

1997  
12/31/97

**ST. JOHN THE BAPTIST PARISH COUNCIL  
LAPLACE, LOUISIANA**

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
WITH INDEPENDENT AUDITOR'S REPORT THEREON**

**Year Ended December 31, 1997**

Under provisions of Article VII, Section 2, of the Louisiana Constitution, this report has been submitted to the public 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: JUN 17 1998

ST. JOHN THE BAPTIST PARISH COUNCIL  
LAPLACE, LOUISIANA

Primary Government Financial Statements  
As of and for the Year Ended December 31, 1997

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ST. JOHN THE BAPTIST PARISH COUNCIL  
LAPLACE, LOUISIANA

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LAPLACE, LOUISIANA

Primary Government Financial Statements  
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## FINANCIAL SECTION

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
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## INDEPENDENT AUDITOR'S REPORT

To the Honorable President  
and Members of the Council  
**ST. JOHN THE BAPTIST PARISH COUNCIL,**  
LaPlace, Louisiana

*We have audited the accompanying primary government financial statements of the ST. JOHN THE BAPTIST PARISH COUNCIL (the Parish), as of and for the year ended December 31, 1997, as listed in the table of contents. These primary government financial statements are the responsibility of the management of the Parish. Our responsibility is to express an opinion on these financial statements based on our audit.*

*We conducted our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the primary government financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall primary government financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.*

*A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the ST. JOHN THE BAPTIST PARISH COUNCIL as of December 31, 1997, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with general accepted accounting principles.*

To the Honorable President  
and Members of the Council  
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However, the primary government financial statements, because they do not include the financial data of component units of the ST. JOHN THE BAPTIST PARISH COUNCIL, do not purport to, and do not, present fairly the financial position of the ST. JOHN THE BAPTIST PARISH COUNCIL, as of December 31, 1998, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 8, 1998, on our consideration of the ST. JOHN THE BAPTIST PARISH COUNCIL'S internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was conducted for the purpose of forming an opinion on the primary government financial statements of the ST. JOHN THE BAPTIST PARISH COUNCIL taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements, and in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole. Also, the supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the primary government financial statements taken as a whole.

### *Release & Copying*

May 8, 1998

**St. John the Baptist Parish Council**  
**La Plac, Louisiana**

**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**December 31, 1997**

	Governmental Fund Types			
	General Fund	Special Revenues Funds	Debt Service Funds	Capital Projects Funds
<b>Assets and Other Debits</b>				
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 1,214,864	\$ 1,868,960	\$ 300,383
Investments	-	4,735,960	3,881,036	1,200,311
Receivables, net	1,048,440	2,325,831	1,782,849	10,787
Due from other funds	16,519	358,414	-	-
Other receivables	18,897	30,587	-	-
Inventory	-	-	-	-
Due from other governments	47,128	170,525	-	-
Other assets	-	-	-	-
Restricted assets	-	-	-	-
Land, buildings, and equipment (net, where applicable, of accumulated depreciation)	-	-	-	-
<i>Other debits</i>				
Amount available to debt service funds	-	-	-	-
Amounts to be provided for retirement of general long-term obligations	-	-	-	-
<b>Total Assets and Other Debits</b>	<b>\$ 1,148,798</b>	<b>\$ 8,778,831</b>	<b>\$ 5,911,745</b>	<b>\$ 1,311,413</b>

The accompanying notes are an integral part of this statement.



Proprietary Fund Types		Fiduciary	Account Groups		Total (Memorandum Only)
Enterprise Funds	Internal Service Funds		Agency Funds	General Fixed Assets	
\$ 492,340	\$ 8,642	\$ 37,400	\$ -	\$ -	\$ 5,421,187
484,228	345,389	286,466	-	-	9,836,880
1,640,929	-	699,029	-	-	7,230,009
160,077	-	-	-	-	771,500
98,645	-	-	-	-	147,129
118,294	-	-	-	-	108,294
-	-	-	-	-	207,024
116,025	-	-	-	-	126,025
2,408,871	-	-	-	-	3,488,871
55,812,788	-	-	18,170,725	-	74,380,313
-	-	-	-	5,911,209	5,911,219
-	-	-	-	34,091,780	34,091,780
<b>\$ 42,288,648</b>	<b>\$ 553,731</b>	<b>\$ 523,798</b>	<b>\$ 18,170,725</b>	<b>\$ 40,004,089</b>	<b>\$ 138,005,316</b>

**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**

**Combined Balance Sheet (Continued)**  
**All Fund Types and Account Groups**  
**December 31, 1997**

	Governmental Fund Types			Capital Projects Funds
	General Fund	Special Revenue Funds	Debt Service Funds	
<b>Liabilities, Equity, and Other Credits</b>				
<b>Liabilities</b>				
Accounts and salaries payable	\$ 181,552	\$ 153,128	\$ -	\$ 308,492
Cash overdrafts	134,648	-	-	-
Contracts payable	-	18,962	-	143,769
Due to other funds	121,088	21,492	-	-
Due to other governments	138,682	43,648	-	-
Payable from restricted assets	-	-	-	-
Other liabilities	-	113,120	528	-
Capital leases payable	-	-	-	-
Loans payable	326,088	-	-	-
Bonds payable	-	-	-	-
<b>Total liabilities</b>	<b>891,873</b>	<b>528,427</b>	<b>528</b>	<b>452,261</b>
<b>Fund equity and other credits</b>				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Reserved	-	-	-	-
Unreserved	-	-	-	-
Fund balances:				
Reserved	-	-	3,811,217	828,122
Unreserved	215,814	8,228,184	-	-
<b>Total fund equity and other credits</b>	<b>215,814</b>	<b>8,228,184</b>	<b>3,811,217</b>	<b>828,122</b>
<b>Total Liabilities, Equity, and Other Credits</b>	<b>\$ 1,107,687</b>	<b>\$ 8,756,611</b>	<b>\$ 3,811,745</b>	<b>\$ 1,580,383</b>

The accompanying notes are an integral part of this statement.

Proprietary Fund Types		Fiduciary	Account Groups		Total (Minimum-cost Only)
Enterprise Funds	Internal Service Funds		General Fund Assets	General Long-term Obligations	
\$ 894,047	\$ -	\$ 286,866	\$ -	\$ -	\$ 1,180,913
-	-	-	-	-	134,640
-	-	-	-	-	163,761
777,000	-	215,075	-	-	1,092,075
-	-	-	-	-	151,283
1,089,728	-	-	-	-	1,899,728
18,000	-	2,107	-	-	20,107
-	-	-	-	904,504	904,504
6,128	-	-	-	18,508	24,636
1,129,108	-	-	-	79,008,008	44,290,890
<u>1,687,983</u>	<u>-</u>	<u>322,798</u>	<u>-</u>	<u>-6,004,004</u>	<u>59,211,823</u>
45,181,049	-	-	-	-	45,181,049
-	-	-	18,772,733	-	18,772,733
1,274,147	47,900	-	-	-	1,322,047
7,137,588	808,231	-	-	-	7,945,819
-	-	-	-	-	6,779,339
-	-	-	-	-	8,480,938
<u>54,572,794</u>	<u>856,131</u>	<u>-</u>	<u>18,772,733</u>	<u>-</u>	<u>80,690,458</u>
<u>142,200,660</u>	<u>\$ 550,731</u>	<u>\$ 623,798</u>	<u>\$ 18,772,733</u>	<u>\$ 40,804,804</u>	<u>\$ 198,000,116</u>

**St. John the Baptist Parish Council**  
Lafayette, Louisiana

**Governmental Fund Types**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 2007**

	Governmental Fund Types				Total Administration (Only)
	General Fund	Special Revenue Funds	Trust Support Funds	Capital Projects Funds	
<b>Revenues</b>					
<b>Taxes:</b>					
Ad valorem	\$ 892,156	\$ 1,096,668	\$ 1,488,891	\$ -	\$ 3,477,715
Sales and use	-	8,607,268	-	-	8,615,836
Other taxes and penalties	-	-	-	-	-
Licenses and permits	712,661	1,006	-	-	713,667
<b>Intergovernmental revenues:</b>					
Federal grants	-	27,877	-	-	27,877
State funds:					
Furlough compensation	-	508,400	-	-	508,400
State revenue sharing	174,000	42,700	-	-	216,700
Other	188,772	328,628	-	-	517,400
Total	174,000	579,728	-	-	753,728
Fees, charges, and commissions	56,531	688,599	-	-	745,130
Fines and forfeitures	56,531	688,599	-	-	745,130
Interest income	11,112	207,872	386,331	171,000	776,315
Other revenues	43,412	282,331	-	-	325,743
<b>Total Revenues</b>	<u>2,289,431</u>	<u>12,495,426</u>	<u>1,875,222</u>	<u>171,000</u>	<u>14,831,079</u>
<b>Expenditures</b>					
<b>Capital expenditures:</b>					
Legislative	192,286	-	-	-	192,286
Judicial	446,688	676,897	-	-	1,123,585
Executive	413,367	-	-	-	413,367
Education	41,038	-	-	-	41,038
Finance and administration	-	28,843	11,749	-	40,592
Civil service	21,742	-	-	-	21,742
Building and plant	636,324	-	-	-	636,324
Planning and zoning	897,423	-	-	-	897,423
Public safety	342,280	1,265,756	-	-	1,608,036
Public works	-	-	-	1,038,704	1,038,704
Health and welfare	249,089	541,844	-	-	790,933
Economic development	-	284,104	-	-	284,104
Transportation	-	2,476,134	-	-	2,476,134
Debt service	68,438	684,213	1,328,362	-	2,081,013
<b>Total Expenditures</b>	<u>\$ 3,144,682</u>	<u>\$ 8,989,217</u>	<u>\$ 1,328,362</u>	<u>\$ 1,038,704</u>	<u>\$ 11,491,165</u>

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**

**Governmental Fund Types**  
**(Combined Statement of Revenues, Expenditures, and Changes in Fund Balances) (Continued)**  
**For the Year Ended December 31, 2022**

	Governmental Fund Types				Total (Majoration Only)
	General Fund	Special Revenue Funds	Joint Service Funds	Capital Projects Funds	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>\$ (151,471)</u>	<u>\$ 4,813,852</u>	<u>\$ 12,284,460</u>	<u>\$ (2,961,127)</u>	<u>\$ 147,614</u>
<b>Other Financing Sources (Uses)</b>					
Proceeds of debt interest	-	-	-	-	134,279
Sale of fixed assets	-	104,209	-	-	1,473,747
Operating grants/incentives	1,011,289	844,827	2,494,287	389,889	1,473,747
Operating investment	(124,400)	(1,773,482)	(128,188)	-	(1,786,050)
<b>Total Other Financing Sources (Uses)</b>	<u>886,889</u>	<u>(1,769,255)</u>	<u>2,376,100</u>	<u>389,889</u>	<u>(191,034)</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>(14,582)</u>	<u>3,044,597</u>	<u>14,910,559</u>	<u>(2,571,238)</u>	<u>(73,420)</u>
<b>Fund Balances, Beginning of Year</b>	<u>207,139</u>	<u>4,982,954</u>	<u>1,741,179</u>	<u>1,468,989</u>	<u>11,992,959</u>
<b>Statutory Equity Transfer</b>	<u>(11,441)</u>	<u>(671,487)</u>	<u>-</u>	<u>(161)</u>	<u>-</u>
<b>Fund Balances, End of Year</b>	<u>\$ 195,698</u>	<u>\$ 4,311,467</u>	<u>\$ 1,741,179</u>	<u>\$ 1,307,667</u>	<u>\$ 11,992,959</u>

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**

**Governmental Fund Types**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP) Basis and Actual**  
**For the Year Ended December 31, 1997**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Over - +)	Budget	Actual	Variance Favorable (Over - +)
<b>Revenues</b>						
<b>Taxes</b>						
Ad valorem	\$ 788,100	\$ 805,364	\$ 17,264	\$ 1,382,000	\$ 1,376,844	\$ (5,156)
Sales and use	-	-	-	7,611,530	6,677,241	(934,289)
Other taxes and penalties	-	-	-	-	-	-
Licenses and permits	701,800	722,603	20,803	7,000	1,186	(5,814)
Intergovernmental revenues:						
Federal grants	-	-	-	22,600	21,677	(923)
State funds:						
Parish transportation	-	-	-	51,600	53,409	1,809
State revenue sharing	174,400	154,000	(20,400)	42,812	41,705	(1,107)
Other	103,000	208,878	105,878	346,760	321,618	(25,142)
Fees, charges, and commissions	159,703	172,666	12,963	217,794	208,282	(9,512)
Fines and forfeitures	31,000	38,934	7,934	445,000	644,000	1,995
Interest income	11,200	11,112	(88)	232,728	275,672	42,944
Other revenues	49,000	63,912	14,912	352,100	367,251	15,151
<b>Total Revenues</b>	<b>2,269,203</b>	<b>2,599,431</b>	<b>33,228</b>	<b>11,214,702</b>	<b>11,602,456</b>	<b>3,887,754</b>
<b>Expenditures</b>						
<b>General government:</b>						
Legislative	284,100	314,308	30,208	-	-	-
Judicial	456,400	466,688	(10,288)	928,679	876,892	(51,787)
Executive	652,900	612,287	40,613	-	-	-
Electoral	58,000	61,008	(3,008)	-	-	-
Finance and administration	-	-	-	-	31,440	(31,440)
Civil service	24,742	22,740	2,002	-	-	-
Building and plant	671,417	636,024	35,393	-	-	-
Planning and zoning	128,861	187,425	(58,564)	-	-	-
Public safety	106,447	242,228	(135,781)	1,887,868	1,261,776	(626,092)
Public works	-	-	-	-	-	-
Health and welfare	341,915	548,000	(206,085)	349,207	641,844	2,927
Economic development	-	-	-	447,428	244,104	(203,324)
Transportation	-	-	-	2,664,228	2,679,216	(14,988)
Debt service	-	58,630	(58,630)	831,175	100,211	(730,964)
<b>Total Expenditures</b>	<b>\$ 3,690,648</b>	<b>\$ 3,154,961</b>	<b>\$ (535,687)</b>	<b>\$ 6,495,022</b>	<b>\$ 11,999,527</b>	<b>\$ 5,504,505</b>

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Council**  
Lafayette, Louisiana

