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**WASHINGTON PARISH POLICE JURY**  
*Franklin, Louisiana*

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

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*Year Ended December 31, 1986*

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This report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entry and other appropriate public officials. This report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

JUL 23 1987

Release Date \_\_\_\_\_

**RICHARD M. SEAL**

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WASHINGTON PARISH POLICE JURY  
Franklin, Louisiana

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WASHINGTON PARISH POLICE JURY  
Franklin, Louisiana

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*AUDIT REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS*

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

Washington Parish Police Jury  
Franklin, Louisiana

I have audited the accompanying general-purpose financial statements of the Washington Parish Police Jury, Franklin, Louisiana, as of and for the year ended December 31, 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 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, 1996 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 all material respects, the financial position of the Washington Parish Police Jury, as of December 31, 1996, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the 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 a whole.

In accordance with Government Auditing Standards, I have also issued a report dated June 11, 1997 on my consideration of the Washington Parish Police Jury's internal control structure and a report dated June 11, 1997 on its compliance with laws and regulations.



Certified Public Accountant

Bogalusa, Louisiana  
June 11, 1997

WASHINGTON PARISH POLICE BUREAU  
Bastiboula, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS  
Combined Balance Sheet, December 31, 1988

	GOVERNMENTAL FUNDS		PROPRIETARY FUNCTIONS		ACCOUNT GROUPS		TOTAL NON-GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	INTERNAL SERVICE FUND	EXTERNAL SERVICE FUND	GENERAL FUND ASSETS	INTERNAL LONG-TERM DEBT	
<b>ASSETS AND OTHER DEBITS</b>							
Assets							
Cash and cash equivalents	\$2,139,324	\$ 888,781	\$ 174,998	\$ 853,333	\$	\$	\$ 3,856,436
Receivables		152,521					152,521
Inventory	168,147	1,093,846	80,066	665			1,785,324
Portion in Cooperative Budget/Leasehold							
Interest receivables							
Land, buildings, and equipment	487,588	2,887,889	4,842		31,798,671		3,369,990
Other debits							11,786,631
Amount available to debt service fund							285,416
Amount to be provided for retirement of general long-term debt							612,587
Total Assets and Other Debits	\$3,803,149	\$4,860,446	\$1,262,816	\$854,003	\$31,798,671	\$	\$45,618,925
<b>LIABILITIES AND FUND EQUITY</b>							
Liabilities							
Accounts payable	\$ 80,628	\$ 31,110	\$	\$ 20,428	\$	\$	\$ 132,166
Prepaid activities payable	11,778						11,778
Interest payable	2,847,001	343,144		262,487			3,452,632
Leasehold claims and provisions on cash							14,673

(Continued)

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE BUREAU  
Franklin, Louisiana

ALL FUND TYPES AND ACCOUNT GRIDERS  
Combined Balance Sheet, December 31, 1996

	ECONOMICAL FUND TYPES		PROPERTY TAX FUND TYPES		ACCOUNT GROUPS		TOTAL
	GENERAL FUND	SPECIAL SERVICES FUND	GENERAL FUND	SPECIAL SERVICES FUND	PROPERTY TAX FUND	ACCOUNT GROUPS	(MEMORANDUM)
	\$	\$	\$	\$	\$	\$	\$
Liabilities (cont'd)							
Capital items payable						303,312	303,312
Committed advances payable						11,981	11,981
Due to payrolls						463,000	463,000
Total liabilities	3,117,413	271,026			271,026	768,313	4,163,878
Assets							
Fund Equity:							
Investments in general fund assets							11,796,411
Retained earnings:							
Reserved for reserves - other			243,329				243,329
Fund balance:							
Reserved							253,050
Debt service		6,770					6,770
Eminent domain							308,416
Unreserved							14,127
Designated:							600,000
Culture and publications							14,127
Sports							600,000
Commissary							4,423,291
Unassigned	310,423	2,817,851					3,128,274
Total Fund Equity	3,117,413	4,887,598	243,329		271,026		8,520,366
Total Liabilities and Fund Equity	\$6,234,826	\$8,158,624	\$484,355	\$271,026	\$768,313	\$768,313	\$16,837,148

(Continued)

The accompanying notes are an integral part of this statement.



