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**WASHINGTON PARISH POLICE JURY**  
*Franklinton, Louisiana*

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*General-Purpose Financial Statements,  
Supplemental Information, and Independent Auditor's Reports*

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*Year Ended December 31, 1995*

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

Release Date 8-7-96

*Richard M. Seal*  
CERTIFIED PUBLIC ACCOUNTANT

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WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana

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WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana

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(Concluded)

*AUDIT REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS*

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

INDEPENDENT AUDITOR'S REPORT ON  
THE GENERAL-PURPOSE FINANCIAL STATEMENTS

Washington Parish Police Jury  
Franklinton, Louisiana

I have audited the accompanying general-purpose financial statements of the Washington Parish Police Jury, Franklinton, Louisiana, as of and for the year ended December 31, 1995. These general-purpose financial statements are the responsibility of the Washington Parish Police Jury's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

The general-purpose financial statements referred to above do not include financial data of the discretely presented component units as listed in note 1, which should be included in order to conform with generally accepted accounting principles. The effects of the omission of these governmental agencies on assets, liabilities and fund equity at December 31, 1995 and the excess of revenues over expenditures for the year then ended on the general-purpose financial statements cannot be reasonably determined.

In my opinion, except for the effects of the omission of the financial statements of component units as explained in the third paragraph, the general-purpose financial statements referred to

above present fairly, in conformity with generally accepted accounting principles, the financial position of the Washington Parish Police Jury, as of December 31, 1995, and the results of its operations and the cash flows of its proprietary fund types for the year then ended.

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

In accordance with *Government Auditing Standards*, I have also issued a report dated June 13, 1996 on my consideration of the Washington Parish Police Jury's internal control structure and a report dated June 13, 1996 on its compliance with laws and regulations.



Certified Public Accountant

Bogalusa, Louisiana  
June 13, 1996

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS  
Combined Balance Sheet, December 31, 1995

	GOVERNMENTAL FUND TYPES		PROPRIETARY FUND TYPES		ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	INTERNAL SERVICE FUND	GENERAL FIXED ASSETS	LONG-TERM DEBT	
<b>ASSETS AND OTHER DEBITS</b>							
Assets:							
Cash and cash equivalents	\$ 1,720,853	\$ 851,047	\$ 170,725	\$ 479,462	\$	\$	\$ 3,222,087
Investments		100,000					100,000
Receivables	335,487	1,375,239	81,223	9,326			1,801,275
Equity in Choctaw Road Landfill		9					9
Interfund receivable	592,775	2,071,309	78,721				2,742,805
Land, buildings, and equipment					11,568,206		11,568,206
Other debits:						328,029	328,029
Amount available in debt service fund						615,927	615,927
Amount to be provided for retirement							
of general long-term debt							
Total Assets and Other Debits	\$ 2,649,115	\$ 4,397,604	\$ 330,669	\$ 488,788	\$ 11,568,206	\$ 943,956	\$ 20,378,338
<b>LIABILITIES AND FUND EQUITY</b>							
Liabilities:							
Accounts payable	\$ 57,111	\$ 59,989	\$ 2,640	\$ 10,741	\$	\$	\$ 130,481
Payroll deductions payable	6,474						6,474
Interfund payable	2,147,623	368,135		227,047			2,742,805
Landfill closure and postclosure care costs						121,988	121,988
Capital lease payable						260,790	260,790
Compensated absences payable						11,178	11,178
Bonds payable						550,000	550,000
Total liabilities	2,211,208	428,124	2,640	237,788		943,956	3,823,716
Fund Equity							
Investment in general fixed assets					11,568,206		11,568,206
Retained earnings:							
Reserved for insurance claims				251,000			251,000
Fund balances:							
Reserved:							
Debt service							328,029
Encumbrances	15,577	18,086					33,663
Unreserved:							
Designated:							
Closure and postclosure care costs							118,435
Construction							600,000
Undesignated	422,330	3,232,959					3,655,289
Total Fund Equity	437,907	3,969,480	328,029	251,000	11,568,206		16,554,622
Total Liabilities and Fund Equity	\$ 2,649,115	\$ 4,397,604	\$ 330,669	\$ 488,788	\$ 11,568,206	\$ 943,956	\$ 20,378,338

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
GOVERNMENTAL FUNDS

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended December 31, 1995

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total (Memorandum Only)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 179,334	\$ 827,924	\$ 80,428	\$ 1,087,686
Sales	4,248	1,447,336		1,451,584
Licenses and permits	147,454			147,454
Intergovernmental revenues:				
Federal funds:				
Federal grants		368,625		368,625
State funds:				
Parish transportation funds		496,482		496,482
State revenue sharing (net)	52,166	237,374		289,540
Other	348,652	101,642		450,294
Fees, charges, etc.	103,588	11,027		114,615
Fines and forfeitures	1,876	121,400		123,276
Interest	159	51,088	3,924	55,171
Vehicle rent		7		7
Other	8,515	586		9,101
Total revenues	<u>845,992</u>	<u>3,663,491</u>	<u>84,352</u>	<u>4,593,835</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative	155,569			155,569
Judicial	641,447	147,920		789,367
Executive	44,115			44,115
Elections	63,534			63,534
Finance and administrative	118,746			118,746
Other	23,298	83,351		106,649
Public safety	207,425			207,425
Health and welfare	40,565	173,319		213,884
Highways and streets		1,334,966		1,334,966
Sanitation		53,692		53,692

(Continued)

The accompanying notes are an integral part of this statement.