**Governmental Fund Types**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**(Budget (GAAP) Basis and Actual)**  
**For the Year Ended December 31, 2017**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>\$ (752,447)</u>	<u>\$ (811,171)</u>	<u>\$ (113,024)</u>	<u>\$ 4,724,808</u>	<u>\$ 4,603,929</u>	<u>\$ (1,205,129)</u>
<b>Other Financing Sources (Uses)</b>						
Proceeds of debt issued	-	-	-	-	-	-
Sale of fixed assets	-	-	-	134,379	124,379	-
Operating transfers in	1,055,487	1,031,288	(24,199)	628,508	644,071	(14,826)
Operating transfers out	<u>(382,487)</u>	<u>(383,168)</u>	<u>7,247</u>	<u>(2,479,088)</u>	<u>(2,473,682)</u>	<u>25,146</u>
<b>Total Other Financing Sources (Uses)</b>	<u>672,900</u>	<u>648,120</u>	<u>24,780</u>	<u>(1,894,268)</u>	<u>(1,793,332)</u>	<u>100,936</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	55,503	(13,142)	(66,895)	(211,458)	1,798,597	1,880,068
<b>Fund Balances, Beginning of Year</b>	207,028	287,128	-	5,431,261	6,082,994	392,733
<b>Residual Equity Transfer</b>	<u>27,779</u>	<u>61,648</u>	<u>3,869</u>	<u>-</u>	<u>(82,497)</u>	<u>(14,487)</u>
<b>Fund Balances, End of Year</b>	<u>\$ 234,807</u>	<u>\$ 348,776</u>	<u>\$ 113,024</u>	<u>\$ 5,220,003</u>	<u>\$ 5,999,497</u>	<u>\$ 1,791,143</u>

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Council**  
**LaFlore, Louisiana**

**Proprietary Fund Types**  
**Combined Statement of Revenues, Expenses, and Changes in Retained Earnings**  
**For the Year Ended December 31, 1997**

	Proprietary Funds		Total
	Enterprise Funds	Internal Service Fund(s)	
<b>Revenues</b>			
Sales	\$ 4,239,440	\$ -	\$ 4,239,440
Taxes	76,400	-	76,400
Other fees, charges, and commissions	4,434,790	-	4,434,790
Other income	214,140	300	214,440
<b>Total Revenues</b>	<b>8,964,670</b>	<b>300</b>	<b>8,964,970</b>
<b>Operating Expenses</b>			
Gas and water distribution	4,886,300	-	4,886,300
Street collection	4,871,629	-	4,871,629
Solid waste	1,536,975	-	1,536,975
Intergovernmental	293,444	-	293,444
Insurance	-	1,284	1,284
<b>Total Operating Expenses</b>	<b>8,588,348</b>	<b>1,284</b>	<b>8,600,480</b>
<b>Operating Income (Loss)</b>	<b>(623,678)</b>	<b>(984)</b>	<b>(684,662)</b>
<b>Nonoperating Income (Expense)</b>			
Interest income	221,699	27,420	249,119
Interest expense	(234,695)	-	(234,695)
Amortization of bond discount	(11,292)	-	(11,292)
Operating transfers in	1,894,300	34,940	1,929,240
Operating transfers out	(171,471)	(75,880)	(247,351)
Other	4,679	-	4,679
<b>Net Nonoperating Income (Expense)</b>	<b>794,400</b>	<b>(21,940)</b>	<b>772,460</b>
<b>Net Income (Loss)</b>	<b>(79,278)</b>	<b>(23,924)</b>	<b>(103,202)</b>
Amortization of Contributed Capital	1,241,957	-	1,241,957
Increases in reserved retained earnings	-	47,580	47,580
<b>Retained Earnings, Beginning of Year</b>	<b>7,146,096</b>	<b>275,721</b>	<b>7,421,817</b>
<b>Reserved Retained Earnings, End of Year</b>	<b>1,274,147</b>	<b>47,580</b>	<b>1,321,727</b>
<b>Unreserved Retained Earnings, End of Year</b>	<b>\$ 5,871,949</b>	<b>\$ 228,141</b>	<b>\$ 6,099,090</b>

The accompanying notes are an integral part of this statement.



**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**

**Proprietary Fund Types**  
**Condensed Statement of Cash Flows**  
**For the Year Ended December 31, 1997**

	Proprietary Funds		Total
	Enterprise Funds	Internal Service Funds	
<b>Cash Flows From Operating Activities</b>			
Operating income (loss)	\$ (983,603)	\$ (851)	\$ (984,504)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	2,001,726	-	2,001,726
Changes in assets and liabilities:			
Accounts receivable	(508,294)	-	(508,294)
Other receivables	(4,687)	469	(4,682)
Due from other funds	423,781	-	423,781
Due from other governments	-	-	-
Inventory	1,095	-	1,095
Accounts and salaries payable	(1,981)	-	(1,981)
Due to other funds	33,473	-	33,473
Due to other governments	-	-	-
Accrued expenses	-	-	-
Deposits payable	64,119	-	64,119
Interest payable	(1,287)	-	(1,287)
Other payables	18,098	-	18,098
	<u>1,018,233</u>	<u>(186)</u>	<u>1,018,007</u>
Net cash provided (used) by operating activities			
	<u>1,018,233</u>	<u>(186)</u>	<u>1,018,007</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Operating revenues in	1,000,580	26,468	1,000,580
Operating transfers out	(317,671)	(75,088)	(392,759)
	<u>682,909</u>	<u>(48,620)</u>	<u>634,289</u>
Net cash provided (used) by noncapital financing activities			
	<u>682,909</u>	<u>(48,620)</u>	<u>634,289</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Changes in other assets	8,875	-	8,875
Proceeds from bond sales	-	-	-

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**

**Proprietary Fund Types**  
**Combined Statement of Cash Flows (Continued)**  
**For the Year Ended December 31, 1997**

	Proprietary Funds		Total
	Enterprise Funds	Internal Service Funds	
<b>Cash Flows From Capital and Related Financing Activities (Continued)</b>			
Acquisition of capital assets	\$ (2,179,148)	\$ -	\$ (2,179,148)
Gain from sale of fixed assets	8,679	-	8,679
Contributed capital	2,931,900	-	2,931,900
Payment of loans payable	(9,744)	-	(9,744)
Amortization of bond debt expense and bond discount	(11,292)	-	(11,292)
Debt payable			
Principal payments	(271,800)	-	(271,800)
Interest payments	(318,691)	-	(318,691)
Net cash provided/(used) by capital and related financing activities	<u>(1,860,436)</u>	<u>-</u>	<u>(1,860,436)</u>
<b>Cash Flows From Investing Activities</b>			
Interest income	177,694	27,428	205,122
Sale of investment securities	9,241,238	1,762,899	11,004,137
Purchase of investment securities	(10,217,866)	(1,749,402)	(11,967,268)
Net cash provided/(used) by investing activities	<u>(818,934)</u>	<u>41,925</u>	<u>(777,009)</u>
Net Increase (Decrease) in Cash	30,832	(7,370)	23,462
Cash and Cash Equivalents, Beginning of Year	<u>1,816,876</u>	<u>15,914</u>	<u>1,832,790</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,847,708</u>	<u>\$ 8,544</u>	<u>\$ 1,856,252</u>
<b>Reconciliation to Balance Sheet</b>			
Cash and cash equivalents	\$ 841,381		
Cash and cash equivalents, restricted	<u>1,014,871</u>		
Total cash and cash equivalents	<u>\$ 1,856,252</u>		

The accompanying notes are an integral part of this statement.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Parish of St. John the Baptist 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. The more significant of the Parish's accounting policies are described below.

**A. REPORTING ENTITY**

The **ST. JOHN THE BAPTIST PARISH COUNCIL** (the Council) is the governing authority for the Parish of St. John the Baptist, a political subdivision of the State of Louisiana as authorized by the State Constitution. The Council consists of nine members, two of whom are elected from two divisions of the Parish consisting of 10% of the Parish's population and seven members elected to represent each of the seven districts. The Parish President, elected by the voters of the Parish, is the chief executive officer of the Parish and is responsible for carrying out the policies adopted by the Council and for the administration of all Parish departments, offices, agencies and special districts.

Louisiana Revised Statutes, at LSA-R.S. 33:1216, give the Council 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 its drainage system; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the Parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, and various state and federal grants.

St. John the Baptist Parish occupies 351 square miles with a population of approximately 42,800. Council offices are located in the parish office building at 1801 West Airline Highway, LaPlace.

As the governing authority of the Parish, for financial reporting purposes, the **ST. JOHN THE BAPTIST PARISH COUNCIL** is the reporting entity for St. John the Baptist Parish. The financial reporting entity consists of (a) the primary government (Council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Government Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the **ST. JOHN THE BAPTIST PARISH COUNCIL** 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 the following criteria to be considered in determining financial accountability:

1. Organizations for which the Council appoints a voting majority of the governing body, and:
  - a. The ability of the Council to impose its will on the organization or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Council. --
2. Organizations for which the Council does not appoint a voting majority but which are fiscally dependent on the Council.
3. Organizations for which the reporting entity financial statements would be misleading if data for the organization is not included because of the nature or significance of the relationship.

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

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Council on Aging	June 30	2
Community Action Agency	June 30	1.a.b.
Library	December 31	1.a.b.
Public Housing Authority	September 30	1.a.
Assessor	December 31	2
Clerk of Court	June 30	2

The Council has elected to issue financial statements of the primary government (Council)-only; therefore, none of the previously listed component units are included in the accompanying financial statements. However, these component units are required to submit annual financial statements to the State of Louisiana Legislative Auditor.

ST. JOHN THE BAPTIST PARISH COUNCIL  
Lafayette, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The primary government (Council) financial statements include all funds, account groups, and organizations for which the Council maintains the accounting records. The organizations for which the Council maintains the accounting records are considered part of the primary government for financial reporting purposes.

GAAP Statement 34 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Council) 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 government 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.

**B. FUND ACCOUNTING**

The Council 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. 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 Council are classified into three categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Funds**

*General Fund* - The General Fund is the general operating fund of the Council. It accounts for all financial resources except those required to be accounted for in other funds.

*Special Revenue Funds* - Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes are reported as special revenue funds.

ST. JOHN THE BAPTIST PARISH COUNCIL  
Lafayette, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Debt Service Funds* - Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

*Capital Projects Funds* - Capital projects funds account for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those reported in enterprise funds.

**Proprietary Funds**

*Enterprise Funds* - Enterprise funds account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

*Internal Service Funds* - Internal service funds account for the financing of goods or services provided by one department to other departments or governments on a cost-reimbursment basis.

**Fiduciary Funds**

*Agency Funds* - Agency funds are used to account for assets held by the Parish Council on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Account Groups**

*General Fixed Assets Account Group* - The general fixed assets account group is used to account for fixed assets not accounted for in proprietary or trust funds.

*General Long-Term Debt Account Group* - The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

The two account groups are not funds. They are concerned only with the measurement of financial position, not with results of operations.

ST. JOHN THE BAPTIST PARISH COUNCIL  
Lafayette, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental Funds

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 (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under this method revenues are recognized when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. The Parish considers all valuer's taxes revenue in the year for which they are levied. Expenditures are recorded when the related fund liability is incurred, except for sick and vacation leave, which are recorded when paid. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues considered susceptible to accrual are sales and use tax revenues, federal and state grants, and certain franchise fees. Sales taxes are recognized when collected by vendors. Interest on time deposits is recorded when earned. Substantially all other revenues are recorded when received.

Transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses) and are recorded at the time of transfer. Bank loans are recognized when the loan is authorized. Indirect cost reimbursements are the amounts the General Fund charges to several other funds based on the level of services provided to these funds by the General Fund.

The Parish reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Parish before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when

ST. JOHN THE BAPTIST PARISH COUNCIL  
LaPlaze, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

both revenue recognition criteria are met, or when the Parish has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

**Proprietary Funds**

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in net total assets.

The proprietary funds are maintained on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred. Unbilled enterprise fund service receivables are recorded as fund assets at year end.

**B. BUDGETARY ACCOUNTING**

Parish budgets are prepared and reported on the same basis of accounting as the financial statements. The General Fund, Special Revenue Funds, and Enterprise Funds are the only funds for which budgets are legally adopted by the Council. Budgets for the General and Special Revenue Funds are adopted on the modified accrual basis of accounting. Enterprise Fund budgets are adopted on the accrual basis of accounting. Other funds are administratively budgeted for management use only.

All unexpended budgetary appropriations lapse at year end.

Additional details on the budgetary process may be found at Note 2.

**E. ENCUMBRANCES**

The Council does not use an encumbrance accounting system.

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

Cash includes cash on hand, demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments



ST. JOHN THE BAPTIST PARISH COUNCIL  
LaPlace, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

with original maturities of 90 days or less. For purposes of the statement of cash flows, the enterprise funds consider these same items to be cash.

Louisiana Revised Statutes, at LSA-R.S. 33:2685, authorize the Council to invest in (1) direct obligations of the United States Treasury, the principal and interest of which are fully guaranteed by the federal government; (2) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. Government instrumentalities; (3) direct security repurchase agreements of any federal book-entry-only securities; (4) time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana, savings accounts or shares of savings and loan associations; (5) in mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies; or (6) guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Bond Commission.

Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the bank.

Investments consist of U.S. Treasury bills with original maturities of one year or less, and are stated at amortized cost, except for investments in the Defined Compensation Agency Fund, which are reported at market value.

**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 due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**H. ADVANCES TO OTHER FUNDS**

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

ST. JOHN THE BAPTIST PARISH COUNCIL  
Lafayette, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. INVENTORIES

The cost of materials and supplies acquired by the governmental funds are recorded as expenditures at the time of consumption. Proprietary fund type inventories are stated at the lower of cost or market, determined by the first-in, first-out method.

J. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

K. RESTRICTED ASSETS

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by the governing bond covenants. Additionally, customer deposits held by the Gas and Water Enterprise Fund are restricted for use in paying outstanding bills when customers discontinue service.

L. FIXED ASSETS

General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. Assets in the general fixed assets account group are not depreciated. All purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date donated.

The costs of maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized, but improvements that add to the value of assets are capitalized.

Public domain (infrastructure) general fixed assets consisting of roads, bridges, curbs and gutters, and streets and sidewalks are not capitalized, as these assets are inseparable and of value only to the government.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlata, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Proprietary Fund Fixed Assets**

Fixed assets used in the proprietary fund operations (enterprise funds) are included on the balance sheet of the funds at cost where historical records are available and at estimated historical cost where no historical records exist, net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method over the useful lives of the assets ranging from 5 to 40 years.

Interest expense incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the loaned proceeds over the same period.

The costs of maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized. Improvements that add to the value of assets are capitalized and depreciated over the remaining useful lives of the fixed assets.

Fixed assets acquired through capital contributions are capitalized. Depreciation expense applicable to these contributed assets is closed out to the related contributed capital accounts rather than retained earnings. This method is considered preferable under the matching concept wherein acquisition of these fixed assets is recorded as an addition to contributed capital.

**M. COMPENSATED ABSENCES**

The Council has the following policy relating to vacation and sick leave:

Employees earn from 3 to 20 days of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year earned and cannot be accumulated. Also, employees earn 6 to 18 days of sick leave per year which can be accumulated and is paid only upon retirement. The accumulation of sick leave is nominal at December 31, 1997, therefore, a liability for compensated absences due employees has not been included in the combined financial statements.

The cost of current privileges, computed in accordance with GASB Codification Section C89, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. Leave privileges associated with employees of the proprietary funds are recorded as a fund liability and operating expense.

ST. JOHN THE BAPTIST PARISH COUNCIL  
Lafayette, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. LONG-TERM OBLIGATIONS**

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

**O. FUND EQUITY**

**Contributed Capital**

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is amortized based on the depreciation recognized on the portion of the assets acquired or constructed from such resources.

