

45

OFFICIAL
FILE COPY
DO NOT SEND OUT
Remove documents
outside from this
envelope and PLACE
back in file

25419
9 82c0724

RECEIVED
JAN 20 1998
LEGISLATIVE COMMITTEE

WASHINGTON PARISH POLICE JURY
Franklinton, Louisiana

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

Year Ended December 31, 1997

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

Release Date Jan 15 1998

RICHARD M. S[EAL]

45

ORIGINAL
FILE COPY

DO NOT REMOVE

When necessary
copy from this
copy and PLACE
BACK in FILE

25419

9 8 2007 26

RECEIVED

JAN 29 1998

MISSOURI STATE LIBRARY

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana

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

Year Ended December 31, 1997

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

Release Date 9/2/1998

RICHARD M. SEAL

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana

TABLE OF CONTENTS
December 31, 1997

	<u>Page Number</u>
AUDIT REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS	
Independent Auditor's Report on the General-Purpose Financial Statements	2-3
Combined Balance Sheet - All Fund Types and Account Groups	4-5
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	6-7
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Governmental Funds - General, Special Revenue, and Debt Service Funds	8-9
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - Proprietary Fund - Internal Service Fund	10
Combined Statement of Cash Flows - Proprietary Fund - Internal Service Fund	11
Notes to the General-Purpose Financial Statements	12-28
Independent Auditor's Report on Compliance and on Internal Control over Financial Statements Performed in Accordance with Government Auditing Standards	29-30

(Continued)

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana

TABLE OF CONTENTS
December 31, 1997

	<u>Page</u> <u>Number</u>
SUPPLEMENTAL INFORMATION	
Special Revenue Funds	32-33
Combining Balance Sheet - Special Revenue Funds	34
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Special Revenue Funds	35-36
Schedule of Compensation Paid Police Jurors	37
Schedule of Federal Financial Assistance	38
MANAGEMENT LETTER	
Independent Auditor's Management Letter	40
Corrective Action Plan for Current Year Findings	41
Summary of Prior Year Findings	42
(Continued)	

*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, 1997. 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 L, 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, 1997 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, 1997, 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 whole.

In accordance with Government Auditing Standards, I have also issued my report dated June 23, 1998 on my consideration of the Washington Parish Police Jury's internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts, and grants.



Certified Public Accountant

Hogans, Louisiana
June 23, 1998

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana

ALL FUND FUNDS AND ACCOUNT GROUPS
Combined Balance Sheet, December 31, 1987

	GOVERNMENTAL FUNDS		PROPERTY DISBURSEMENTS	ACCOUNT GROUPS GENERAL FUND LOCAL FUND	TOTAL EXHIBITION 20853
	CURRENT RESOURCES FUNDS	NET RESOURCES FUNDS			
ASSETS AND OTHER DEBITS					
Cash	\$1,366,000	\$ 882,120	\$ 204,228	\$	\$ 4,000,004
Other cash equivalents	18,000	18,000			18,000
Investments	482,000	482,000	67,079		2,082,000
Receivables					
Apply to District Bond Liability					
Identified investments	207,000	207,000		10,000,000	3,000,000
Land, buildings, and equipment					3,000,000
Other assets				200,000	200,000
Accounts payable to debt service fund (amounts to be provided for interest at period 10/1/87-6/30)					207,000
Total Assets and Other Debits	\$3,045,000	\$4,081,120	\$ 271,307	\$ 10,000,000	\$ 21,000,000
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 85,000	\$ 14,428	\$ 88,200	\$	\$ 204,000
Payroll liabilities payable	1,000				1,000
Identified payables	3,000,000	3,000,000	20,200		3,000,000
Building payable					20,000
Liability to other fund payables					10,000
Due with					10,000
Capital assets payable					200,000
Comprehensive Accounts payable					200,000
Bond payable					11,000
Total Liabilities	\$3,885,000	\$4,148,628	\$ 238,400	\$	\$ 3,000,000

(Continued)

This accompanying note is an integral part of this statement.