**WASHINGTON PARISH POLICE JURY**  
**Franklinton, Louisiana**  
**GOVERNMENTAL FUNDS**

**Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended December 31, 1995**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total (Memorandum Only)</u>
<b>EXPENDITURES (Cont'd)</b>				
<b>Current:</b>				
Culture and recreation	\$	\$ 361,064	\$	\$ 361,064
Debt service			118,255	118,255
Capital outlay	<u>17,169</u>	<u>389,962</u>	<u>          </u>	<u>407,131</u>
Total expenditures	<u>1,311,868</u>	<u>2,544,274</u>	<u>118,255</u>	<u>3,974,397</u>
Excess (deficiency) of revenue over expenditures	<u>(465,876)</u>	<u>1,119,217</u>	<u>(33,903)</u>	<u>619,438</u>
<b>OTHER FINANCING SOURCES (Uses)</b>				
Operating transfers in	779,617	313,636		1,093,253
Operating transfers (out)	(13,902)	(1,079,351)		(1,093,253)
Choctaw Road Landfill joint venture income (loss)		(156,436)		(156,436)
Excess sales tax split with other government entities		(74,546)		(74,546)
Sale of fixed assets		311		311
Capital lease financing	<u>1,702</u>	<u>163,139</u>	<u>          </u>	<u>164,841</u>
Total other financing sources (uses)	<u>767,417</u>	<u>(833,247)</u>	<u>---</u>	<u>(65,830)</u>
Excess of revenues and other financing sources over expenditures and other uses	301,541	285,970	(33,903)	553,608
Fund balances at beginning of year	<u>136,367</u>	<u>3,683,510</u>	<u>361,932</u>	<u>4,181,809</u>
Fund balances at end of year	<u>\$ 437,908</u>	<u>\$ 3,969,480</u>	<u>\$ 328,029</u>	<u>\$ 4,735,417</u>

(Concluded)

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
GOVERNMENTAL FUNDS - GENERAL,  
SPECIAL REVENUE AND DEBT SERVICE FUNDS

Combined Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended December 31, 1995

	General Fund			Special Revenue Funds			Debt Service Fund		
	Budget	Actual	Variance- Favorable (Unfavorable)	Budget	Actual	Variance- Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes:									
Ad Valorem	\$ 161,942	\$ 179,334	\$ 17,392	\$ 779,023	\$ 827,924	\$ 48,901	\$ 73,950	\$ 80,428	\$ 6,478
Sales	5,300	4,248	(1,052)	1,484,148	1,447,336	(36,812)			
Licenses and permits	130,592	147,454	16,862						
Intergovernmental revenues:									
Federal funds:									
Federal grants				501,946	368,625	(133,321)			
State funds:									
Parish transportation funds				457,587	496,482	38,895			
State revenue sharing (net)	53,298	52,166	(1,132)	204,775	237,374	32,599			
Other	305,057	348,652	43,595	163,877	101,642	(62,235)			
Fees, charges, etc.	69,748	103,588	33,840	7,909	11,027	3,118			
Fines and forfeitures	1,412	1,876	464	131,107	121,400	(9,707)			
Interest	187	159	(28)	48,656	51,088	2,432			
Vehicle rental							3,951	3,924	(27)
Other	8,800	8,515	(285)	1,915	586	(1,329)			
Total revenues	<u>736,336</u>	<u>845,992</u>	<u>109,656</u>	<u>3,780,943</u>	<u>3,663,491</u>	<u>(117,452)</u>	<u>77,901</u>	<u>84,352</u>	<u>6,451</u>
<b>EXPENDITURES</b>									
Current:									
General government:									
Legislative	155,654	155,569	85						
Judicial	632,138	641,447	(9,309)	147,973	147,920	53			
Executive	44,090	44,115	(25)						
Elections	62,463	63,534	(1,071)						
Finance and administrative	121,924	118,746	3,178						
Other	18,036	23,298	(5,262)	84,506	83,351	1,155			
Public safety	222,954	207,425	15,529						
Health and welfare	40,365	40,565	(200)	169,321	173,319	(3,998)			
Highways and streets				1,553,709	1,334,966	218,743			
Sanitation				52,075	53,692	(1,617)			
Culture and recreation				351,315	361,064	(9,749)			

(Continued)

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
GOVERNMENTAL FUNDS - GENERAL,  
SPECIAL REVENUE AND DEBT SERVICE FUNDS

Combined Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended December 31, 1995

	General Fund		Special Revenue Funds		Debt Service Fund		Variance- Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>EXPENDITURES (cont'd)</b>							
Debt service	\$ 17,181	\$ 17,169	\$ 525,900	\$ 389,962	\$ 115,615	\$ 118,255	\$ (2,640)
Capital outlay	1,314,805	1,311,868	2,884,799	2,544,274	115,615	118,255	(2,640)
Total expenditures	(578,469)	(465,876)	896,144	1,119,217	(37,714)	(33,903)	3,811
Excess (deficiency) of revenues over expenditures							
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	770,653	779,617	314,416	313,636			(780)
Operating transfers (out)	(14,682)	(13,902)	(1,079,351)	(1,079,351)			
Choctaw Road Landfill			(164,028)	(156,436)			7,592
joint venture income (loss)			(74,546)	(74,546)			
Excess sales tax split with other government entities			311	311			
Sale of fixed assets				163,139			163,139
Capital lease financing	1,702	1,702					
Total other financing sources (uses)	757,673	767,417	(1,003,198)	(833,247)			169,951
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	179,204	301,541	(107,054)	285,970	(37,714)	(33,903)	3,811
Fund balances at beginning of year	135,931	136,367	3,576,449	3,683,510	361,931	361,932	1
Fund balances at end of year	\$ 315,135	\$ 437,908	\$ 3,469,395	\$ 3,969,480	\$ 324,217	\$ 328,029	\$ 3,812

(Concluded)

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
PROPRIETARY FUND  
INTERNAL SERVICE FUND

Combined Statement of Revenues, Expenses,  
and Changes in Retained Earnings  
For the Year Ended December 31, 1995

	<u>Group Insurance Fund</u>
<b>OPERATING REVENUES</b>	
Interfund insurance premiums	\$ 193,221
Interest income	<u>8,782</u>
Total operating revenues	<u>202,003</u>
<b>OPERATING EXPENSES</b>	
Claims paid	111,709
Administrative fee	<u>632</u>
Total operating expenses	<u>112,341</u>
Net income (loss)	89,662
Retained earnings at beginning of year	<u>161,338</u>
Retained earnings at end of year	<u>\$ 251,000</u>