**Reserves**

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

**Designated Fund Balances**

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

**P. INTERFUND TRANSACTIONS**

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

**Q. SALES TAXES**

Sales taxes are collected by the St. John the Baptist Parish School Board, a separate entity, for a fee equal to 50% of actual collection expenditures.

ST. JOHN THE BAPTIST PARISH COUNCIL  
Lafayette, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**II. TOTAL COLUMNS ON COMBINED STATEMENTS**

Total columns on the combined statements are captioned *Minority Interest 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.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budget**

The procedures used by the Parish in establishing the budgetary data reflected in the financial statements are as follows:

- (1) At least sixty (60) days before the beginning of the fiscal year, the President submits a line item operating budget and a capital budget in accordance with accepted accounting procedures in a format established by the Parish Council. The budget submitted shall be balanced. The President submits with the budget a memo containing recommendations concerning the fiscal policy of the Parish, a description of the important features of the budget, and an explanation of all major increases or decreases in budget recommendations as compared with expenditures of the prior year.
- (2) The Parish Council publishes the proposed budget in the official journal two (2) weeks before the meeting at which the budget is to be adopted. The budget as adopted constitutes an appropriation of funds for all purposes contained therein. A budget ordinance becomes effective the first day of the fiscal year, unless otherwise provided therein.
- (3) The Parish Council may amend the budget before adoption except that no items for debt service may be reduced below the amount carried by the President as necessary. In no event should the Parish Council cause the total expenditures to exceed anticipated revenue. If the Parish Council fails to act on either budget within the time limit provided, it shall be adopted as submitted by the President.

**Fund Balances - Deficit**

The Woodland Sewerage Construction Capital Projects fund had a deficit fund balance of \$4,538 at December 31, 1997. Subsequent to year-end, sufficient funds were transferred into the fund to eliminate this deficit.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1997**

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**Fund Balances - Actual and Budget**

The following individual funds had actual fund balances below budgeted fund balances by 2% or more at December 31, 1997:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 308,800	\$ 299,834	\$ (8,966)
Criminal Court	4,242	2,727	(1,515)
<b>Total</b>	<b>\$ 305,100</b>	<b>\$ 298,561</b>	<b>\$ (6,539)</b>

**NOTE 3 - AD VALOREM TAX**

Ad valorem tax on real property is levied as of November 15<sup>th</sup> of each year. The tax becomes an enforceable lien on the property on the first day of the month following the filing of the tax rolls by the Assessor with the Louisiana Tax Commission (usually December 1<sup>st</sup>). The tax bills are mailed by the Sheriff's Office in early December and are due upon receipt. The taxes become delinquent on January 1<sup>st</sup> in the year after levy. The property taxes are levied on property values determined by the St. John the Baptist Parish Assessor's Office. The following is a summary of authorized and levied ad valorem taxes for the year:

<u>Parishwide Taxes</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide	4.25	4.24	Permanent
Courthouse and Jail	1.80	1.84	12/31/95
Library	10.00	9.99	12/31/91
Public Health	1.80	1.80	12/31/98
Public Buildings	0.50	0.50	12/31/94
Water Improvements	7.50	7.50	12/31/04
Road Lighting District No. 1	5.00	4.99	12/31/97
Parishwide Sewerage	4.50	4.50	12/31/04
Mosquito Abatement District	0.50	0.50	12/31/98
Juvenile Detention Center	1.00	1.00	12/31/08
Public Buildings Training Center	0.50	0.50	12/31/04
Public Buildings ARC Maintenance	0.50	0.50	12/31/08
Senior Citizens Center	1.00	1.00	12/31/08

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1997**

**NOTE 4 - SALES AND USE TAX**

The Parish levies a four percent sales and use tax. The Parish and the St. John the Baptist Parish School Board have entered into an agreement under which the School Board collects the Parish's sales and use taxes for a stipulated fee. The School Board remits the proceeds of the sales and use taxes to the Parish on a monthly basis. Sales and use tax revenue recognized in 1997 totaled \$1,177,249.

**NOTE 5 - CASH AND CASH EQUIVALENTS**

At December 31, 1997, the Council has cash and cash equivalents (bank balances) totaling \$3,682,992 of which \$3,307,467 is unrestricted and \$375,525 is restricted. Restricted cash is included with restricted assets on the combined balance sheet. In the enterprise funds, restricted cash equals \$375,525 and unrestricted cash equals \$692,303 for total cash of \$1,047,828, which is presented as total cash in the statement of cash flows.

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. These securities are held in joint custody in a federal reserve bank.

At December 31, 1997, the Council has \$4,085,435 in deposits (collected bank balances). These deposits are secured from risk by \$400,000 of federal deposit insurance and \$1,785,435 of pledged securities held by the federal reserve bank in the name of the fiscal agent bank and the Parish (GASB Category 1).

**NOTE 6 - INVESTMENTS**

The Parish's investments at December 31, 1997, consist of United States Treasury Bills, all of which were purchased with original maturities of one year or less. Under the provisions of *Government Accounting Standards Board Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, these investments are reported at amortized cost.

Investments at year end are categorized below to give an indication of the level of risk assumed by the Parish. The categories of credit risk are as follows:

**Category 1** - Insured or registered, or securities held by the Parish or its agent in the Parish's name.

**Category 2** - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Parish's name.

**Category 3** - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Parish's name.

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**December 31, 1997**

**NOTE 4 - INVESTMENTS (CONTINUED)**

At year end, the Parish's investment balances were as follows:

	Category <u>I</u>	Carrying <u>Amount</u>	Market <u>Value</u>
United States Treasury Bills	<u>\$ 11,000,000</u>	\$ 11,000,000	\$ 12,041,800
Investments not subject to categorization:			
Deferred compensation agency fund		<u>786,400</u>	<u>786,400</u>
<b>Total investments</b>		<u><b>\$ 11,786,400</b></u>	<u><b>\$ 12,828,200</b></u>

The investments in the Deferred Compensation Agency Fund are not evidenced by securities that exist in physical or book entry form and are therefore not categorized.

All investments maintained in the proprietary funds are classified as held-to-maturity. These investments consist exclusively of U.S. Treasury Bills with original maturities of one year or less. The carrying amount of investments in the proprietary funds is \$3,404,363, and the market value is \$3,423,080, resulting in an unrealized gain of \$18,717.

**NOTE 7 - RECEIVABLES**

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

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Proprietary Funds	Agency Funds	Total
<b>Trade:</b>							
Ad Valorem	\$ 711,798	\$1,141,684	\$1,782,049	\$ -	\$ 67,230	\$ -	\$3,702,761
Sales & Use	-	1,116,602	-	-	16,361	199,829	1,544,792
Other	81,908	-	-	-	-	-	81,908
<b>Intergovernmental:</b>							
State	-	-	-	-	-	-	-
Accounts receivable	254,750	61,555	-	-	1,588,679	-	1,904,984
Other receivables	-	-	-	80,792	-	-	80,792
<b>Other receivables</b>	<u>1,048,456</u>	<u>2,211,851</u>	<u>1,782,049</u>	<u>80,792</u>	<u>1,671,018</u>	<u>199,829</u>	<u>7,286,885</u>
<b>Less: Allowance for estimated uncollectibles</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
<b>Net receivables</b>	<u><b>\$1,048,456</b></u>	<u><b>\$2,211,851</b></u>	<u><b>\$1,782,049</b></u>	<u><b>\$ 80,792</b></u>	<u><b>\$1,646,018</b></u>	<u><b>\$199,829</b></u>	<u><b>\$7,261,885</b></u>



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 7 - RECEIVABLES (CONTINUED)**

The allowance for estimated uncollectible receivables is based on historical collection experience and other relevant circumstances. The allowance for estimated uncollectibles consists of the following:

Proprietary Funds:	
Sewer District 10	\$14,833
Solid Waste	2,972
Gas and Water	<u>12,338</u>
 Total allowance for uncollectible accounts	 <u>\$ 29,043</u>

**NOTE 8 - FIXED ASSETS**

The changes in the General Fixed Asset Account Group during the year ended December 31, 1997, follow:

	Balance January 1, 1997	Additions	Deletions	Balance December 31, 1997
Land & building	\$18,483,790	\$ 303,400	\$ 559,299	\$ 18,228,890
Equipment & furniture	7,857,983	279,840	20,890	8,116,833
Construction in progress	73,482	-	73,482	-
 Total	 <u>\$26,415,255</u>	 <u>\$ 583,240</u>	 <u>\$ 653,671</u>	 <u>\$ 26,345,224</u>

A summary of activity during the year ended December 31, 1997, for property, plant, and equipment held in the Parish's Enterprise Funds follows:

	Balance January 1, 1997	Additions	Deletions	Balance December 31, 1997
Land	\$ 301,880	\$ -	\$ -	\$ 301,880
Buildings	347,896	6,947	-	354,843
Systems	73,506,151	3,291,623	-	76,797,774
Equipment	1,624,368	189,784	12,223	1,801,929
Construction in progress	<u>2,598,277</u>	<u>3,616,385</u>	<u>3,134,629</u>	<u>2,880,033</u>
 Subtotal	 <u>\$78,378,572</u>	 <u>\$ 6,904,739</u>	 <u>\$ 3,148,852</u>	 <u>\$ 82,134,459</u>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 8 - FIXED ASSETS (CONTINUED)**

	Balance January 1, 1997	Additions	Deletions	Balance December 31, 1997
Less: Accumulated Depreciation	\$21,031,066	\$2,031,795	\$ 12,287	\$ 23,050,493
<b>Total</b>	<b>\$58,598,171</b>	<b>\$4,431,048</b>	<b>\$3,138,522</b>	<b>\$59,890,697</b>

Construction in progress consists of the following:

	Expended to December 31, 1997
<b>Sewer District</b>	
Wallace Proper	\$1,086,256
Slips Program	131,820
Capt. Bourgeois Gravity Line	398,516
<b>Gas &amp; Water Fund</b>	
Lines Plant	104,258
Transmission Line	<u>208,258</u>
<b>Total construction in progress</b>	<b>\$2,828,108</b>

**NOTE 9 - PENSION PLAN**

*Plan Description:* Substantially all employees of the St. John the Baptist Council are members of the Parochial Employees' Retirement System of Louisiana (the System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and 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 Council 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 prior to 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 prior

ST. JOHN THE BAPTIST PARISH COUNCIL  
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**NOTE 9 - PENSION PLAN (CONTINUED)**

to January 1, 1980, plus 3 per cent of final-average salary for each year of service credited after the vesting date. Final-average salary is the employee's average salary over the 30 consecutive or jointed 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 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 Periodical Employees' Retirement System, Post Office box 14619, Baton Rouge, Louisiana 70899-0619, or by calling (504) 928-1963.

*Funding Policy:* Under Plan A, Members are required by statute to contribute 9.3 percent of their annual covered salary and the ST. JOHN THE BAPTIST PARISH COUNCIL is required to contribute at an actuarially determined rate. Effective January 1, 1997, the current employer contribution rate is 7.75 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 Iberia 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 ST. JOHN THE BAPTIST PARISH COUNCIL are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year. The ST. JOHN THE BAPTIST PARISH COUNCIL'S contributions to the System under Plan A for the year ended December 31, 1997, totaled \$222,198, which is equal to the required contribution for the year. The covered payroll for the year ended December 31, 1997, totaled \$2,896,916.

**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS**

The ST. JOHN THE BAPTIST PARISH COUNCIL provides certain continuing health care and life insurance benefits for its employees. Substantially all of the Council's employees become eligible for these benefits if they reach normal retirement age while working for the Council. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the Council. Benefits for active employees are paid in full by the Council. The Council recognizes the cost of providing these benefits as an expenditure when paid during the year.

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**NOTE 11 - ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The following is a summary of accounts, salaries, and other payables as of December 31, 1997:

Class of Payable	General Fund	Special Revenue Funds	Capital Projects Funds	Enterprise Funds	Agency Funds	Total
Salaries	\$ 252	\$ 1,760	\$ -	\$ 84,890	\$ -	\$ 87,128
Withholding	71,651	55,828	-	45,148	-	172,627
Accounts	128,748	95,628	308,462	463,917	288,466	1,485,221
<b>Total</b>	<b>\$ 192,552</b>	<b>\$ 152,316</b>	<b>\$ 308,462</b>	<b>\$ 594,042</b>	<b>\$ 288,466</b>	<b>\$ 1,734,738</b>

**NOTE 12 - COMPENSATED ABSENCES**

Only full time regular employees with a minimum of six months of employment service are eligible for sick pay. At retirement, all accumulated, unused, and unpaid sick leave days are forwarded to the retirement system for conversion upon application for normal retirement. At December 31, 1997, the Council employees had no accumulated or vested employee leave benefits that would materially affect the financial statements.

**NOTE 13 - LEASES**

The following is a schedule of capital lease obligations at December 31, 1997:

Description	Capitalistic Amount	Interest Rate	Termination Date	Principal Balance	Interest to Maturity
Motorola Radio	\$ 5,771,488	7.12	06/01/98	\$ 48,939	\$ 3,754
Motorola Radio	895,077	6.97	09/15/98	19,261	272
Motorola Radio	21,181	6.97	09/15/98	9,608	278
Motorola Radio	30,718	6.97	09/15/98	3,687	568
Motorola Radio	46,158	6.97	09/15/98	8,212	249
LaPlace Fire Truck	284,998	2.94	11/01/98	47,122	1,113
Westank Pumper Truck	382,149	8.83	06/03/98	36,889	2,128
Interest Loan	19,311	8.23	08/1/84	3,688	-
Ford Dump Truck	178,882	5.86	06/25/98	16,689	276
Equipment	49,800	5.82	05/08/98	7,118	-
Car 102 Escrower	77,771	6.28	03/05/99	24,542	1,088
LaPlace Pumper Truck	186,973	5.79	07/31/93	96,119	14,284

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 13 - LEASES (CONTINUED)**

Description	Capitalizable Amount	Interest Rate	Termination Date	Principal Balance	Interest to Maturity
Bayou River Truck	\$ 375,200	6.00	11/31/98	\$ 160,241	\$ 31,640
Gayville Pumper	184,668	6.11	02/28/01	100,238	10,974
Food Service Center	189,640	9.23	10/31/01	150,973	16,928
Westport Rescue Truck	280,000	6.00	11/31/98	176,351	31,148
<b>Total Lease Portfolio</b>	<b>\$1,429,508</b>			<b>\$ 593,803</b>	<b>\$ 90,690</b>

The Council records lease assets under capital leases as assets and obligations in the accompanying financial statements. The following is an analysis of capital lease activity during the year ended December 31, 1997:

Capital lease obligations at January 1, 1997	\$1,090,271
Add: New lease obligations	159,640
Less: Principal payments	<u>380,327</u>
Capital lease obligations at December 31, 1997	<b>\$ 869,584</b>

The following is a schedule of future minimum lease payments under capital leases and the present value of the net minimum lease payments as of December 31, 1997:

Year Ended	Equipment
1998	\$ 347,902
1999	179,340
2000	164,968
2001	148,934
2002	53,873
2003	53,873
2004	53,873
2005	25,494
2006	<u>25,488</u>
<b>Total Minimum Lease Payments</b>	<b>1,013,905</b>
Less: Amounts Representing Interest	<u>148,401</u>
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 865,504</b>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 14 - LOANS PAYABLE**

At December 31, 1997, the Council had loans outstanding totaling \$204,000 to finance current operations of the General Fund. These bank loans are short-term notes secured by the pledge of revenues, and mature in 1998.

