the primary government financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the primary government financial statements of the Union Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.

In accordance with *Government Auditing Standards* and OMB Circular A-128, I have also issued reports dated April 10, 1997, on the Union Parish Police Jury's schedule of federal financial assistance; compliance with laws, regulations, contracts, and grants; and my consideration of the agency's internal control structure.



West Monroe, Louisiana  
April 10, 1997



**Independent Auditor's Report on Compliance  
With Laws, Regulations, Contracts, and Grants**

**UNION PARISH POLICE JURY**  
Farmerville, Louisiana

I have audited the primary government financial statements of the Union Parish Police Jury as of December 31, 1996, and for the year then ended, and have issued my report thereon dated April 10, 1997.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-128, *Audits of State and Local Governments*; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the primary government financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Union Parish Police Jury, is the responsibility of the Union Parish Police Jury's management. As part of obtaining reasonable assurance about whether the primary government financial statements are free of material misstatement, I performed tests of the Union Parish Police Jury's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the primary government 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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UNION PARISH POLICE JURY

Farmerville, Louisiana

Independent Auditor's Report on Internal  
Control Structure Used in Administering  
Federal Financial Assistance Programs,  
December 31, 1996

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, 1996, the Union Parish Police Jury expended 91 per cent of its total federal financial assistance under its 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, general requirements, claims for advances and reimbursements, and amounts claimed or used for matching 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.

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 constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. 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. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

This report is intended for the information of the Union Parish Police Jury, management of the police jury, and interested state and federal grantor agencies. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana  
April 10, 1997

UNION PARISH POLICE JURY

Farmerville, Louisiana

Independent Auditor's Report on Internal  
Control Structure Used in Administering  
Federal Financial Assistance Programs,  
December 31, 1996

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 primary government 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 applications:

- Revenues/receipts
- Expenditures/disbursements/purchasing
- Payroll/personnel
- Budgeting/budgetary reporting
- Electronic data processing

General Requirements:

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

Specific Requirements:

- Types of services allowed/unallowed
- Eligibility
- Reporting
- Monitoring subrecipients
- Special requirements
- Claims for advances and reimbursements

UNION PARISH POLICE JURY  
Farmerville, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1996

|  | ... GOVERNMENTAL FUND TYPE... |                             |   |                | FIDUCIARY<br>FUND TYPE -<br>INMATE<br>BANKING<br>AGENCY<br>FUND | ... ACCOUNT GROUPS...      |                                     | TOTAL<br>(MEMORANDUM<br>ONLY) |
|--|-------------------------------|-----------------------------|---|----------------|---|----------------------------|-------------------------------------|-------------------------------|
|  | GENERAL<br>FUND               | SPECIAL<br>REVENUE<br>FUNDS | WEST<br>STERLINGTON<br>SEWER<br>CAPITAL<br>PROJECTS<br>FUND |                |   | GENERAL<br>FIXED<br>ASSETS | GENERAL<br>LONG-TERM<br>OBLIGATIONS |                               |
| <b>ASSETS AND OTHER DEBITS</b>   |                               |                             |   |                |   |                            |                                     |                               |
| Cash and cash equivalents  | \$258,798                     | \$2,329,356                 |   | \$9,166        |   |                            |                                     | \$2,597,320                   |
| Receivables  | 402,716                       | 1,034,065                   | \$104,196   |                |   |                            |                                     | 1,540,977                     |
| Due from other funds   | 10,139                        | 1,012                       |   |                |   |                            |                                     | 11,151                        |
| Land, buildings, and equipment   |                               |                             |   |                | \$10,575,227  |                            |                                     | 10,575,227                    |
| Amount to be provided for retirement<br>of general long-term obligations |                               |                             |   |                |   | \$105,322                  |                                     | 105,322                       |
| <b>TOTAL ASSETS AND<br/>OTHER DEBITS</b>                                 | <u>\$671,653</u>              | <u>\$3,364,433</u>          | <u>\$104,196</u>  | <u>\$9,166</u> | <u>\$10,575,227</u>   | <u>\$105,322</u>           |                                     | <u>\$14,829,997</u>           |
| <b>LIABILITIES AND FUND EQUITY</b>                                       |                               |                             |   |                |   |                            |                                     |                               |
| Liabilities:   |                               |                             |   |                |   |                            |                                     |                               |
| Cash overdraft   |                               | \$3,339                     |   |                |   |                            |                                     | \$3,339                       |
| Accounts payable   | \$47,742                      | 266,195                     | \$104,196   |                |   |                            |                                     | 418,133                       |
| Salary and wages payable   | 580                           | 50,027                      |   |                |   |                            |                                     | 50,607                        |
| Due to other funds   | 26                            | 11,125                      |   |                |   |                            |                                     | 11,151                        |
| Due to others  |                               |                             |   | \$9,166        |   |                            |                                     | 9,166                         |
| Deferred revenue   |                               | 29,154                      |   |                |   |                            |                                     | 29,154                        |
| Compensated absences   |                               |                             |   |                |   | \$105,322                  |                                     | 105,322                       |
| Deposits   |                               | 250                         |   |                |   |                            |                                     | 250                           |
| Total Liabilities  | <u>48,348</u>                 | <u>360,090</u>              | <u>104,196</u>  | <u>9,166</u>   | <u>NONE</u>   | <u>105,322</u>             |                                     | <u>627,122</u>                |
| Fund Equity:   |                               |                             |   |                |   |                            |                                     |                               |
| Investment in general fixed assets                                       |                               |                             |   |                | \$10,575,227  |                            |                                     | 10,575,227                    |