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY  
 Franklinton, Louisiana  
 PROPRIETARY FUND  
 INTERNAL SERVICE FUND

Combined Statement of Cash Flows  
 For the Year Ended December 31, 1995

	<u>Group Insurance Fund</u>
Increase (Decrease) in cash and cash equivalents:	
Cash flows from operations:	
Receipts from interfund insurance premiums	\$ 193,221
Payments for claims	(111,709)
Payments for administrative fee	(632)
(Increase) decrease in accounts receivable	(4,265)
(Decrease) increase in accounts payable	<u>(255)</u>
Net cash provided by operations	76,360
Cash flows from noncapital financing activities:	
Increase due to other funds	91,087
Decrease due from other funds	<u>1,113</u>
Net cash provided from noncapital financing activities	92,200
Cash flows from investing activities:	
Interest on bank account	<u>8,782</u>
Net cash flows from investing activities	<u>8,782</u>
Net increase in cash and cash equivalents	177,342
Cash and cash equivalents at beginning of year	<u>302,120</u>
Cash and cash equivalents at end of year	<u>\$ 479,462</u>

The accompanying notes are an integral part of this statement.

**WASHINGTON PARISH POLICE JURY**  
Franklinton, Louisiana

**Notes to the General-Purpose Financial Statements**  
As of and for the year ended December 31, 1995

**INTRODUCTION**

The Washington Parish Police Jury (the Police Jury) is the governing authority for Washington Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 14 jurors representing the various districts within the parish. The jurors serve four-year terms that expire on January 8, 1996.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Washington Parish Police Jury is the financial reporting entity for Washington 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 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 Washington Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Police Jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.

## WASHINGTON PARISH POLICE JURY

Franklinton, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

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. They have been blended because the Police Jury maintains the accounting records.

### **Blended Component Unit**

*The Tourism Tax Fund* (the Fund) was established by Ordinance No. 49 on December 29, 1992, which imposed a 3% bed and board tax to fund the Washington Parish Tourism Commission (the Commission) created earlier that year. The Commission is governed by a six member board, which is appointed by the Police Jury. In 1994 the 3% tax was ruled to be unconstitutional. Since the fund serves all constituents of Washington Parish, and due to the significance of the fiscal dependency relationship, it has been blended with the Police Jury's financial statements.

*The Criminal Court Fund* (the Fund) was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal court cases be transferred to the parish treasurer and deposited into a special Criminal Court Fund 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 judges or on motion of the district judges and approval of the district attorney. The Police Jury adopts a budget for the fund. Separate financial statements are not issued for the fund since it has been historically included as a fund within the Police Jury's financial statements.

*The Washington Parish Library* (the Library) was established by the Police Jury on November 14, 1945, under provisions of Louisiana Revised Statute 25:211. The Library is governed by a board of control, which is appointed by the Police Jury in accordance with the provisions of Louisiana Revised Statute 25:214. Although the Library is legally separate, the Police Jury approves its budget and levies and collects ad valorem taxes dedicated to the operation of the library system. Separate financial statements are not issued for the Library since it has been historically included as a fund within the Police Jury's financial statements.

WASHINGTON PARISH POLICE JURY  
 Franklinton, Louisiana  
 Notes to the General-Purpose Financial Statements (Continued)

**Discretely Presented Component Units**

The Police Jury has chosen to issue financial statements of the primary government (Police Jury) and blended component units only; therefore, none of the following listed component units are discretely presented in the accompanying financial statements.

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Washington Parish Assessor	December 31	2
Washington Parish Clerk of Court	June 30	2
Washington Parish Sheriff	June 30	2
Riverside Medical Center- Hospital Service District No. 1	December 31	1
Washington Parish Gas District No. 1	December 31	1
Washington Parish Gas District No. 2	December 31	1
Bogalusa Waterworks District	December 31	1
Varnado Waterworks District	December 31	1
Fire Protection District No. 1	December 31	1
Fire Protection District No. 2	December 31	1
Fire Protection District No. 3	December 31	1
Fire Protection District No. 4	December 31	1
Fire Protection District No. 5	December 31	1
Fire Protection District No. 6	December 31	1
Fire Protection District No. 7	December 31	1
Fire Protection District No. 8	December 31	1
Mt. Hermon Fire District	December 31	1
Washington Parish Communications District	December 31	1

Primary government officials may appoint some, or all, governing board members of organizations that are not included as component units in the primary government's reporting entity. These organizations are classified as (a) related organizations and (b) joint ventures, as follows:

**Related Organizations**

**Housing Authority of Washington Parish** - The Police Jury appoints all five Commissioners of the Housing Authority of Washington Parish. However, no further contact or influence exists. Therefore, it is not included in the Police Jury's financial statements.



### **Joint Ventures**

**Choctaw Road Landfill (the Joint Venture)** - The Police Jury is a participant with the City of Bogalusa (the City) in a joint venture to construct and operate the Choctaw Road Landfill, a solid waste disposal landfill. The Joint Venture was opened in July of 1989. The agreed upon percentages of sharing of construction costs and operating losses were 58.1% for the Police Jury and 41.9% for the City. The Police Jury's share of costs has been funded by a dedicated one percent sales tax in Washington Parish, excluding Ward 4. The City's share of costs has been funded by an ad valorem tax and the issuance of general obligation bonds. The Joint Venture is apparently not experiencing any financial stress. Complete financial statements for the Joint Venture can be obtained from the Washington Parish Police Jury at the parish courthouse in Franklinton, LA.

GASB Statement No. 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 Washington Parish School Board and various municipalities in the parish. It was determined that these governmental entities are not component units of the Washington Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Washington 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 relating to certain government functions or activities.

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

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (Continued)

Funds of the Police Jury are classified into two categories: governmental and proprietary. In turn, each category is divided into separate fund types. The fund classifications and description of each existing fund type follow:

**Governmental Funds**

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

1. General Fund--the general operating fund of the Police Jury and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special Revenue Funds--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt Service Fund--account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.