**NOTE 15 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of general long-term obligations transactions for the year ended December 31, 1997:

	Bonded Debt and Certificates of Indebtedness	Lease Purchase Agreements	Promissory Notes	Total
Long-Term Obligations Payable at January 1, 1997	\$ 41,711,908	\$ 1,039,271	\$ 15,400	\$ 42,766,579
Additions	-	139,610	-	139,610
Deductions	2,632,080	285,372	4,900	2,922,352
Long-Term Obligations Payable at December 31, 1997	<u>\$ 39,079,828</u>	<u>\$ 893,509</u>	<u>\$ 10,500</u>	<u>\$ 40,004,000</u>

General Obligation Bonds, Revenue Bonds, Certificates of Indebtedness, and other long-term debt are comprised of the following individual issues:

Bond Type	Date of Issuance	Authorized Amount	Interest Rate %	Maturity Date	Principal Outstanding	Interest in Arrears
<b>Public Improvements (Lease Purchase Agreements) (Lease Purchase Agreements)</b>						
State 1977(1)	08/01/74	\$ 275,000	10.00	08/01/89	\$ -	\$ 2,171
<b>Public Improvements (Bonds)</b>						
State 1977(2)	08/01/74	230,000	10.00	08/01/89	0	2,171
New Improvements 1978 (1)	08/01/78	1,370,000	11.50	08/01/93	891,000	143,248
Sanitized Office Bldg. 1978(2)	08/01/78	800,000	11.50	08/01/93	2,000	44,893
<b>Public Improvements (Refunding Bonds)</b>						
State 1979	10/01/79	12,700,000	11.75	08/01/93	14,700,000	10,549,000
<b>Public Improvements</b>						
Bonds 1979	10/01/79	6,100,000	11.50	08/01/93	5,700,000	75,000
<b>Public Improvements Bonds 1979</b>						
Economic Development	10/01/79	1,000,000	11.50	08/01/93	800,000	490,700
Bonds & Refunding for Bonds 1979	10/01/79	(2,000,000)	11.50	08/01/93	999,000	149,870
<b>Public Improvements Bonds</b>						
State 1979	10/01/79	1,400,000	11.50	08/01/93	1,210,000	890,000

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 05 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

Issue Type	Date of Issuance	Authorized and Issued	Interest Rate %	Maturity Date	Original Contractual	Amount Outstanding
<b>Public Improvement Bonds</b>						
Public Improvement Bonds - Series 2011 (2011)	03/01/94	\$ 400,000	6.125%	03/01/94	\$ 400,000	\$ 270,000
Public Improvement Bonds - Series 2012 (2012)	07/01/95	400,000	6.125%	03/01/95	700,000	270,000
Public Improvement Refunding Bonds (200)	12/01/96	600,000	5.00%	12/01/94	570,000	570,000
Public Improvement Bonds (7-1999)	01/01/96	1,700,000	5.00%	12/01/94	1,650,000	1,700,000
<b>Total Public Improvement Bonds</b>					<b>\$ 2,320,000</b>	<b>\$ 2,210,000</b>
<b>General Obligation Bonds</b>						
General Obligation Bonds - Series 1995 (200 p 1)	06/01/95	1,500,000	6.125%	06/01/94	\$ 700,000	600,000
General Obligation Refunding Bonds (200 p 1)	04/01/96	2,700,000	6.125%	06/01/95	4,311,000	1,400,000
General Obligation Bonds - Series 1998 (1)	06/01/96	500,000	6.00%	06/01/95	400,000	400,000
<b>Total General Obligation Bonds</b>					<b>\$ 5,701,000</b>	<b>\$ 2,400,000</b>
<b>Certificates of Indebtedness</b>						
Certificate of Indebtedness (200)	06/01/96	1,000,000	7.00%	06/01/95	\$ 500,000	\$ 500,000
Certificate of Indebtedness (200)	12/01/96	500,000	5.0	04/01/95	300,000	400,000
Certificate of Indebtedness (200)	07/22/96	500,000	5.0	08/01/94	300,000	500,000
Certificate of Indebtedness (200)	03/08/96	500,000	6.44444%	04/01/95	300,000	300,000
<b>Total Certificate of Indebtedness</b>					<b>\$ 1,400,000</b>	<b>\$ 1,500,000</b>
<b>Total Bonds and Certificate of Indebtedness</b>					<b>\$ 10,021,000</b>	<b>\$ 5,210,000</b>
<b>Revenue Note</b>						
Revenue Note - 1996 - 1997		5,000	-	06/01/96	\$ 1,000	\$ -
Revenue Note - 1997		5,000	-	06/01/96	1,000	-
<b>Total Revenue Note</b>					<b>\$ 2,000</b>	<b>\$ -</b>
<b>Total</b>					<b>\$ 20,023,000</b>	<b>\$ 10,720,000</b>

At December 31, 1997, the Council has accumulated \$5,911,217 in Debt Service Funds for future debt requirements. The annual requirements to service all bonds and/or certificates outstanding at December 31, 1997, including total interest of \$22,414,795 (bonded debt and promissory notes \$22,208,394, capital leases \$148,401) are as follows:

Fiscal Year	Bonded Debt and Certificates of Indebtedness	Capital Lease Obligations	Promissory Note	Total
1998	\$ 3,341,004	\$ 347,882	\$ 5,000	\$ 3,693,886
1999	2,660,000	179,540	5,000	2,844,540
2000	3,111,000	164,968	-	3,275,968
2001	4,717,000	148,934	-	4,865,934
2002	4,440,000	55,870	-	4,495,870
2003-2008	19,710,793	138,729	-	19,849,522
2009-2014	36,179,180	-	-	36,179,180
<b>Total</b>	<b>\$ 68,115,184</b>	<b>\$ 1,652,986</b>	<b>\$ 10,000</b>	<b>\$ 69,778,170</b>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 15 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

General Obligation Bonds, totaling \$7,510,000, and Public Improvement Bonds totaling \$3,378,000, indicated by a [1] on the schedule of debt issues, are secured by an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 39:562, the Council is legally restricted from incurring long-term bonded debt in excess of 10 percent of the assessed value of property in the Parish. At December 31, 1997, the total assessed value of property in the Parish was \$205,648,000, and the statutory limit was \$20,564,800. The total indebtedness secured by ad valorem taxes totaled \$8,888,000.

The long-term debt account group does not include any of the Pollution Control Revenue Bonds or Industrial Revenue Bonds issued by the industrial districts of St. John the Baptist Parish. Obligations of the industrial districts are payable solely from the income and revenues derived from the industrial districts. Although the name of the Council appears on the face of the bonds, the Council has not guaranteed payment of those bonds in the event of default by the issuing authority.

In 1985, the Council defeased certain 1983 Public Improvement Bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the 1983 bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

In 1992, the Council defeased \$265,000 of Series 1983 Health Unit Bonds, \$5,130,000 of Series 1984 Water Improvement Bonds, and \$2,610,000 of Series 1985 Parishwide Sewerage System Bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

In 1996, the Council defeased \$6,200,000 of Public Improvement Bonds, Series 57 1990, by issuing \$6,800,000 of Public Improvement Refunding Bonds, Series 1996. The Council placed the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

The following is a summary of bonded debt of the Gas and Water Distribution System for the year ended June 30, 1997:

Bond Date	Date of Issuance	Authorized Amount	Issued (Par %)	Maturity Date	Principal Outstanding	Interest in Default
<b>Gas and Water</b>						
Water and Gas, Series 1975 Bond Bonds	12/01/75	\$ 2,800,000	4.80	12/01/99	\$ 975,000	\$ 171,120
Water and Gas, Series 1975 Bond Bonds	09/01/75	82,000	4.80	12/01/99	70,000	6,000
Water and Gas, Series 1979 Bond Bonds	12/01/79	170,000	4.80	12/01/98	120,000	4,320
Water and Gas, Series 1990 Bond Bonds	02/01/90	37,000	6.75-7.00	12/01/94	33,000	284,880
Water and Gas, Series 1990 Bond Bonds	12/01/90	4,100,000	2.74-3.0	12/01/91	3,880,000	1,224,000
<b>Total Gas and Water</b>					<b>\$ 5,278,000</b>	<b>\$ 1,286,320</b>



**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 15 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)**

Year/Date	Cost of Issuance	Amortized and Bond	Interest Rate (%)	Maturity Date	Principal Outstanding	Interest to Maturity
Levee and Distribution System of Lake de Cade (1997)	\$4,374.0	264,000	4.00	1997-2000	\$ 2,310,000	\$ 2,400,000
Total					\$ 2,310,000	\$ 2,400,000

\$211,000 of the Gas and Water Bonds Payable are payable from restricted assets, and the remaining \$2,201,000 constitutes long-term debt.

The following is a summary of bond and other long-term debt transactions of the Gas and Water Enterprise Fund for the year ended June 30, 1997:

Long-term obligations payable at July 1, 1996	\$5,753,000
Less: Principal payments	<u>271,000</u>
Long-term obligations payable at June 30, 1997	<u>\$5,482,000</u>

According to the terms of the bond indenture agreements, the Gas and Water Distribution System must provide net revenues in each year equal to at least 130 percent of the bond principal and interest payments in that year. For the fiscal year ended June 30, 1997, the bond debt service coverage factor was met.

The annual requirements to amortize Gas and Water Distribution System debt outstanding, as of June 30, 1997, including interest payments of \$2,825,744 are as follows:

Year Ending June 30,	Amount
1998	\$ 598,720
1999	353,290
2000	560,323
2001	556,668
2002	548,514
2003-2008	3,268,439
2009-2015	<u>2,218,964</u>
	<u>\$ 8,307,744</u>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
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**NOTE 16 - CHANGES IN AGENCY FUNDS**

A summary of changes in assets and liabilities follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
<b>Assets:</b>				
Cash	\$ 29,635	\$2,144,643	\$2,128,828	\$ 45,450
Investments	259,237	43,997	18,728	284,506
Receivables, net	<u>282,891</u>	<u>199,929</u>	<u>282,891</u>	<u>199,929</u>
<b>Total assets</b>	<b><u>\$ 571,763</u></b>	<b><u>\$2,388,569</u></b>	<b><u>\$2,430,347</u></b>	<b><u>\$ 529,785</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 3,031	\$ 2,591	\$ 3,465	\$ 2,157
Benefits payable	259,237	43,997	18,728	284,506
Due to other funds	<u>389,435</u>	<u>2,219,786</u>	<u>2,283,037</u>	<u>215,172</u>
<b>Total liabilities</b>	<b><u>\$ 571,748</u></b>	<b><u>\$2,222,368</u></b>	<b><u>\$2,305,230</u></b>	<b><u>\$ 529,785</u></b>

**NOTE 17 - DUE TO/FROM OTHER FUNDS**

The following is summary of amounts due to/from other funds at December 31, 1997:

	Due From	Due To
General Fund	\$ 18,519	\$ 129,808
Special Revenue Funds	998,414	21,402
Debt Service Funds	-	-
Capital Projects Funds	-	-
Proprietary Funds	362,077	771,801
Agency Funds	<u>-</u>	<u>215,172</u>
	777,510	1,138,578
Difference due to Gas and Water Fund with fiscal year ended June 30, 1997	<u>362,068</u>	<u>-</u>
<b>Total Due To/Due From Other Funds</b>	<b><u>\$1,139,578</u></b>	<b><u>\$1,138,578</u></b>

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**Lafayette, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1997**

**NOTE 18 - OPERATING TRANSFERS IN/OUT**

The following is summary of operating transfers made during the year ended December 31, 1997:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$1,815,289	\$ 185,160
Special Revenue Funds	669,071	5,473,682
Debt Service Funds	3,494,387	120,188
Capital Project Funds	308,800	-
Enterprise Funds	1,008,500	117,471
Internal Service Funds	<u>28,440</u>	<u>75,000</u>
	-	-
Difference in Gas and Water Fund with fiscal year ended June 30, 1997	<u>4,508,687</u>	<u>3,981,301</u>
	<u>-</u>	<u>321,186</u>
Total Operating Transfers In/Out:	<u>\$6,586,687</u>	<u>\$6,506,687</u>

**NOTE 19 - CRIMINAL COURT FUND**

Louisiana Revised Statutes, at LSA-R.S. 15:571.13 requires that one-half of any balance remaining in the Criminal Court Fund at year-end be transferred to the Parish's General Fund. There is no amount due at December 31, 1997.

**NOTE 20 - COMMITMENTS AND CONTINGENCIES**

Litigation

The Parish is a named defendant in a number of claims and lawsuits resulting principally from personal injury, property damage, accidents, and construction claims. The Parish Attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Parish and to arrive at an estimate, if any, of the amount or range of potential loss to the Parish. As a result of such review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," and "remote" contingencies as defined in GASB Codification C90. The Parish's "reasonably possible" loss contingencies at December 31, 1997, for which an amount of liability can be estimated, approximate \$200,000. In accordance with the GASB Codification, this amount has not been recorded as a liability of the General Fund, nor has it been recorded as a general long-term liability. Legal counsel's opinion on the ultimate resolution of these matters is that little or no loss to the Parish Council should be incurred.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LaPlace, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1997**

**NOTE 18 - COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Federally Assisted Programs**

The Parish receives significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The programs are audited in accordance with the Single Audit Act of 1996 and are subject to further examination by the grantor agency. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements.

During 1997, the food stamp program was operated by the Parish under an agreement with the State of Louisiana that terminated in November, 1997, at which time all unutilized food stamps were returned to the State. Under this program, the Parish was responsible for the issuance of food stamps to eligible participants in the Parish. The value of food stamps on hand, received, and issued has not been recorded in the accompanying statements. Effective November 1, 1997, the food stamp program was no longer administered by the Parish. Activity for the year follows:

Balance at January 1, 1997	\$ 1,474,540
Received	1,563,750
Issued	<u>(1,608,209)</u>
 Balance at December 31, 1997	 \$ _____

**NOTE 19 - RESERVED FUND BALANCES AND RETAINED EARNINGS**

The nature and purpose of the reserves of fund balances and retained earnings are as follows:

Fund balances - Reserved for debt service	\$5,911,217
Fund balance available to pay the principal balances of the Parish's general long term obligations.	
 Fund balances - Reserved for capital projects	 \$ 859,122
Unexpended funds remaining in a departmental budget dedicated for capital projects to be performed in future years.	
 Retained earnings - Reserved for bond retirement and capital additions	 \$1,274,047
Retained earnings restricted to paying principal and interest on the Sewer Fund and Gas and Water Fund as well as expenditures for capital additions for these funds.	