WASHINGTON MARSH POLICE LUFT
Franklin, Louisiana

ALL FUNDS AND ACCOUNT GROUPS
Combined Balance Sheet, December 31, 1987

	CORPORATE FUNDS		CAPITAL		PROPERTY		ACCOUNT GROUPS		TOTAL
	GENERAL FUND	SPECIAL FUND	FUND BALANCE	RESERVE	GENERAL FUND	EQUIPMENT FUND	GENERAL FUND	GENERAL FUND	FUNDS
Fund Equity									
Investment in general fund assets									
Investment in special fund assets									
Investment in miscellaneous claims fund balances									
Reserve									
Depreciation									
Unexpended									
Dispositions									
Total fund equity									
Account Group Assets									
Investment in account group assets									
Unexpended									
Dispositions									
Total account group assets									
Total fund equity and account group assets									

(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, 1967

	General Fund	Special Revenues Funds	Debt Service Fund	Capital Project Fund	Total (Miscellaneous Fund)
REVENUES					
Taxes:					
Ad valorem	\$ 215,278	2,181,972	\$ 98,565	\$	\$ 1,371,840
Notes	9,896	1,386,399			1,341,691
Licenses and permits	152,899				152,899
Inter-governmental revenues:					
Federal funds					
Federal grants		115,918			115,918
State funds:					
For life preservation funds		719,663			719,663
State income sharing (act)	48,900	196,867			245,767
Other	345,190	92,586		286,640	624,416
Fees, charges, etc.	114,475	11,734			126,209
Fines and forfeitures	2,125	133,570			135,695
Interest	928	82,867	1,377		84,172
Volunteers		185			185
Other	1,629	156			4,188
Total revenues	<u>1,877,064</u>	<u>3,863,136</u>	<u>150,942</u>	<u>286,640</u>	<u>5,573,846</u>
EXPENDITURES					
Current:					
General government:					
Legislative	155,136				155,136
Judicial	650,768	114,993			765,761
Executive	48,155				48,155
Municipal	145,410				145,410
Finance and administrative	158,786				158,786
Other	28,028	118,838			146,866
Public safety	247,647			286,640	534,287
Health and welfare	33,994	164,896			198,890
Highways and streets		1,076,100			1,076,100
Recreation		58,994			58,994
Culture and recreation		371,288			371,288
Debt service	1,121	182,378	114,866		298,365
Capital outlay	15,211	83,541			98,752
Total expenditures	<u>1,458,335</u>	<u>2,828,136</u>	<u>114,866</u>	<u>286,640</u>	<u>4,683,977</u>

(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, 1997

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Fund	Total (Other than Grants)
Revenues (deductions) of revenues over expenditures	\$ 1,180,070	\$ 1,780,000	\$ (1,000)	\$ -----	\$ 1,205,220
OTHER FINANCING SOURCES (USES)					
Operating transfers in	300,000	200,000			600,000
Operating transfers from		(600,000)			(600,000)
Dividend Fund (available joint venture income closed)		(10,000)			(10,000)
Excess sales tax split with other governmental entities		(70,000)			(70,000)
Sale of fixed assets		100			100
Capital lease financing	10,100	10,000			20,200
Total other financing sources (uses)	310,100	(260,000)			50,100
Revenues of revenues and other financing sources over expenditures and other uses	(60,000)	1,117,000	(1,000)	---	1,000,000
Fund balances at beginning of year	300,204	4,687,500	300,000	---	5,377,800
Fund balances at end of year	\$ 240,204	\$ 5,805,000	\$ 299,000	\$ -----	\$ 6,379,400
(Continued)					

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY
 Prichardville, Louisiana
 OPERATIONAL FUND - GENERAL
 SPECIAL REVENUE AND OTHER SERVICE FUNDS

