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FRANKLIN PARISH POLICE JURY
Winnemore, Louisiana

**Primary Government Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 1998
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or received, orally and direct to appropriate judicial officers. This report is available for public inspection at the Office of the Auditor General of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date - ~~Mar 3 1 1999~~

**VERNON R
COON**
Auditor General of Louisiana

FRANKLIN PARISH POLICE JURY
Winnoum, Louisiana

Primary Government Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 1998
With Supplemental Information Schedules

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FRANKLIN PARISH POLICE JURY
Windsor, Louisiana
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Independent Auditor's Report

FRANKLIN PARISH POLICE JURY
Winniford, Louisiana

I have audited the primary government financial statements of the Franklin Parish Police Jury, as of December 31, 1998, and for the year then ended, as listed in the table of contents. These primary government financial statements are the responsibility of the Franklin Parish Police Jury's management. My responsibility is to express an opinion on these primary government financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the primary government financial statements are free of material misstatements. 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 financial statement presentation. I believe that my audit provides a reasonable basis for my 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 my opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of Franklin Parish Police Jury, as of December 31, 1998, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

MEMBER ORGANIZATION
DEPARTMENT OF REVENUES
PUBLIC ACCOUNTANTS

OFFICE OF LEGISLATION
LOUISIANA PUBLIC
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FRANKLIN PARISH POLICE JURY
Winnifree, Louisiana
Independent Auditor's Report,
December 31, 1998

However, the primary government financial statements, because they do not include the financial data of component units of the Franklin Parish Police Jury, do not purport to, and do not, present fairly the financial position of the Franklin Parish Police Jury at December 31, 1998, and results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the primary government financial statements taken as a whole. The supplemental information schedules listed in the table of contents, including the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for the purpose of additional analysis and are not a required part of the primary government financial statements of the Franklin Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued reports dated March 22, 1999, on my consideration of the Franklin Parish Police Jury's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.



West Monroe, Louisiana
March 22, 1999

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS
(OVERVIEW)**

FRANKLIN PARISH POLICE DISTRICT
 Wabeno, Louisiana
ALL FUNDS TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1998

	GOVERNMENTAL FUND TYPE			ACCOUNT GROUPS		TOTAL AMOUNT/ALLOTTMENT (\$5.0)
	GENERAL FUNDS	SPECIAL REVENUE FUNDS	TRUST CAPITAL PROJECTS FUNDS	GENERAL FUNDS	GENERAL LONG TERM OBLIGATIONS	
ASSETS AND OTHER DEBITS						
Cash	\$4,725	\$1,884,735				\$1,889,460
Receivables	144,546	1,550,894	\$68,369			1,763,809
Due from Criminal Court Fund	13,582					13,582
Land, buildings, and equipment				\$7,802,183		7,802,183
Amount to be provided for retirement of general long-term obligations					\$50,558	50,558
TOTAL ASSETS AND OTHER DEBITS	\$165,578	\$3,384,852	\$68,369	\$7,802,183	\$50,558	\$10,551,513
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable	\$32,211	\$397,467	\$43,369			\$473,047
Physical withholdings payable	1,871					1,871
Bank fees payable		85,900				85,900
Due to Criminal Fund		13,502				13,502
Due to other agencies		3,438				3,438
Unearned income		3,455				3,455
Compensated absences payable					\$40,717	40,717
Capital leases payable					9,821	9,821
Total Liabilities	\$34,082	\$407,122	\$43,369	\$49,538	\$50,538	\$485,587
Fund Equity:						
Reserves in general fund assets				\$7,802,183		7,802,183
Fund balance - reserved - undesignated	\$28,496	\$2,015,261				\$2,043,757
Total Fund Equity	\$28,496	\$2,015,261	\$43,369	\$7,802,183	\$49,538	\$9,949,257
TOTAL LIABILITIES AND FUND EQUITY	\$62,578	\$2,384,852	\$50,369	\$7,802,183	\$100,076	\$10,551,513

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH POLICE JURY
 Winnona, Louisiana
GOVERNMENTAL FUND TYPE

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

	GENERAL FUND	SPECIAL FUNDS	CDBG CAPITAL PROJECTS (1992)	TOTAL (OTHER THAN 1992 CDBG)
REVENUES				
Taxes:				
Ad valorem	\$186,303	\$1,276,073		\$1,462,376
Sales		2,366,992		2,366,992
Other taxes, penalties, and interest	14,950			14,950
Licenses and permits	85,216			85,216
Intergovernmental revenues:				
Federal funds - (hybrid grants)	20,811	2,682,419	1016,012	3,719,242
State funds:				
Public transportation funds		392,696		392,696
State revenue sharing (90%)	16,980	168,087		185,067
Severance taxes	36,235			36,235
Other	179,254	2,618		181,872
Local funds	23,791			23,791
Fees, charges, and contributions for services	200,210	20,050		220,260
Fines and forfeitures		170,792		170,792
Use of money and property	3,154	90,669		93,823
Other revenues	5,822	4,071		9,893
Total revenues	<u>512,122</u>	<u>3,125,194</u>	<u>314,012</u>	<u>8,231,479</u>
EXPENDITURES				
Current:				
General government:				
Legislative	66,900			66,900
Judicial	61,204	154,262		215,466
Education	15,023			15,023
Finance and administrative	221,892			221,892
Other general government	3,306	189,223	10,000	212,529
Public safety	80,919	70,309		151,228
Public works		3,628,280		3,628,280
Health and welfare	1,000	50,423		51,423
Culture and recreation	35,164			35,164
Economic development and maintenance	88,328	2,649,177		2,737,505
Debt service		98,662		98,662
Capital outlay	2,384	228,830	582,826	714,040
Total expenditures	<u>542,627</u>	<u>3,314,362</u>	<u>582,826</u>	<u>8,711,245</u>

Continued

FRANKLIN PARISH POLICE DEPT

Winnfield, Louisiana

GOVERNMENTAL FUND TYPE

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances, etc.