ST. JOHN THE BAPTIST PARISH COUNCIL  
LaPlace, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 21 - RESERVED FUND BALANCES AND RETAINED EARNINGS (CONTINUED)**

Retained earnings - Reserved for balance due to the library	\$ 47,500
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**NOTE 22 - DEFERRED COMPENSATION PLAN**

The Parish offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all Parish employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (and paid or made available to the employee or other beneficiary) solely the property and rights of the Parish (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Parish's general creditors. Participants' rights under the plan are equal to those of general creditors of the Parish in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the Parish's legal counsel that the Parish has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Parish believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

In 1997, the U.S. Congress passed legislation requiring the amendment of IRC Section 457 Plans by January 1, 1999. The amendment, when adopted by the Council, will place all assets of the Plan into a trust for the exclusive benefit of participants and their beneficiaries.

**NOTE 23 - SUBSEQUENT EVENTS**

**Gas System Sale**

In October, 1997, subsequent to the reported June 30, 1997, year end of the Gas and Water Enterprise Fund, the Parish completed the sale of its natural gas distribution system to Citizens Utilities, Inc. for \$2.1 million. At the closing of the sale, the Parish deferred substantially all of its outstanding gas and water revenue bonds through the issue of \$356,000 Water Revenue Refunding Bonds, Series 1997A, and \$2,443,000 of Taxable Water Revenue Refunding Bonds, Series 1997B. This transaction had no effect on any fund other than the Gas and Water Enterprise Fund.

ST. JOHN THE BAPTIST PARISH COUNCIL  
LaPlace, Louisiana  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1997

NOTE 13 - SUBSEQUENT EVENTS (CONTINUED)

Bond Issues

In January 1998, the Parish issued \$200,000 Certificate of Indebtedness, Series 1998 for the purpose of acquiring certain property in LaPlace formerly owned by the Lions Club. Also in January 1998, the Parish issued \$500,000 Certificate of Indebtedness to fund insurance premiums.

On March 1, 1998, the Parish issued \$6,000,000 of General Obligation Drainage Bonds, Series 1998A; \$1,200,000 of General Obligation Public Buildings Bonds, Series 1998B; and \$2,021,000 of Certificate of Indebtedness, Series 1998.

## **SUPPLEMENTAL INFORMATION**

**St. John the Baptist Parish Council  
LePlan, Louisiana  
Special Revenue Funds  
Combining Balance Sheet  
December 31, 1997**

	Book and Bills	Cashed Fund	Due Bills	Due LePlan	State Fund	Fund Transfers	Income Debit Fund	Owner's Fund	Other Fund	Income Fund	Balance Forward
<b>Assets</b>											
Cash and cash equivalents	\$ 46,224	\$ 26,822	\$ 2,027	\$ 2,027	\$ 21,442	\$ --	\$ 1,287	\$ --	\$ 7,518	\$ --	\$ 104,320
Accounts receivable	--	125,000	--	--	125,000	--	--	--	--	--	250,000
Inventory	10,000	25,000	4,000	25,000	10,000	--	10,000	--	90	--	100,000
Other receivables	12,877	--	--	--	--	--	--	--	--	--	12,877
Due from other funds	22,000	--	1,200	--	--	--	--	--	--	--	23,200
Due from other governments	10,000	--	--	10,000	1,000	--	--	--	--	--	11,000
<b>Total assets</b>	<b>101,101</b>	<b>276,822</b>	<b>7,254</b>	<b>37,054</b>	<b>468,442</b>	<b>--</b>	<b>11,287</b>	<b>--</b>	<b>7,608</b>	<b>--</b>	<b>1,000,000</b>
<b>Liabilities and Fund Balances</b>											
<b>Liabilities</b>											
Accounts payable	10,000	--	4,750	--	--	--	--	--	--	--	14,750
Accounts receivable	--	1,000	1,000	--	--	--	--	--	--	--	2,000
Due to other governments	--	20,000	1,250	--	--	--	--	--	--	--	21,250
Other liabilities	--	--	--	10,000	--	--	10,000	--	6,613	--	26,613
Contingent liability	--	--	--	--	--	--	--	--	--	--	10,000
Accruals	--	--	--	--	--	--	--	--	--	--	--
<b>Total liabilities</b>	<b>10,000</b>	<b>21,000</b>	<b>7,000</b>	<b>10,000</b>	<b>--</b>	<b>10,000</b>	<b>--</b>	<b>6,613</b>	<b>--</b>	<b>--</b>	<b>61,563</b>
<b>Fund Balances</b>											
Unassigned/unallocated	70,101	1,720	11,504	1,054	458,442	--	1,287	--	11,997	--	475,351
<b>Total fund balances</b>	<b>70,101</b>	<b>1,720</b>	<b>11,504</b>	<b>1,054</b>	<b>458,442</b>	<b>--</b>	<b>1,287</b>	<b>--</b>	<b>11,997</b>	<b>--</b>	<b>475,351</b>
<b>Total liabilities and fund balances</b>	<b>\$ 101,101</b>	<b>\$ 276,822</b>	<b>\$ 7,254</b>	<b>\$ 37,054</b>	<b>\$ 468,442</b>	<b>\$ --</b>	<b>\$ 11,287</b>	<b>\$ --</b>	<b>\$ 7,608</b>	<b>\$ --</b>	<b>\$ 1,000,000</b>

See Independent Auditor's Report



Letter Analysis for Creditors	Asset Warrant for Deponent	Warrant Release for Deponent	Equity Release for Deponent	Capital Asset Note	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors	Letter for Creditors
\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111	\$11,111
1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000

**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Special Revenue Fund**  
**Combining Statement of Revenues, Expenditures, and Changes Fund Balance**  
**For the Year Ended December 31, 2017**

	Fund and object	Original Budget	Last Change	Year Balance	Final Balance	Final Encumbrance	Amount Encumbered	Fund's Balance	Actual Balance	Balance Encumbrance
<b>Revenues</b>										
<b>Taxes</b>										
Ad valorem	\$	-	\$	1,002,974	\$	1,048,813	\$	84,839	\$	-
Sales and use		1,500,000	-	-	-	-	-	-	-	1,500,000
License & permit		1,000	-	-	-	-	-	-	-	-
Intergovernmental revenues		-	-	-	-	-	-	-	-	-
Federal grants		-	815,875	-	-	-	-	-	-	-
State funds		-	-	-	-	-	-	-	-	-
Local organizations		800,000	-	800,000	80,000	8,000	-	-	-	-
Non-restricted grants		-	-	-	-	-	-	-	-	-
Other		100,000	-	-	-	-	-	100,000	-	-
New charges and assessments		800	1,024	1,024	-	-	-	-	1,024	-
State and federal aid		-	840,000	-	-	-	-	-	-	-
Interest income		14,000	1,000	10,000	10,000	1,000	-	1,000	11,000	-
Other revenues		1,000	1,000	1,000	-	-	-	-	1,000	10,000
<b>Total revenues</b>		<b>1,502,000</b>	<b>1,820,875</b>	<b>2,804,994</b>	<b>1,058,813</b>	<b>11,000</b>	<b>11,000</b>	<b>1,746,181</b>	<b>1,757,105</b>	<b>1,520,000</b>
<b>Expenditures</b>										
General government		-	800,000	-	-	-	80,000	80,000	-	-
Interest		80,000	-	-	-	-	-	-	-	-
Miscellaneous administration		-	-	-	-	-	-	-	-	-
Building and plan		-	-	-	-	-	-	-	-	-
Public safety		-	800,000	-	-	-	-	-	-	-
Public works		-	-	-	100,000	-	-	-	-	-
Business development		-	-	-	-	-	-	-	-	100,000
Transportation		1,000,000	-	1,000,000	-	-	-	1,000,000	-	-
Debt service		10,000	-	-	-	-	-	-	-	100,000
<b>Total expenditures</b>		<b>1,000,000</b>	<b>800,000</b>	<b>1,000,000</b>	<b>100,000</b>	<b>-</b>	<b>80,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>400,000</b>
<b>Basic (disability) retirement and expatriation</b>		<b>100,000</b>	<b>1,000</b>	<b>100,000</b>	<b>100,000</b>	<b>10,000</b>	<b>10,000</b>	<b>100,000</b>	<b>100,000</b>	<b>1,000,000</b>
<b>Other intergovernmental funds</b>										
Grants in aid		-	-	-	-	-	-	-	-	100,000
Self-refunded assets		100,000	-	70,000	-	-	-	-	100,000	100,000
Operating transfers in		100,000	-	100,000	-	-	-	-	-	1,000,000
Operating transfers out		-	-	-	-	-	-	-	-	1,000,000
<b>Total other intergovernmental funds</b>		<b>1,000,000</b>	<b>-</b>	<b>170,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Basic (disability) retirement and other retirement and expatriation activities</b>		<b>100,000</b>	<b>1,000</b>	<b>100,000</b>	<b>100,000</b>	<b>10,000</b>	<b>10,000</b>	<b>100,000</b>	<b>100,000</b>	<b>1,000,000</b>
<b>Facilities, including if any</b>		<b>10,000</b>	<b>1,000</b>	<b>10,000</b>	<b>10,000</b>	<b>1,000</b>	<b>1,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Capital funds</b>		<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,000</b>	<b>1,000</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>
<b>Facilities, end of year</b>		<b>\$</b>	<b>1,000</b>	<b>\$</b>	<b>1,000,000</b>	<b>\$</b>	<b>11,000</b>	<b>\$</b>	<b>1,000</b>	<b>\$</b>
<b>Facilities, end of year</b>		<b>\$</b>	<b>1,000</b>	<b>\$</b>	<b>1,000,000</b>	<b>\$</b>	<b>11,000</b>	<b>\$</b>	<b>1,000</b>	<b>\$</b>

See Independent Auditor's Report



**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Debt Service Funds**  
**Combining Balance Sheet**  
**December 31, 1997**

	Fire Protection District 2 Sinking	Parishwide Sewerage Sales Tax Reserve	Parishwide Sewerage Sales Tax Sinking	Economic Development Sales Tax Reserve	Economic Development Sales Tax Sinking	Road and Drainage Sales Tax Reserve
<b>Assets</b>						
Cash and cash equivalents	\$ 24,350	\$ 83,228	\$ 317,758	\$ 11,489	\$ 9,898	\$ 1,238
Investments	-	2,460,825	-	260,187	-	240,844
Receivables	-	7,281	-	1,830	-	3,514
<b>Total assets</b>	<b>\$ 24,350</b>	<b>\$ 2,351,344</b>	<b>\$ 317,758</b>	<b>\$ 273,636</b>	<b>\$ 9,898</b>	<b>\$ 245,784</b>
<b>Liabilities and fund balance</b>						
<b>Liabilities</b>						
Other payables (Due to other funds)	-	-	-	-	318	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>318</b>	<b>-</b>
<b>Fund balance</b>						
Reserved for debt service	24,350	2,351,344	317,758	273,636	9,579	245,784
<b>Total fund balance</b>	<b>\$ 24,350</b>	<b>\$ 2,351,344</b>	<b>\$ 317,758</b>	<b>\$ 273,636</b>	<b>\$ 9,579</b>	<b>\$ 245,784</b>
<b>Total liabilities and fund balance</b>	<b>\$ 24,350</b>	<b>\$ 2,351,344</b>	<b>\$ 317,758</b>	<b>\$ 273,636</b>	<b>\$ 9,898</b>	<b>\$ 245,784</b>

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	Fixed and Debtage Sales Tax Selling	1993 General Obligation Bonding	1999 Certificates of Indebtedness	1994 Certificates of Indebtedness	Statewide Sewerage Local Particulate	Total
\$	184,158	\$ 315,333	\$ 121,448	\$ -	\$ 7,527	\$ 1,868,560
	-	-	-	-	-	3,861,336
	-	1,770,144	-	-	-	1,782,879
	184,158	3,085,477	121,448	-	7,527	5,811,743
	-	-	-	-	-	528
	-	-	-	-	-	-
	-	-	-	-	-	528
	348,330	3,085,477	121,448	-	7,527	3,961,313
	348,330	3,085,477	121,448	-	7,527	3,961,313
\$	348,330	\$ 3,085,477	\$ 121,448	\$ -	\$ 7,527	\$ 3,961,313

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**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Debt Service Funds**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 1997**

	Fire Protection District 2 Sinking	Parishwide Sewerage Sales Tax Reserve	Parishwide Sewerage Sales Tax Sinking	Economic Development Sales Tax Reserve	Economic Development Sales Tax Sinking	Road and Drainage Sales Tax Reserve
<b>Revenues</b>						
<b>Taxes</b>						
Ad valorem	\$ 4,381	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessment	-	-	-	-	-	-
Interest income	2,297	128,140	45,442	18,722	3,780	11,819
<b>Total revenues</b>	<b>6,678</b>	<b>128,140</b>	<b>45,442</b>	<b>18,722</b>	<b>3,780</b>	<b>11,819</b>
<b>Expenditures</b>						
<b>General government</b>						
Financial and administrative	499	3	6,536	-	1,689	-
<b>Debt service</b>						
Principal	65,880	-	718,880	-	118,688	-
Interest	1,380	-	1,771,033	-	242,671	-
<b>Total expenditures</b>	<b>67,759</b>	<b>3</b>	<b>2,496,449</b>	<b>-</b>	<b>362,948</b>	<b>-</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>(61,081)</b>	<b>128,138</b>	<b>(2,451,007)</b>	<b>18,722</b>	<b>(349,168)</b>	<b>11,819</b>
<b>Other financing sources (uses)</b>						
Fund Proceeds	-	-	-	-	-	-
Operating transfers in	-	-	2,302,369	-	322,678	3,118
Operating transfers out	-	(88,508)	(17,860)	(8,000)	-	(3,488)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(88,508)</b>	<b>2,384,509</b>	<b>(8,000)</b>	<b>322,678</b>	<b>(3,370)</b>
<b>Excess (Deficiency) of revenues and other sources over expenditures and other uses</b>	<b>(61,081)</b>	<b>39,630</b>	<b>21,332</b>	<b>10,722</b>	<b>4,689</b>	<b>3,349</b>
<b>Fund balances, beginning of year</b>	<b>81,422</b>	<b>2,312,908</b>	<b>296,410</b>	<b>362,914</b>	<b>1,273</b>	<b>243,597</b>
<b>Fund balances, end of year</b>	<b>\$ 20,341</b>	<b>\$ 2,352,538</b>	<b>\$ 317,742</b>	<b>\$ 373,636</b>	<b>\$ 6,062</b>	<b>\$ 246,946</b>