Continued Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 1997

	General Fund		Special Revenue Fund		Vendor Proceeds		Subtotal Fund		Vendor Proceeds	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES										
Taxes										
All Taxes	\$ 81,884	\$ 81,176	\$ 1,444	\$ 1,417	\$ 20,046	\$ 20,046	\$ 21,490	\$ 21,463	\$ 21,490	\$ 21,463
Sales	5,000	5,196	1,444	1,417	-	-	6,636	6,613	6,636	6,613
Licenses and permits	90,384	85,980	(1,000)	(1,000)	-	-	14,854	14,850	14,854	14,850
Fees and fines	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total taxes										
State funds										
Federal grants										
Fund transfers										
Fund reappropriation funds										
State revenue sharing grants	49,800	49,800					9,244	9,240	9,244	9,240
Grants	49,800	49,800					9,244	9,240	9,244	9,240
Other	7,100	7,100	4,100	4,100			8,000	8,000	8,000	8,000
New Orleans, LA	7,100	7,100	4,100	4,100			3,900	3,900	3,900	3,900
Fees and Subsidies	1,000	1,100	900	900			1,100	1,100	1,100	1,100
Beats	1,200	80	900	900			900	900	900	900
Total grants							17,144	17,140	17,144	17,140
Other	4,900	4,900					9,300	9,300	9,300	9,300
Total revenues	\$ 137,084	\$ 135,172	\$ 6,988	\$ 6,937	\$ 20,046	\$ 20,046	\$ 48,880	\$ 48,853	\$ 48,880	\$ 48,853
EXPENDITURES										
Salaries	93,144	88,114								
Benefits	42,500	46,250								
Utilities	5,416	4,416								
Supplies	2,400	2,400	4,416	4,416			20,640	20,640	2,400	2,400
Travel	1,000	1,000	(4,416)	(4,416)						
Insurance	7,000	6,900	5,000	5,000						
Professional services	2,400	2,400	5,000	5,000						
Other	2,400	2,400	(1,000)	(1,000)						
Total salaries	174,060	169,470	4,984	4,984			20,640	20,640	4,984	4,984
Total salaries with										
Employee benefits										
Total	\$ 174,060	\$ 169,470	\$ 4,984	\$ 4,984	\$ 20,046	\$ 20,046	\$ 48,880	\$ 48,853	\$ 48,880	\$ 48,853

(Continued)

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE/FLRY
Prisoners, Lemons
ENVIRONMENTAL FUNDS - GENERAL
SPECIAL, GRANT, AND OTHER SERVICE FUNDS

**Condensed Statement of Revenues, Expenditures, and Changes in
Fund Balances - Budget (YOMAP Basis) and Actual
For the Year Ended December 31, 2001**

	General Fund		Special Services Fund		YOMAP Basis		YOMAP Basis	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
REVENUES								
Donations	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Charges and rentals	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Gifts	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Capital assets	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Total revenues	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
EXPENDITURES								
Prisoners	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Lemons	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Total expenditures	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
CHANGES IN FUND BALANCES								
Beginning of year	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Add: Revenues	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Less: Expenditures	(1,000)	(1,100)	(1,000)	(1,100)	(1,000)	(1,100)	(1,000)	(1,100)
Total change	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
End of year	2,000	2,200	2,000	2,200	2,000	2,200	2,000	2,200
REVENUES								
Operating revenues	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Grants	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Total revenues	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
EXPENDITURES								
Operating expenditures	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Total expenditures	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
CHANGES IN FUND BALANCES								
Beginning of year	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Add: Revenues	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
Less: Expenditures	(1,000)	(1,100)	(1,000)	(1,100)	(1,000)	(1,100)	(1,000)	(1,100)
Total change	1,000	1,100	1,000	1,100	1,000	1,100	1,000	1,100
End of year	2,000	2,200	2,000	2,200	2,000	2,200	2,000	2,200