**WASHINGTON PARISH POLICE JURY**  
**Fish Lake, Louisiana**  
**GOVERNMENTAL FUNDS**

**Combined Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended December 31, 1998**

	General Fund	Special Revenues Funds	Debt Service Fund	Total (Memorandum Only)
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 202,824	\$ 982,992	\$ 59,960	\$ 1,245,776
Sales	5,086	1,509,164		1,514,250
Licenses and permits	108,840			108,840
Intergovernmental revenues:				
Federal funds:				
Federal grants		128,650		128,650
State funds:				
Parish transportation funds		592,573		592,573
State revenue sharing (net)	49,212	191,678		240,890
Other	370,548	4,320		374,868
Fees, charges, etc.	184,904	11,259		196,163
Fines and forfeitures	1,858	115,182		117,040
Interest	276	25,818	4,417	30,511
Vehicle rent		470		470
Other	3,335	2,500		5,835
Total revenues	<u>824,286</u>	<u>3,500,986</u>	<u>100,187</u>	<u>4,544,559</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative	154,790			154,790
Judicial	628,268	127,143		755,411
Executive	47,342			47,342
Education	58,644	33,864		92,508
Finance and administrative	68,455			68,455
Other	32,222	87,891		120,113
Public safety	252,968			252,968
Health and welfare	33,185	160,399		193,584
Highways and streets		1,049,414		1,049,414
Sanitation		85,774		85,774

(Continued)

The accompanying notes are an integral part of this statement.

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

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

	General Fund	Special Revenue Funds	Debt Service Fund	Total (Minor orders Debt)
<b>EXPENDITURES (Classified)</b>				
<b>Current:</b>				
Culture and recreation	\$ 1,031	\$ 156,204	\$ 178,596	\$ 395,791
Debt service	8,232	80,647	178,596	218,634
Capital outlay	8,232	321,244	---	340,024
Total expenditures	<u>1,209,344</u>	<u>2,000,010</u>	<u>178,596</u>	<u>2,288,924</u>
Excess (deficiency) of revenue over expenditures	<u>(203,210)</u>	<u>1,249,127</u>	<u>(118,611)</u>	<u>827,657</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	385,374	308,734	---	694,108
Operating transfers (out)	(74,000)	(928,388)	---	(1,002,388)
Charter Bond Loan/Ref grant - rental income (less)	---	(218,746)	---	(218,746)
Excess sales tax split with other governmental entities	---	(74,946)	---	(74,946)
Sale of fixed assets	---	37,299	---	37,299
Capital lease financing	---	112,533	---	112,533
Total other financing sources (uses)	<u>295,374</u>	<u>(811,850)</u>	<u>---</u>	<u>(516,476)</u>
Excess of revenues and other financing sources over expenditures and other uses	<u>(98,604)</u>	<u>718,409</u>	<u>(118,611)</u>	<u>499,172</u>
Fund balances at beginning of year	<u>437,808</u>	<u>2,289,488</u>	<u>328,020</u>	<u>2,215,617</u>
Fund balances at end of year	<u>\$ 339,204</u>	<u>\$ 4,007,897</u>	<u>\$ 209,409</u>	<u>\$ 4,216,509</u>

(Continued)

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY  
Terrebonne, Louisiana  
GOVERNMENTAL FUNDS - GENERAL  
SPECIAL REVENUE AND TRUST SERVICE FUNDS

Combined Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended December 31, 1998

