

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

RICHLAND PARISH POLICE JURY

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS
Year Ended December 31, 1996**

	General		Variance -
	Budget	Actual	Favorable
			(Unfavorable)
Revenues:			
Taxes	\$ 154,083	\$ 163,549	\$(9,466)
Licenses and permits	69,688	69,716	28
Intergovernmental	123,003	126,619	3,616
Fees, charges and commissions for services	31,384	31,337	(47)
Fines and forfeitures	5,632	5,632	-
Interest and miscellaneous	16,725	31,842	15,117
	<u>\$ 396,495</u>	<u>\$ 415,615</u>	<u>\$ 19,120</u>
Expenditures:			
Current:			
General government:			
Legislative	\$ 81,349	\$ 81,349	\$ -
Judicial	30,162	30,162	-
Executive	13,157	13,123	34
Elections	18,907	18,987	-
Finance and administrative	7,981	8,513	(532)
Other	124,421	126,344	(1,923)
Public safety	140,904	157,825	(16,921)
Public works	-	-	-
Health and welfare	39,480	38,478	902
Culture and recreation	-	-	-
Economic development and assistance	16,273	13,120	3,153
Debt service	5,431	5,431	-
	<u>\$ 481,133</u>	<u>\$ 493,225</u>	<u>\$ 12,092</u>

Primary Government Totals - (Memorandum Only)	Component Unit	Reporting Entity Totals - (Memorandum Only)	
		December 31,	
		1995	1994
\$ 2,715,871	\$ -	\$ 2,715,871	\$ 2,705,000
79,800	-	15,800	76,402
502,001	-	502,011	1,281,981
24,358	-	24,358	24,554
7,900	133,899	141,799	150,970
53,273	382	53,655	109,731
<u>\$ 3,279,293</u>	<u>\$ 133,880</u>	<u>\$ 3,513,115</u>	<u>\$ 4,348,638</u>

\$ 80,880	\$ -	\$ 80,880	\$ 87,181
30,200	123,710	159,910	218,502
15,189	-	15,189	34,916
23,070	-	23,170	21,486
9,472	-	9,472	7,309
128,130	-	128,130	143,978
148,793	-	148,793	285,305
2,795,481	-	2,795,481	2,309,135
82,319	-	82,709	59,899
318,658	-	319,688	313,215
13,099	-	13,189	12,471
5,431	-	5,431	7,130
-	-	-	1,213,613
<u>\$ 3,664,131</u>	<u>\$ 123,710</u>	<u>\$ 3,787,841</u>	<u>\$ 4,628,870</u>

(continued)

RICHLAND PARISH POLICE JURY

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**

Year Ended December 31, 1996

With Comparative Totals For Year Ended December 31, 1995

	General	Special Revenues	Debt Service
Revenues:			
Taxes	\$ 182,719	\$ 2,533,028	\$ 104
Licenses and permits	75,800	-	-
Intergovernmental	172,901	369,530	-
Fees, charges and commissions for services	21,128	5,228	-
Fines and forfeitures	6,049	1,853	-
Interest and miscellaneous	<u>14,886</u>	<u>28,283</u>	<u>4</u>
	<u>\$ 423,153</u>	<u>\$ 2,948,018</u>	<u>\$ 108</u>
Expenditures:			
Current:			
General government:			
Legislative	\$ 80,683	\$ -	\$ -
Judicial	30,049	6,163	-
Executive	15,189	-	-
Elections	25,179	-	-
Finance and administrative	9,472	-	-
Other	<u>176,120</u>	<u>-</u>	<u>-</u>
Public safety	146,793	-	-
Public works	-	2,795,483	-
Health and welfare	40,304	42,415	-
Culture and recreation	-	319,638	-
Economic development and assistance	13,199	-	-
Debt service	5,431	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 200,438</u>	<u>\$ 3,163,715</u>	<u>\$ -</u>