(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, 1997

	Group Insurance Fund
OPERATING REVENUES	
Inscribed insurance premiums	\$ 186,580
Interest income	11,022
Total operating revenues	<u>197,602</u>
OPERATING EXPENSES	
Claims and premiums paid	<u>202,382</u>
Total operating expenses	<u>202,382</u>
Net income (loss)	(44,680)
Retained earnings at beginning of year	<u>255,920</u>
Retained earnings at end of year	\$ <u>211,240</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, 1997

	<u>Group Insurance Fund</u>
Cash flows from operating activities:	
Net income (loss)	\$ (44,608)
Adjustment to reconcile increase (decrease) in net assets to net cash provided by operating activities:	
(Increase) decrease in:	
Accounts receivable	(87,125)
Increase (decrease) in:	
Accounts payable	34,817
Interfund payable	(232,157)
Net cash provided (used) in operating activities	(329,105)
Cash and cash equivalents at beginning of year	513,325
Cash and cash equivalents at end of year	\$ 184,220

Note: There was no interest paid in 1997.

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH POLICE JURY
Franklinton, Louisiana

Notes to the General-Purpose Financial Statements
As of and for the year ended December 31, 1997

INTRODUCTION

The Washington Parish Police Jury (the Police Jury) is the governing authority for Washington Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 14 jurors representing the various districts within the parish. The jurors serve four-year terms that expire on January 8, 2000.

Louisiana Revised Statute 33:1234 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. BASIS OF PRESENTATION

The accompanying financial statements of the Washington Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Washington

WASHINGTON PARISH POLICE JURY

Franklin, Louisiana

Note to the General-Purpose Financial Statements (Continued)

Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
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 Junction Tax Fund (the Fund) was established by Ordinance No. 49 on December 26, 1993, which imposed a 3% local and bonded tax to fund the Washington Parish Tourism Commission (the Commission) created earlier that year. In 1994 the 3% tax was ruled unconstitutional. Since the fund serves all constituents of Washington Parish, and due to the significance of the fiscal dependency relationship, it has been blended with the Police Jury's financial statements.

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

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

The Washington Parish Library (the Library) was established by the Police Jury on November 14, 1945, under provisions of Louisiana Revised Statute 25:211. The Library is governed by a board of control, which is appointed by the Police Jury in accordance with the provisions of Louisiana Revised Statute 25:214. Although the Library is legally separate, the Police Jury approves its budget and levies and collects all valuations 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 bonded component units only; therefore, none of the following listed component units are discretely presented in the accompanying financial statements.

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Washington Parish Assessor	December 31	2
Washington Parish Clerk of Court	June 30	2
Washington Parish Sheriff	June 30	2
Riverside Medical Center-		
Hospital Service District No. 1	December 31	1
Washington Parish Gas District No. 1	December 31	1
Washington Parish Gas District No. 2	December 31	1
Regalosa Waterworks District	December 31	1
Yamado 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. Herman Fire District	December 31	1
Washington Parish Communications		
District	December 31	1
Washington Parish Tourism Commission	December 31	1

WASHINGTON PARISH POLICE JURY

Provisional Louisiana

Notes to the General Purpose Financial Statements (Continued)

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

Related Organizations

Bleeding Authority of Washington Parish - The Police Jury appoints all five Commissioners of the Bleeding 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 58.7% for the Police Jury and 41.3% 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 currently not experiencing any financial stress. Complete financial statements for the Joint Venture can be obtained from the Washington Parish Police Jury at the parish courthouse in Franklinton, LA.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Police Jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (Police Jury).

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

C. FUND ACCOUNTING

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

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

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.
4. **Capital Project Fund**—account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

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:

WILMINGTON POLICE JURY

Amendments, Legislature

Notes to the General-Purpose Financial Statements (continued)

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.