**Proprietary Funds**

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

1. Internal Service Fund - The Internal Service Fund accounts for the partial coverage of health insurance provided by one department to other departments or governments on a cost-reimbursement basis.

**C. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is followed by all governmental funds (General Fund, Special Revenue Funds, and Debt Service Fund).

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (Continued)

Revenues

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Ad valorem taxes are considered "measurable" at the time of levy, whereas such items as beer taxes are considered "measurable" when in the hands of intermediary collecting agencies and are recognized as revenue at that time. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Ad valorem taxes are considered to be available if they are collected within 60 days after year-end.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

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

**D. BUDGET PRACTICES**

Preliminary budgets for the ensuing year are prepared by the Comptroller during October of each year. During November the budget committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets are then advertised in the official journal. Prior to the regular meeting in December the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearings and the desires of the Police Jury. The budgets are then adopted during the regular December meeting and notice is published in the official journal.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (Continued)

The Police Jury receives monthly budget comparison statements during the year that are used as a tool to control the operations of the parish. In December the Police Jury votes to adopt the final budget adjustments for the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

The Police Jury exercises budgetary control at the functional level. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Budgets are adopted using the modified accrual basis of accounting.

**E. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the governmental funds. Every appropriation, except an appropriation for a capital expenditure, will lapse at the close of the fiscal year to the extent it has not been expended. Open encumbrances are reported as reservations of fund balances since the commitments will be honored through subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities.

**F. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash and cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Police Jury may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

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

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables or interfund payable on the balance sheet.

## **H. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost.

## **I. COMPENSATED ABSENCES**

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term debt account group.

Employees of the Police Jury, Library and Criminal Court earn vacation leave at varying rates according to years of service. Vacation leave must be taken during the year earned. However, upon termination employees are paid for any unused vacation leave earned during the year.

Employees earn 12 days of sick leave each year. A total of 45 days may be accumulated. All accumulated sick leave lapses upon termination, except for employees of the Library who are paid for all accumulated sick leave upon termination.

## **J. LONG-TERM DEBT**

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

## **K. FUND EQUITY**

### **Reserves**

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

### **Designated Fund Balances**

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

**WASHINGTON PARISH POLICE JURY**

Franklinton, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

**L. INTERFUND TRANSACTIONS**

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

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

**M. SALES TAXES**

On September 27, 1986 the voters of Washington Parish outside the corporate limits of the City of Bogalusa approved for an indefinite period of time, a one per cent sales tax. The proceeds of the sales tax, after administrative expenses, were dedicated to the costs of acquiring, operating, and maintaining solid waste disposal facilities.

On April 11, 1992 the voters decided to rededicate and re-allocate the above mentioned sales tax so that the proceeds in excess of those needed for the solid waste disposal facilities be used as follows:

- (a) 45% of such excess proceeds to pay the costs of services which the parish is legally obligated to pay under the laws of Louisiana;
- (b) 44.14% of such excess proceeds to be placed in the Parish Transportation Fund to be used for constructing, maintaining and improving public roads, highways and bridges in the District, to the extent that such projects qualify as allowable Parish Transportation Fund projects;
- (c) 9.72% of such excess proceeds to be used for constructing, maintaining and improving public roads, highways and bridges, for constructing, maintaining and improving drainage facilities and for economic development in the Town of Franklinton [provided that for five years after the effective date of this rededication, 80% of the portion described in this part (c) shall be used for economic development];
- (d) 0.57% of such excess proceeds to be used for constructing, maintaining and improving public roads, highways and bridges in the Village of Angie; and
- (e) 0.57% of such excess proceeds to be used for constructing, maintaining and improving public roads, highways and bridges in the Village of Varnado.

WASHINGTON PARISH POLICE JURY  
 Franklinton, Louisiana  
 Notes to the General-Purpose Financial Statements (Continued)

**N. TOTAL COLUMNS ON COMBINED STATEMENTS**

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

**2. FUND DEFICIT**

The following individual fund had a deficit fund balance at December 31, 1995:

Criminal Court Fund	<u>\$ 12,047</u>
---------------------	------------------

Management states that the Police Jury, according to law, only administers the Criminal Court Fund. All expenditures are incurred by motion of the District Attorney and by order of one District Judge.

**3. LEVIED TAXES**

The following is a listing of levied millages for ad valorem taxes:

	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide Taxes:		
General Fund:		
Inside	1.85	Indef.
Outside	3.70	Indef.
Special revenue funds:		
Library	4.61	1996
Parish Transportation	4.13	1996
Courthouse Maintenance	1.03	1996
Health Unit Maintenance	3.11	1996
Debt Service Fund	<u>1.25</u>	2001
	<u>19.68</u>	

WASHINGTON PARISH POLICE JURY  
 Franklinton, Louisiana  
 Notes to the General-Purpose Financial Statements (Continued)

**4. CASH AND CASH EQUIVALENTS**

At December 31, 1995, the Police Jury has cash and cash equivalents (book balances) totaling \$3,222,087 as follows:

Demand deposits	\$ 1,722,836
Interest-bearing demand deposits	<u>1,499,251</u>
Total	<u>\$ 3,222,087</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 or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 1995, the Police Jury has \$3,327,575 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$3,227,575 of pledged securities held by a custodial bank in the name of the fiscal agent bank.

**5. INVESTMENTS**

At December 31, 1995, the Police Jury holds investments of Certificates of Deposit for the Library Fund totaling \$100,000.