Fiduciary Fund Type	Account Groups		Primary Government Totals - (Memorandum Only)	Component Unit	Reporting Entity Totals - (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt			December 31, 2020	2021
Agency						
\$ 1,160	\$ -	\$ -	\$ 160,472	\$ 4,482	\$ 164,954	\$ 221,611
-	-	-	27,147	-	27,147	53,998
143,898	-	-	176,589	-	176,589	199,664
-	-	-	2,293	-	2,293	2,177
-	-	642,431	642,431	-	642,431	782,521
-	-	30,719	30,719	-	30,719	34,314
-	-	21,372	21,372	-	21,372	22,745
<u>\$ 143,898</u>	<u>\$ -</u>	<u>\$ 694,542</u>	<u>\$ 1,095,043</u>	<u>\$ 4,482</u>	<u>\$ 1,870,325</u>	<u>\$ 1,207,028</u>
\$ -	\$ 6,068,051	\$ -	\$ 6,068,051	\$ -	\$ 6,068,051	\$ 6,028,643
-	-	-	126,749	-	126,749	126,643
-	6,068,051	-	1,011,809	10,783	1,032,372	1,131,931
<u>\$ -</u>	<u>\$ 6,068,051</u>	<u>\$ -</u>	<u>\$ 7,206,782</u>	<u>\$ 10,783</u>	<u>\$ 7,217,572</u>	<u>\$ 7,327,215</u>
<u>\$ 143,898</u>	<u>\$ 6,068,051</u>	<u>\$ 694,542</u>	<u>\$ 8,372,822</u>	<u>\$ 15,265</u>	<u>\$ 8,298,097</u>	<u>\$ 8,634,263</u>

RICHLAND PARISH POLICE JURY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
(Continued)

December 31, 1996

With Comparative Totals for December 31, 1995

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities				
Payables	\$ 55,821	\$ 103,491	\$ -	\$ -
Payroll deductions payable	27,147	-	-	-
Due to other funds	20,804	5,827	-	3,680
Payable from restricted assets:				
Due to other funds	7,293	-	-	-
Capital leases payable (Note 5)	-	-	-	-
Revenue bonds payable (Note 9)	-	-	-	-
Compensated absences payable (Notes 1, 8 and 11)	-	-	-	-
Total liabilities	<u>\$ 114,365</u>	<u>\$ 109,418</u>	<u>\$ -</u>	<u>\$ 3,680</u>
Equity and other credits:				
Investment in general fixed assets	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Reserved for Richland Parish Hospital Service Districts (Note 9)	-	-	128,748	-
Unreserved and undesignated	156,719	855,270	-	-
Total equity and other credits	<u>\$ 156,719</u>	<u>\$ 855,270</u>	<u>\$ 128,748</u>	<u>\$ -</u>
Total liabilities, equity and other credits	<u>\$ 270,884</u>	<u>\$ 964,688</u>	<u>\$ 128,748</u>	<u>\$ 3,680</u>

See notes to financial statements.

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RICHLAND PARISH POLICE JURY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 1998

With Comparative Totals for December 31, 1997

ASSETS AND OTHER DEBITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets:				
Cash and cash equivalents (Notes 1 and 3)	\$ 17,868	\$ 438,449	\$ 126,740	\$ 3,660
Receivables (Notes 3 and 15)	222,201	364,788	-	-
Due from other funds	22,430	168,451	-	-
Restricted cash and cash equivalents (Notes 1 and 3)	7,293	-	-	-
Fixed assets (Notes 1 and 6)	-	-	-	-
Other debts:				
Amount to be provided for retirement of general long-term debt	-	-	-	-
Total assets and other debts	\$ 276,888	\$ 964,688	\$ 126,740	\$ 3,660

In our opinion, except for the effects on the general-purpose financial statements of the omission described in the preceding paragraph, the general-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Richland Parish Police Jury, as of December 31, 1996, and the results of its operations and for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Governance Auditing Standards*, we have also issued reports dated June 13, 1997, on the Jury's compliance with laws and regulations and on our consideration of its internal control structure which are presented on pages 28 through 29 and pages 36 through 37, respectively, of this document.

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

June 13, 1997

Price, Dwyer & Co.

INDEPENDENT AUDITORS' REPORT

Police Jurors
Richland Parish Police Jury
Bossier, Louisiana

We have audited the accompanying general-purpose financial statements of Richland Parish Police Jury, primary government, as of and for the year ended December 31, 1990, as listed in the table of contents. These general-purpose financial statements are the responsibility of the management of Richland Parish Police Jury. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement preparation. We believe that our audit provides a reasonable basis for our opinion.