	General Fund		Special Revenue Funds		2001 Revenue Fund	
	Actual	Budget	Actual	Budget	Actual	Budget
<b>REVENUES</b>						
Taxes						
All Taxes	\$ 61,000	\$ 59,000	\$ 778,000	\$ 877,000	\$ 41,000	\$ 41,000
State	11,000	10,000	1,400,000	1,300,000		
Local and special	50,000	49,000				
Intergovernmental revenue	20,000	18,000				
Federal grants						
State grants			188,000	188,000		
Federal grants						
Federal grants			990,000	990,000		
Federal grants			170,000	170,000		
Federal grants			400	400		
Other			9,000	9,000		
Penalties			9,000	9,000		
Fines and forfeitures			10,000	10,000		
Interest			20,000	20,000		
Dividends			20,000	20,000		
Gifts			20,000	20,000		
Other			400	400		
Total revenues	\$ 102,000	\$ 97,000	\$ 2,467,000	\$ 2,383,000	\$ 421	\$ 421
<b>EXPENDITURES</b>						
Operating						
Police	\$ 10,000	\$ 10,000				
Administration	20,000	20,000				
Finance	10,000	10,000				
Personnel administration	10,000	10,000				
Other	10,000	10,000				
Police utility	10,000	10,000				
Public utility	10,000	10,000				
Highways and roads	10,000	10,000	1,710,000	1,600,000		
Other						
Total expenditures	\$ 70,000	\$ 70,000	\$ 1,720,000	\$ 1,610,000	\$ 1,000	\$ 1,000
Change in fund balances	\$ 32,000	\$ 27,000	\$ 747,000	\$ 773,000	\$ 421	\$ 421
Beginning fund balances	\$ 100,000	\$ 100,000	\$ 1,000,000	\$ 1,000,000	\$ 100,000	\$ 100,000
Ending fund balances	\$ 132,000	\$ 127,000	\$ 1,747,000	\$ 1,773,000	\$ 421	\$ 421

(Continued)

The accompanying notes are an integral part of this statement.

**WASHINGTON PARISH POLICE JURY**  
 Thibodaux, 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

	Budget Fund		Special Revenue Fund		Debt Service Fund		Totals
	Actual	Amended	Actual	Amended	Actual	Amended	
<b>REVENUES</b>							
Taxes	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Fees	5,481	5,481	5,481	5,481	5,481	5,481	16,443
Interest	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Miscellaneous	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Total Revenues	8,553	8,553	8,553	8,553	8,553	8,553	25,660
<b>EXPENDITURES</b>							
Salaries	5,481	5,481	5,481	5,481	5,481	5,481	16,443
Benefits	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Travel	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Telephone	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Printing	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Supplies	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Miscellaneous	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Total Expenditures	12,050	12,050	12,050	12,050	12,050	12,050	36,100
<b>CHANGES IN FUND BALANCES</b>							
Beginning	1,024	1,024	1,024	1,024	1,024	1,024	3,072
Additions	7,529	7,529	7,529	7,529	7,529	7,529	22,587
Deductions	(1,024)	(1,024)	(1,024)	(1,024)	(1,024)	(1,024)	(3,072)
Total Changes	7,529	7,529	7,529	7,529	7,529	7,529	22,587
<b>ENDING FUND BALANCES</b>	8,553	8,553	8,553	8,553	8,553	8,553	25,660

(Continued)

The accompanying notes are an integral part of this statement.

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

Combined Statement of Revenues, Expenses,  
and Changes in Retained Earnings  
For the Year Ended December 31, 1990

	<u>Group Insurance Fund</u>
<b>OPERATING REVENUES</b>	
Interfund insurance premiums	\$ 202,392
Interest income	<u>11,210</u>
Total operating revenues	<u>213,602</u>
<b>OPERATING EXPENSES</b>	
Claims paid	208,763
Administrative fee	<u>282</u>
Total operating expenses	<u>209,045</u>
Net income	4,557
Retained earnings at beginning of year	<u>251,080</u>
Retained earnings at end of year	\$ <u>255,637</u>

The accompanying notes are an integral part of this statement.

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

Combined Statement of Cash Flows  
For the Year Ended December 31, 1990

	<u>Group Insurance Fund</u>
Increase (Decrease) in cash and cash equivalents:	
Cash flows from operations:	
Receipts from interfund insurance premiums	\$ 202,332
Payments for claims	(208,763)
Payments for administrative fee	(585)
(Increase) decrease in accounts receivable	8,876
(Decrease) increase in accounts payable	14,687
Net cash provided by operations	16,947
Cash flows from noncapital financing activities:	
Increase due to other funds	25,380
Net cash provided from noncapital financing activities	25,380
Cash flows from investing activities:	
Interest on bank account	11,816
Net cash flows from investing activities	11,816
Net increase in cash and cash equivalents	54,143
Cash and cash equivalents at beginning of year	479,402
Cash and cash equivalents at end of year	\$ 533,545

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY  
Franklin, Louisiana

Notes to the General Purpose Financial Statements  
As of and for the year ended December 31, 2000

**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 10 jurors representing the various districts within the parish. The jurors serve four-year terms that expire on January 8, 2003.