**6. RECEIVABLES**

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

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Proprietary Fund</u>
Taxes:				
Ad valorem	\$ 179,651	\$ 826,496	\$ 81,223	\$
Sales	337	132,173		
State revenue sharing	34,777	166,181		
Intergovernmental-				
State	60,208	68,855		
Local	7,345	181,522		
Other	<u>53,169</u>	<u>12</u>	<u>          </u>	<u>9,326</u>
Total	<u>\$ 335,487</u>	<u>\$ 1,375,239</u>	<u>\$ 81,223</u>	<u>\$ 9,326</u>



WASHINGTON PARISH POLICE JURY  
 Franklinton, Louisiana  
 Notes to the General-Purpose Financial Statements (Continued)

**7. FIXED ASSETS**

The changes in general fixed assets follow:

	Balance January 1, <u>1995</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>1995</u>
Police Jury:				
Land	\$ 708,309	\$	\$	\$ 708,309
Building	5,920,945			5,920,945
Equipment	<u>1,572,984</u>	<u>372,580</u>	<u>54,617</u>	<u>1,890,947</u>
Total Police Jury	<u>8,202,238</u>	<u>372,580</u>	<u>54,617</u>	<u>8,520,201</u>
Library:				
Land	42,343			42,343
Building	489,049			489,049
Furniture & equipment	212,024	4,770		216,794
Books	<u>1,240,069</u>	<u>45,975</u>		<u>1,286,044</u>
Total Library	<u>1,983,485</u>	<u>50,745</u>	<u>---</u>	<u>2,034,230</u>
Landfill	<u>1,011,628</u>	<u>2,147</u>		<u>1,013,775</u>
Total	<u>\$ 11,197,351</u>	<u>\$ 425,472</u>	<u>\$ 54,617</u>	<u>\$ 11,568,206</u>

**8. PENSION PLAN**

Substantially all employees of the Washington 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 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 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 year of service credited after the revision date. Final-

## WASHINGTON PARISH POLICE JURY

Franklinton, Louisiana

### Notes to the General-Purpose Financial Statements (Continued)

average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Washington Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 8.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. 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 Washington 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 valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Washington Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1995, 1994, and 1993, were \$78,080, \$73,137, and \$67,634, respectively, equal to the required contributions for each year.

#### **9. SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

State and federal laws and regulations require the Choctaw Road Landfill to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. A related liability is being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$209,962 as of December 31, 1995, which is based on 16 per cent usage (filled) of the landfill. It is estimated that an additional \$1,102,299 will be recognized as closure and postclosure care expenditures between the date of the balance sheet and the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and postclosure care (\$1,312,261) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 1995. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

WASHINGTON PARISH POLICE JURY  
 Franklinton, Louisiana  
 Notes to the General-Purpose Financial Statements (Continued)

The estimated liability for closure and postclosure care costs of \$209,962 as of December 31, 1995 has been recorded in the general long-term debt of each participant's separate financial statements section as follows:

Washington Parish Police Jury	58.1%	\$ 121,988
City of Bogalusa	41.9%	<u>87,974</u>
		<u>\$ 209,962</u>

Neither the Police Jury nor the City is required to set aside funds in escrow to finance future closure and postclosure care costs.

**10. LEASES**

The Police Jury is obligated under certain leases for copying equipment and motor graders which are accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Assets Account Group and the General Long-Term Debt Account Group, respectively. The following is a schedule of future minimum lease payments as of December 31, 1995:

1996	\$ 77,279
1997	77,279
1998	77,030
1999	44,673
2000	<u>18,452</u>
Minimum lease payments	294,713
Less amount representing interest	<u>33,923</u>
Present value of minimum lease payments	<u>\$ 260,790</u>

**11. POLICE JURORS' SALARIES**

The following salaries were paid to the Police Jurors:

	<u>1995</u>
Dennis Kates	\$ 9,600.00
Chris Jenkins	9,600.00
Melvin Keith	9,600.00
Kenneth Wheat	9,600.00
Michael Applewhite	9,600.00
Clinton Miley	9,600.00
Glenn Sheridan	9,600.00

WASHINGTON PARISH POLICE JURY  
 Franklinton, Louisiana  
 Notes to the General-Purpose Financial Statements (Continued)

David Dillon	9,600.00
LaRue Martin	9,600.00
Marvin Thomas	9,600.00
Sam Smith	9,600.00
Darwin Sharp	9,600.00
Hollis Stafford, III	10,800.00
Matthew Tate	<u>9,600.00</u>

\$ 135,600.00

**12. CHANGES IN GENERAL LONG-TERM DEBT(OBLIGATIONS)**

The following is a summary of the long-term debt transactions:

	Amount owed <u>1/1/95</u>	<u>Additions</u>	<u>Retirements</u>	Amount owed <u>12/31/95</u>
General obligation jail bond, series 1991	\$ 630,000	\$	\$ 80,000	\$ 550,000
Capital leases payable	141,014	164,840	45,064	260,790
Landfill closure and post-closure care costs	118,435	3,553		121,988
Compensated absences	<u>10,375</u>	<u>803</u>		<u>11,178</u>
	<u>\$ 899,824</u>	<u>\$ 169,196</u>	<u>\$ 125,064</u>	<u>\$ 943,956</u>

The General Obligation Jail Bonds of the Washington Parish Police Jury dated September 26, 1991, issued in the amount of \$790,000, were issued for the purpose of paying off the General Obligation Jail Bond, Series 1981. The bonds are payable from ad valorem taxation. The bonds are due in annual installments of \$15,000 to \$95,000 through March 1, 2001, with an interest rate of 4.7% to 6.3% per annum. The annual requirements to amortize the bonds outstanding are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1996	\$ 85,000	\$ 30,850	\$ 115,850
1997	85,000	25,878	110,878
1998	95,000	20,520	115,520
1999	95,000	14,772	109,772
2000	95,000	8,930	103,930
2001	<u>95,000</u>	<u>2,992</u>	<u>97,992</u>
	<u>\$ 550,000</u>	<u>\$ 103,942</u>	<u>\$ 653,942</u>

WASHINGTON PARISH POLICE JURY

Franklinton, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

**13. SELF-INSURANCE**

The Police Jury is self-insured for medical and dental benefits up to \$12,500 per employee, with Associated Health Plans, Inc. of LA. acting as a third party administrator. Each fund contributes interfund insurance premiums to the internal service fund which pays the claims. All known claims have been recorded as claims payable. Retained earnings has been reserved for payment of claims.