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

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Primary Government Totals - (Massachusetts Only)		Reporting Entity Totals - (Massachusetts Only)	
	Component Unit	December 31,	
		1996	1995
\$ 284,898	\$ 10,170	\$ 274,729	\$ 280,193
114,828	-	114,828	308,893
11,096	-	11,096	23,157
<u> </u>	<u> </u>	<u> </u>	<u> </u>
\$ 158,175	\$ 10,170	\$ 149,606	\$ 302,857
<u>1,287,913</u>	<u> 613</u>	<u>1,298,526</u>	<u>1,185,715</u>
<u>\$ 1,138,738</u>	<u>\$ 10,783</u>	<u>\$ 1,148,931</u>	<u>\$ 1,288,572</u>

Fiduciary Fund Type	Account Groups		Primary Government Totals - (Memorandum Only)	Component Unit	Reporting Entity Totals - (Memorandum Only)	
	General Fund Assets	General Long-Term Debt			December 31, 1998 1999	
Agency						
\$ 136,028	\$ -	\$ -	\$ 721,846	\$ 1,903	\$ 721,789	\$ 960,278
8,230	-	-	395,219	11,312	606,321	394,894
-	-	-	181,881	-	181,881	188,664
-	-	-	7,293	-	7,293	2,194
-	6,868,091	-	6,088,091	-	6,868,091	6,028,663
-	-	814,542	694,542	-	694,542	818,580
<u>\$ 144,258</u>	<u>\$ 6,868,091</u>	<u>\$ 814,542</u>	<u>\$ 8,272,832</u>	<u>\$ 15,265</u>	<u>\$ 8,288,027</u>	<u>\$ 8,624,363</u>

(continued)

RICHLAND PARISH POLICE JURY
SCHEDULE OF JURORS' COMPENSATION
Year Ended December 31, 1996

Lynn Robertson	\$ 7,200
Jesse Washington	7,200
Andre Lawson	7,200
Joe Lively	7,200
Ernest Greer, Jr.	7,200
Kenneth McKay	7,200
Jimmy Boughton	7,200
Ronald Gilley	7,200
Althan Smith	<u>7,200</u>
 Total jurors' compensation	 <u>\$ 64,800</u>

RICHLAND PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES (Continued)
 Year Ended December 31, 1995
 With Comparative Totals for Year Ended December 31, 1994

	General	Special Revenue	Debt Service
Excess (deficiency) of revenues over expenditures	\$ 67,310	\$ (217,697)	\$ 188
Other financing sources (uses):			
Proceeds of capital leases	-	114,628	-
Sale of fixed assets	-	11,096	-
Opening transfers in (out)	<u>54,560</u>	<u>(54,560)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (12,750)	\$ (146,533)	\$ 188
Fund balances - beginning	<u>169,462</u>	<u>1,001,803</u>	<u>126,641</u>
Fund balances - ending	<u>\$ 156,712</u>	<u>\$ 855,270</u>	<u>\$ 126,749</u>

See notes to financial statements.

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

Police Jurats
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 13, 1997.

We have also audited Richland Parish Police Jury's compliance with the requirements governing special reporting requirements and claims for advances and reimbursements that are applicable to its major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance, for the year ended December 31, 1996. The management of Richland Parish Police Jury, is responsible for Richland Parish Police Jury's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

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

In our opinion, Richland Parish Police Jury, complied, in all material respects, with the requirements governing special reporting requirements and claims for advances and reimbursements that are applicable to its major federal financial assistance program for the year ended December 31, 1996.

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

June 13, 1997

Wier, Bryson & Co.

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

Police Jesters
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 13, 1997.

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

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

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

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

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

Both of the above reportable conditions were also cited in our report for the year ended December 31, 1995, dated June 27, 1996. Corrective action has been taken by management and Richland Parish Police Jury relative to the other citing in the aforementioned report.

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

June 13, 1997

Attest, Prager & Co.