	GENERAL FUNDS	SPECIAL REVENUES	DEBT CAPITAL PROJECTS FUNDS	TOTAL IMPROVEMENT FUNDS
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$(30,656)</u>	<u>\$128,184</u>	<u>None</u>	<u>\$(92,472)</u>
OTHER FINANCING SOURCES (Used)				
Sale of fixed assets		81,125		81,125
Proceeds from insurance	17,000	21,790		38,790
Operating transfers in		62,869		62,869
Operating transfers out		<u>(52,885)</u>		<u>(52,885)</u>
Total other financing sources (used)	<u>17,000</u>	<u>112,909</u>	<u>None</u>	<u>129,909</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$(13,656)</u>	<u>(24,701)</u>	<u>None</u>	<u>(38,357)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>122,100</u>	<u>3,093,491</u>	<u>None</u>	<u>3,215,591</u>
FUND BALANCES AT END OF YEAR	<u>\$108,444</u>	<u>\$3,068,790</u>	<u>None</u>	<u>\$3,177,234</u>

(Continued)

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH POLICE JURY
 Winthrop, Louisiana
**GOVERNMENTAL FUND TYPE - GENERAL
 AND SPECIAL REVENUE FUNDS**
 (Excluding Criminal Court Special Revenue Fund)

Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances - Budget
 (Cash Basis and Actual)
 For the Year Ended December 31, 1999

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Taxes:						
Ad valorem	1,004,000	1,001,050	(29,950)	\$1,200,000	\$1,234,400	344,400
Tolls and fees				2,500,400	2,527,700	27,300
Other taxes, penalties, and interest	8,000	11,300	3,300			
Licenses and permits	80,000	85,134	5,134			
Intergovernmental revenues:						
Federal grants	34,232	36,000	17,768	30,000	31,734	1,734
State funds:						
State grants	51,918	51,970	(50)			
Federal transportation funds				300,000	301,600	1,600
State revenue sharing (net)	17,600	17,000	(600)	300,170	305,000	4,830
Government claims	20,000	27,148	7,148			
Other state funds	21,200	48,775	27,575	5,127	7,619	2,492
Local bonds	10,107	11,900	1,793			
Fees, charges, and commissions for services	304,225	304,510	285	10,000	20,110	10,110
Use of money and property	3,000	3,161	161	70	80,720	80,650
Other revenues	3,500	7,000	3,500	15,750	10,000	(5,750)
Total revenues	2,021,362	2,048,188	26,826	3,132,250	3,278,130	145,880
EXPENDITURES						
Current:						
General government:						
Legislative	62,200	67,021	4,821		3,000	3,000
Judicial	44,700	48,401	3,701	4,400		
Fire/Police	13,400	13,500	100			
Finance and administrative	21,171	204,700	183,529			
Other general government				221,207	222,000	793
Public safety	87,040	81,001	6,039	31,400	41,010	9,610
Public works				3,800,000	3,707,000	(93,000)
Health and welfare	1,000	1,000		20,000	91,237	71,237
Culture and recreation	53,000	53,000				
Economic development and activities	63,000	61,000	2,000	3,000	3,400	400
Debt service				30,000	235,000	205,000
Capital outlay				200,000	235,000	35,000
Total expenditures	322,000	305,170	16,830	3,450,000	3,278,000	(172,000)
(Continued)						

FRANKLIN PARISH POLICE JURY
 Winthropy, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL
 AND SPECIAL REVENUE FUNDS
 (Including Criminal Court Special Revenue Fund)
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances - Budget
 (Task) (Actual and Actual, 1998)

	---GENERAL FUNDS---			---SPECIAL REVENUE FUNDS---		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>150,000</u>	<u>142,000</u>	<u>8,000</u>	<u>150,000</u>	<u>149,300</u>	<u>700</u>
OTHER FINANCING SOURCES (Used)						
Sale of fixed assets				80,000	81,125	1,125
Proceeds from bank loans						
Compensation from loss of assets	8,125	8,125				
Operating transfers in				2,681,764	2,681,689	(775)
Operating transfers out				(2,681,764)	(2,681,689)	775
Total other financing sources (used)	<u>8,125</u>	<u>8,125</u>	<u>0</u>	<u>80,000</u>	<u>81,125</u>	<u>1,125</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(23,000)</u>	<u>19,875</u>	<u>42,875</u>	<u>(70,000)</u>	<u>88,175</u>	<u>158,175</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>475</u>	<u>7,715</u>	<u>7,240</u>	<u>1,531,515</u>	<u>1,680,411</u>	<u>148,896</u>
FUND BALANCES AT END OF YEAR	<u>121,975</u>	<u>27,590</u>	<u>94,385</u>	<u>1,461,515</u>	<u>1,768,586</u>	<u>306,971</u>

(Continued)

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH POLICE JURY
Winthoven, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Franklin Parish Police Jury is the governing authority for Franklin Parish and is a political subdivision of the State of Louisiana. The police jury is governed by seven jurors representing the various districts within the parish. The jurors serve four-year terms which expire in December, 1999.