**14. INTERFUND RECEIVABLES/PAYABLES**

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

Fund	1995	
	Interfund Receivables	Interfund Payables
General Fund	\$ 592,775	\$ 2,147,623
Special Revenue Funds:		
Lee's Creek Project		2,122
Tourism Tax	17,389	
Parish Transportation	746,936	
Courthouse Maintenance		20,941
Health Unit Maintenance		186,062
Criminal Court	118	19,716
Library		109,710
Special Witness	3,608	
Sales Tax Split Proposition	1,303,258	
Riverside Boat Ramp		29,584
Debt Service Fund	78,721	
Internal Service Fund		<u>227,047</u>
Total	<u>\$ 2,742,805</u>	<u>\$ 2,742,805</u>

**15. LITIGATION**

At December 31, 1995, the Police Jury was a defendant in several lawsuits arising principally from vehicular accidents on Parish roads and fall cases occurring within Parish buildings. In a vehicular suit, Richard Blalock versus Washington Parish, et al, the court ruled against the Police Jury and awarded a damage verdict of \$2,486,457 plus interest. The attorney for the Police Jury is unable to assess the impact of this case; however, in general, judgement creditors can not execute against publicly owned property, and can only be paid out of funds specifically allocated by the public body. At December 31, 1995 no money had been specifically allocated for the payment of this case or any other case.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (Continued)

**16. PRIOR PERIOD ADJUSTMENTS**

During 1995, the Washington Parish Police Jury changed its method of accounting for sales tax revenue to conform with the new requirements of GASB Statement No. 22, *Accounting for Taxpayer-Assessed Tax Revenues in Governmental Funds*. In the past, sales tax revenue was recognized in the month collected. The new method requires such revenue be recognized in the month collected by the merchant. The accompanying financial statements have been retroactively restated for the effects of this change. The fund balances below have been increased by the following amounts as of December 31, 1994.

General Fund	\$	436.00
Sales Tax Split Proposition Fund		107,060.55

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL AS PART  
OF AN AUDIT OF THE GENERAL-PURPOSE FINANCIAL STATEMENTS**

Washington Parish Police Jury  
Franklinton, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury, Franklinton, Louisiana, as of and for the year ended December 31, 1995, and have issued my report thereon dated June 13, 1996, which was qualified for omission of one or more, but not all component units.

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

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

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

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

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 specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

The prior-year audit report included material weaknesses concerning collection of delinquent sales taxes, daily deposits of receipts, and segregation of duties. These internal control weaknesses have been addressed and the conditions corrected.

This report is intended for the information of the members of the Washington Parish Police Jury, management, and the office of the Louisiana Legislative Auditor. However this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana  
June 13, 1996



Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AS PART  
OF AN AUDIT OF THE GENERAL-PURPOSE FINANCIAL STATEMENTS

Washington Parish Police Jury  
Franklinton, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury, Franklinton, Louisiana, as of and for the year ended December 31, 1995, and have issued my report thereon dated June 13, 1996, which was qualified for omission of one or more, but not all, component units.

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

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

The results of my tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of the members of the Washington Parish Police Jury, management, and the office of the Louisiana Legislative Auditor. However this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana  
June 13, 1996

*SUPPLEMENTAL INFORMATION*

## **SPECIAL REVENUE FUNDS**

**Recycling Program Fund** - The Recycling Program Fund accounts for grants provided by the United States Department of Energy through the Louisiana Department of Environmental Quality. This program provides for the development of recycling programs to help parishes reach their goal of a 25% reduction in solid waste as required by State Act No. 185.

**Tourism Tax Fund** - The Tourism Tax Fund accounts for the proceeds of a 3% bed and board tax. On March 30, 1994 the 22nd Judicial District Court ruled the tax unconstitutional. The Police Jury voted to suspend collection of the tax in May 1994 pending the ruling of the Louisiana Supreme Court. On November 30, 1994 the Supreme Court upheld the ruling of the lower Court.

**Summer Feeding Program Fund** - The Summer Feeding Program accounts for the administration of the summer feeding program, which is funded by the Louisiana Department of Education. These funds are used to provide meals to school children during the summer break.

**Parish Transportation Fund** - The Parish Transportation Fund accounts for constructing, improving, and maintaining public roads and bridges in the parish. Financing is provided by the State of Louisiana Parish Transportation Fund, ad valorem taxes, and state revenue sharing funds. The ad valorem tax expires in 1996.

**Courthouse Maintenance Fund** - The Courthouse Maintenance Fund accounts for the operation and maintenance of the courthouse and related public buildings of the parish. Financing is provided by ad valorem taxes and state revenue sharing. The ad valorem tax expires in 1996.

**Health Unit Maintenance Fund** - The Health Unit Maintenance Fund accounts for the operation and maintenance of public health units in the parish. Financing is provided by ad valorem taxes and state revenue sharing. The ad valorem tax expires in 1996.

**Criminal Court Fund** - The Criminal Court Fund was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal court cases be transferred to the parish treasurer and deposited into a special Criminal Court Fund 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 judges or on motion of the district judges and approval of the district attorney.

**Library Fund** - The Washington Parish Library was established by the Police Jury on November 14, 1945, under provisions of Louisiana Revised Statute 25:211. The library provides citizens of the parish access to library materials, books, magazines, records, and films. The library is governed by a board of control, which is appointed by the Police Jury in accordance with the provisions of Louisiana Revised Statute 21:214. The members of the board of control serve without pay. Primary financing is provided by ad valorem taxes and state revenue sharing. The ad valorem tax expires in 1996.

**Sales Tax Fund** - The Sales Tax Fund accounts for the proceeds of a one cent sales tax imposed parishwide, excluding the City of Bogalusa, to pay the cost of providing, maintaining, operating, constructing, acquiring, and/or improving solid waste facilities. Excess collections are to be used to pay mandated expenditures of the General Fund, which the parish is legally obligated to pay under Louisiana law. As of June 1, 1992, the proceeds of the one cent sales tax received for periods May, 1992, and thereafter were deposited into Sales Tax Split Proposition Fund. All revenues received for periods before May, 1992, will continue to be deposited in this fund. All costs of providing, maintaining, operating, constructing, acquiring, and/or improving solid waste facilities after June 1, 1992, will be paid from the Sales Tax Split Proposition Fund. The sales tax is for an indefinite period.