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

- | | |
|-------------------------------|--|
| Criteria: | Purchase orders should be timely prepared for all approved requisitions of all funds. The purchase orders should be detailed as to the actual items to be purchased, signed by the proper authority and issued before the actual purchase. |
| Condition: | 10 applicable purchase orders (totaling \$5,856) were noted as not being issued or incorrectly issued out of a total of 17 individual transactions (totaling \$8,893) for which purchase orders should have been issued. |
| Cause: | Jury employees have not accepted the value of such documentation. |
| Effect: | Documentation for affected expenditures is inadequate. |
| Recommendation: | We recommend that the Jury promptly address this matter in a memorandum to all Jury employees. |
| Management's response: | We concur in the finding and will address this matter immediately. |

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control error are elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matter involving the internal control structure and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing and extent of the procedures to be performed in our audit of the financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1990:

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

June 13, 1997

Hill, Morgan & Co.

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

Police Jury
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 13, 1997.

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

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

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

Corrective action has been taken by management and Richland Parish Police Jury relative to the findings of noncompliance in our report for the year ended December 31, 1995, dated June 27, 1996.

HILL, INZINA & COMPANY

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

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 13, 1997.

In connection with our audit of the general-purpose financial statements of Richland Parish Police Jury, and with our consideration of Richland Parish Police Jury's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*, we selected certain transactions applicable to its nonmajor federal financial assistance program for the year ended December 31, 1996. As required by OMB Circular A-124, we have performed auditing procedures to test compliance with the requirements governing matching, level of effort or cost-sharing and claims for advances and reimbursements that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Richland Parish Police Jury's compliance with these requirements. Accordingly, we do not express such an opinion.

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

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

June 13, 1997

Hill, Inzina & Co.

INDEPENDENT AUDITOR'S REPORT ON
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Police Jury
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 13, 1997. These general-purpose financial statements are the responsibility of the management of Richland Parish Police Jury. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-118, *Audits of State and Local Governments*. Those standards and OMB Circular A-118 require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presented. We believe that our audit provides a reasonable basis for our opinion.

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

Hill, Inzina & Co.

June 13, 1997

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

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited the general-purpose financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 13, 1997. We have also audited the compliance of Richland Parish Police Jury, with requirements applicable to major federal financial assistance programs and have issued our report thereon dated June 13, 1997.

We conducted our audits 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 (OMB) Circular A-128, *Audit of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement and about whether Richland Parish Police Jury, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended December 31, 1996, we considered the internal control structure of Richland Parish Police Jury, in order to determine our auditing procedures for the purpose of expressing our opinions on the general-purpose financial statements of Richland Parish Police Jury, and on the compliance of Richland Parish Police Jury, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audits of the general-purpose financial statements in a separate report dated June 13, 1997.

SUPPORTING SCHEDULE

Off-Duty Officers	Library	Totals
\$ -	\$ 901,600	\$ 2,533,008
-	55,017	309,530
-	3,228	3,228
-	1,851	1,851
<u>620</u>	<u>961,696</u>	<u>38,381</u>
\$ <u>620</u>	\$ <u>271,891</u>	\$ <u>2,596,018</u>

\$ 6,144	\$ -	\$ 8,103
-	-	2,795,481
-	-	42,413
-	319,658	319,658
\$ <u>6,144</u>	\$ <u>319,658</u>	\$ <u>3,163,713</u>

\$ 3,341	\$ 33,333	\$ 317,697
-	-	114,628
-	-	11,086
<u>-</u>	<u>33,333</u>	<u>34,509</u>

\$ 5,540	\$ 40,233	\$ 146,533
<u>17,921</u>	<u>361,684</u>	<u>1,001,803</u>
\$ <u>12,380</u>	\$ <u>341,417</u>	\$ <u>855,270</u>

RICHLAND PARISH POLICE JURY

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 Year Ended December 31, 1996