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

Expenditures

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

Other Financing Sources (Uses)

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

Proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included

WASHINGTON PARISH POLICE JURY

Prothonotary, Louisiana

Notes to the General-Purpose Financial Statements (Continued)

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.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

F. 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.

G. 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.

HOUMA POLICE JURY POLICY NOTE

Providentia, Louisiana

Notes to the General-Jury's Financial Statements (Continued)

H. 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 regulated under Louisiana law and national banks having their principal offices in Louisiana.

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

I. 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.

J. 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.

K. COMPENSATED ABSENCES

The cost of current leave privileges, computed in accordance with GASB Codification Section 300, 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.

WASHINGTON PARISH POLICE JURY

Northwestern, Louisiana

Note to the General-Purpose Financial Statements (Continued)

Employees earn 12 days of sick leave each year. A total of 48 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.

L. 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.

M. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriate 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.

N. 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 reported 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.

O. SALES TAXES

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

BRASSARD/DE LAHAYE POLICE JURY

Parish/Police, Louisiana

Notes to the General Purpose Financial Statements (Continued)

On April 11, 1993 the voters decided to reallocate 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 for costs of services which the parish is legally obligated to pay under the laws of Louisiana;
- (b) 44.04% 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;
- (c) 5.73% of such excess proceeds to be used for constructing, maintaining, and improving public roads, highways and bridges, for constructing, maintaining and improving drainage facilities and for economic development in the Town of Franklinton (provided that for five years after the effective date of this rededication, 80% of the portion described in this part (c) shall be used for economic development);
- (d) 0.57% of such excess proceeds to be used for constructing, maintaining and improving public roads, highways and bridges in the Village of Angie; and
- (e) 0.57% of such excess proceeds to be used for constructing, maintaining, and improving public roads, highways and bridges in the Village of Varadero.

F. 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, 1997:

Criminal Court Fund	\$ 5,498
---------------------	----------

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.

BOULDER COUNTY POLICE JURY
Accounts, Auditors
Notes to the General-Purpose Financial Statements (Continued)

A. LEVIED TAXES

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

	Levied Millage	Expiration Date
Payable Taxes:		
General Fund:		
Inside	1.85	Indef
Outside	3.70	Indef
Special revenue funds:		
Library	4.60	2006
Parish Transportation	4.13	2006
Courthouse Maintenance	1.00	2006
Health Unit Maintenance	3.11	2006
Doin Service Fund	1.25	2001
	<u>23.67</u>	

4. CASH AND CASH EQUIVALENTS

At December 31, 1997, the Police Jury has cash and cash equivalents (book balances) totaling \$4,660,994, all are interest bearing demand deposits.

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, 1997, the Police Jury has \$4,804,649 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$4,365,347 of pledged securities held by a custodial bank in the name of the fiscal agent bank (GLAND Category 3).

5. INVESTMENTS

At December 31, 1997, the Police Jury holds investments of Certificates of Deposit for the Library Fund totaling \$150,853. These investments are secured by pledged securities held by a custodial bank in the name of the fiscal agent bank (GLAND Category 3).

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

6. RECEIVABLES

The following is a summary of receivables at December 31, 1997:

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Proprietary Fund
Taxes:					
Ad valorem	\$ 188,448	\$ 594,888	\$ 76,682	\$	\$
Sales	727	185,948			
State revenue sharing	31,268	130,711			
Intergovernmental:					
State	69,179	111,299		108,321	
Local	83,682	5,671			
Other	<u>18,718</u>	<u> </u>	<u> </u>	<u> </u>	<u>67,825</u>
Total	\$ 482,948	\$1,008,804	\$ 76,682	\$ 108,321	\$ 67,825

7. FIXED ASSETS

The changes in general fixed assets follow:

	Balance January 1, 1997	Additions	Deletions	Balance December 31, 1997
Police Jury:				
Land	\$ 788,309	\$ 81,340	\$	\$ 869,649
Building	3,824,624	175,718		4,000,342
Equipment	<u>1,865,718</u>	<u>32,508</u>	<u> </u>	<u>1,898,226</u>
Total Police Jury	<u>6,478,651</u>	<u>289,566</u>	<u> </u>	<u>6,768,235</u>