**Special Witness Fund** - The Special Witness Fund was established under Section 255 of Title 15 of the Louisiana Revised Statute of 1981, which provides that costs of court collected in individual cases, tried in district or parish courts on which there is a plea of guilty or conviction, be transferred to the parish treasurer and deposited into a Special Witness Fund account to be used to pay off-duty officer witness fees. Expenditures are made from the fund when court affidavit is presented to the parish Comptroller, and when the appropriate payroll department verifies that the officer was off duty.

**Sales Tax Split Proposition Fund** - The Sales Tax Split Proposition Fund accounts for the proceeds of the one cent sales tax imposed parishwide, excluding the City of Bogalusa, for periods May, 1992, and thereafter, to pay the costs of providing, maintaining, operating, constructing, acquiring, and/or improving solid waste facilities. Excess collections are to be used as follows:

- (a) 45% of excess will be used to pay mandated expenditures of the General Fund which the parish is legally obligated to pay under Louisiana law.
- (b) 44.14% of excess will be placed in the Parish Transportation Fund to be used for constructing, maintaining, and improving parish roads, highways, and bridges.
- (c) 9.72% of excess will be used for constructing, maintaining, and improving roads, highways, bridges, and drainage facilities in the Town of Franklinton. In addition, 80% of this money must be used for economic development in the first five years.
- (d) 1.14% of excess will be equally used for constructing, maintaining, and improving roads, highways, and bridges in the Villages of Angie and Varnado.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET  
December 31, 1995

ASSETS	Community Development Block Grant	Lee's Creek Project	Tourism Tax	Summer Feeding Program	Parish Transportation	Courthouse Maintenance	Health Unit Maintenance	Criminal Court	Library	Sales Tax	Special Witness	Sales Tax Split Proposition	Riverside Drive Boat Ramp	Totals
Cash and cash equivalents	\$ (139)	\$ 2,122	\$	\$	\$ 48,879	\$ 39,018	\$ 448,134	\$	\$ 222,365	\$	\$	\$ 90,668	\$	\$ 851,047
Investments									100,000					100,000
Receivables	139				375,935	77,948	235,666	7,609	342,477		472	305,409	29,584	1,375,239
Equity in Choctaw Road Landfill														
Interfund receivables			17,389		746,936			118			3,608	1,303,258		2,071,399
Total assets	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
									664,842		4,080	1,699,344	29,584	4,397,604

LIABILITIES AND  
FUND BALANCES

Liabilities:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts payable		2,122			28,067	3,092	6,567	58	18,390		100	3,715	29,584	59,989
Interfund payables					20,941	186,062	19,716	19,716	109,710				29,584	368,135
Total liabilities		<u>2,122</u>			<u>28,067</u>	<u>24,033</u>	<u>192,629</u>	<u>19,774</u>	<u>128,100</u>		<u>100</u>	<u>3,715</u>	<u>29,584</u>	<u>428,124</u>
Fund balances:														
Reserved:					17,952	134								18,086
for encumbrances														
Unreserved:														
Designated -														
for closure and														
postclosure														
care costs														
for construction			17,389		1,125,731	92,799	491,171	(12,047)	536,742		3,980	977,194		1,699,344
Undesignated (deficit)								(12,047)						3,232,959
Total fund					<u>1,143,683</u>	<u>92,933</u>	<u>491,171</u>	<u>(12,047)</u>	<u>536,742</u>		<u>3,980</u>	<u>1,699,344</u>	<u>29,584</u>	<u>3,969,480</u>
balances														
Total liabilities														
and fund balances		<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
									664,842		4,080	1,699,344	29,584	4,397,604

See accompanying auditor's report.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
SPECIAL REVENUE FUNDS

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

	Community Development Block Grant	Lee's Creek Project	Tourism Tax	Summer Feeding Program	Parish Transportation	Courthouse Maintenance	Health Unit Maintenance	Criminal Court	Library	Sales Tax	Special Witness	Sales Tax Split Proposition	Riverside Drive Boatramp	Totals
Revenues:														
Taxes:														
Ad valorem					\$ 265,682	\$ 66,260	\$ 200,065	\$	\$ 295,917	\$ 1,500	\$	\$ 1,445,836	\$	\$ 827,924
Sales tax														1,447,336
Intergovernmental revenues:														
Federal grants	227,508			141,117										
State funds:														
Parish transportation funds					496,482									368,625
State revenue sharing (net)					95,210	17,808	53,772		70,584					496,482
Other		62,196											39,446	237,374
Fees, charges, etc.														101,642
Fines and forfeitures					1,322	887	10,090	116,662	4,738		11,027			11,027
Interest									5,233	28,446		5,110		121,400
Vehicle rental														51,088
Other					349			87	150					7
Total revenues	227,508	62,196		141,117	859,052	84,955	263,927	116,749	376,622	29,946	11,027	1,450,946	39,446	3,663,491
Expenditures:														
Current:														
General government:														
Judicial								125,770			22,150			147,920
Other														83,351
Health and welfare				141,117			32,202							173,319
Highways and streets	227,197	62,196			1,045,573									1,334,966
Sanitation														53,692
Culture and recreation			1,287										39,446	361,064
Capital outlay	311					5,948	1,212					4,470		389,962
Total expenditures	227,508	62,196	1,287	141,117	1,372,849	89,292	33,414	125,770	371,076		22,150	58,192	39,446	2,544,274
Excess (deficiency) of revenues over expenditures			(1,287)		(513,797)	(4,344)	230,513	(9,021)	5,546	29,946	(11,123)	1,392,754		1,119,217

(Continued)  
See accompanying auditor's report.