	Road Maintenance	Drainage Maintenance	Health Unit
Revenues:			
Taxes	\$ 1,453,019	\$ 726,509	\$ 52,693
Intra-governmental	296,888	-	17,625
Fees, charges and commissions for services	-	-	-
Fines and forfeitures	-	-	-
Interest and miscellaneous	19,000	3,004	8,318
	<u>\$ 1,768,907</u>	<u>\$ 729,513</u>	<u>\$ 78,636</u>
Expenditures:			
Current:			
General government:			
Judicial	\$ -	\$ -	\$ -
Public works	2,082,639	712,831	-
Health and welfare	-	-	42,415
Culture and recreation	-	-	-
	<u>\$ 2,082,639</u>	<u>\$ 712,831</u>	<u>\$ 42,415</u>
Excess (deficiency) of revenues over expenditures	\$ 518,722	\$ 18,712	\$ 36,221
Other financing sources (uses):			
Proceeds of capital leases	114,628	-	-
Sale of fixed assets	11,099	-	-
Operating transfers in (out)	<u>£ 28,800</u>	<u>£ 28,800</u>	<u>£ 2,560</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 673,249	\$ 47,512	\$ 38,781
Fund balances - beginning	<u>261,551</u>	<u>108,184</u>	<u>212,853</u>
Fund balances - ending	<u>\$ 934,800</u>	<u>\$ 155,696</u>	<u>\$ 251,634</u>

Off-Duty Officers	Library	Totals
\$ 12,685	\$ 48,101	\$ 60,786
-	313,020	364,788
<u>-</u>	<u>-</u>	<u>368,451</u>
\$ 12,685	\$ 368,121	\$ 380,806

\$ 325	\$ 18,704	\$ 19,029
<u>-</u>	<u>-</u>	<u>3,922</u>
\$ 325	\$ 18,704	\$ 19,413
<u>12,360</u>	<u>386,825</u>	<u>399,185</u>
\$ 12,685	\$ 368,121	\$ 380,806

RICHLAND PARISH POLICE JURY

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

December 31, 1996

	Road Maintenance	Drainage Maintenance	Health Unit
ASSETS			
Cash and cash equivalents	\$ 108,300	\$ 74,454	\$ 194,788
Receivables	-	-	32,368
Due from other funds	<u>122,362</u>	<u>43,688</u>	<u>-</u>
Total assets	\$ <u>230,662</u>	\$ <u>118,142</u>	\$ <u>227,156</u>
LIABILITIES AND EQUITY			
Liabilities:			
Payables	\$ 72,510	\$ 9,509	\$ 2,542
Due to other funds	<u>-</u>	<u>5,827</u>	<u>-</u>
Total liabilities	\$ 72,510	\$ 15,336	\$ 2,542
Equity:			
Fund balances - unreserved and undesignated	<u>158,152</u>	<u>102,806</u>	<u>224,614</u>
Total liabilities and equity	\$ <u>230,662</u>	\$ <u>118,142</u>	\$ <u>227,156</u>

COMBINING FINANCIAL STATEMENTS

RICHLAND PARISH POLICE JURY

**NOTES TO FINANCIAL STATEMENTS
(ADDITIONAL DISCLOSURES FOR COMPONENT UNIT)**

Note 13. Compensated Absence:

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

Note 14. Budget (Cash Basis)

Excess of revenues over expenditures - GAAP basis	\$ 10,170
Adjustments:	
Receivables	1,141
Payables	<u>(13,505)</u>
Excess (deficiency) of revenues over expenditures - budgetary basis	<u>\$ 2,755</u>

Note 15. Receivables

Receivables at December 31, 1996, consist of fines and forfeitures in the amount of \$11,912.

Note 16. Pension Plan

The Jury pays a portion of the salaries for some employees of Fifth Judicial Criminal Court and these employees are covered by a multiple-employer public employees retirement system. The contributions are considered immaterial with respect to the Jury and the benefit system as a whole.

Note 17. Criminal Court Fund Balance

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year end be transferred to the General Fund. However, because of constraints related to funding the Criminal Court Fund, the Jury has elected not to transfer any amounts due from Fifth Judicial Criminal Court Fund.

NOTES TO FINANCIAL STATEMENTS

Note 9. Fund Balance Reservation

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

Note 10. Food Stamp Program

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

Note 11. Risk Management

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

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

Note 12. Contingent Liabilities

The Jury has been named in nine lawsuits which are pending as of the date of this report. The Jury's legal counsel does not know if there is any exposure to the Jury over and above its policy limit in any of the cases. The financial statements contain no provision for any unaccrued losses that may result from these litigations.