WASHINGTON PARISH POLICE JURY

President/Chair, Louisiana

Notes to the General Purpose Financial Statements (Continued)

	Balance January 1, 1997	Additions	Deletions	Balance December 31, 1997
Library:				
Land	\$ 42,340	\$	\$	\$ 42,340
Building	488,049			489,049
Furniture & equipment	234,365	3,820		237,985
Books	1,338,130	45,821		1,375,951
Total Library	<u>2,083,674</u>	<u>49,641</u>	<u>-----</u>	<u>2,133,315</u>
Landfill	1,112,355	894	81,340	1,031,909
Total	<u>\$ 3,196,029</u>	<u>\$ 338,901</u>	<u>\$ 81,340</u>	<u>\$ 3,453,590</u>

8. PENSION PLAN

Substantially all employees of the Washington Parish Police Jury are members of the Parishial 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 20 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 1 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, 1990, 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, 1990, plus 1/2 per cent of final-average salary for each year of service credited after that revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the 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

WASHINGTON PARISH POLICE JURY

Provisional Accounts

Notes to the General Purpose Financial Statements (Continued)

obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14615, Baton Rouge, Louisiana 70804-8615, or by calling (504) 938-1361.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Washington Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 8.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Washington Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:113, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Washington Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1997, 1996, and 1995, were \$62,833, \$78,327, and \$78,088, 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 Closure Road Landfill to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. A related liability is being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$336,243 as of December 31, 1997, which is based on 16.6 per cent usage (filled) of the landfill. It is estimated that an additional \$1,689,325 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 (\$3,025,570) 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, 1997. 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 \$336,243 as of December 31, 1997 has been recorded in the general long-term debt of each participant's separate financial statements section as follows:

WASHINGTON PARISH POLICE JURY*Provisional Leases**Notes to the General-Purpose Financial Statements (Continued)*

Washington Parish Police Jury	58.1%	\$ 199,358
City of Bogalusa	41.9%	<u>148,887</u>
		\$ 348,245

Neither the Police Jury nor the City is required to set aside funds in excess 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, 1997:

1998	\$ 108,270
1999	73,507
2000	48,729
2001	15,210
2002	<u>2,493</u>
Minimum lease payments	248,209
Less amount representing interest	<u>(12,933)</u>
Present value of minimum lease payments	\$ 235,276

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

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

	Amount owed 10/1/97	Additions	Retirements	Amount owed 10/31/97
General obligation jail bond, series 1991	\$ 465,000	\$	\$ 85,000	\$ 380,000
Capital leases payable	300,322	24,262	91,339	233,245
Landfill closure and post-closure care costs	141,675	53,683		195,358
Compensated absences	<u>11,582</u>		<u>880</u>	<u>11,182</u>
	\$ 921,579	\$ 77,945	\$ 187,199	\$ 812,325

WASHINGTON PARISH POLICE JURY

Accountants, Louisiana

Notes to the General-Increase Financial Statements (Continued)

The General Obligation Jail Bonds of the Washington Parish Police Jury dated September 20, 1991, issued in the amount of \$798,000, were issued for the purpose of paying off the General Obligation Jail Bond, Series 1981. The bonds are payable from all various taxation. The bonds are due in annual installments of \$15,000 to \$95,000 through March 1, 2001, with an interest rate of 4.75% to 5.75% per annum. The annual requirements to amortize the bonds outstanding are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1998	\$ 55,000	\$ 28,500	\$ 115,500
1999	55,000	14,772	109,772
2000	55,000	8,830	103,830
2001	<u>55,000</u>	<u>2,952</u>	<u>57,952</u>
	\$ <u>380,000</u>	\$ <u>47,214</u>	\$ <u>427,214</u>

12. SELF-INSURANCE

The Police Jury is self-insured for medical and dental benefits up to \$12,500 per employee, with Pan American Insurance Company acting as a third party administrator. Each fund contributes inter-fund insurance premiums to the internal service fund which pays the claims. All losses claims have been recorded as claims payable. Retained earnings has been reserved for payment of claims.