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

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

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Franklin Parish Police Jury is the financial reporting entity for Franklin Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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.

Governmental Accounting Standards Board (GASB) Statement No. 14 (Codification Section 2100.100-140) establishes criteria for determining which component units should be considered part of the Franklin Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

FRANKLIN PARISH POLICE JURY
 Winniford, Louisiana
 Notes to the Financial Statements (Continued)

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

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

	Fiscal Year End	Criteria Used
Franklin Parish:		
Library	December 31	1 & 3
Tourism Commission	December 31	1 & 3
Assessor	December 31	1 & 3
Clerk of Court	June 30	1 & 3
Sheriff	June 30	1 & 3
Communications District	December 31	1 & 3
Hospital Service District No. 1	December 31	1 & 3
Sewerage District No. 1	June 30	1 & 3
Sewerage District No. 2	December 31	1 & 3
Fire District No. 1	June 30	1 & 3
Fire District No. 2	June 30	1 & 3
With Judicial District Criminal Court	December 31	3
Creswell Fire District	June 30	1 & 3
South Franklin Recreation District	December 31	1 & 3

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as

FRANKLIN PARISH POLICE JURY

Winnifree, Louisiana

Notes to the Financial Statements (Continued)

discussed in the following paragraph, are included in the accompanying primary government financial statements.

These primary government (police jury) financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. Organizations for which the police jury maintains the accounting records include the Fifth Judicial District Criminal Court, Five District No. 2, Five District No. 3, and the Franklin Parish Tourism Commission.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

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

B. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

FRANKLIN PARISH POLICE JURY

Winniford, Louisiana

Notes to the Financial Statements (Continued)

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The police jury's current operations require the use of governmental and fiduciary funds. The governmental fund types used by the police jury are described as follows:

Governmental Funds:

General Fund

The General Fund is the general operating fund of the police jury. It accounts for all activities except those required to be accounted for in the special revenue funds.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources such as ad valorem taxes, sales taxes and federal grants. These revenues are legally restricted, either by tax proposition or grant agreement, to expenditures for specified purposes such as road and bridge maintenance and construction, drainage maintenance, solid waste collection and disposal, operation of the criminal court, and operation of the parish health unit.

Capital Projects Fund

The capital projects fund account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

C. GENERAL FIXED ASSETS AND LONG-TERM LIABILITIES

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures (capital outlay) in governmental funds and the related assets are reported in the general fixed assets

FRANKLIN PARISH POLICE JURY
Winnemouss, Louisiana
Notes to the Financial Statements (Continued)

account group. All purchased fixed assets are valued at cost when historical records are available and at estimated cost when no historical records are available. Approximately 91 per cent of general fixed assets are valued at actual cost, while the remaining 9 per cent are based on estimated cost. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not capitalized but are only recognized as a normal current expenditure of the governmental funds. Public domains or infrastructure general fixed assets consisting of roads, bridges and drainage systems are not capitalized, as these assets are inseparable and of value only to the police jury. No depreciation is recognized on general fixed assets.

Long-term debt, such as capital leases, are recognized as a liability of a governmental fund only when due. For other long-term obligations, such as compensated absences, only that portion expected to be financed from expendable available financial resources is reported as a liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term obligations account group.

15. BASIS OF ACCOUNTING

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

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The police jury uses the following practices in recognizing and reporting revenues and expenditures:

FRANKLIN PARISH POLICE JURY
Winnberg, Louisiana
Notes to the Financial Statements (Continued)

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1969 requires that the taxes will be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Federal and state grants are recorded when the police jury is entitled to the funds.

Sales taxes are recognized in the month received by the police jury's collection agent, the Franklin Parish School Board.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when they become available to the police jury.

Based on the above criteria, ad valorem taxes, state revenue sharing, sales taxes, and federal and state grants are treated as receivable to account.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations, which are recognized when due, and compensated absences, which are recognized when paid.

Other Financing Sources (Uses)

Transfers between funds which are not expected to be repaid, proceeds from insurance, and sales of fixed assets are accounted for as

FRANKLIN PARISH POLICE JURY
Winniford, Louisiana
Notes to the Financial Statements (Continued)

other financing sources (uses) and are recognized when the underlying events occur.

B. BUDGET PRACTICES

The police jury adopts annual budgets on the General Fund and all special revenue funds except the Criminal Court Special Revenue Fund, which is exempt from the budget requirements of the Louisiana Local Government Budget Act. The proposed budgets are prepared by the treasurer and the finance committee of the police jury during October of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are advertised in the official journal. Prior to its regular December meeting, the police jury holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the police jury's regular December meeting, and notice is published in the official journal.

Budget comparisons are prepared by the treasurer and are presented to the jury on a monthly basis. The treasurer presents necessary budget amendments to the jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. The jury, during a regular meeting, reviews the proposed amendments, makes changes as they feel necessary, and formally adopts the amendments. The adoption of amendments is included in police jury minutes published in the official journal.

The police jury exercises budgetary control at the fractional level. Within fractions, the treasurer has the authority to make amendments, as necessary. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended.

For the year ended December 31, 1998, cash basis budgets were adopted for the General Fund and all special revenue funds, except the Criminal Court Fund. The Criminal Court Special Revenue Fund is exempt from the requirements of the Local Government Budget Act.