ECVLAND PARISH POLICE JURY

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Year Ended December 31, 1996

Federal Grant/Pass Through Grant/Program Title	CFDA Number	Federal Revenue	Total Expenditures
Department of Agriculture:			
Department of Social Services			
Food Stamps	* 10.551	\$ 4,014,470	\$ 4,014,470
State Administrative Matching Grants for Food Stamp Program	10.581	16,382	16,382
Totals		<u>\$ 4,030,852</u>	<u>\$ 4,030,852</u>

* major program

NOTES TO FINANCIAL STATEMENTS

Accumulated Compensated Absence:

Full-time employees of the Jay earn from five to ten days off both annual and sick leave each anniversary year of employment, depending on length of service. Employees may accumulate annual leave up to a maximum of 30 days and sick leave up to a maximum of 60 days. Upon resignation, retirement or excess accumulation, employees are compensated for accumulated annual leave at the employee's current rate of pay. Employees are not compensated for converting accumulated sick leave upon termination of employment.

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

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

Note 2. Budget (Cash Basis)

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

Special Revenue			Component Unit		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 2,906,831	\$ 2,516,948	\$ 10,117	\$ -	\$ -	\$ -
-	-	-	-	-	-
170,007	187,820	17,813	-	-	-
2,806	3,228	428	-	-	-
1,600	1,821	221	130,824	124,640	3,806
41,518	38,381	(3,189)	808	181	(437)
<u>\$ 2,922,768</u>	<u>\$ 2,548,228</u>	<u>\$ 25,000</u>	<u>\$ 131,634</u>	<u>\$ 125,021</u>	<u>\$ 3,287</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18,575	6,261	12,314	135,554	137,256	(1,702)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,706,088	2,706,598	(500)	-	-	-
71,600	42,760	28,840	-	-	-
918,860	518,824	47,876	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,154,983</u>	<u>\$ 2,866,541</u>	<u>\$ 88,440</u>	<u>\$ 135,554</u>	<u>\$ 137,256</u>	<u>\$ 1,702</u>

(continued)

RICHLAND PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES AND EXPENDITURES - BUDGET
(CASH BASIS) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS (Continued)
Year Ended December 31, 1996

		General		Variance - Favorable (Unfavorable)
	Budget	Actual		
Excess (deficiency) of revenues over expenditures	\$ 88,602	\$ 81,660	\$ (3,062)	
Other financing sources (uses):				
Sale of fixed assets	-	-	-	-
Operating transfers in (out)	<u>36,782</u>	<u>34,500</u>	<u>(2,282)</u>	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 125,384</u>	<u>\$ 116,160</u>	<u>\$ 9,224</u>	

See notes to financial statements.

Special Revenue			Component Unit		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 232,215	\$ 108,515	\$ 113,900	\$ 3,910	\$ 2,215	\$ 1,695
-	11,096	11,096	-	-	-
<u>\$ 232,215</u>	<u>\$ 119,611</u>	<u>112,604</u>	<u>\$ 3,910</u>	<u>\$ 2,215</u>	<u>\$ 1,695</u>
<u>\$ 232,215</u>	<u>\$ 108,515</u>	<u>\$ 113,900</u>	<u>\$ 3,910</u>	<u>\$ 2,215</u>	<u>\$ 1,695</u>

RICHLAND PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
(PRIMARY GOVERNMENT)

Note 1. Organization and Summary of Significant Accounting Policies

Richland Parish Police Jury (the "Jury") is the governing authority for Richland Parish and is a political subdivision of State of Louisiana. The Jury is governed by nine compensated jurors representing, by election, the various districts within the parish whose terms will expire on December 31, 1999.

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

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

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

NOTES TO FINANCIAL STATEMENTS

Financial Reporting Entity:

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

Fund Accounting:

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

Governmental fund types:

General Fund:

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

Special Revenue Funds:

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

Debt Service Fund:

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

Capital Projects Fund:

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

Fiduciary fund type:

Agency Fund:

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

General fund assets and general long-term debt:

General Fixed Assets Account Group:

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

NOTES TO FINANCIAL STATEMENTS

General Long-Term Debt Account Group

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

Total Columns on Combined Statements - Overview:

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

Comparative Data:

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, presentation of prior year totals by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Basis of Accounting:

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

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

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

June 13, 1997

Miss, Arpaia & Co.