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Food and Drainage Sales Tax Sinking	1993 General Obligations Sinking	1989 Certificates of Indebtedness	1994 Certificates of Indebtedness	Parishwide Sewerage Fund Purchase	Total
\$ -	\$ 1,811,110	\$ -	\$ -	\$ -	\$ 1,811,110
-	-	-	-	-	-
6,910	36,889	4,912	-	489	290,521
6,910	1,847,999	4,912	-	489	2,116,042
-	-	-	-	-	-
378	1,948	417	-	-	11,148
299,800	1,203,080	150,800	38,000	4,980	2,696,680
88,663	591,343	31,820	15,400	-	2,792,162
379,463	1,794,323	182,620	53,400	4,980	3,318,542
(212,894)	111,866	(177,432)	(28,400)	(4,401)	(3,294,448)
-	-	-	-	-	-
400,130	-	389,720	45,400	-	3,494,147
-	-	-	-	-	(139,188)
400,130	-	389,720	45,400	-	3,374,959
-	-	-	-	-	-
28,021	111,866	32,281	-	(4,410)	169,719
136,328	1,976,411	111,131	-	11,578	5,741,478
\$ 184,579	\$ 2,088,477	\$ 121,682	\$ -	\$ 7,167	\$ 3,911,217

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**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Capital Projects Funds**  
**Combining Balance Sheet**  
**December 31, 1997**

	Parishwide Sewerage Construction Phase II	Woodland Sewerage Construction	Fiscal Year 1998	
			Parishwide Sewerage Construction Phase I	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 161,628	\$ 100	\$ 118,884	\$ 380,612
Investments	-	-	1,289,311	1,289,311
Receivables	-	-	18,787	18,787
Due from other funds	-	-	-	-
Due from other governmental	-	-	-	-
<b>Total assets</b>	<b>161,628</b>	<b>100</b>	<b>1,427,072</b>	<b>1,811,413</b>
<b>Liabilities and fund balance</b>				
<b>Liabilities</b>				
Accounts payable	-	-	208,492	208,492
Contracts payable	4,872	4,668	114,367	141,769
<b>Total liabilities</b>	<b>4,872</b>	<b>4,668</b>	<b>322,859</b>	<b>350,261</b>
<b>Fund balance</b>				
Reserved for capital projects	156,757	(4,568)	798,913	859,102
<b>Total fund balance</b>	<b>156,757</b>	<b>(4,568)</b>	<b>798,913</b>	<b>859,102</b>
<b>Total liabilities and fund balance</b>	<b>\$ 161,629</b>	<b>\$ 102</b>	<b>\$ 1,149,672</b>	<b>\$ 1,811,413</b>

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**St. John the Baptist Parish Council**  
**LaPlante, Louisiana**  
**Capital Projects Fund**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 1997**

	Bond Sales 1990				Total
	Parishwide Sewerage Construction Phase II	Woodland Sewerage Construction	Parishwide Sewerage Construction Phase II	Economic Development Capital Improvements	
<b>Revenues</b>					
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-	-
Interest income	1,769	1,865	117,489	-	121,111
Other revenues	-	-	-	-	-
<b>Total revenues</b>	<u>1,769</u>	<u>1,865</u>	<u>117,489</u>	<u>-</u>	<u>121,111</u>
<b>Expenditures</b>					
Public works	81,780	55,690	2,895,344	-	3,032,714
Health and welfare	-	-	-	-	-
<b>Total expenditures</b>	<u>81,780</u>	<u>55,690</u>	<u>2,895,344</u>	<u>-</u>	<u>3,032,714</u>
<b>Excess (Deficiency) of revenues over expenditures</b>	<u>(79,911)</u>	<u>(53,825)</u>	<u>(2,777,855)</u>	<u>-</u>	<u>(2,900,620)</u>
<b>Other financing sources (uses)</b>					
Bond Proceeds	-	-	-	-	-
Operating transfers in	-	-	300,000	-	300,000
Operating transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
<b>Excess (Deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(79,911)</u>	<u>(53,825)</u>	<u>(2,477,855)</u>	<u>-</u>	<u>(2,600,620)</u>
Fund balances, beginning of year	230,878	87,268	3,182,798	180	3,498,908
Initial Equity Transfer	-	-	-	1180	1180
<b>Fund balances, end of year</b>	<u>\$ 150,967</u>	<u>\$ (6,557)</u>	<u>\$ 704,943</u>	<u>\$ -</u>	<u>\$ 859,322</u>

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**St. John the Baptist Parish Council**  
**LaPlante, Louisiana**  
**Enterprise Funds**  
**Combining Balance Sheet**  
**December 31, 1997**

	6/30/97	12/31/97	12/31/97	12/31/97	
	Canal	Severage	Solid	Enterprise	Total
	Water	Wastewater	Waste	Adjustment	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 302,731	\$ 31,942	\$ 46,789	\$ 38,648	\$ 420,110
Investments	-	178,866	-	224,962	404,828
Receivables, net	1,833,186	498,831	31,583	78,187	2,441,807
Due from other funds	-	4,550	287,131	51,296	343,077
Other receivables	88,713	933	-	-	89,646
Inventory	118,284	-	-	-	118,284
<b>Total current assets</b>	<b>1,742,914</b>	<b>715,222</b>	<b>465,503</b>	<b>492,986</b>	<b>3,416,625</b>
<b>Restricted assets</b>					
Cash and cash equivalents	353,315	-	-	-	353,315
Investments	2,318,747	131,589	-	-	2,450,336
<b>Total restricted assets</b>	<b>2,672,062</b>	<b>131,589</b>	<b>-</b>	<b>-</b>	<b>2,803,651</b>
<b>Property, plant &amp; equipment</b>					
Property, plant & equipment	34,718,304	47,138,170	17,847	-	81,874,321
Accumulated depreciation	(12,618,282)	(13,288,362)	(17,847)	-	(25,924,491)
<b>Net property, plant &amp; equipment</b>	<b>22,100,022</b>	<b>33,849,808</b>	<b>-</b>	<b>-</b>	<b>55,949,830</b>
<b>Other assets</b>					
Other assets	136,925	-	-	-	136,925
<b>Net other assets</b>	<b>136,925</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>136,925</b>
<b>Total assets</b>	<b>\$ 36,689,861</b>	<b>\$ 34,748,708</b>	<b>\$ 465,503</b>	<b>\$ 491,986</b>	<b>\$ 67,396,658</b>

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**St. John the Evangelist Parish Council**  
**LaPlante, Louisiana**  
**Enterprise Funds**  
**Combining Balance Sheet**  
**December 31, 1997**

	6/30/97	12/31/97	12/31/97	12/31/97	
	Car and	Savings	Sole	Intergovt	Total
	Wares		Wares	Accounts	
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
<b>Current liabilities payable from</b>					
<b>current assets</b>					
Accounts and related payable	\$ 233,632	\$ 218,970	\$ 128,342	\$ 18,880	\$ 599,824
Due to other funds	794,964	9,480	-	2,036	777,000
Due to other governments	-	-	-	-	-
Other accrued expenses	-	-	-	-	-
Notes payable, current portion	8,129	-	-	-	8,129
Other liabilities	18,000	-	-	-	18,000
<b>Total current liabilities payable from current assets</b>	<b>1,064,725</b>	<b>328,450</b>	<b>128,342</b>	<b>20,916</b>	<b>1,542,433</b>
<b>Current liabilities payable from restricted assets</b>					
Contract deposits	792,824	-	-	-	792,824
Bonds payable, current portion	281,000	-	-	-	281,000
Accrued interest payable	20,994	-	-	-	20,994
<b>Total current liabilities payable from restricted assets</b>	<b>1,094,818</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,094,818</b>
<b>Long-term liabilities</b>					
Notes payable	-	-	-	-	-
Bonds payable	3,281,088	-	-	-	3,281,088
<b>Total long-term liabilities</b>	<b>3,281,088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,281,088</b>
<b>Total liabilities</b>	<b>5,440,631</b>	<b>328,450</b>	<b>128,342</b>	<b>20,916</b>	<b>5,918,339</b>
<b>Fund equity</b>					
Contributed capital	13,815,184	13,271,860	-	-	46,914,849
Retained earnings:					
Reserved	1,899,424	284,720	-	-	1,274,144
Unreserved	4,456,980	2,018,664	385,160	384,750	7,171,554
<b>Total fund balances</b>	<b>19,291,588</b>	<b>15,575,244</b>	<b>385,160</b>	<b>384,750</b>	<b>24,521,732</b>
<b>Total liabilities and fund balances</b>	<b>\$ 26,699,061</b>	<b>\$ 24,903,694</b>	<b>\$ 405,502</b>	<b>\$ 405,666</b>	<b>\$ 62,228,443</b>

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**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Enterprise Funds**

**Combining Statement of Revenues, Expenses, and Changes in Retained Earnings**  
**For the Year Ended December 31, 1997**

	6/30/97	12/31/97	12/31/97	12/31/97	
	Gas and Water	Sewerage	Solid Waste	Mosquito Abatement	Total
<b>Revenues</b>					
Water sales	\$ 1,526,168	\$ -	\$ -	\$ -	\$ 1,526,168
Gas sales	713,393	-	-	-	713,393
Service charges	-	2,265,600	-	-	2,265,600
Mosquito abatement	-	-	-	268,062	268,062
All other fees	-	-	-	78,401	78,401
Fees, charges, and contributions	207,979	28,556	1,584,772	-	1,801,307
Reimbursed indirect costs	189,471	-	-	-	189,471
Other income	13,829	-	889	-	14,699
<b>Total revenues</b>	<b>4,718,110</b>	<b>2,334,186</b>	<b>1,585,641</b>	<b>336,463</b>	<b>8,994,400</b>
<b>Operating expenses</b>					
Personnel	444,825	-	-	-	444,825
General administration	948,211	1,844,680	-	-	2,800,921
Purification	829,614	-	-	-	829,614
Distribution	952,619	-	-	-	952,619
Salaries, operations	-	633,304	-	25,814	681,968
Fuel	-	981,948	-	-	981,948
Vehicles	-	40,812	-	-	40,812
Indirect costs	-	150,875	74,379	37,869	263,123
Contract services	-	-	1,492,492	241,412	1,673,904
Miscellaneous	-	-	4,185	-	4,185
Depreciation	888,000	1,181,726	-	-	2,069,726
<b>Total operating expenses</b>	<b>4,068,308</b>	<b>3,811,629</b>	<b>1,511,372</b>	<b>295,465</b>	<b>9,686,774</b>
<b>Operating Income (Loss)</b>	<b>649,802</b>	<b>(1,247,443)</b>	<b>74,269</b>	<b>41,997</b>	<b>(981,633)</b>
<b>Nonoperating income (expense)</b>					
Interest income	127,881	11,963	3,826	14,214	177,884
Interest expense	(106,125)	(2,572)	-	-	(308,693)
Gain on sale of equipment	-	3,876	-	-	3,876
Amortization of bond discount	(11,792)	-	-	-	(11,792)
<b>Net nonoperating income (expense)</b>	<b>\$ (18,236)</b>	<b>\$ 13,267</b>	<b>\$ 3,826</b>	<b>\$ 14,214</b>	<b>\$ (181,625)</b>

See Independent Auditor's Report

**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Enterprise Funds**

**Combining Statement of Revenues, Expenses, and Changes in Retained Earnings (continued)**  
**For the Year Ended December 31, 1997**

	4/20/97	12/31/97	12/31/97	12/31/97	
	Gas and Water	Sewerage	Solid Waste	Miscellaneous Activities	Total
Operating transfers in (out)					
Operating transfers in	\$ 808,000	\$ 806,300	\$ -	\$ -	\$ 1,614,300
Operating transfers out	(14,811)	(5,440)	(81,080)	(13,000)	(114,331)
Net operating transfers	<u>442,909</u>	<u>800,860</u>	<u>(81,080)</u>	<u>(13,000)</u>	<u>848,689</u>
Net income (cost)	919,159	(1,238,321)	(6,485)	48,710	(278,247)
Amortization of contributed capital	519,385	1,833,574	-	-	1,314,289
Increase/(decrease) in reserved retained earnings	-	-	-	-	-
Reserved retained earnings, beginning of year	1,009,434	284,723	-	-	1,294,157
Unreserved retained earnings, beginning of year	3,622,438	2,215,414	291,588	318,428	5,871,868
Retained earnings, end of year	<u>1,146,464</u>	<u>1,273,389</u>	<u>285,103</u>	<u>384,758</u>	<u>3,141,706</u>

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**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Enterprise Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 1997**

	6/30/97 Gas and Water	12/31/97 Sewerage	12/31/97 Solid Waste	12/31/97 Municipal Administration	Total
<b>Cash flows from operating activities</b>					
Operating income (loss)	\$ 644,024	\$ (1,741,403)	\$ 74,359	\$ 44,987	\$ (982,633)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	840,380	1,191,736	-	-	2,032,116
Changes in assets and liabilities:					
Accounts receivable	(178,236)	(246,128)	6,842	(602)	(368,124)
Due from other funds	-	841,588	(14,342)	(1,263)	625,783
Other receivables	(4,476)	(1,87)	-	-	(4,663)
Due from other governments	-	-	-	-	-
Inventory	1,851	-	-	-	1,851
Accounts and salaries payable	(14,400)	15,739	1,812	(1,480)	(609)
Due to other funds	21,744	2,771	-	2,556	27,071
Due to other governments	-	-	-	-	-
Accrued expenses	-	-	-	-	-
Deposits payable	84,119	-	-	-	84,119
Interest payable	(1,367)	-	-	-	(1,367)
Other payable	18,800	-	-	-	18,800
<b>Net cash provided (used) by operating activities</b>	<b>1,289,575</b>	<b>(418,612)</b>	<b>69,281</b>	<b>43,285</b>	<b>1,018,231</b>
<b>Cash flows from noncapital financing activities</b>					
Operating transfers in	598,000	586,500	-	-	1,084,500
Operating transfers out	(14,811)	(5,448)	(88,800)	(13,800)	(112,470)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>\$ 483,189</b>	<b>\$ 581,052</b>	<b>\$ (88,800)</b>	<b>\$ (13,800)</b>	<b>\$ 861,641</b>

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**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Enterprise Funds**  
**Combining Statement of Cash Flows (continued)**  
**For the Year Ended December 31, 1997**

	6/30/97	12/31/97	12/31/97	12/31/97	Total
	Gas and Water	Sewerage	Solid Waste	Miscellaneous Accounts	
<b>Cash flows from capital and related financing activities</b>					
<b>Financing activities</b>					
Changes in other assets	\$ 9,813	\$ -	\$ -	\$ -	\$ 9,813
Proceeds from bond issue	-	-	-	-	-
Acquisition of capital assets	(394,514)	(1,971,694)	-	-	(2,366,208)
Gain from sale of fixed assets	-	8,670	-	-	8,670
Increase in Contributed-capital	89,800	2,862,993	-	-	2,952,793
Repayment of loans payable	(9,746)	-	-	-	(9,746)
Amortization of bond debt expense and bond discount	(11,293)	-	-	-	(11,293)
Bonds payable	-	-	-	-	-
Principal payments	(271,886)	-	-	-	(271,886)
Interest payments	(346,121)	(2,172)	-	-	(348,293)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(933,822)</b>	<b>(106,696)</b>	<b>-</b>	<b>-</b>	<b>(1,040,518)</b>
<b>Cash flows from investing activities</b>					
Interest income	127,581	11,869	3,826	34,324	177,600
Sale of investment securities	7,469,506	798,695	-	975,137	8,243,338
Purchase of investment securities	(8,444,423)	(748,444)	-	(1,824,149)	(10,017,016)
<b>Net cash provided (used) by investing activities</b>	<b>(847,336)</b>	<b>62,124</b>	<b>3,826</b>	<b>(74,688)</b>	<b>(815,984)</b>
<b>Net increase (decrease) in cash</b>	<b>74,398</b>	<b>(17,842)</b>	<b>(11,883)</b>	<b>(1,792)</b>	<b>54,881</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>783,666</b>	<b>179,894</b>	<b>58,683</b>	<b>54,544</b>	<b>1,076,887</b>
<b>Cash and cash equivalents, end of year</b>	<b>858,064</b>	<b>162,052</b>	<b>46,800</b>	<b>52,752</b>	<b>1,047,828</b>
<b>Reconciliation to Balance Sheet</b>					
Unrestricted cash and cash equivalents	802,711	81,942	48,789	50,841	984,283
Restricted cash and cash equivalents	355,325	-	-	-	355,325
<b>Total cash and cash equivalents</b>	<b>\$ 858,064</b>	<b>\$ 162,052</b>	<b>\$ 46,800</b>	<b>\$ 50,841</b>	<b>\$ 1,047,828</b>

See Independent Auditor's Report

**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Internal Service Funds**  
**Combining Balance Sheet**  
**December 31, 1997**

	Group Insurance Fund	Workers Compensation Fund	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 2,125	\$ 6,415	\$ 8,540
Investments	426,257	134,932	561,189
Accrued Interest Receivable	-	-	-
<b>Total assets</b>	<b>428,382</b>	<b>141,347</b>	<b>569,729</b>
<b>Liabilities and fund equity</b>			
<b>Liabilities</b>			
Accounts payable	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund equity</b>			
Retained earnings			
Reserved	47,586	-	47,586
Unreserved	374,894	131,347	506,241
<b>Total fund equity</b>	<b>422,480</b>	<b>131,347</b>	<b>553,827</b>
<b>Total liabilities and fund equity</b>	<b>\$ 422,480</b>	<b>\$ 131,347</b>	<b>\$ 553,827</b>

(See Independent Auditor's Report.)