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following schedule reconciles the excess of revenues and other resources over expenditures and other uses as shown on the budget comparison Statement C (budget basis) to the same amounts shown on Statement B (GAAP basis):

FRANKLIN PARISH POLICE JURY
 Winnifree, Louisiana
 Notes to the Financial Statements (Continued)

	General Fund	Special Revenue Funds
Excess (deficiency) of revenues and other source over expenditures and other uses (budget basis)	(54,887)	\$194,333
Adjustments:		
Receivables	(30,435)	(327,348)
Payables	(2,612)	(94,313)
Interest receivable	1,889	
Bank loan payable		(10,909)
Deferred revenues		(2,463)
Capital asset fund - not budgeted		11,873
Other	22,444	3,494
Excess (deficiency) of revenues and other source over expenditures and other uses (GAAP basis)	<u>\$6,379</u>	<u>(\$36,153)</u>

The following schedule reconciles actual ending fund balances as shown on Statement C with cash on Statement A:

	General Fund	Special Revenue Funds
Fund balances at end of year - Statement C	\$2,846	\$1,784,784
Adjustments:		
Payroll account	1,079	
Funds not budgeted		19,914
Cash and cash equivalents - Statement A	<u>\$4,725</u>	<u>\$1,804,722</u>

F. CASE

Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 1998, the police jury has cash (book balances) totaling \$1,809,463.

FRANKLIN PARISH POLICE JURY
Winniford, Louisiana
Notes to the Financial Statements (Continued)

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 the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 1998, are secured as follows:

Bank Balances	<u>\$1,680,442</u>
Federal deposit insurance	\$100,000
Pledged securities (unencumbered)	<u>7,809,852</u>
Total	<u>\$3,109,882</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the police jury, they are considered unencumbered (Category 2) under the provisions of GASB Codification 220.108; however, Louisiana Revised Statute 38:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LRS 38:1224 states that securities held by a third party shall be deemed to be held in the police jury's name.

6. ANNUAL AND SICK LEAVE

After one year of service, employees of the police jury are granted from 5 to 15 days of annual leave each year, depending upon length of service. Upon resignation or retirement an employee will be compensated for annual leave accumulated to the date of separation, not to exceed 90 days. Any days over 90 will be credited to their retirement. Employees are granted one day of sick leave for each month of continuous employment and can accumulate up to 90 days sick leave. Employees are not compensated for accumulated sick leave upon separation of service.

Criminal court employees earn from 5 to 10 days of annual leave each year. Sick leave is granted to employees on an as needed basis. Neither annual leave nor sick leave may be accumulated. Employees are not paid for unused annual and sick leave upon separation of service.

FRANKLIN PARISH POLICE JURY

Winniford, Louisiana

Notes to the Financial Statements (Continued)

The Franklin Parish Tourist Commission has no employees and, therefore, no annual and sick leave policies.

At December 31, 1998, employees of the police jury had accumulated and vested \$40,117 of employee leave benefits, computed in accordance with GASB Codification CSO. The liability is recorded within the general long-term obligations account group.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as a current year expenditure within the various funds when leave is actually taken or when employees are paid for accrued annual leave upon resignation or retirement, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

II. SALES TAXES

On September 28, 1984, voters of the parish approved a one-half of one per cent sales and use tax which is dedicated for the purpose of solid waste collection and disposal. The tax was for a five-year period which expired on October 1, 1989. The tax was renewed on April 1, 1989 for a period of five years beginning October 1, 1989, and ending October 1, 1994. On April 1, 1993 the tax was renewed for a period of five years beginning October 1, 1994 and ending October 1, 1999. On April 1, 1993, voters of the parish approved a one per cent sales and use tax which is dedicated for the construction, operation, and maintenance of roads and bridges within the parish. The tax is for a period of ten years beginning July 1, 1993, and ending July 1, 2003. The police jury entered into an agreement with the Franklin Parish School Board whereby the school board provides collection services for a pro rata fee of the total based on taxes collected by the school board.

On March 5, 1985, as provided by Louisiana Revised Statute 23:4574, the police jury levied a two per cent tax on the occupancy of all hotel/motel rooms in the parish. Proceeds of the tax are used by the Franklin Parish Tourist Commission for the purpose of promoting tourism in the parish. The Franklin Parish School Board collects and remits the taxes, net of collection costs, to the police jury.

1. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are explained Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data is

FRANKLIN PARISH POLICE JURY

Winnifree, Louisiana

Notes to the Financial Statements (Continued)

these columns do not present financial position or results of operations 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.

1. RISK MANAGEMENT

The police jury is exposed to various risk of loss related to theft, theft of, damage to, and destruction of assets; liability; and injuries to employees and others. To handle such risk of loss, the police jury maintains commercial insurance policies covering automobile liability and medical payments; general liability; and surety bond coverage on the necessary treasurer and other employees handling money. The police jury maintains an reserve fund for unemployment claims that requires a minimum balance of \$40,000. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
General:			
Outside municipalities	3.29	3.29	Indefinite
Inside municipalities	1.64	1.64	Indefinite
Equipment	8.00	8.00	2002
Health Unit	3.87	3.16	2000
Drainage maintenance	11.00	11.00	2002
Road equipment and salary adjustment	4.34	4.34	1998
Courthouse maintenance	4.00	4.00	2002
Fire district 2	10.00	10.00	2000
Fire district 3	10.00	10.00	2007

The difference between authorized and levied millages is the result of reassessments of taxable property required by Article 7, Section 18 of the Louisiana Constitution of 1974.