NOTES TO FINANCIAL STATEMENTS

Short-term Interfund Payables

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

Fixed Assets:

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

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

Interfund Transactions:

Quasi-external transactions are accounted for as revenues or expenditures. 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.

Revenue Recognition - Ad Valorem and Sales Taxes:

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

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

NOTES TO FINANCIAL STATEMENTS

The Jury records items under capital lease as fixed assets and the obligation in the General Long-Term Debt Account Group. At December 31, 1996, the Jury had 15 capital leases in effect. The original recorded amount of all capital leases currently in effect is \$1,500,407. The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 1996:

1997				\$ 308,217
1998				289,419
1999				85,831
2000				9,338
Total minimum lease payments				\$ 692,805
Less interest				- 51,351
				Present value of net minimum lease payments
				\$ 641,454

Revenue bonds payable at December 31, 1996, are comprised of the following individual issues:

\$60,000 1992 B General Obligation Bonds - due in annual installments ranging from \$1,813 to \$6,411 through June 15, 2002. Interest at 10.60% to 10.70% is payable June 15 and December 15 of each year. Principal payments due June 15 of each year are as follows:

1997	\$1,946			\$5,315
1998	4,317		2081	5,794
1999	4,846		2082	6,411

The annual requirements to amortize bonded debt outstanding as of December 31, 1996, including interest payments of \$10,760 are as follows:

Year Ending				
December 31,				
1997				\$ 7,000
1998				7,000
1999				6,979
2000				6,904
2001				6,779
2002				8,754
				\$ 41,429

NOTES TO FINANCIAL STATEMENTS

	General	Special Revenues
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - GAAP basis	\$(12,750)	\$(146,503)
Adjustments:		
Receivables	(8,900)	(11,997)
Due from other funds	-	30,338
Payables	<u>£ 3,441</u>	<u>£ 34,189</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - budgetary basis	<u>\$ 12,750</u>	<u>\$ 161,729</u>

Note 3. Deposits with Financial Institutions

At December 31, 1986, the carrying amount of the Jury's deposits was \$734,922 and the bank balance was \$754,999. Of the bank balance, \$200,800 was covered by federal depository insurance (Category 1) and \$554,999 was secured by the market value of collateral held by third party banks' trust departments in the Jury's name.

The amounts disclosed in the preceding paragraph include the funds of both the primary government and component unit as the financial institution considers them as one entity for security purposes due to the check writing authority being the same on all of the accounts. The amounts do not include \$179 of petty cash held.

Under the provisions of Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) as amended, a security agreement, including a pledge of collateral for deposits, is not valid against the Federal Deposit Insurance Corporation (FDIC) unless it is (1) in writing, (2) approved by the depository institution's board of directors or loan committee, which approval must be reflected in the minutes of the board or committee and (3) an official record of the depository institution since it was executed.

There were no repurchase or reverse repurchase agreements at December 31, 1986.

NOTES TO FINANCIAL STATEMENTS

Note 4. Ad Valorem Taxes

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

For the year ended December 31, 1996, taxes of 15.13 mills were levied on property and were dedicated as follows:

General Fund	7.26
Special Revenue Funds	7.87

Total taxes levied were \$349,483. As of December 31, 1996, no taxes of the current levy had yet been remitted by the Sheriff to the Jury. No amounts were due from prior year tax levies.

Note 5. Receivables

A summary of receivables at December 31, 1996, is as follows:

	General	Special Revenues	Agency	Totals
Taxes:				
Ad valorem	\$ 184,605	\$ 164,788	\$ -	\$ 349,493
Beer	800	-	-	800
Sales	-	-	8,230	8,230
Gross receipts	1,268	-	-	1,268
Licenses and permits	11,718	-	-	11,718
Intergovernmental:				
Severance taxes	10,432	-	-	10,432
Video poker	4,493	-	-	4,493
Other	4,674	-	-	4,674
Fees, charges and com- missions for services	1,281	-	-	1,281
Fines and forfeitures	317	-	-	317
	<u>\$ 293,201</u>	<u>\$ 164,788</u>	<u>\$ 8,230</u>	<u>\$ 466,219</u>