**St. John the Baptist Parish Council**  
**La Plaze, Louisiana**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses,**  
**and Changes in Reserved Retained Earnings**  
**For the Year Ended December 31, 1997**

	Group Insurance Fund	Workers Compensation Fund	Total
Operating revenues			
Other income	\$ -	\$ 153	\$ 153
Total operating revenues	<u>-</u>	<u>153</u>	<u>153</u>
Operating expenses			
Insurance	1,204	-	1,204
Administrative	-	-	-
Total operating expenses	<u>1,204</u>	<u>-</u>	<u>1,204</u>
Operating income (loss)	<u>(1,204)</u>	<u>153</u>	<u>(851)</u>
Nonoperating revenues (expenses)			
Interest income	21,448	3,172	24,620
Other	-	-	-
Net nonoperating revenue (expenses)	<u>21,448</u>	<u>3,172</u>	<u>24,620</u>
Operating transfers in (out)			
Operating transfers in	(75,000)	26,440	(48,560)
Net operating transfers in (out)	<u>(75,000)</u>	<u>26,440</u>	<u>(48,560)</u>
Net income (loss)	<u>(34,656)</u>	<u>32,665</u>	<u>(2,991)</u>
Retained earnings, beginning of year	<u>476,448</u>	<u>99,382</u>	<u>575,830</u>
Retained earnings, end of year	<u>\$ 422,389</u>	<u>\$ 131,947</u>	<u>\$ 554,336</u>

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**St. John the Baptist Parish Council**  
**LaPlace, Louisiana**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 1997**

	Group Insurance Fund	Workers Compensation Fund	Total
<b>Cash flows from operating activities</b>			
Operating income (loss)	\$ (1,264)	\$ 350	\$ (914)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Changes in Assets and Liabilities:			
Other receivables	477	218	695
<b>Net cash provided (used) by operating activities</b>	<b>(787)</b>	<b>511</b>	<b>(166)</b>
<b>Cash flows from noncapital financing activities</b>	-		
Operating transfers in	(75,000)	26,440	(48,560)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(75,000)</b>	<b>26,440</b>	<b>(48,560)</b>
<b>Cash flows from investing activities</b>			
Interest income	22,148	3,273	25,421
Sale of investment securities	1,124,228	489,171	1,613,399
Purchase of investment securities	(1,305,390)	(444,140)	(1,749,530)
<b>Net cash provided (used) by investing activities</b>	<b>71,086</b>	<b>(28,702)</b>	<b>42,384</b>
<b>Net increase (decrease) in cash</b>	<b>(4,691)</b>	<b>(2,691)</b>	<b>(7,372)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,808</b>	<b>9,106</b>	<b>15,914</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,117</b>	<b>\$ 6,415</b>	<b>\$ 7,532</b>

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**St. John the Baptist Parish Council**  
**Lafayette, Louisiana**  
**Agency Funds**  
**Combinable Balance Sheet**  
**December 31, 1997**

	Parish Clearing Fund	Fire Protection Sales Tax District	Deferred Compensation	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 21,502	\$ 10,871	-	\$ 32,373
Investments	-	-	286,466	286,466
Receivables	-	199,829	-	199,829
<b>Total assets</b>	<b>21,502</b>	<b>310,829</b>	<b>286,466</b>	<b>618,798</b>
<b>Liabilities</b>				
<b>Liabilities</b>				
Benefits Payable	-	-	286,466	286,466
Due to other funds	23,125	210,829	-	233,954
Accrued expenses	2,152	-	-	2,152
<b>Total liabilities</b>	<b>25,277</b>	<b>310,829</b>	<b>286,466</b>	<b>622,572</b>

See Independent Auditor's Report

ST. JOHN THE BAPTIST PARISH COUNCIL  
Lafayette, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 1997

COMPENSATION PAID TO BOARD MEMBERS

The schedule of compensation paid to the Parish President and Parish Councilmen is presented in compliance with House Concurrent Resolution No. 34 of the 1979 Session of the Louisiana Legislature. Compensation of the Parish Council is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statutes, at LSA-R.S. 33:1233, the Parish Council has elected the monthly payment method of compensation. Under this method, the Councilmen receive approximately \$666 per month.

<u>PARISH PRESIDENT</u>	<u>AMOUNT</u>
Arnold J. Laine, Parish President	\$ 55,000
 <u>PARISH COUNCIL</u>	
Rubens D. Wolfe, Division A	\$ 7,448
Dennis Duffy, Council Chairman, Division B	8,250
Perry Bailey, Sr., District I	8,250
Kevin DeLeon, District II	8,250
Clayton Perilloux, District III	7,448
Russell Wilson, District IV	8,250
Nikolai Mironov, District V	8,250
José McTopp, District VI	7,448
Steven Thornton, District VII	8,250
Parish Council Total	\$ 71,724

See Independent Auditor's Report

## **SINGLE AUDIT SECTION**

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable President  
and Members of the Council  
**ST. JOHN THE BAPTIST PARISH COUNCIL**  
LaPlace, Louisiana

We have audited the primary government financial statements of the **ST. JOHN THE BAPTIST PARISH COUNCIL** as of and for the year ended December 31, 1997, and have issued our report thereon dated May 8, 1998. We conducted our 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 the **ST. JOHN THE BAPTIST PARISH COUNCIL**'s financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, and which are reported in the accompanying Schedule of Findings and Questioned Costs as items 97-1 through 97-3.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the **ST. JOHN THE BAPTIST PARISH COUNCIL**'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant

deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Parish's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as Item 97-4.

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. We believe that the reportable condition, Item 97-4, reported above is a material weakness. We also noted other matters involving the internal control over financial reporting that we have reported to management in a separate letter dated May 8, 1998.

This report is intended for the information of the Council, management of the Parish, the Louisiana Legislative Auditor, and Federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Robson & Company*

May 8, 1998

# REBOWE & COMPANY

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A PROFESSIONAL CORPORATION

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable President  
and Members of the Council  
St. John the Baptist Parish Council  
LaPlace, Louisiana

### Compliance

We have audited the compliance of the **ST. JOHN THE BAPTIST PARISH COUNCIL** with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal programs for the year ended December 31, 1997. **ST. JOHN THE BAPTIST PARISH COUNCIL'S** major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the **ST. JOHN THE BAPTIST PARISH COUNCIL'S** management. Our responsibility is to express an opinion on the **ST. JOHN THE BAPTIST PARISH COUNCIL'S** compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Governing Agency Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the **ST. JOHN THE BAPTIST PARISH COUNCIL'S** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the **ST. JOHN THE BAPTIST PARISH COUNCIL'S** compliance with those requirements.



In our opinion, the **ST. JOHN THE BAPTIST PARISH COUNCIL** complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1987.

### **Internal Control Over Compliance**

The management of the **St. John the Baptist Parish Council** is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the **St. John the Baptist Parish Council's** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Council, management of the Parish, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

### ***Deloitte & Company***

May 3, 1988

ST. JOHN THE BAPTIST PARISH COUNCIL  
LA PLACE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 1997

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the primary government financial statements of the ST. JOHN THE BAPTIST PARISH COUNCIL.
2. A reportable condition in internal control relating to the audit of the financial statements is reported in the *Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. This item is described in Section B.(2) below as item 97-4.
3. Instances of noncompliance material to the financial statements of the ST. JOHN THE BAPTIST PARISH COUNCIL were disclosed during the audit and are reported in the *Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. These items are described in Section B.(1) below as items 97-1 through 97-3.
4. No reportable conditions in internal control relating to the audit of the major federal award program are reported in the *Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award program administered by the ST. JOHN THE BAPTIST PARISH COUNCIL expresses an unqualified opinion.
6. The auditor's reports disclosed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The following program was identified as a major program:
  - U. S. Department of Agriculture, passed through the Louisiana Department of Health and Human Resources, Office of Family Security, Food Stamp Program - CPDA 10.551
8. The threshold for designating Type A and Type B programs was \$300,000.
9. The ST. JOHN THE BAPTIST PARISH COUNCIL qualified as a low-risk auditee under the provisions of Section 530 of OMB Circular A-133.

ST. JOHN THE BAPTIST PARISH COUNCIL  
LA PLACE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended December 31, 1997

**B. FINDINGS REQUIRED TO BE REPORTED – FINANCIAL STATEMENT AUDIT**

**1. COMPLIANCE FINDINGS**

**FINDING 97-1 – BUDGET REQUIREMENTS**

*Condition:*

The ST. JOHN THE BAPTIST PARISH COUNCIL did not comply with the requirements set forth in Louisiana law concerning budget amendments, specifically, the requirements of LSA-R.S. 39:1310. This statute requires the Chief Executive Officer (i.e., the Parish President) to notify the governing authority in writing when revenues are falling to meet annual budgeted amounts by five percent or more, when expenditures are exceeding annual budgeted amounts by five percent or more, and when fund balances within a fund fail to meet annual budgeted amounts by five percent or more, and requires responsive action by the governing authority under the provisions of LSA-R.S. 39:1309.

For the fiscal year ending December 31, 1997, two funds of the ST. JOHN THE BAPTIST PARISH COUNCIL had actual fund balance below budgeted fund balance by five percent or more. This finding was also noted during the prior year audit, when two funds had actual fund balance below budgeted fund balance by five percent or more.

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>Favorable Variance</u>
General Fund	\$ 380,881	\$ 295,835	\$ (85,046)	14.97%
Criminal Court Fund	\$ 4,342	\$ 2,727	\$ (1,615)	35.79%

The above-described budget deficiencies place the ST. JOHN THE BAPTIST PARISH COUNCIL in noncompliance with the Local Government Budget Act.

**Management Response:**

Management believes that budget controls have been strengthened by monthly monitoring of actual funds available for expenditures. Procedures will be adapted to insure that budget amendments are enacted timely to reflect the changes in funds available for expenditure.

## **FINDING 97-2 – INVESTMENT POLICY**

### **Condition:**

The Parish failed to comply with Louisiana law, specifically LSA-R.S. 33:2955, which requires the Parish to adopt an investment policy which (1) reflects the mandate to manage public funds prudently; (2) places appropriate emphasis on the goals of safety of principal first, liquidity second, and yield third; and (3) establishes internal controls for any derivatives in use to ensure that the risks inherent in derivatives are adequately managed.

### **Management Response:**

On May 12, 1998, the Parish's Chief Financial Officer introduced, for adoption by the Council, an updated investment policy that complies with the provisions of LSA-R.S. 33:2955.

## **FINDING 97-3 – PUBLIC BID LAW**

### **Condition:**

As in the prior year, management of the **St. JOHN THE BAPTIST PARISH COUNCIL** did not comply with the requirements set forth in Louisiana law concerning the use of public bids for acquisitions of supplies and materials, specifically, the requirements of LSA-R.S. 38:2212. This statute requires the Parish to advertise and let to the lowest responsible bidder all contracts for purchases of materials and supplies exceeding \$15,000.

During the year ended December 31, 1997, the Parish paid \$33,349 to an aviation petroleum products supplier for products received after the expiration of the supplier's contract with the Parish. The contract contained no extension provisions, and no additional contract was let by public bid during 1997. This finding was reported in the prior year.

### **Management Response:**

This contract was bid in accordance with the provisions of LSA-R.S. 38:2212 in January 1998, and a new contract was subsequently awarded to the lowest bidder.

## **1. INTERNAL CONTROL FINDINGS**

### **FINDING 97-4 – PROPERTY AND EQUIPMENT RECORDS**

#### **Condition:**

As in the prior year, we noted that the Parish does not maintain adequate, detailed accounting records of fixed assets or fixed asset additions for assets included in its enterprise funds. In addition, we noted that the Parish did not remove assets sold during the year from the fixed assets listing for its General Fixed Assets Account Group or its enterprise funds. We consider this reportable condition to be a material weakness as defined in the *Report on Compliance and an Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.

Criteria:

Generally accepted accounting principles and Louisiana law, at LSA-R.S. 14:345(D)(1), require government agencies to maintain accurate, detailed accounting records of fixed assets.

Effect:

Failure to maintain current and accurate records of fixed assets limits the Parish's ability to safeguard these assets against loss.

Cause:

Responsibility for maintaining the property and equipment records has rotated through several different employees with varying levels of training during recent years. The Parish has not taken a physical inventory of property and equipment since 1994, and has not reconciled a physical inventory of property and equipment to its accounting records since prior to 1994.

Management Response:

An Accounting Department employee has been assigned the task of maintaining the fixed asset listing in the current year. She will record all asset additions and disposals and insure the accuracy of this listing.

**C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no audit findings as defined in Section 510(a) of OMB Circular A-133 that are required to be reported in this section of the report.