FRANKLIN PARISH POLICE JURY
 Winnsboro, Louisiana
 Notes to the Financial Statements (Continued)

The following are the principal taxpayers for the parish and their 1998 assessed valuation:

	1998 Assessed Valuation	Per cent of Total Assessed Valuation
Energy Louisiana, Inc.	\$2,655	3.32%
Bellsouth Telecommunications	1,724	2.18%
AME Pipeline Company	1,287	2.08%
Winnsboro State Bank	1,261	2.04%
Tennessee Gas Pipeline Company	1,108	1.78%
Columbia Gulf Transmission Company	1,101	1.78%
Franklin State Bank	1,065	1.72%
Wal-mart Stores, East #8976	1,059	1.65%
Northeast Louisiana Power COOP	991	1.45%
Wal-mart Stores, Inc. #8976	<u>785</u>	<u>1.22%</u>
Total	<u>\$12,369</u>	<u>19.88%</u>

3. RECEIVABLES

The following is a summary of receivables at December 31, 1998:

	General Fund	Special Revenue Funds	CDBG Capital Projects Fund	Total
Taxes:				
Ad valorem	\$95,866	\$1,174,731		\$1,270,597
Sales		223,793		223,793
Grants:				
Federal	4,788		\$65,369	70,157
State	27,946	117,649		145,595
Other	<u>14,946</u>	<u>34,521</u>		<u>49,467</u>
Total	<u>\$144,546</u>	<u>\$1,350,004</u>	<u>\$65,369</u>	<u>\$1,760,009</u>

FRANKLIN PARISH POLICE JURY

Warrington, Louisiana

Notes to the Financial Statements (Continued)

4. CHANGES IN GENERAL FIXED ASSETS

The following presents changes in general fixed assets for the year ended December 31, 1998:

	Balance at January 1,	Additions	Deletions	Balance at December 31,
Land	\$275,148			\$275,148
Buildings	3,572,585			3,572,585
Improvements other than buildings	1,224,226		(520,471)	1,193,755
Equipment	1,856,143	\$225,464	(489,890)	1,772,576
Construction in progress	610,351	585,826	(276,139)	919,138
Total	\$7,638,432	\$739,390	(\$1,375,640)	\$7,402,182

General fixed assets as of January 1, 1998 have been restated to reflect changes. The police jury reestablished its inventory listing of fixed assets based on actual physical count, removing those items which had been junked in previous years and not removed from the listing and adding items which had been purchased in previous years and not added to the list.

A. PENSION PLAN

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

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1990, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental plan only service earned before January 1, 1990, plus 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 36 consecutive or joined months that produce the highest average. Employees who contribute with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the

FRANKLIN PARISH POLICE JURY

Winnifree, Louisiana

Notes to the Financial Statements (Continued)

benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1363.

Under Plan A, members are required by state statute to contribute 9.50 per cent of their annual covered salary and the Franklin Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 3.00 per cent of annual covered payroll. Contributions to the system also include one-fourth of one per cent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Franklin Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:185, the employee contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Franklin Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 1998, 1997, and 1996, were \$59,508, \$58,823, and \$50,554, respectively, equal to the required contributions for each year.

6. POST-RETIREMENT BENEFITS

The police jury provides surviving spouse benefits to the wife of a retired judge. The cost of providing these benefits is \$616 annually. Additionally, the police jury has made available certain continuing health care and life insurance benefits provided through an insurance company to all employees that reach normal retirement age. Retirees participating in the program are required to pay 100 per cent of the monthly premium.

7. LEASES

The police jury records items under capital leases as an asset and an obligation in the accompanying financial statements. Capital leases at December 31, 1998, are comprised of the following:

Drainage Maintenance and Parish Equipment Special Revenue Funds - Lease purchase agreement for the purchase of a Caterpillar D5H LGP tractor, entered into on March 27, 1998, due in 36 monthly installments of \$3,310 through March, 1999, with an interest rate of 5.3 per cent per annum.

FRANKLIN PARISH POLICE JURY
 Winnemore, Louisiana
 Notes to the Financial Statements (Continued)

The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments, as of December 31, 1998:

Year	Payments
1999	<u>\$9,931</u>
Total minimum lease payments	9,931
Less - amount representing interest	<u>(909)</u>
Present value of net minimum lease payments	<u>\$9,021</u>

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended December 31, 1998:

	<u>Certificate of Indebtedness</u>	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations				
At January 1, 1998	\$80,000	\$53,286	\$23,479	\$156,765
Additions			35,800	35,800
Deductions	(50,000)	(43,445)	(15,957)	(109,402)
Adjustments ¹			(8,615)	(8,615)
Long-term obligations				
At December 31, 1998	<u>None</u>	<u>\$9,841</u>	<u>\$40,717</u>	<u>\$50,558</u>

¹ As discussed in note 1G, upon separation from employment, employees are paid for accumulated leave at their current rate of pay. The adjustment is for the purpose of adjusting amounts for annual leave resulting from the differences between beginning and ending rates of pay and to reflect the maximum accumulation of ninety days.

9. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish General Fund. The following details the amount due at December 31, 1998:

Balance due at January 1, 1998	\$11,412
Amount due for 1998	13,902
Received during 1998	<u>(11,412)</u>
Balance due at December 31, 1998	<u>\$13,902</u>

FRANKLIN PARISH POLICE JURY
Winnifree, Louisiana
Notes to the Financial Statements (Continued)

10. LITIGATION AND CLAIMS

At December 31, 1998, the police jury is involved in several lawsuits. Although the total amount of potential liability cannot be determined at this time, any damages awarded would be covered under the police jury's insurance. In the event there is an unfavorable outcome, the police jury's maximum loss would be limited to the insurance deductible amount of \$25,000. No provision for the potential liability has been made in the accompanying financial statements.