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana  
SPECIAL REVENUE FUNDS

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

		Community Development Block Grant	Lee's Creek Project	Tourism Tax	Summer Food Program	Parish Transportation	Courthouse Maintenance	Health Unit Maintenance	Criminal Court	Library	Sales Tax	Special Witness	Sales Tax Split Proposition	Riverside Drive Boatramp	
Other financing sources (uses):	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating transfers in (out)						299,734					(474,043)	13,902	(605,308)		(765,715)
Choctaw Road Landfill joint venture													(156,436)		(156,436)
Excess sales tax split with other government entities													(74,546)		(74,546)
Sale of fixed assets						311							311		311
Capital lease financing						159,736	1,702						1,701		163,139
Total other financing sources (uses)						459,781	1,702				(474,043)	13,902	(834,589)		(833,247)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses				(1,287)		(54,016)	(2,642)	230,513	(9,021)	5,546	(444,097)	2,779	558,195		285,970
Fund balance, beginning				18,676		1,197,699	95,575	260,658	(3,026)	\$31,196	444,097	1,201	1,137,434		3,683,510
Fund balance, ending	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
				17,389		1,143,683	92,933	491,171	(12,047)	536,742		3,980	1,695,629		3,969,480

(Concluded)  
See accompanying auditor's report.



*AUDIT REPORTS REQUIRED BY THE  
SINGLE AUDIT ACT*

Richard M. Seal

Certified Public Accountant

Post Office Box 128

Bogalusa, Louisiana 70429-0128

732-2536

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Washington Parish Police Jury  
Franklinton, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury, Franklinton, Louisiana, as of and for the year ended December 31, 1995, and have issued my report thereon dated June 13, 1996. These general-purpose financial statements are the responsibility of the Washington Parish Police Jury's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and 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 general-purpose financial statements of the Washington Parish Police Jury, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

*Richard M. Seal*

Certified Public Accountant

Bogalusa, Louisiana  
June 13, 1996

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
For the Year Ended December 31, 1995

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM NAME	CFDA NUMBER	EXPENDITURES 1995
<u>United States Department of Agriculture</u>		
<u>Passed through Louisiana Department of Education</u>		
Summer Food Service Program for Children	10.599	\$ 141,117
Total United States Department of Agriculture		<u>141,117</u>
<u>United States Department of Housing and Urban Development</u>		
<u>Passed through Louisiana Office of Community Development</u>		
Community Development Block Grant	14.219	<u>227,508</u>
Total United States Department of Housing and Urban Development		<u>227,508</u>
TOTAL EXPENDITURES		<u>\$ 368,625</u>

Richard M. Seal

Certified Public Accountant

732-2596

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

Washington Parish Police Jury  
Franklinton, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury as of and for the year ended December 31, 1995, and have issued my report thereon dated June 13, 1996. I have also audited the compliance of the Washington Parish Police Jury, with requirements applicable to federal financial assistance programs and have issued my report thereon dated June 13, 1996.

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

In planning and performing my audit for the year ended December 31, 1995, I considered the internal control structure of the Washington Parish Police Jury, in order to determine my auditing procedures for the purpose of expressing my opinion on Washington Parish Police Jury's general-purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general-purpose financial statements in a separate report dated June 13, 1996.

The management of the Washington 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 are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles, and 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:

#### General Requirements

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

#### Specific Requirements

- Types of services allowed or unallowed
- Eligibility
- Matching, level of effort, or earmarking
- Reporting
- Cost allocation
- Special requirements, if any

#### Claims for Advances and Reimbursements

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

During the year ended December 31, 1995, the Washington Parish Police Jury had no major federal financial assistance programs and expended 61 percent of its total federal financial assistance under the following nonmajor federal financial assistance program: Louisiana Community Development Block Grant.

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, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor federal financial assistance program. 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 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 members of the Washington Parish Police Jury, management, and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana  
June 13, 1996

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

Washington Parish Police Jury  
Franklinton, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury as of and for the year ended December 31, 1995, and have issued my report thereon dated June 13, 1996.

In connection with my audit of the general-purpose financial statements of the Washington Parish Police Jury, and with my consideration of the Washington Parish Police Jury's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, *Audits of State and Local Governments*, I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1995. As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Washington Parish Police Jury's compliance with these requirements. Accordingly, I do not express such an opinion.

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

This report is intended for the information of the members of the Washington Parish Police Jury, management, and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Richard M. Seal".

Certified Public Accountant

Bogalusa, Louisiana  
June 13, 1996



Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

Washington Parish Police Jury  
Franklinton, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury as of and for the year ended December 31, 1995, and have issued my report thereon dated June 13, 1996.

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

General requirements:

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- 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 Washington 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 City of Bogalusa, Louisiana, had not complied, in all material respects, with those requirements. However, during my follow-up of a prior year finding in the Summer Food Program, I noted immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of the members of the Washington Parish Police Jury, management, and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana  
June 13, 1996

WASHINGTON PARISH POLICE JURY  
Franklinton, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ending December 31, 1995

PROGRAM	FINDING/NONCOMPLIANCE	QUESTIONED COST 1995
<p>Summer Food Service for Children CFDA No. 10.599</p>	<p><u>Criteria</u> - OMB Circular A-87 requires that costs be documented and reasonable for proper and efficient administration of the grant program.</p> <p><u>Condition</u> - Payments were made to four church sites and one recreational center for utilities (electricity, water, and gas) for the month of June. The payments were made for 80% of the utility bill for each location. There was no documentation to support the 80% allocation. Therefore, I could not determine if the amount was reasonable.</p> <p>Payments for July utilities for the five non-school sites were not documented. Amounts from June were used for payments.</p> <p><u>Auditor's Recommendation</u> - The program should only pay prorated utility bills based on usage. All expenditures should be documented. Written agreements with the sites should include a proration formula.</p> <p><u>President's Response</u> - On June 14, 1996 we are writing a letter requesting a copy of the utility bills for the month of July on the above referenced sites. In 1996 we will negotiate contracts for rent in lieu of paying the utilities for the sites.</p>	<p>\$ 1,126</p> <p>1,126</p>
TOTAL QUESTIONED COSTS		\$ 2,252