13. LITIGATION

At December 31, 1997, 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 Blacklock versus Washington Parish, et al, the court ruled against the Police Jury and awarded a damage verdict of \$2,486,457 plus interest. The attorney for the Police Jury stated that the judgement is now final and LIGA has paid approximately \$150,000 of it. The remainder of the judgement is active against the Police Jury. However, under current law, the plaintiff is prohibited from seizing public property to satisfy this money judgement. He can only be paid if the Police Jury appropriates the money. At December 31, 1997 no appropriations had been specifically allocated for the payment of this case or any other case.

BRADFORD PARKS POLICE JURY
Franklin, 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	1997	
	Interfund Receivables	Interfund Payables
General Fund	\$ 247,654	\$ 3,632,219
Special Revenue Funds:		
Tourism Tax	64,314	
Parish Transportation	860,030	
Courthouse Maintenance		50,983
Health Unit Maintenance	248,809	
Criminal Court		14,888
Library		150,951
Special Witness	2,803	
Sales Tax Split Proposition	2,483,989	
Debt Service Fund	33,888	
Internal Service Funds		20,210
Total	\$ 3,839,273	\$ 3,839,273

15. CAPITAL PROJECT FUND

The Old Jail Renovation accounts for a \$385,000 grant from the State of Louisiana, as provided in Section 3 of Act 1095. Expenditures were limited to capital improvements for renovations to the old jail in Franklin, Louisiana.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

Washington Parish Police Jury
Franklin, Louisiana

I have audited the financial statements of Washington Parish Police Jury as of and for the year ended December 31, 1997, and have issued my report thereon dated June 23, 1998, 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 the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Washington Parish Police Jury's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Washington Parish Police Jury's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My considerations of the internal control over

financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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 over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the Winkinnon 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

Dogfish, Louisiana
June 23, 1998

SUPPLEMENTAL INFORMATION

SPECIAL REVENUE FUNDS

Tourism Tax Fund - The Tourism Tax Fund accounts for the proceeds of a 7% bed and board tax. On March 30, 1994 the 22nd Judicial District Court ruled the tax unconstitutional. The Police Jury voted to suspend collection of the tax in May 1994 pending the ruling of the Louisiana Supreme Court. On November 30, 1994 the Supreme Court upheld the ruling of the lower Court.

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

Parish Transportation Fund - The Parish Transportation Fund accounts for constructing, improving, and maintaining public roads and bridges in the parish. Financing is provided by the State of Louisiana Parish Transportation Fund, ad valorem taxes, and state revenue sharing funds. The ad valorem tax expires in 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 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 fees in criminal court cases be transferred to the parish treasurer and deposited into a special Criminal Court Fund account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges or on motion of the district judges and approval of the district attorney.

Library Fund - The Washington Parish Library was established by the Police Jury on November 14, 1945, under provisions of Louisiana Revised Statute 25:211. The library provides citizens of the parish access to library materials, books, magazines, records, and films. The library is governed by a board of control, which is appointed by the Police Jury in accordance with the provisions of Louisiana Revised Statute 21:214. The members of the board of control serve without pay. Primary financing is provided by ad valorem taxes and state revenue sharing. The ad valorem tax expires in 2009.

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

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

- (a) 40% of monies 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 monies will be placed in the Parish Transportation Fund to be used for constructing, maintaining, and improving parish roads, highways, and bridges.
- (c) 9.32% of monies 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 monies will be equally used for constructing, maintaining, and improving roads, highways, and bridges in the Villages of Angie and Varnado.