11. YEAR 2000 ISSUE (Unaudited)

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999. The Franklin Parish Police Jury has completed an inventory of computer systems that may be affected by the year 2000 issue and that are critical to conducting operations of the police jury's office. The police jury has identified the following systems requiring year 2000 remediation: a financial reporting system and a emergency 911 system. All testing and validation of these systems have been completed.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the police jury is or will be Year 2000 ready, that the police jury's remediation efforts will be successful in whole or part, or that parties with whom the police jury does business will be year 2000 ready.

SUPPLEMENTAL INFORMATION SCHEDULES

FRANKLIN PARISH POLICE JURY
Winniford, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended December 31, 1998

SPECIAL REVENUE FUNDS

MAINTENANCE FUNDS

Road and Bridge Maintenance Fund

The Road and Bridge Maintenance Fund accounts for maintenance of parish highways, streets, and bridges. Financing is provided by a one cent sales tax paid on purchases made in Franklin Parish and the state parish transportation fund.

Drainage Maintenance Fund

The Drainage Maintenance Fund accounts for maintenance of storm drainage systems and watered programs in the parish. Financing is provided by ad valorem taxes.

Courthouse Maintenance Fund

The Courthouse Maintenance Fund accounts for maintenance of the courthouse building, equipment, and grounds. Financing is provided by a parishwide ad valorem tax and state revenue sharing funds.

Health Unit Maintenance Fund

The Health Unit Maintenance Fund accounts for maintenance of the parish health unit and the local share of the health unit operation. Financing is provided by ad valorem taxes and state revenue sharing funds.

Equipment Maintenance Fund

The Equipment Maintenance Fund accounts for acquisition and maintenance of police jury equipment. Financing is provided by a parishwide ad valorem tax.

SECTION 8 HOUSING FUND

The Section 8 Housing Fund provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families as soon they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution towards the rent. Assisted families are required to contribute up to 30 per cent of their adjusted family income towards rent. Funding is provided through the United States Department of Housing and Urban Development.

ROAD EQUIPMENT AND SALARY ADJUSTMENT FUND

The Road Equipment and Salary Adjustment Fund accounts for purchases of equipment and annual compensation of employees of the parish. Financing is provided by all valuation taxes, and state income sharing funds.

WITNESS FEE FUND

The Witness Fee Fund was established to pay off-duty law enforcement officers. Financing is provided by fines paid by defendants who are found guilty.

CRIMINAL COURT FUND

The Criminal Court Fund accounts for all criminal court expenses. Financing is provided by criminal costs and fees.

SALES TAX FUND

The Sales Tax Fund accounts for the payments made for the garbage pick-up in Franklin Parish. Financing is provided by a one-half cent sales tax paid on purchases made in Franklin Parish.

TOURIST COMMISSION FUND

The Tourist Commission Fund accounts for the promotion of tourism within Franklin Parish. Financing is provided by a two per cent hotel/motel sales tax.

UNEMPLOYMENT ESCROW

The Unemployment Escrow Fund accounts for the jury's self-insurance program. Funds are provided by transfers from other funds.

FIRE DISTRICT NO. 2

The Fire District Fund No. 2 accounts for operations of the fire district. Financing is provided by all various taxes.

FIRE DISTRICT NO. 3

The Fire District Fund No. 3 accounts for operations of the fire district. Financing is provided by all various taxes.

JTPA FUND

The Job Training Partnership Act Fund (JTPA) accounts for federally funded job assistance programs designed to develop job skills for economically disadvantaged parishes of Richland, Franklin, Terrest, Madison, East Carroll, Caldwell, and Jackson. Funding is provided by the United States Department of Labor through the Louisiana Department of Labor. Funds are subsequently transferred to the administrative entity (subrecipient) for actual operation of the program.

PEASONS-POLICE POLICE BURY
 Washington, Louisiana
 SPECIAL RESERVE FUND

Combining Balance Sheet, December 31, 2008

	BOND ISSUES	REDAEMED BOND AMOUNTS	STOCKS	CURRENT ASSETS	SALES TAX	TOTAL	CONTRACT LIABILITIES	NET CONTRACT ASSETS	TOTAL
ASSETS									
Cash and cash equivalents	\$1,198,371	\$0,000	\$71,420	\$4,898	\$85,118	\$94,711	\$44,986	\$14,566	\$1,264,758
Receivables	1,224,861	175,611	385	18,428	75,478	4,654	25,552	17,023	1,489,084
TOTAL ASSETS	\$2,423,232	\$175,611	\$71,805	\$23,326	\$160,596	\$99,365	\$70,538	\$31,589	\$2,504,822
LIABILITIES AND FUND EQUITY									
Liabilities	\$188,596	\$1,000	\$11,441	\$3,428	\$123,098		\$229	\$2,177	\$195,467
Accounts payable									\$8,000
Bank loan payable				12,562					12,562
Due to other funds									5,438
Due to other agencies	3,428								
Unbonded amounts	3,460								3,460
Total Liabilities	6,904	11,441	5,062	13,122	123,098	5,062	229	2,177	11,059
Fund Equity - fund balance - unreserved - undesignated	3,128,793	5,055	31,766	\$2,661	13,562	44,662	44,327	2,413	14,111
TOTAL LIABILITIES AND FUND EQUITY	\$3,317,589	\$16,496	\$37,227	\$15,813	\$136,660	\$49,724	\$44,556	\$16,592	\$1,719,872