ST. JOHN THE BAPTIST PARISH COUNCIL  
LA PLACE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
Year Ended December 31, 1997

**A. COMPLIANCE WITH LAWS AND REGULATIONS**

**FINDING 94-1 – BUDGET REQUIREMENTS**

Condition:

The Parish failed to comply with the provisions of Louisiana law, specifically LSA-R.S. 39:1310. Two funds had revenues that failed to meet budgeted amounts by five percent or more, five funds had expenditures that exceeded annual budgeted amounts by five percent or more, and two funds had fund balances that failed to meet annual budgeted amounts by five percent or more.

Additionally, the Parish failed to comply with LSA-R.S. 38:1306 for its Gas and Water Enterprise Fund. The statute requires publication of budget notices in the official journal of the Parish ten days prior to the required public hearing on the budget. The Parish published the notification six days prior to the hearing.

Current Status:

For the year ending December 31, 1997, the Parish's General fund and Criminal Court Fund had actual fund balances that were less than the budgeted fund balance by five percent or more, as described in the 1997 Schedule of Findings and Questioned Costs.

**FINDING 94-2 – SECURITY FOR DEPOSITS**

Condition:

The Parish failed to comply with the provisions of Louisiana law, specifically LSA-R.S. 36:1325. The law requires that depository banks provide securities or other collateral for all deposits of local government entities. During three months of 1996, one financial institution did not provide securities to collateralize one hundred percent of the Parish's deposits in that institution.

Current Status:

During 1997, the Parish's depository banks maintained adequate insurance or collateral for all deposits of the Parish. Accordingly, this finding is closed in 1997.

**FINDING 94-3 – PUBLIC BID LAW**

Condition:

The Parish failed to comply with the provisions of Louisiana law, specifically LSA-R.S. 38:2212. The Public Bid Law requires advertisement of all contracts for purchases of

materials and supplies exceeding \$15,000. The Parish awarded two contracts for the purchase of petroleum products and aviation fuel from vendors in amounts exceeding \$15,000 through telephone price quotations, but did not publish the notice required by the Public Bid Law.

**Current Status:**

During the year ended December 31, 1997, the Parish bid and awarded the petroleum products contract described above in compliance with LSA-R.S. 38:2212. The aviation fuel contract was bid in December 1997, and awarded in January 1998. This contract is included in the 1997 Schedule of Findings and Questioned Costs.

**FIGURE 96-4 – BOND REQUIREMENTS**

**Condition:**

The Parish failed to comply with the bond covenants governing its Road and Drainage Sales Tax Roads, Series 1990. The sinking and reserve funds required by this issue were underfunded by a total of \$22,559 at December 31, 1996.

**Current Status:**

During 1997, the Parish transferred funds to cover the shortfalls in these debt service funds. We noted no additional violations of bond covenants as a result of our testing in the current year. Accordingly, this finding is cleared in 1997.

**B. INTERNAL CONTROL FINDINGS**

**REPORTABLE CONDITION 96-1 – ACCOUNTING PROCEDURES (COMPUTER SYSTEM)**

**Condition:**

As a result of the Parish using multiple accounting systems to maintain its funds, we noted numerous deficiencies in interfund payables, receivables, and transfers at year end.

**Current Status:**

The Parish is currently in the process of combining all funds on to one accounting system. At December 31, 1997, all interfund payables, receivables, and transfers were substantially in balance. Accordingly, this finding is cleared in 1997.

**REPORTABLE CONDITION 96-2 – ACCOUNTING RECORDS (ACCOUNTS PAYABLE)**

**Condition:**

As a result of employees not performing periodic reconciliations of certain subledgers, we noted that two out of thirteen accounts payable subledgers did not reconcile to the fund general ledgers by a total of \$23,700.

**Current Status:**

At December 31, 1997, all accounts payable subledgers substantially balanced to the general ledgers. Accordingly, this finding is cleared in 1997.

#### **MATERIAL WEAKNESS #6-1 – ACCOUNTING RECORDS (DEFERRED COMPENSATION)**

##### **Condition:**

The Parish failed to record the balances in its Internal Revenue Code Section 457 deferred compensation plan as an agency fund in its financial statements at December 31, 1996, as required by GASB Statement No. 3, *Financial Reporting of Deferred Compensation Plans Adopted Under the Provisions of Internal Revenue Code Section 457*. As a result, the agency fund assets and liabilities were understated by a total of \$218, 237.

##### **Current Status:**

The finding has been resolved. The Plan assets, liabilities, and activity are recorded properly at December 31, 1997.

#### **MATERIAL WEAKNESS #6-2 – ACCOUNTING RECORDS (PROPERTY AND EQUIPMENT)**

##### **Condition:**

We noted that the Parish does not maintain adequate, detailed accounting records of fixed assets or fixed asset additions for assets included in its enterprise funds. In addition, we noted that the Parish did not remove assets sold during the year from the fixed assets listing for its General Fixed Assets Account Group. The Parish received \$16,900 in 1996 from the sale of certain assets, but we were unable to determine the cost of the assets or whether they were included in the fixed assets listing.

##### **Current Status:**

No significant improvements have been made in the maintenance and recording of fixed asset records. This finding is included in the 1997 Schedule of Findings and Questioned Costs.

#### **MATERIAL WEAKNESS #6-3 – ACCOUNTING POLICY (SEGREGATION OF DUTIES)**

##### **Condition:**

We noted that the employee who maintained accounting records and performed bank reconciliations for the Recreation Fund also received and deposited cash receipts for this fund. Furthermore, supporting documentation related to cash receipts from the Recreation Department was inadequate; therefore, we were unable to satisfy ourselves regarding the reasonableness of recorded revenues. We have determined that any misstatement would be immaterial to the financial statements of the Parish.

##### **Current Status:**

The duties formerly assigned to this employee have been divided among other employees. Accordingly, this finding is closed in 1997.

#### **C. FINDINGS RELATED TO FEDERAL AWARD PROGRAMS**

There were no audit findings related to federal award programs for the year ended December 31, 1996, that were required to be reported under the provisions of generally accepted government auditing standards or the provisions of OMB Circular A-128, *Audit of State and Local Governments*.



**ST. JOHN THE BAPTIST PARISH COUNCIL**

**LA PLACE, LOUISIANA**

**CORRECTIVE ACTION PLAN**

**Year Ended December 31, 1997**

Management's corrective actions are described in the management response to each of the auditor's compliance and internal control findings:

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**LA PLACE, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 1997**

Federal Central Pass-through Grant/Program Title	Federal FFY/FA Number	Grant Number	Original award amount	Cost or amount (Estimated) Received 1/97	Revenue Encumbrance	Expenditures (Estimate)	Cost or amount (Estimated) Received 12/97
<b>U.S. Federal Emergency Management Agency</b>							
Funded through the Louisiana Department of Military Affairs	85-004	EMT-20-Fa-004	\$20,000	-	\$2,000	\$20,000	-
Total U.S. Federal Emergency Management Agency				-	\$2,000	\$20,000	-
<b>U.S. Department of Agriculture</b>							
Funded through the Louisiana Department of Health and Human Services:							
Office of Family Security - Food/Water Program*	85-504	-	\$1,584,700	1,474,240	1,400,700	1,584,200	-
Office of Family Security - Food/Water Program - Administrative Costs*	85-504	-	\$8,500	-	20,100	20,000	-
Home Food Service Program	85-508	-	\$83,000	-	67,000	83,000	-
Total U.S. Department of Agriculture				1,474,240*	1,487,800	1,687,200	-
<b>U.S. Department of Health and Human Services</b>							
Funded through Louisiana Department of Health and Human Services - Office of Alcohol and Drug Abuse:							
Youth Intervention Program	85-600	0885-897-01 (01/94-12/94)	\$20,000	(1,000)	14,000	15,000	-
Total U.S. Department of Health and Human Services				(1,000)	14,000	15,000	-
Total Expenditures				\$1,473,240	\$1,501,800	\$1,702,400	-

\* Major program

**NOTE A - BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards has been prepared using the modified accrual basis of accounting, in accordance with generally accepted accounting principles. The modified accrual basis of accounting has also been used in preparing the financial statements, as discussed in Note 1.

**NOTE B - PASS-THROUGH AWARDS**

The St. John the Baptist Parish Council did not pass-through any of its federal awards to a subrecipient during the year ended December 31, 1997.

**NOTE C - NON-CASH ASSISTANCE**

Food stamps totaling \$3,038,200, which constitute non-cash federal assistance, were distributed during the year ended December 31, 1997.

**ST. JOHN THE BAPTIST PARISH COUNCIL**  
**MEMORANDUM OF ADVISORY COMMENTS**  
**FOR THE YEAR ENDING DECEMBER 31, 1997**

**REBOWE & COMPANY**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**A PROFESSIONAL ACCOUNTING CORPORATION**

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# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
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May 8, 1998

To the Honorable President  
and Members of the Council  
St. John the Baptist Parish, State of Louisiana  
LaPlace, Louisiana

We have audited the primary government financial statements of the **St. JOHN THE BAPTIST PARISH** Council, State of Louisiana for the year ended December 31, 1997, and have issued our report thereon dated May 8, 1998. As part of our audit, we considered the Parish's internal control over financial reporting in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

Our consideration of the internal control structure has been reported on in a separately issued report entitled *Independent Auditors' Report on Compliance and an Internal Control Over Financial Reporting Issued as an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* dated May 8, 1998.

This memorandum summarizes various other matters which have come to our attention. While not involving reportable conditions, these matters do present opportunities for strengthening the internal control over financial reporting and improving the operating efficiency of the Parish.

We have discussed our comments and recommendations with various Parish personnel and have included their responses. We will be pleased to discuss these comments with you in further detail at your convenience, perform any additional analysis of these matters, or assist you in implementing our recommendations.

Sincerely,

*Rebowe & Company*

## OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT RESPONSES

### 1. CASH MANAGEMENT

#### Observation A:

As noted in the prior year, the Parish maintains over 50 bank accounts for various funds, with numerous employees responsible for monthly bank reconciliations. No legal requirement exists for the establishment of most of these accounts. As a result of the large number of accounts, accounting personnel expend an inordinate amount of time preparing bank reconciliations. Additionally, the Parish loses interest earnings on excess cash by maintaining small balances in many accounts rather than investing the pooled balance of all accounts.

Management has met with representatives from First National Bank of Commerce several times; however, the consolidation of cash accounts has not occurred as of the date of this letter.

#### Recommendation:

The Parish's fiscal agent bank has the resources to create a pooled cash account for the Parish. Such an account would allow the Parish to reduce its cash accounts with a corresponding decline in the number of bank account reconciliations and an increase in interest income.

#### Management Response:

We are currently in the process of establishing pooled cash accounts in the current year. We will determine those accounts which are not legally required and combine them into pooled accounts.

#### Observation B:

When paying invoices attributable to more than one fund, the Parish prepares a check for each fund responsible for a portion of the invoice. As a result, we noted instances in which up to seven checks were prepared to pay one invoice.

#### Recommendation:

Using interfund journal entries to record these expenditures would reduce the number of checks prepared by Parish personnel and reduce the possibility of errors in the payment of invoices.

#### Management Response:

We will consider implementation of the recommendation in the current year.

### 2. INVESTMENT MANAGEMENT

#### Observation:

The Parish's existing investment policy prohibits investments in securities with maturities in excess of one year. As a result, the Parish's investment portfolio consists exclusively of investments with short-term maturities. This policy results in the loss of interest income to the Parish.

#### Recommendation:

We recommend that the Parish amend its investment policy to allow for investments with maturities greater than one year. An investment portfolio containing both short-term and long-

## OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT RESPONSES

term investment securities would enable the Parish to minimize interest rate risk and potentially earn a higher rate of return on invested funds.

### Management Response:

In addition to the continued purchasing of short-term investment securities, management will begin purchasing investment securities with scheduled maturities of greater than one year. The desired result of these actions is to have a more diversified portfolio which provides a higher rate of return on invested funds.

## 3. **PARISH TRANSPORTATION ACT**

### Observation:

As we noted in the prior year, the Louisiana Parish Transportation Act, at LSA-R.S. 48:754, requires the Parish to maintain a listing of projects planned for the coming three years. The Parish maintains a one-year listing of planned projects, as well as a listing of all projects planned in the future, but does not maintain a specific document described as a three-year plan.

### Recommendation:

We recommend that the Parish specifically identify planned projects in the three-year format described above.

### Management Response:

The Parish currently has a one-year and a five-year plan in effect for these projects. We will consider preparing a specific three-year plan.

## 4. **DEFERRED COMPENSATION PLAN**

### Observation:

The Parish has not yet amended its deferred compensation plan to comply with Internal Revenue Code Section 457, as amended. This section requires the Parish to place the plan's assets in a trust established for the exclusive benefit of its employees by January 1, 1999. By amending the plan, the Parish's general creditors will no longer have access to the plan assets.

### Recommendation:

We recommend that the Parish amend the deferred compensation plan in order to comply with IRC Section 457 no later than January 1, 1999.

### Management Response:

The Parish is currently in the process of amending the deferred compensation plan in order to comply with the revised Section 457 requirements.

## 5. **ITD FILES**

### Observation:

The Parish's bid files do not always contain adequate documentation to evidence compliance with the Parish's procurement policies and state law. We noted several instances in which information

## OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT RESPONSES

necessary to comply with the public bid law such as advertisements and copies of bid proposals was not included in the bid files. We also noted that several individuals were responsible for maintaining bid files, and the files were stored in numerous locations.

### Recommendation:

We recommend that the Parish design a bid file checklist which lists all information and documents necessary to comply with the Parish's procurement policies as well as public bid laws. We also suggest that one person be assigned responsibility for maintenance of bid files.

### Management Response:

Management is currently in the process of designing and implementing a bid file checklist. The Finance Director will maintain all bid files.

## 6. OVERTIME PAY

### Observation:

During our testing of salaries expense, we noted that overtime pay as a percentage of total wages appeared somewhat high for certain individuals.

### Recommendation:

We recommend that the Parish perform a periodic review of overtime levels within its departments. If feasible, the Parish may consider hiring additional personnel to meet the current workload. The hiring of additional personnel may reduce total payroll expenditures by minimizing the need for overtime pay, which is paid at a rate of time and a half.

### Management Response:

Management has already hired additional personnel to minimize the amount of overtime wages incurred by the Parish.

## 7. FIXED ASSET INVENTORY

### Observation:

In order to maintain an accurate listing of fixed assets, the Parish should perform a physical inventory of all movable assets owned by the Parish at least every other year.

### Recommendation:

The last physical inventory was performed in 1996. Since then, the Parish has not performed a physical inventory.

### Management Response:

Management is currently in the process of designing a plan to conduct a fixed asset inventory.



**8. ACCOUNTING POLICIES AND PROCEDURES MANUAL**

**Observation:**

As in the prior year, the Parish does not have an accounting policies and procedures manual defining the duties and responsibilities for each finance department employee.

**Recommendation:**

A formal accounting manual would clearly define employee responsibilities, aid in training employees, and provide management with a tool for monitoring employee performance. An accounting manual can also help insure consistent treatment of similar accounting transactions, use of proper accounting principles, and production of accounting reports in the form desired by management.

**Management Response:**

Management has begun the process of preparing a formal accounting policies and procedures manual in the current year.