Louisiana Revised Statute 53:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these 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.

**I. 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 assets and liabilities 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

## WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

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

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity. 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 371.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fines 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, 1943, 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 issues and collects



**WASHINGTON PARISH POLICE JURY**

Franklin, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

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.

**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
Riverdale 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
Vermade 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:

## WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

### 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 Franklin, 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 financially 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

## WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

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

and to aid financial management by segregating transactions relating to certain governmental 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.

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**—accounts for the partial coverage of health insurance provided by one department to other departments or governments on a cost-reimbursement basis.

**WASHINGTON PARISH POLICE JURY**

Franklin, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

**C. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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).

**Revenues**

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., both measurable and available. All 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. All valorem taxes are considered to be available if they are collected within 90 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 (of any other type, 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 as 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.

## WASHINGTON PARISH POLICE JURY

Franklinton, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

### B. BUDGET PRACTICES

Preliminary budgets for the coming 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.

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.

### C. 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 year's budget appropriations. Encumbrances do not constitute expenditures or liabilities.

### D. 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.

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

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 payables 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 604, 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.

## WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

### 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.

### 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. Nonrecursing or nonrecurring 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, 1985 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 re dedicate 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 Parish, to the extent that such projects qualify as allowable Parish Transportation Fund projects;

**WASHINGTON PARISH POLICE JURY**

Franklin, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

- (c) 9.77% 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 Franklin (provided that for five years after the effective date of this reauthorization, 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.

**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 special revenue fund had a deficit fund balance at December 31, 1996:

Criminal Court Fund	\$ 19,682
---------------------	-----------

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:



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

	<u>Liquid Millage</u>	<u>Expiration Date</u>
Parishwide Taxes:		
General Fund:		
Inside	1.80	Indef.
Outside	3.70	Indef.
Special revenue funds:		
Library	4.60	2006
Parish Transportation	4.15	2006
Courthouse Maintenance	1.60	2006
Health Unit Maintenance	3.11	2006
Debt Service Fund	3.25	2001
	<u>19.68</u>	

**4. CASH AND CASH EQUIVALENTS**

At December 31, 1998, the Police Jury has cash and cash equivalents (bank balances) totaling \$3,808,378 as follows:

Demand deposits	\$ 2,272,370
Interest-bearing demand deposits	<u>1,536,008</u>
Total	<u>\$ 3,808,378</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, 1998, the Police Jury has \$3,911,781 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$2,811,781 of pledged securities held by a collateral bank in the name of the fiscal agent bank.

**5. INVESTMENTS**

At December 31, 1998, the Police Jury holds investments of Certificates of Deposit for the Library Fund totaling \$152,921.

WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

Notes to the General Purpose Financial Statements (Continued)

6. RECEIVABLES

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

	General Fund	Special Revenue Funds	Debt Service Fund	Proprietary Fund
Taxes:				
Ad valorem	\$ 212,391	\$ 949,619	\$ 93,008	\$
Sales	1,000	146,834		
State revenue sharing	33,772	142,564		
Intergovernmental-				
State	53,136			
Local	13,289	90,223		
Other	<u>43,392</u>	<u>          </u>	<u>          </u>	<u>450</u>
Total	\$ 358,972	\$ 1,315,640	\$ 93,008	\$ 450

7. FIXED ASSETS

The changes in general fixed assets follow:

	Balance January 1, 1996	Additions	Deletions	Balance December 31, 1996
Police Jury:				
Land	\$ 798,309	\$	\$	\$ 798,309
Building	5,920,943	3,709		5,924,654
Equipment	1,890,943	285,960	211,138	1,965,710
Total Police Jury	<u>8,520,200</u>	<u>289,610</u>	<u>211,138</u>	<u>8,598,673</u>
Library:				
Land	42,343			42,343
Building	489,049			489,049
Furniture & equipment	216,794	7,571		224,365
Books	1,286,044	48,092		1,334,136
Total Library	<u>2,034,230</u>	<u>55,663</u>	<u>          </u>	<u>2,089,893</u>
Landfill	<u>1,613,725</u>	<u>98,468</u>	<u>          </u>	<u>1,712,200</u>
Total	\$ 11,968,208	\$ 439,563	\$ 211,138	\$ 11,796,633

## WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

Notes to the General Purpose Financial Statements (Continued)

### B. 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-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 age 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 70889-4619, or by calling (504) 934-1361.

Under Plan A, members are required by state statute to contribute 3.3 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 11:303, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation.

## WASHINGTON PARISH POLICE JURY

Franklinton, Louisiana

Notes to the General Purpose Financial Statements (Continued)

for the prior fiscal year. The Washington Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1996, 1995, and 1994, were \$76,327, \$78,080, and \$73,133, 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 now 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 \$243,848 as of December 31, 1996, which is based on 10 per cent usage (filled) of the landfill. It is estimated that an additional \$1,280,104 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 (\$1,524,040) 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, 1996. 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.

The estimated liability for closure and postclosure care costs of \$243,848 as of December 31, 1996 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%	\$ 141,675
City of Bogalusa	41.9%	____102,173
		\$ 243,848

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, 1996:

WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

1977	\$	100,577
1998		103,252
1999		70,889
2000		40,675
2001		<u>12,492</u>
Minimum lease payments		327,885
Less amount representing interest		<u>36,568</u>
Present value of minimum lease payments	\$	<u>291,317</u>

11. POLICE JURORS' SALARIES

The following salaries were paid to the Police Jurors:

	<u>1998</u>
Dennis Katan	\$ 322
Chris Jenkins	322
Malvin Keith	9,600
Kenneth Whitt	9,600
Michael Applewhite	9,600
Clinton Milley	9,600
Glenn Sheridan	9,600
David Dillon	9,600
LaRue Martin	322
Marvin Thomas	9,600
Sam Smith	322
Darwin Slapp	9,600
Hollis Stafford, III	10,800
Matthew Tate	9,600
John Brock	9,378
James Strickland	9,378
Kodacy Brown	9,378
Russell Brantfield	<u>9,378</u>
	\$ <u>125,600</u>

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

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

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

	Amount owed 11/79	Additions	Retirements	Amount owed 12/31/79
General obligation Jail bond, series 1991	\$ 514,000	\$	\$ 93,000	\$ 465,000
Capital leases payable	264,790	113,352	71,000	307,142
Landfill closure and post-closure care costs	121,988	19,287		141,275
Compensated absences	11,178	809		11,987
	<u>\$ 913,956</u>	<u>\$ 134,048</u>	<u>\$ 164,000</u>	<u>\$ 883,975</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 all valuations 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:

Year	Principal	Interest	Total
1997	\$ 93,000	\$ 25,878	\$ 118,878
1998	93,000	26,520	119,520
1999	93,000	14,772	107,772
2000	93,000	8,970	101,970
2001	<u>93,000</u>	<u>2,992</u>	<u>95,992</u>
	<u>\$ 463,000</u>	<u>\$ 73,062</u>	<u>\$ 538,062</u>

13. SELF-INSURANCE

The Police Jury is self-insured for medical and dental benefits up to \$12,500 per employee, with Pac American Insurance Company acting as a third party administrator. Each fund contributes individual 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.

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

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	\$ 497,588	\$ 2,648,351
Special Revenue Funds		
Treasurer Tax	17,168	
Parish Transportation	769,362	
Courthouse Maintenance		13,225
Health Unit Maintenance	17,362	
Criminal Court		23,788
Library		188,388
Special Witness	6,455	
Sales Tax Split Proposition	1,760,856	
Data Service Fund	61,442	
Insurance Service Funds		252,427
Total	\$ 3,146,579	\$ 3,146,579

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 Hyllock versus Washington Parish, et al, the court ruled against the Police Jury and awarded a damage verdict of \$1,485,457 plus interest. The attorney for the Police Jury is unable to assess the impact of this case; however, in general, judgment 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.