**EXCESS DEFICIT OF
REVENUES OVER
EXPENDITURES**

201,961, 2005L, 34,022, 3,338, 11,871, 1,285, 24,071, 1,414, 2,628, 24,711, 2005L, 209,101

OTHER FINANCING

SOURCES (Use)

Sale of fixed assets

Proceeds from insurance

Operating transfers in

Depositing insurance net

Total other financing

sources (use)

81,125
21,790
61,865
(82,882)

81,125
21,790
61,865
(82,882)

**EXCESS DEFICIT OF
REVENUES AND OTHER
SOURCES OVER
EXPENDITURES AND
OTHER USES**

(78,668) 2006L 34,070 3,338 11,871 1,282 24,679 1,414 2,628 24,711 2005L 209,100

**FUND BALANCES BY
BEGINNING OF YEAR**

FUND BALANCES

AT END OF YEAR

2,531,451, 2006L, 282,238, 14,331, 1,422, 68,281, 2,498, 23,113, 40,882, 2005L, 2,687,432,
21,09,201, 2006L, 217,228, 117,811, 111,282, 204,161, 181,332, 18,477, 41,381, 14,471, 2005L, 218,172,21

FRANKLIN PARISH POLICE JURY
 Winnburg, Louisiana
 SPECIAL REVENUE - MAINTENANCE FUNDS

Combining Balance Sheet, December 31, 1998

	<u>ROAD AND</u>	<u>SEWERAGE</u>	<u>CONSTRUCTION</u>	<u>WATER</u>	<u>MAINTENANCE</u>	<u>TOTAL</u>
ASSETS						
Cash and cash equivalents	\$594,732	\$97,197	\$136,975	\$198,998	\$112,534	\$1,140,536
Receivables	<u>149,522</u>	<u>402,682</u>	<u>861,112</u>	<u>127,223</u>	<u>334,389</u>	<u>2,325,962</u>
TOTAL ASSETS	<u>\$744,254</u>	<u>\$549,879</u>	<u>\$2,008,087</u>	<u>\$326,221</u>	<u>\$446,923</u>	<u>\$3,275,374</u>
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable	\$98,534	\$18,434	\$11,615	\$7,431	\$29,788	\$165,996
Fund Equity - Fund balance - unreserved - undesignated	<u>605,916</u>	<u>531,445</u>	<u>206,472</u>	<u>318,790</u>	<u>417,135</u>	<u>2,159,382</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$704,450</u>	<u>\$549,879</u>	<u>\$208,087</u>	<u>\$326,221</u>	<u>\$446,923</u>	<u>\$2,325,374</u>

FRANKLIN PARISH POLICE JURY
 Woodson, Louisiana
SPECIAL REVENUE - MAINTENANCE FUNDS

Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 1998

	ROAD AND BRIDGE	SEWERAGE	CONCRETEWORK	HEALTH CARE	EQUIPMENT	TOTAL
REVENUES						
Taxes:						
Ad valorem		\$437,008	\$189,076	\$129,610	\$318,152	\$1,093,846
Rates and use	\$1,560,000					1,560,000
Intergovernmental revenues - state funds:						
Federal transportation funds	392,096					392,096
State revenue sharing fund		60,582	22,000	13,483	49,068	144,073
Use of money and property	27,262	8,382	9,354	8,333	9,085	62,396
Other revenues	8,384					8,384
Total revenues	<u>1,984,728</u>	<u>505,952</u>	<u>199,450</u>	<u>151,326</u>	<u>376,285</u>	<u>3,303,401</u>
EXPENDITURES						
Current:						
General government - other			299,330			299,330
Public works	2,168,468	507,114			219,478	2,995,060
Health and welfare				19,563		19,563
Police services		35,419		53,462	8,798	97,689
Capital outlay	3,921		1,005	21,182	186,948	191,956
Total expenditures	<u>2,176,390</u>	<u>542,533</u>	<u>300,335</u>	<u>84,217</u>	<u>375,288</u>	<u>3,478,763</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES						
	<u>(191,662)</u>	<u>(137,152)</u>	<u>(10,885)</u>	<u>(32,891)</u>	<u>(1,011)</u>	<u>(353,581)</u>
OTHER FINANCING SOURCES (used)						
Sale of fixed assets					81,125	81,125
Proceeds from insurance reimbursement		9,628			12,187	21,793
Operating transfers in		62,889				62,889
Operating transfers out					(62,889)	(62,889)
Total other financing sources (used)	<u>NONE</u>	<u>72,517</u>	<u>80,884</u>	<u>NONE</u>	<u>58,413</u>	<u>213,704</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES						
	<u>(191,662)</u>	<u>(17,025)</u>	<u>(10,199)</u>	<u>87,389</u>	<u>28,496</u>	<u>(113,041)</u>
FUND BALANCE AT BEGINNING OF YEAR						
	<u>313,038</u>	<u>336,461</u>	<u>276,612</u>	<u>251,692</u>	<u>378,643</u>	<u>2,556,446</u>
FUND BALANCES AT END OF YEAR						
	<u>121,376</u>	<u>319,436</u>	<u>266,413</u>	<u>339,081</u>	<u>407,141</u>	<u>2,443,843</u>

FRANKLIN PARISH POLICE JURY
Winniford, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 1998

COMPENSATION PAID POLICE JURORS

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 34 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1235, the police jury has elected the monthly payment method of compensation. Under this method, the president is entitled to receive a maximum of \$563 per month, and the other jurors \$363 per month.