Governor's Office of Rural Development Fund - The Governor's Office of Rural Development Fund accounts for a grant from the State of Louisiana. Expenditures were limited to the construction of buildings and purchase of equipment for four of the five districts in the parish.

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana
SPECIAL REVENUE FUNDS

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Year Ended December 31, 1997

	Trans- fers In	Fund Trans- fers	Public Subsidies	Overseas Assessments	State Tax Assessments	Grants From Other Agencies	License Fees	Special Assess- ments	Fine Forfeits Assessments	Revenue From Other Activities	Total
Revenues	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total	11	3,623	1,322,816	3,128	36,228	1,063,651	60,025	3,128	2,523	1,021	2,692,033
Expenditures											
Operating											
Administration						1,024		6,636			7,660
Police										7,121	7,121
Public works											
Public safety											
Engineering and construction											
Other administration											
Capital assets											
Capital projects											
Total operating											
Total operating											
Change in fund balance											
Total											

(Continued)
See accompanying auditor's report.

WASHINGTON PARISH POLICE JURY
Franklinton, Louisiana

Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 1997

<u>POLICE JUROR</u>	<u>AMOUNT</u>
Hells Stafford, III, President	\$ 10,000
Michael Applewhite	9,600
John Brock	9,600
Rodney Brown	9,600
Randall Hunsford	9,600
David Dillon	9,600
Malvin Keith	9,600
Clinton Milby	9,600
Darwin Sharp	9,600
Glen Sheridan	9,600
Arney Strickland	9,600
Matthew Tate	9,600
Marvin Thomas	9,600
Kenneth Wheat	9,600
	<hr/>
	\$ 135,600

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana

SCHEDULE OF FEDERAL AWARDS
For the Year Ended December 31, 1997

<u>FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>
<u>United States Department of Agriculture</u>			
<u>Passed through Louisiana</u>			
<u>Department of Education</u>			
Summer Food Service Program for Children	10.359	\$ 106,918	\$ 106,918
Total United States Department of Agriculture		<u>106,918</u>	<u>106,918</u>
TOTAL FEDERAL AWARDS		\$ <u>106,918</u>	\$ <u>106,918</u>

MANAGEMENT LETTER

RICHARD M. SEAL

CERTIFIED PUBLIC ACCOUNTANT - CERTIFIED GOVERNMENT FINANCIAL MANAGER

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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, 1997, and have issued my report thereon dated June 23, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Immaterial Noncompliance

During my test of expenditures of the Police Jury I became aware of an instance of immaterial noncompliance that I thought should be brought to your attention, which is described in the accompanying corrective action plan for current year findings as item 97-1.

This report is intended for the information 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

Bayou La Batre, Louisiana
June 23, 1998

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana

Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 1997

Ref No.	Description of Findings	Corrective Action Planned	Name(s) of Contact Person(s)	Anticipated Completion Date
97-1	The Police Jury made mandated payments directly to the vendor for the lease of equipment leased by a financially dependent component unit. The issuance of a lease agreement sometimes requires advertising for bids and approval in issue debt. If the Police Jury pays this mandated expense directly to the vendor, the auditors of the component unit may not be aware that a lease exists. Accordingly, the Legislative Auditors recommend that the Police Jury maintain paper documentation on mandated expenses that may require prior quotes, bids, and/or approval in issue debt.	The Police Jury will amend the Police Jury and Procedures Manual to reflect that we obtain copies of all leases entered into by mandated component who have requested that the Police Jury assume responsibility for the lease payments for the component.	Hollis A. Stafford, III President	September 28, 1998

WASHINGTON PARISH POLICE JURY
Franklin, Louisiana

Summary Schedule of Prior-Year Findings
For the Year Ended December 31, 1997

Ref No.	Fiscal Year Finding Initially Occurred	Description of Findings	Corrective Action Taken (Yes, No, Partially)
------------	--	----------------------------	---

There were no prior-year findings.