UNION PARISH POLICE JURY  
Farmerville, Louisiana  
Contents, December 31, 1996

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**UNION PARISH POLICE JURY  
Farmerville, Louisiana**

**Primary Government Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended  
December 31, 1996  
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 MAY 07 1997

**VERNON R  
COON**  
CERTIFIED PUBLIC ACCOUNTANT



UNION PARISH POLICE JURY  
Farmerville, Louisiana  
Independent Auditor's Report on  
Internal Control Structure,  
December 31, 1996

risk in order to determine my auditing procedures for the purpose of expressing my opinion on the primary government financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 and irregularities in amounts that would be material in relation to the primary government financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Union Parish Police Jury, management of the police jury, and interested state and federal grantor agencies. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana  
April 10, 1997

UNION PARISH POLICE JURY  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 1996

| PROGRAM  | FINDING/NONCOMPLIANCE   | QUESTIONED COSTS |
|--|---|------------------|
| <b>United States Department of<br/>           Housing and Urban Development<br/>           Lower-Income Housing Assistance<br/>           Program -<br/>           CFDA No. 14.156</b> | Four of five tenant files examined disclosed that documentation on annual reinspection is not being maintained. Program regulations require that a annual reinspection be performed on all units to determine if the owner is in compliance with the HUD contract. Management should ensure that the program administrator is meeting federal program requirements on a timely basis. | NONE             |

UNION PARISH POLICE JURY

Farmerville, Louisiana

Independent Auditor's Report on  
Compliance With Specific Requirements  
Applicable to Nonmajor Programs,  
December 31, 1996

This report is intended for the information of the Union Parish Police Jury, management of the police jury, and interested state and federal grantor agencies. This is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'C. Smith', written in a cursive style.

West Monroe, Louisiana  
April 10, 1997

PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
(OVERVIEW)



**Independent Auditor's Report on Compliance With  
Specific Requirements Applicable to Major  
Federal Financial Assistance Programs**

**UNION PARISH POLICE JURY**  
Farmerville, Louisiana

I have audited the primary government financial statements of the Union Parish Police Jury as of December 31, 1996, and for the year then ended, and have issued my report thereon dated April 10, 1997.

I have also audited the Union Parish Police Jury's compliance with the requirements governing monitoring subrecipients and claims for advances and reimbursements that are applicable to its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended December 31, 1996. The management of the Union Parish Police Jury is responsible for the Union Parish 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 Union Parish Police Jury's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the Union Parish Police Jury complied, in all material respects, with the requirements governing monitoring subrecipients and claims for advances and reimbursements that are applicable to its major federal financial assistance programs for the year ended December 31, 1996.

MEMBER AMERICAN  
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UNION PARISH POLICE JURY  
Farmerville, Louisiana  
Independent Auditor's Report on  
Compliance With General Requirements  
Applicable to Federal Programs,  
December 31, 1996

This report is intended for the information of the Union Parish Police Jury, management of the police jury, and interested state and federal grantor agencies. This is not intended to limit the distribution of this report, which is a matter of public record.

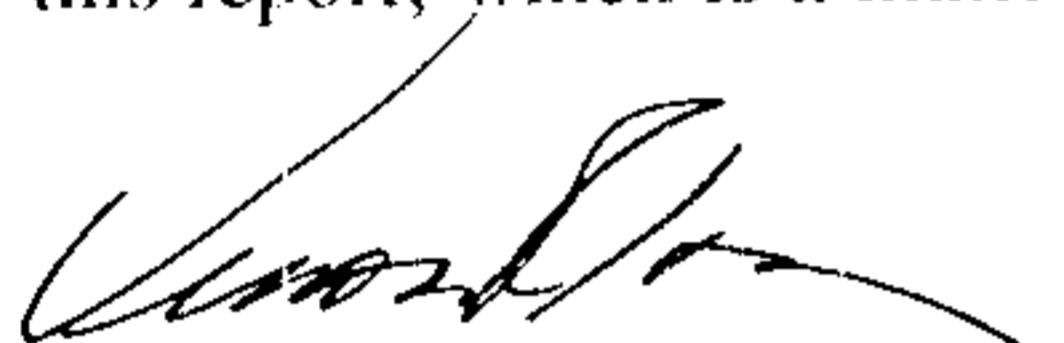
A handwritten signature in black ink, appearing to read "Vincent Hor", written in a cursive style.

West Monroe, Louisiana  
April 10, 1997

UNION PARISH POLICE JURY

Farmerville, Louisiana  
Independent Auditor's Report  
on Compliance, etc.,  
December 31, 1996

This report is intended for the information of the Union Parish Police Jury, management of the police jury, and interested state and federal grantor agencies. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana  
April 10, 1997

**Independent Auditor's Report on Compliance  
With General Requirements Applicable to  
Federal Financial Assistance Programs**

**UNION PARISH POLICE JURY**  
Farmerville, Louisiana

I have audited the primary government financial statements of the Union Parish Police Jury as of December 31, 1996, and for the year then ended, and have issued my report thereon dated April 10, 1997.

I have applied procedures to test the Union Parish Police Jury's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended December 31, 1996:

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

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 Union 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 Union Parish Police Jury, had not complied, in all material respects, with those requirements.

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UNION PARISH POLICE JURY

Farmerville, Louisiana

Independent Auditor's Report on Compliance  
With Specific Requirements Applicable  
To Major Programs,  
December 31, 1996

This report is intended for the information of the Union Parish Police Jury, management of the police jury, and interested state and federal grantor agencies. This is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'V. Smith', written in a cursive style.

West Monroe, Louisiana  
April 10, 1997