FRANKLIN PARISH POLICE JURY
Winthorn, LouisianaSchedule of Compensation Paid Police Jurors
For the Year Ended December 31, 1998

Ricky Campbell	\$7,800
W.A. "Doc" Boudin	7,800
Harvey Ray Gainsborough	7,800
Jackie B. Johnson	9,600
Larry Scott	8,400
Cary C. Stevens, President	9,000
Ray Young	<u>10,000</u>
Total	<u>\$70,400</u>

**Independent Auditor's Report on Compliance with
Laws, Regulations, Contracts, and Grants,
and Internal Control**

The following independent auditor's reports on compliance with laws, regulations, contracts, and grants and internal control are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States; the U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the *Single Audit Act Amendments of 1996*, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



**Independent Auditor's Report on Compliance and
Internal Control Over Financial Reporting**

FRANKLIN PARISH POLICE JURY
Winnifree, Louisiana

I have audited the primary government financial statements of the Franklin Parish Police Jury as of and for the year ended December 31, 1988, and have issued my report thereon dated March 22, 1989. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Franklin Parish Police Jury's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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FRANKLIN PARISH POLICE JURY
Winnifree, Louisiana
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
December 31, 1998

This report is intended for the information of the members of the Franklin Parish Police Jury, management of the police jury, federal awarding agencies, and pass-through entities. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana
March 22, 1999



**Independent Auditor's Report on Compliance
With Requirements Applicable to Each Major Program
and Internal Control Over Compliance**

FRANKLIN PARISH POLICE JURY
Winthross, Louisiana

Compliance

I have audited the compliance of the Franklin Parish Police Jury 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 program for the year ended December 31, 1998. Franklin Parish Police Jury'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 Franklin Parish Police Jury's management. My responsibility is to express an opinion on the Franklin Parish Police Jury's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing 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 I 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 Franklin Parish Police Jury's compliance with those requirements and performing such other procedures as I consider necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Franklin Parish Police Jury's compliance with those requirements.

In my opinion, Franklin Parish Police Jury 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, 1998. The results of my auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

VERNON COON
MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

**OFFICE OF LOUISIANA
CHARTERED PUBLIC
ACCOUNTANTS**

**FRANKLIN COUNTY IN THE
STATE OF LOUISIANA**
ACCOUNTING, BUSINESS
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TOLL FREE 800-441-2000**

FRANKLIN PARISH POLICE JURY

Winnthorn, Louisiana

Independent Auditor's Report on Compliance

With Requirements Applicable to Each Major

Program and Internal Control Over Compliance, etc.

December 31, 1998

Internal Control Over Compliance

The management of the Franklin Parish Police Jury 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 my audit, I considered Franklin Parish Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program. In order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My 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 non-compliance 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the members of the Franklin Parish Police Jury, management of the police jury, federal awarding agencies and pass-through entities. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana

March 22, 1999

FRANKLIN PARISH POLICE JURY
Winnfield, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 1998

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Franklin Parish Police Jury.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Franklin Parish Police Jury were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award program is reported in the Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance.
5. The auditor's report on compliance for the major federal award program for the Franklin Parish Police Jury expresses an unqualified opinion.
6. No audit findings relative to the major federal award program for the Franklin Parish Police Jury are reported.
7. The Job Training Partnership Act (CFDA 17.150) was tested as a major program.
8. The threshold for distinguishing type A and B programs was \$300,000.
9. The Franklin Parish Police Jury was not determined to be a low risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No findings resulted from the financial statement audit.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL
AWARD PROGRAMS AUDIT**

None

FRANKLIN PARISH POLICE JURY
 Winniford, Louisiana
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 1998

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
United States Department of Agriculture			
Passed through Louisiana			
Department of Social Services			
Administrative costs - Food Stamps	10.591	22-125-01	8923
United States Department of Housing and Urban Development			
Direct program - Lower-Income			
Housing Assistance Program	14.196	N/A	36,715
Passed through Department of Social Services,			
Office of Community Services - HUD/Emergency			
Shelter Grants Program	14.201	N/A	5,660
Passed through Office of the Governor,			
Division of Administration - Community Development			
Block Grant (State Program) - Basin Fire District	14.228	107-700025	<u>514,012</u>
Total United States Department of Housing and Urban Development			<u>556,387</u>
United States Department of Labor			
Passed through Franklin Community Action			
Agency - Job Training Partnership Act	17.290	N/A	2,645,754
United States Department of Justice			
Direct program - Local Law Enforcement Block Grant			
	16.562	N/A	2,307
Federal Emergency Management Agency			
Passed through Louisiana Office of Emergency			
Preparedness - Emergency Management Assistance			
(Civil Defense) Program	80.534	N/A	8,599
Other Financial Assistance			
Direct program - United States Department of the Interior -			
Payment in Lieu of Taxes			
	15.000	N/A	<u>2,582</u>
Total Federal Financial Assistance			<u>\$3,216,882</u>

Footnote:

(1) The Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting.

FRANKLIN PARISH POLICE JURY
Winnfield, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 1998

97-1 Need to Comply with Local
Government Budget Act

Recommendation: The auditor recommended that in the future, the police jury adopt a budget amendment when actual revenues fail to meet budgeted revenue by five percent or more.

Status: This finding has been closed.