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

Washington Parish Police Jury  
Franklin, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury, Franklin, Louisiana, as of and for the year ended December 31, 1996, and have issued my report thereon dated June 11, 1997, 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 in 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, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control 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.

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

Dogalusa, Louisiana  
June 11, 1997

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

Washington Parish Police Jury  
Franklin, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury, Franklin, Louisiana, as of and for the year ended December 31, 1996, and have issued my report thereon dated June 11, 1997, 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 11, 1997

*SUPPLEMENTAL INFORMATION*

## SPECIAL REVENUE FUNDS

**Tourism Tax Fund** - The Tourism Tax Fund accounts for the proceeds of a 3% bed and board tax. On March 29, 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 16, 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 2006.

**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 2006.

**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 2006.

**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 collection 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 25:214. 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 2006.

**Special Witness Fund** - The Special Witness Fund was established under Section 25.8 of Title 15 of the Louisiana Revised Statutes of 1981, which provides that costs of court collected in individual cases, trial 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 officiate witness fees. Expenditures are made from the fund when court officials is presented to the parish Comptroller, and when the appropriate payor's department verifies that the officer was off duty.

**Sales Tax Split Propagation Fund** - The Sales Tax Split Propagation Fund accounts for the proceeds of the one-cent sales tax imposed parishwide, excluding the City of Bogalusa, in parish 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 Aagle and Varnado.

WASHINGTON PARADE POLICE FUND  
 Franchises, Licenses  
 SPECIAL REVENUE FUNDS

COMBINED BALANCE SHEET  
 December 31, 1999

Assets	Time Inv.	Money Market Funds	Fixed Income Securities	Common Stocks	Bonds for Mortgages	Control Cost	Other	Special Funds	Gifts To City Reserves	Total
Cash and cash equivalents	\$	\$	\$ 6,000	\$ 10,000	\$ 48,070	\$	\$ 10,000	\$	\$ 12,070	\$ 86,140
Franchises										11,070
Investments			500,000	81,000	38,070	6,000		44	23,070	1,018,180
Money in Common Bond Funds										1,018,180
Investments	11,000		38,000		11,000			1,000	1,070,000	1,136,000
Total assets	\$ 12,000	\$	\$ 1,000,000	\$ 1,019,000	\$ 98,070	\$ 6,000	\$ 10,000	\$ 1,000	\$ 1,103,140	\$ 2,269,210

LIABILITIES AND FUND BALANCES

Liabilities	\$	\$	\$ 1,000	\$ 97	\$ 44	\$ 500	\$ 1,070	\$ 1,100	\$ 100	\$ 2,171
Accounts payable										1,000
Unearned franchise payments										97
Total liabilities			1,000	97	44	500	1,070	1,100	100	2,171
Fund balances										1,047,040
Reserve										1,047,040
In accordance										1,047,040
Unexpended										1,047,040
Reserve										1,047,040
Total fund balances										1,047,040
Total fund balances	\$ 12,000	\$	\$ 1,000,000	\$ 1,019,000	\$ 98,070	\$ 6,000	\$ 10,000	\$ 1,000	\$ 1,103,140	\$ 2,269,210

See accompanying auditor's report.

WASHINGTON PARISH POLICE JURY  
 Gretnada, Louisiana  
 SPECIAL REVENUE FUNDS

COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 Year ended December 31, 1996

Revenue:	Taxes	Special Licenses	Fees Licenses	Commutal Licenses	Rent (for Licenses)	Grants Other	Special Other	Special Other	Special Other	Other	Total
Total	\$	\$	\$ 13,048	\$	\$ 78,079	\$	\$ 28,758	\$	\$ 10,118	\$	\$ 138,811
Expenses:											
Total											
Administrative											
Police											
Transportation											
Other											
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WASHINGTON PARISH POLICE JURY  
Bossier, Louisiana  
SPECIAL REVENUE FUNDS

COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES FUND BALANCES  
Year Ended December 31, 1996

	Trans- fer	Income from Real Estate	Price Appropriation	Contribu- tions	Health Unit Assessment	Shared Cost	Other	Special Funds	Gifts Receivable	Total
Other (including income from) Operating activities related to the fund	0	0	1,282,794	0	0	0	0	0	0	1,282,794
Change Real Estate (plus minus) Income (Net)	0	0	0	0	0	0	0	0	0	0
Income attributable with other government units and other funds	0	0	0	0	0	0	0	0	0	0
Capital Investment	0	0	0	0	0	0	0	0	0	0
Total other Revenues (minus fund expenses)	0	0	1,282,794	0	0	0	0	0	0	1,282,794
From (additions) withdrawn and other financing activities (expenses and other)	0	0	0	0	0	0	0	0	0	0
Total Revenues (Expenses)	0	0	1,282,794	0	0	0	0	0	0	1,282,794
Total Revenues - other	0	0	0	0	0	0	0	0	0	0
Total Revenues - other	0	0	0	0	0	0	0	0	0	0

(Continued)

See accompanying auditor's report.

*AUDIT REPORTS REQUIRED BY THE  
SINGLE AUDIT ACT*

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

**Washington Parish Police Jury  
Franklin, Louisiana**

I have audited the general-purpose financial statements of the Washington Parish Police Jury, Franklin, Louisiana, as of and for the year ended December 31, 1996, and have issued my report thereon dated June 11, 1997, which was qualified for omission of one or more, but not all component units. 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. These 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. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.



Certified Public Accountant

Bogalusa, Louisiana  
June 11, 1997

WASHINGTON PARISH POLICE JURY  
Franklin, Louisiana

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
For the Year Ended December 31, 1986

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM NAME	CFDA NUMBER	EXPENDITURES 1986
<i>United States Department of Agriculture</i>		
<i>Passed through Louisiana Department of Education</i>		
Summer Food Service Program for Children	10.589	\$ 128,000
Total United States Department of Agriculture		128,000
TOTAL EXPENDITURES		\$ 128,000

INDEPENDENT AUDITORS REPORT ON THE INTERNAL CONTROL  
STRUCTURE USED IN ADMINISTERING FEDERAL  
FINANCIAL ASSISTANCE PROGRAMS

Washington Parish Police Jury  
Franklin, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury as of and for the year ended December 31, 1996, and have issued my report thereon dated June 11, 1997, which was qualified for omission of one or more, but not all component units. 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 11, 1997.

I conducted my audit in accordance with generally accepted auditing standards, *Governments 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, 1996, 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, 1997.

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, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

#### General Requirements

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

#### Specific Requirements

- Types of services allowed or unallowed
- Eligibility
- Matching, level of effort, or cost-sharing
- 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, 1986, the Washington Parish Police Jury had no major federal financial assistance programs and expended 100 percent of its total federal financial assistance under the following nonmajor federal financial assistance program: Summer Food Service Program for Children.

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.

  
Richard M. Aral  
Certified Public Accountant

Bogalusa, Louisiana  
June 11, 1987



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

Washington Parish Police Jury  
Franklin, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury as of and for the year ended December 31, 1996, and have issued my report thereon dated June 11, 1997, which was qualified for omission of one or more, but not all component units.

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-133,  *audits of State and Local Governments*, I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1996. As required by OMB Circular A-133, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to these 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 these 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 these 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.

*Richard M. Keat*

Certified Public Accountant

Bogalusa, Louisiana

June 11, 1993

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

Washington Parish Police Jury  
Franklin, Louisiana

I have audited the general-purpose financial statements of the Washington Parish Police Jury as of and for the year ended December 31, 1996, and have issued my report thereon dated June 18, 1997, which was qualified for omission of one or more, but not all component units.

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, 1996.

**General requirements:**

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/own principles
- Drug-Free Workplace Act
- 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 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.



Certified Public Accountant

Monroe, Louisiana  
June 11, 1997