NOTES TO FINANCIAL STATEMENTS

Note 5. Changes in Fixed Assets:

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

	Balance January 1, 1976	Additions	Retirements	Balance December 31, 1976
Land	\$ 271,340	\$ -	\$ -	\$ 271,340
Buildings	1,398,942	-	-	1,398,942
Equipment and Furniture	2,221,377	8,820	92,810	2,137,387
Under capital lease	1,668,880	114,628	-	1,783,508
Literary books, etc.	403,224	40,132	31,822	411,534
Totals	\$ 6,323,563	\$ 163,620	\$ 124,642	\$ 6,362,541

Note 7. Pension Plan and Other Pension Liabilities

Plan Description:

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

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

Final-average salary is the employee's average salary over the 36 consecutive or joint 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.

NOTES TO FINANCIAL STATEMENTS

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 Parishial Employees' Retirement System, Post Office Box 14019, Baton Rouge, Louisiana 70803-4519, or by calling (504)928-1361.

Funding Policy

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Jury is required to contribute at an actuarially determined rate. The current rate is 7.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Jury's contributions to the System under Plan A for the years ended December 31, 1996, 1995 and 1994 were \$71,311, \$81,181 and \$89,516, respectively, equal to the required contributions for each year.

Other Pension Liabilities

The Jury pays a portion of the salaries for employees of the registrar of voters and these employees are also covered by a multiple-employer public employees retirement system. The contributions are considered immaterial with respect to the Jury and the health system as a whole.

Note 8. Changes in General Long-Term Debt

The following is a summary of long-term obligation transactions for the year ended December 31, 1996:

	Capital Leases	Revenue Bonds	Compensated Absences	Total
Balance - January 1, 1996	\$ 782,523	\$ 34,314	\$ 22,745	\$ 839,582
Additions	114,628	-	-	114,628
Retirements	<u>258,688</u>	<u>3,385</u>	<u>3,372</u>	<u>265,445</u>
Balance - December 31, 1996	\$ <u>638,463</u>	\$ <u>38,719</u>	\$ <u>23,372</u>	\$ <u>699,554</u>

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RICHLAND PARISH POLICE JURY
FINANCIAL REPORT
December 31, 1966

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewer, 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 April 21, 1967

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

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

June 13, 1997

Hill, Morgan & Co.

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

During the year ended December 31, 1986, Richland Parish Police Jury expended 99.4 percent of its total federal financial assistance under a major federal financial assistance program.

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

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

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

Our consideration of the internal control structure policies and procedures used in administering federal assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matter relating to the internal control structure and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing and extent of the procedures to be performed in our audit of the compliance of Richland Parish Police Jury, with requirements applicable to its federal financial assistance programs for the year ended December 31, 1986, and this report does not affect our report thereon dated June 13, 1987.

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

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

Accounting Controls

- o Cash receipts/disbursements
- o Reversals/creditables
- o Expenditures/accounts payable
- o Equity
- o Financial reporting/budgeting

Administrative Controls

- o General requirements:
 - Political activity
 - Civil rights
 - Cash management
 - Federal financial reports
 - Allowable costs/own principles
 - Drug-Free Workplace Act
 - Administrative requirements
- o Specific requirements:
 - Matching, level of effort or earmarking
 - Special reporting requirements
- o Claims for advances and reimbursements

NOTES TO FINANCIAL STATEMENTS

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

Budgets and Budgetary Accounting:

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. Notice of the location and the availability of the proposed budgets for public inspection and the date of the public hearing to be conducted on the budgets are then advertised in the official journal. Prior to its regular December meeting, the Jury conducts 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 hearing and the desires of the Jury as a whole. The budgets are then adopted during the Jury's regular December meeting and notice of adoption, which includes budget summaries, is published in the official journal.

Cash and Cash Equivalents:

Cash includes amounts in demand deposits, interest-bearing demand deposits and time deposits. Cash equivalents include amounts in time deposits and short investments with original maturities of 90 days or less. Under state law, the Jury may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state/bank/organizations under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the 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.

Uncollectible Allowance:

The statements contain no provision for uncollectible accounts. The Jury is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.